



新意軟件 (控股) 有限公司
Shine Software (Holdings) Limited

(於開曼群島註冊成立之有限公司)
(incorporated in the Cayman Islands with limited liability)

2004

年報
Annual Report



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

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

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

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

The Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

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

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板乃為帶有高投資風險之公司提供一個上市之市場。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。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他富有經驗之投資者。

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

創業板發佈資料之主要方法為在聯交所為創業板而設之互聯網網頁刊登。上市發行人毋須在憲報指定報章刊登付款公佈披露資料。因此，有意投資之人士應注意彼等須閱覽創業板網頁www.hkgem.com，以便取得創業板上市公司之最新資料。

香港聯合交易所有限公司對本報告的內容概不負責，對其準確性或完整性亦不發表聲明，且明確表示概不會就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告（新意軟件（控股）有限公司各董事願共同及個別對此負全責）乃遵照聯交所創業板證券上市規則的規定而提供有關新意軟件（控股）有限公司的資料。本公司各董事經作出一切合理查詢後，確認就彼等所知及所信：–(1)本報告所載資料在各重大方面均屬準確及完整，且無誤導成份；(2)並無遺漏任何事實致使本報告所載任何內容產生誤導；及(3)本報告內表達的一切意見乃經審慎周詳考慮後方作出，並以公平合理的基準和假設為依據。



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Gu Yun (Chairperson)
Qiu Yixin (Vice-chairman)
Chen Yunrong (Chief Executive Officer)
Ye Jinxing
Li Xiaoyuan
Jiang Yulai

Non-Executive Director

Chen Qun

Independent Non-Executive Directors

Choy Tak Ho
Liu Bo
Sin Ka Man

AUDIT COMMITTEE

Choy Tak Ho
Liu Bo
Sin Ka Man (Chairman of the Audit Committee)

COMPLIANCE OFFICERS & AUTHORISED REPRESENTATIVES

Gu Yun
Chu Kin Wang, Peleus

QUALIFIED ACCOUNTANT & COMPANY SECRETARY

Chu Kin Wang, Peleus

HEAD OFFICE & PRINCIPAL PLACE OF BUSINESS

Room 2802
China Resources Building
26 Harbour Road
Wanchai, Hong Kong

REGISTERED OFFICE

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

董事會

執行董事

顧雲 (主席)
邱一心 (副主席)
陳芸榕 (行政總裁)
葉金興
李小元
江育來

非執行董事

陳群

獨立非執行董事

蔡德河
劉波
冼家敏

審核委員會

蔡德河
劉波
冼家敏 (審核委員會主席)

監察主任兼授權代表

顧雲
朱健宏

合資格會計師兼公司秘書

朱健宏

總辦事處兼主要營業地點

香港灣仔
港灣道26號
華潤大廈
2802室

註冊辦事處

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

Corporate Information

公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
Cayman Islands

主要股份過戶登記處

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tengis Limited
Ground Floor
Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

香港股份過戶登記分處

登捷時有限公司
香港
灣仔
告士打道56號
東亞銀行港灣中心
地下

PRINCIPAL BANKERS

Bank of China
CITIC Ka Wah Bank Limited

主要往來銀行

中國銀行
中信嘉華銀行有限公司

SPONSOR

South China Capital Limited

保薦人

南華融資有限公司

LEGAL ADVISORS

As to Cayman Laws:

Conyers Dill & Pearman, Cayman

As to Hong Kong Laws:

Heller Ehrman White & McAuliffe

法律顧問

有關開曼群島法例:

Conyers Dill & Pearman, Cayman

有關香港法例:

海陸國際律師事務所

AUDITORS

CCIF CPA Limited
Certified Public Accountants

核數師

陳葉馮會計師事務所有限公司
執業會計師

STOCK CODE

8270

股份代號

8270

Corporate Profile

公司簡介

Shine Software (Holdings) Limited (the “Company”) and its subsidiaries (collectively the “Group”) conducted in business principally through its operating arm in China (the “PRC”), namely, Fujian Shine Science Company Limited and Shanghai Shine Science Company Limited. The Company was incorporated in Cayman Islands as an exempted company with limited liability in July 2002 and, through reorganization, the Company has become the ultimate holding company of the Group in July 2003. The shares of the Company was initially listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited on 12th August 2003.

The Group is principally engaged in research and development of software solutions specially targeting the financial and securities sectors in the PRC. Headquartered in Fujian, the Group has a development and servicing network covering cities including Beijing, Shanghai, Shenzhen and Fuzhou where the national stock exchanges and majority of the financial institutions’ headquarters are based. The comprehensive spectrum of the Group’s software solutions was centrally developed in our software development centres in Fuzhou and Shanghai, and implemented, customised and supported by our local servicing teams.

Through its years of corporate developments, the Group succeeds in building up its reputation and brand prestige and has experienced phenomenal growth. The Group is currently one of the predominant, preferred solution providers of securities community in the PRC, rendering hardware, peripherals and professional services in complement to its corporate software solution offerings.

新意軟件(控股)有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要透過其在中國(「中國」)經營之福建新意科技有限公司及上海新意新科技有限公司進行業務。本公司於二零零二年七月在開曼群島註冊成立為獲豁免有限公司，並透過重組於二零零三年七月成為本集團之最終控股公司。本公司股份於二零零三年八月十二日初次在香港聯合交易所有限公司創業板(「創業板」)上市。

本集團主要從事針對中國金融及證券行業的軟件解決方案研發業務。本集團之總部設於福建，而其開發及服務網絡則設於雲集國內證券交易所及大部分金融機構總部的城市，包括北京、上海、深圳以至福州等地。本集團一系列的軟件解決方案由其設於福州及上海的軟件開發中心統一開發，並由分散於各地之服務隊伍按客戶需求實施並提供相關支援服務。

經多年業務發展，本集團成功建立其卓越地位及市場品牌，且業務錄得顯著增長。現時更成為中國證券業主要解決方案供應商之一，除了提供企業軟件解決方案業務外，亦提供相關的配套硬件、週邊器材以及專業服務。



Corporate Profile

公司簡介

The Group's products have received high recognition especially in the domestic securities community. Currently, all of the clearing participants of the PRC securities market, including participants like China Securities Depository & Clearing Corporation, clearing banks and all operating securities companies in the PRC, are using the Group's securities primary clearing products. Further, the Group's securities secondary clearing product is enjoying a prevailing market share exceeding 81% in the PRC.

Besides its strong competitive advantage in the business domain, the Group is backed up with a seasoned management team with extensive experiences in domestic securities and financial practises and a strong and innovative team of research and development professionals including veteran with high calibre expertise in software, hardware and network technology.

Leveraging on its expertise and defined strategies to deliver cost-effective corporate solution to market participants, the Group is also expanding its product line to cover other back-office solutions to serve the diversified needs of the domestic securities, investment trust and wealth management communities. As our corporate mission, the Group will work to enhance its position to be the best solution provider for the financial and securities sectors in China.

本集團之產品在國內證券業享負盛名。現時，中國證券市場之結算系統參與者，包括中國證券登記結算有限責任公司、中國結算銀行及所有證券公司均採用本集團之證券一級結算產品。此外，本集團之證券二級結算產品現時亦穩佔中國市場份額逾81%。

除在業務範疇內深具競爭優勢外，本集團並僱有一隊熟悉國內證券及金融業務的管理人員，以及一支實力雄厚兼具創意的專業研發隊伍，其中涵蓋軟件、硬件及網絡技術領域的專才。

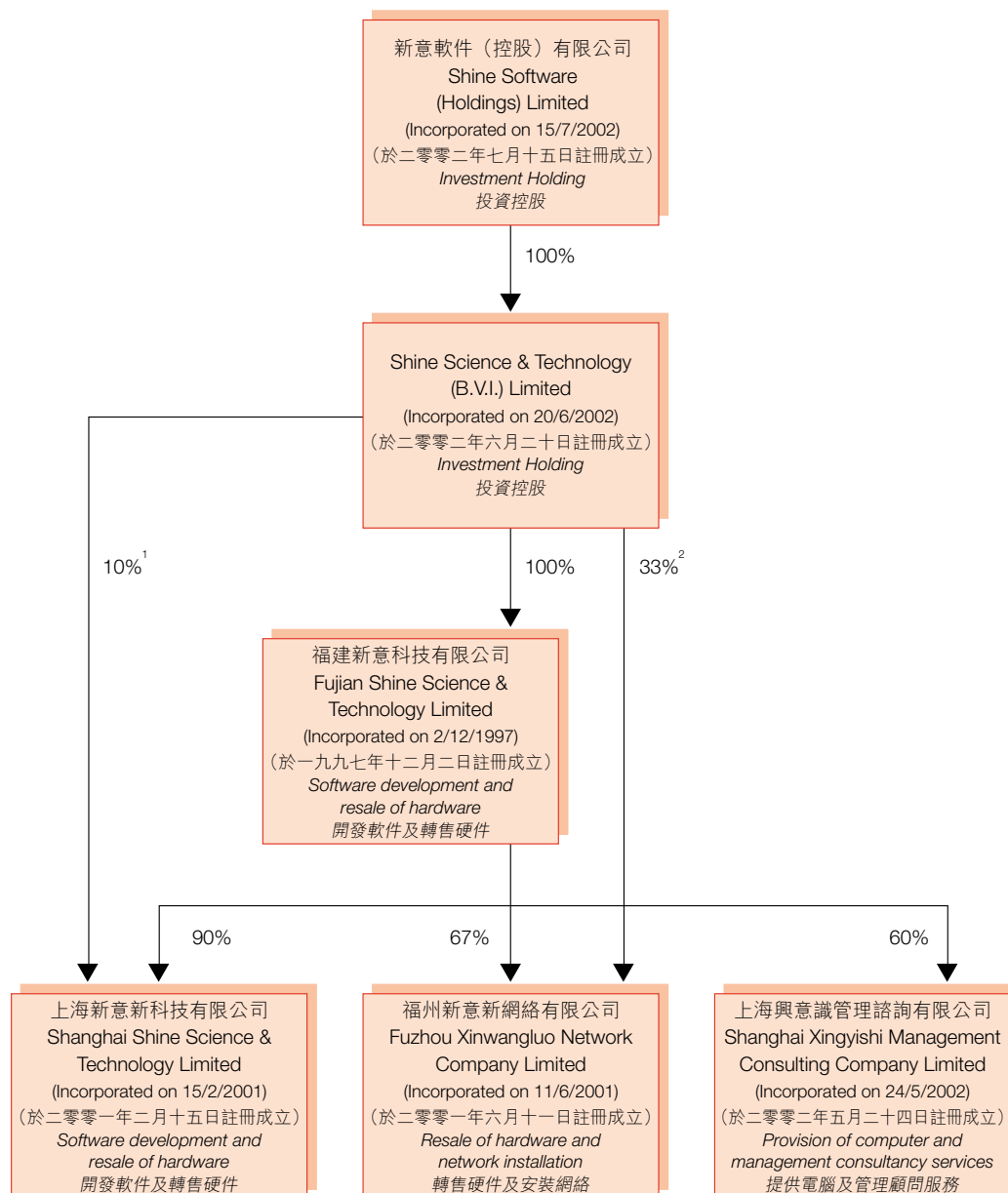
本集團憑藉其於金融軟件領域的專業知識及矢志為市場參與者提供具成本效益之企業解決方案的明確策略，將其產品系列拓展至覆蓋其他後台解決方案等範疇，以滿足國內證券業、投資信託及財富管理等金融領域的多元化需求。作為本集團的企業目標，本集團將致力提升其成為國內金融及證券行業的最佳解決方案供應商。

Corporate Profile

公司簡介

CORPORATE STRUCTURE

企業架構



Note1: The 10% equity interest is held by Ms. Gu Yun, a Director, on behalf of Shine Science & Technology (B.V.I.) Limited.

附註1: 該10%股本權益乃由董事顧雲女士代表 Shine Science & Technology (B.V.I.) Limited 持有。

Note2: During the year, the Group, through Shine Science & Technology (B.V.I.) Limited, further acquired 33% equity interest of Fuzhou Xinwangluo Network Company Limited from the minority shareholders. Upon completion of the transaction, the Group wholly owned this subsidiary. The 33% equity interest is held by Ms. Gu Yun, a Director, on behalf of Shine Science & Technology (B.V.I.) Limited.

附註2: 年內, 本集團透過 Shine Science & Technology (B.V.I.) Limited 進一步向少數權益股東收購福州新意新網絡有限公司之33%股本權益。交易完成後, 本集團全資擁有此附屬公司。該33%股本權益由董事顧雲女士代表 Shine Science & Technology (B.V.I.) Limited 持有。

Notice of Annual General Meeting

股東週年大會通告

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Shine Software (Holdings) Limited (the "Company") will be held at Shanghai Room II, 3/F, South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong on Monday, 25th April 2005 at 2:00 p.m. for the following purposes:

As Ordinary Business:

1. To receive and adopt the audited financial statements together with the reports of the directors and the auditors for the year ended 31st December 2004.
2. To re-elect the retiring Directors and to authorise the Board of Directors to fix the Directors' remuneration for the ensuing year.
3. To re-appoint the retiring auditors and to authorise the Board of Directors to fix their remuneration.

As Special Business:

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

"THAT:

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

茲通告新意軟件(控股)有限公司(「本公司」)謹訂於二零零五年四月二十五日星期一下午二時正假座香港灣仔摩理臣山道23號南洋酒店3樓上海廳II舉行股東週年大會，商議下列事項：

普通事項：

1. 省覽及採納截至二零零四年十二月三十一日止年度之經審核財務報表及董事會與核數師報告。
2. 重選退任之董事，並授權董事會釐訂來年之董事酬金。
3. 續聘退任核數師，並授權董事會釐訂其之酬金。

特別事項：

4. 考慮並酌情通過(不論有否修訂)下列決議案為一項普通決議案：

「動議：

- (a) 在本決議案(b)段所載之規限下，一般性及無條件批准本公司董事於有關期間(定義見下文)內按照所有適用法例及香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)證券上市規則或任何其他證券交易所不時修訂之規定，行使本公司所有權力，於聯交所創業板或本公司之證券可能上市並經香港證券及期貨事務監察委員會與聯交所認可作此用途之任何其他證券交易所，購回本公司股本中之股份；

Notice of Annual General Meeting

股東週年大會通告

- | | |
|---|---|
| <p>(b) the aggregate nominal amount of the shares of the Company which the Directors of the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and</p> | <p>(b) 本公司董事根據本決議案(a)段之批准獲授權購回之本公司股份總面值，不得超過於本決議案獲通過當日本公司已發行股本總面值10%；而上述批准亦須受此數額限制；及</p> |
| <p>(c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:</p> | <p>(c) 就本決議案而言，「有關期間」乃指由本決議案獲通過時起至下列最早一項之期間：</p> |
| <p>(i) the conclusion of the next annual general meeting of the Company;</p> | <p>(i) 本公司下屆股東週年大會結束時；</p> |
| <p>(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; or</p> | <p>(ii) 按本公司之公司組織章程細則或任何適用法例規定本公司須召開下屆股東週年大會之期限屆滿時；或</p> |
| <p>(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”</p> | <p>(iii) 本公司股東於股東大會通過普通決議案撤回或修訂本決議案所賦予之授權時。」</p> |
| <p>5. To consider and, if thought fit, to pass, with or without amendments, the following resolution as an Ordinary Resolution:</p> | <p>5. 考慮並酌情通過（不論有否修訂）下列決議案為一項普通決議案：</p> |
| <p>“THAT:</p> | <p>「動議：</p> |
| <p>(a) subject to paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or options, warrants, or similar right to subscribe for any shares or convertible securities of the Company and to make or grant offers,</p> | <p>(a) 在本決議案(c)段所載之規限下，一般性及無條件批准本公司董事於有關期間（定義見下文）內，行使本公司所有權力，以配發、發行及處理本公司股本中之額外股份、或可轉換為該等股份之證券、或可認購任何股份或可換股證券之認購權、認股權證或同類之權利，並可作出或授予需要或可能</p> |

Notice of Annual General Meeting

股東週年大會通告

agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and /or any eligible persons thereunder of shares or rights to acquire shares in the capital of the Company; (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; or (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

需要行使該等權力之售股建議、協議及認購權（包括可轉換為本公司股份之債券、認股權證及債權證）；

(b) 根據本決議案(a)段之批准，本公司董事可獲授權於有關期間內作出或授予需要或可能需要於有關期間結束後行使該等權力方可進行之售股建議、協議及認購權（包括可轉換為本公司股份之債券、認股權證及債權證）；

(c) 本公司董事根據本決議案(a)段之批准可獲配發或同意有條件或無條件配發（不論根據認購權或其他原因配發）及發行之股本總面值，不得超過於本決議案獲通過當日本公司已發行股本總面值20%，惟不包括(i)供股（定義見下文）；(ii)根據任何當時所採納可向本公司及／或其任何附屬公司高級職員及／或僱員及／或計劃項下任何合資格人士授予或發行本公司股份或購買本公司股本中股份之權利之任何購股權計劃或類似安排而發行股份；(iii)根據本公司不時之公司組織章程細則透過以股代息發行股份；或(iv)根據本公司任何認股權證或可轉換為本公司股份之證券之條款行使認購權或兌換權而發行股份，而上述批准亦須受此數額限制；及

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(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors of the Company to the holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

(d) 就本決議案而言，

「有關期間」乃指由本決議案獲通過時起至下列最早一項之期間：

- (i) 本公司下屆股東週年大會結束時；
- (ii) 按本公司之公司組織章程細則或任何適用法例規定本公司須召開下屆股東週年大會之期限屆滿時；或
- (iii) 本公司股東於股東大會通過普通決議案撤回或修訂本決議案所賦予之授權時。

「供股」乃指本公司董事於訂定之期間內向於指定記錄日期名列本公司股東名冊之本公司股份持有人，按彼等於該日之持股比例向彼等提案配售本公司股份之建議（惟本公司董事有權就零碎股權或經考慮根據任何香港境外地區之法例或任何認可監管機構或任何證券交易所規定而適用於本公司之限制或責任作出彼等視為必須或合宜之豁免或其他安排）。

Notice of Annual General Meeting

股東週年大會通告

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

“**THAT** conditional upon the passing of Resolution Nos. 4 and 5 as set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares in the capital of the Company pursuant to Resolution No. 5 as set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 4 as set out in the notice convening this meeting, provided that such amount of shares shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board
Shine Software (Holdings) Limited
Chu Kin Wang, Peleus
Company Secretary

Hong Kong, 31st March 2005

Head Office and Principal Place of Business in Hong Kong:
 Room 2802, 28th Floor
 China Resources Building
 26 Harbour Road
 Wanchai
 Hong Kong

Registered Office:
 Century Yard, Cricket Square
 Hutchins Drive
 P.O. Box 2681 GT
 George Town
 Grand Cayman
 British West Indies

6. 考慮並酌情通過（不論有否修訂）下列決議案為一項普通決議案：

「**動議**待召開本大會之通告所載第4及5項決議案獲通過後，擴大本公司董事根據召開本大會通告所載第5項決議案獲授予可配發、發行及處理本公司股本中之額外股份之一般授權，加入相當於本公司根據召開本大會之通告所載第4項決議案授出之授權所購回本公司股本中股份之總面值之數額，惟該等股份之數額不得超過上述決議案獲通過之日本公司已發行股本總面值10%。」

承董事會命
新意軟件(控股)有限公司
 公司秘書
朱健宏

香港，二零零五年三月三十一日

總辦事處兼香港主要營業地點：
 香港
 灣仔
 港灣道26號
 華潤大廈
 28樓2802室

註冊辦事處：
 Century Yard, Cricket Square
 Hutchins Drive
 P.O. Box 2681 GT
 George Town
 Grand Cayman
 British West Indies

Notice of Annual General Meeting

股東週年大會通告

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. A proxy form of the meeting is enclosed. If the appointer is a corporation, the proxy form must be made under its common seal or under the hand of an officer or attorney duly authorized on its behalf.
3. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders by present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch registrar and transfer office in Hong Kong, Tengis Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In relation to Resolution No. 2, ten Directors will retire from office at the meeting in accordance with Article 86(3) of the Company's Articles of Association and, being eligible, will offer themselves for re-election. Details of these ten Directors were set out in the "Biographical Information of Directors and Senior Management" of the Company's Annual Report 2004.
7. Under the Articles of Association of the Company, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

(a) by the chairman of the meeting; or

附註:

1. 凡有權出席大會並於會上投票之本公司股東，均可委任一名或以上受委代表出席該大會並於表決時代其投票。受委代表毋須為本公司股東。
2. 隨附大會適用之代表委任表格。倘委任人為機構，則代表委任表格須加蓋該機構有效印鑑或經該機構負責人或獲正式授權之授權人士簽署方為有效。
3. 如有關股份為由聯名登記持有人持有，則該等聯名登記持有人當中任何一人可親身或委派受委代表就有關股份於上述大會或其任何續會投票，猶如其為唯一有權投票者；倘超過一名該等聯名持有人親身或委派受委代表出席上述大會，則上述人士當中於本公司股東名冊就有關股份排名首位人士方有權就有關股份投票。
4. 代表委任表格連同簽署表格之授權書或其他授權文件（如有），或經公證人簽署證明之授權書或其他授權文件副本，最遲須於大會或其任何續會指定舉行時間48小時前送達本公司之香港股份過戶登記處登捷時有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下，方為有效。
5. 交回代表委任表格後，股東仍可親身出席大會並於會上投票，於該情況下，有關代表委任表格將視作已撤回論。
6. 就第2項決議案而言，根據本公司之公司組織章程細則第86(3)條，十名董事將於大會告退，惟彼等符合資格並願意膺選連任。有關該十名董事之詳情載於本公司二零零四年年報「董事及高級管理層履歷資料」內。
7. 根據本公司之公司組織章程細則，在大會上提呈表決之決議案將以舉手方式表決，除非在宣佈舉手表決結果時或之前或撤回任何其他按股數投票表決之要求時，下列人士要求按股數投票表決：

(a) 該大會主席；或

Notice of Annual General Meeting

股東週年大會通告

- | | |
|---|---|
| <p>(b) by at least three shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or</p> | <p>(b) 當時有權在大會投票之最少三名親身出席之股東(或倘股東為公司,則其正式授權代表)或受委代表;或</p> |
| <p>(c) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all shareholders having the right to vote at the meeting; or</p> | <p>(c) 一名或以上親身出席之股東(或倘股東為公司,則其正式授權之代表)或受委代表,且持有不少於有權在會上投票之全體股東全部投票權十分之一;或</p> |
| <p>(d) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal not less than one-tenth of the total sum paid up on all shares conferring that right.</p> | <p>(d) 一名或以上親身出席之股東(或倘股東為公司,則其正式授權之代表)或受委代表,持有賦予權利在會上投票之本公司股份之已繳股款總額不少於所有賦予該項權利股份已繳股款十分之一。</p> |
| <p>8. An explanatory statement as required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate under Resolution No. 4 above will be sent to shareholders together with the Company's Annual Report 2004.</p> | <p>8. 根據香港聯合交易所有限公司創業板證券上市規則所規定,就上文第4項決議案項下有關建議之購回授權而刊發之說明函件,將連同本公司二零零四年年報寄予股東。</p> |
| <p>9. As at the date of this notice, the Board of the Company comprises of six executive Directors, namely Ms. Gu Yun (Chairperson), Mr. Qiu Yixin (Vice-chairman), Mr. Chen Yunrong (Chief Executive Officer), Mr. Ye Jinxing, Ms. Li Xiaoyuan and Mr. Jiang Yulai; one non-executive Director, namely Mr. Chen Qun, and three independent non-executive Directors, namely Mr. Choy Tak Ho, Mr. Liu Bo and Mr. Sin Ka Man.</p> | <p>9. 於本通告日期,本公司董事會成員包括六名執行董事顧雲女士(主席)、邱一心先生(副主席)、陳芸榕先生(行政總裁)、葉金興先生、李小元女士及江育來先生;一名非執行董事陳群先生;以及三名獨立非執行董事蔡德河先生、劉波先生及冼家敏先生。</p> |

Financial Calendar

財政年曆

Commencement of dealing in the shares on GEM 股份開始在創業板買賣日期	12th August 2003 二零零三年八月十二日
Announcement of first quarterly results 公佈第一季度業績	12th May 2004 二零零四年五月十二日
Announcement of interim results 公佈中期業績	13th August 2004 二零零四年八月十三日
Announcement of third quarterly results 公佈第三季度業績	12th November 2004 二零零四年十一月十二日
Announcement of final results 公佈全年業績	22nd March 2005 二零零五年三月二十二日
Annual General Meeting for 2005 二零零五年股東週年大會	25th April 2005 二零零五年四月二十五日

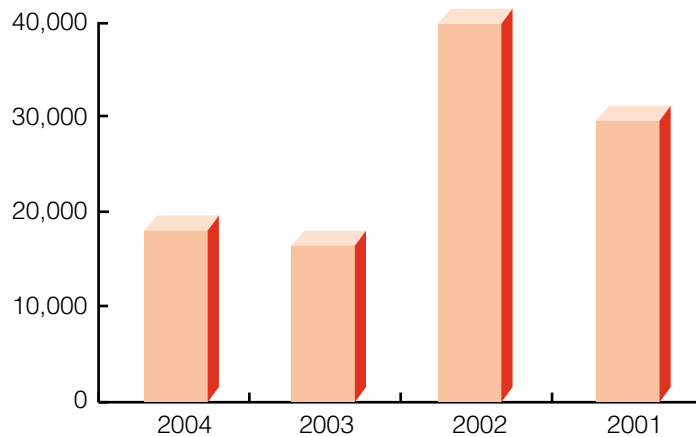
Financial Highlight

財務摘要

(Expressed in Renminbi thousand dollars)
(以人民幣千元列值)

		Year ended 31st December 截至十二月三十一日止年度			
		2004 二零零四年	2003 二零零三年	2002 二零零二年 (Restated) (重列)	2001 二零零一年 (Restated) (重列)
CONSOLIDATED RESULTS	綜合業績				
Turnover	營業額	17,985	16,287	39,904	29,507
Profit attributable to shareholders	股東應佔溢利	233	708	13,165	4,159
Dividends	股息	-	1,705	7,000	3,000
Dividends pay-out ratio	派息比率	N/A 不適用	240.8%	53.2%	72.1%

Turnover 營業額



Financial Highlight

財務摘要

(Expressed in Renminbi thousand dollars)
(以人民幣千元列值)

As at 31st December

於十二月三十一日

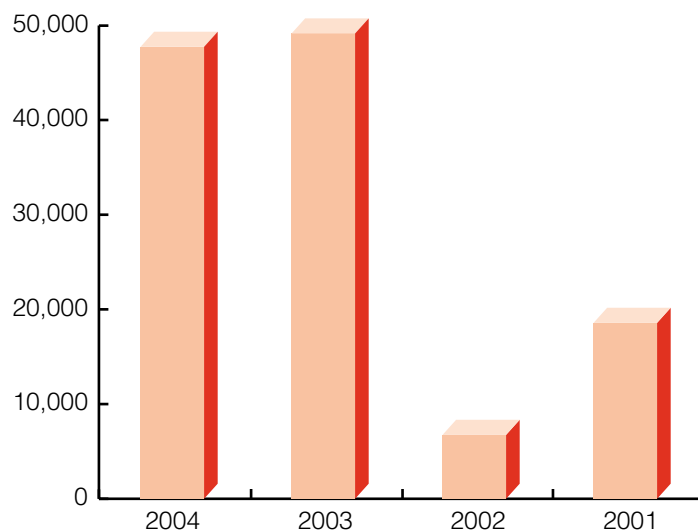
2004 二零零四年	2003 二零零三年	2002 二零零二年 (Restated) (重列)	2001 二零零一年 (Restated) (重列)
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CONSOLIDATED ASSETS
AND LIABILITIES

綜合資產及負債

Total assets	總資產	55,583	55,904	41,150	28,672
Total liabilities (Note 3)	總負債(附註3)	(7,908)	(6,424)	(32,308)	(9,542)
Minority interests	少數股東權益	(155)	(488)	(2,103)	(724)
Shareholders' funds	股東資金	47,520	48,992	6,739	18,406

Shareholders' funds 股東資金



Financial Highlight

財務摘要

(Expressed in Renminbi thousand dollars)
(以人民幣千元列值)

Notes:

1. The Company was incorporated in Cayman Islands in July 2002 as an exempted company with limited liability and became the holding Company of the Group in July 2003 as a result of the Reorganization as set out in the Company's IPO prospectus dated 4th August 2003 (the "IPO Prospectus"). Accordingly, the earliest available consolidated balance sheet prepared by the Company is for the year ended 31st December 2003.

Notwithstanding the aforesaid, the reorganization referred to note 1(a) to the financial statements has been reflected in the financial summary by treating the Company as having been the holding company of the Group for the earliest period presented above.

2. The results of the Group for the two consecutive financial years ended 31st December 2002 and the consolidated balance sheets as at 31st December 2001 and 2002 have been prepared on a combined basis as if the current group structure had been in existence throughout the years concerned and have been extracted from the Company's IPO Prospectus and as restated to the extent of taking into account the financial effects of adopting the new "Hong Kong Statement of Standard Accounting Practice 12 (Revised): Income Taxes". For details of the said change in accounting policy, please refer to note 3 to the financial statements.
3. Total liabilities as at 31st December 2002 included convertible notes with total face value of HK\$14,000,000 which was subsequently entirely converted and capitalized as Shares of the Company pursuant to the Reorganisation as set out in the Company's IPO Prospectus.

附註:

1. 本公司於二零零二年七月在開曼群島註冊成立為獲豁免有限公司，其後因重組而於二零零三年七月成為本集團之控股公司，有關詳情載於本公司日期為二零零三年八月四日之招股章程（「招股章程」）。因此，本公司最早編製綜合資產負債表之年度為截至二零零三年十二月三十一日止年度。

儘管上述者，財務報表附註1(a)所述重組透過將本公司視為已於上述最早期間成為本集團控股公司而於財務報表反映。

2. 本集團截至二零零二年十二月三十一日止連續兩個財務年度之業績及其分別於二零零一年和二零零二年十二月三十一日之綜合資產負債表，乃按合併基準並假設現有集團架構於有關年度一直存在而編製，此外，有關數字乃摘錄自本公司之招股章程，並按因採納新訂「香港會計實務準則第12號（經修訂）：所得稅項」之財務影響而調整重列。有關上述會計政策變動之詳情，請參閱財務報表附註3。
3. 上述於二零零二年十二月三十一日之總負債其中包括總面值14,000,000港元可換股票據，該款額其後已根據本公司招股章程所載之重組，全部資本化轉換為本公司股份。

Chairperson's Statement 主席報告

BUSINESS REVIEW

2004 was a challenging year and yet with opportunities for both the domestic securities market of the PRC and the Group.

In 2004, the PRC securities market was still weak while the business environment was deteriorating. The securities market experienced continuous declines in terms of trading volumes and market capitalization. As at the end of 2004, the composite indexes of the Shanghai Stock Exchange and the Shenzhen Stock Exchange tumbled by approximately 44% and 40% respectively as compared to their historical highs.

With the "Comments on Capital Market Reform and its Stable Development by the State Council「國務院關於推進資本市場改革開放和穩定發展的若干意見」 issued by the State Council of the PRC on 31st January 2004 being further put into effect, administrative takeover of three securities dealers had been implemented in 2004. Meanwhile, there was a widespread market speculation that 63 securities dealers were labeled as dealers with high-risk management, seriously putting the creditability of the dealers into question. The CSRS had also announced a number of notices to tighten its control gradually. With continuous research on and commitment to risk management of securities dealers over the years, the Group managed to make timely adjustments to our product lines. By consolidating our existing products, the Group launched a separate custody platform for customer funds, a risk-monitoring control and audit system for newly developed products and a third party custody platform. These products aimed at strengthening the internal risk management of securities dealers in compliance with the regulatory requirements of the CSRC. Those products had gotten extensive attention when launching.

業務回顧

對於中國國內證券市場以至本集團而言，二零零四年充滿挑戰，同時亦是存在機遇的一個年度。

二零零四年，中國證券市場市況仍然疲弱，經營環境惡化。證券市場交投量以至總體市值持續下降。截至二零零四年底，上海證券交易所及深圳證券交易所之綜合指數較其歷史高位分別下跌約44%及40%。

隨著中國國務院於二零零四年一月三十一日頒布「國務院關於推進資本市場改革開放和穩定發展的若干意見」的進一步落實，二零零四年先後有三家券商遭行政接管後，市場更加盛傳63家風險券商名單，券商信譽受到極大挑戰，中國證監會逐步加強監管，先後發布了多條通知。本集團憑藉多年來對券商風險管理的堅持不懈地研究與投入，於年來適時調整公司產品線，整合原有產品推出客戶資金獨立存管平台，新開發產品風險監控與稽核系統及第三方存管平台，該等產品旨在加強券商內部風險管理適應證監會的監管要求。一經推出市場即受到廣泛關注。

Chairperson's Statement

主席報告

BUSINESS REVIEW (Continued)

Confronted with an arid domestic securities market environment, many PRC securities institutions adopted a conservative approach towards their information technology investments. As the Group's performance is critically dependent upon the scale of information technology investment by the domestic financial and securities industries, the financial results of the Group for 2004 were also adversely affected temporarily. However, with good responses from marketing of the Group's new products, the contracts entered into by the Group during the fourth quarter of 2004 represented nearly 50% of the total contracted sum for the year.

The Group recorded a profit attributable to shareholders of approximately RMB233,000 for 2004, representing a decrease of approximately 67% as compared to the previous year. However, the profit before taxation of the Group for the year 2004 was approximately RMB891,000, representing approximately a 532% (or RMB750,000) increase over the amount reported for the previous year. The Group maintained sound financial position, as at 31st December 2004, the net assets were approximately RMB47,520,000, including an aggregate of cash and cash equivalents of RMB20,071,000.

業務回顧 (續)

由於中國證券市場之市況疲弱，大部分證券機構對其信息科技的投資採取保守策略。本集團之表現極大程度上依賴國內金融及證券行業的信息科技投資規模，故本集團二零零四年度之財務業績亦短暫地受到不利影響。然而，籍本集團新產品市場推廣的良好態勢，二零零四年第四季度本集團簽訂合同金額佔全年合同金額的近50%。

二零零四年，本集團錄得股東應佔溢利約人民幣233,000元，較去年減少約67%。然而，本集團於二零零四年之除稅前溢利約人民幣891,000元，較去年增加約532%（或人民幣750,000元）。本集團維持穩健財務狀況。於二零零四年十二月三十一日，本集團之資產淨值約人民幣47,520,000元，其中包括現金及現金等值物總額約人民幣20,071,000元。

Chairperson's Statement

主席報告

BUSINESS DEVELOPMENTS AND CONTROLS

The Group successfully launched its new products during 2004, namely Shine Investor Capital Independent Depository Platform and Shine Client Capital Third Side Manage Headquarters Information System. Also, we entered into strategic collaboration agreements with four securities dealers, namely Bohai Securities Co. Ltd., China Merchants Securities Co. Ltd., Hengtai Securities Brokerage Co. Ltd. and Northeast Securities Co. Ltd.. China Merchants Securities Co. Ltd. is one of the top ten securities dealers in the PRC. Those strategic collaborations involved various aspects such as product planning, marketing, resources sharing and business exploration. By closely working with our customers and the synergies arising therefrom, business development and product marketing of the Group would be enhanced, thus further strengthening its leading position in securities clearing and settlement arena, being well positioned for the development of extended products. Furthermore, we launched the Bank-Securities Cross-sector Fund Management Module during the year. This system has already interfaced with all 15 banks with legal custody status within the industry. Being one of the data source necessary for audit management of securities dealers, the system has been fully adopted by all of the 15 securities dealers upon launch thus establishing a sound base with extensive customer resources for the Group's further development of an independent custody and audit risk management system.

Internally, the Group continued to exercise rigorous cost control measures and implemented a series of adjustments involving the streamlining and systematizing our corporate management procedures in areas such as product planning, quality assurance, regular progress reporting and staff training. Moreover, performance appraisal was also refined to incorporate an accountability mechanism to further promote the Group's operational effectiveness and efficiency. We believe that those measures will create a solid foundation for the Group's long-term development.

業務發展及監控

二零零四年，本集團成功推出新產品主要為新意客戶資金獨立存管平台、新意客戶資金第三方存管平台。同時，我們業與4家券商簽訂了戰略合作協議。他們分別為渤海證券、招商證券、恒泰證券及東北證券。其中招商證券屬於國內十大券商之一。該等戰略合作涵蓋產品規劃、推廣、資源共享、業務探討等各層面，與客戶的緊密合作與優勢互補將促進集團的業務發展與產品推廣，對未來進一步鞏固行業結算領域的地位，開創延伸產品創造了更好條件。此外，於回顧年內我們亦推出了銀證資金往來管理系統，該系統業已開發了業內全部15家具備法人存管資格的銀行接口。作為券商稽核管理必備的數據源之一，該系統一經推出即被15家券商所採用，為本集團進一步開發獨立存管與稽核風控系統奠定了良好的基礎與廣泛的客戶資源。

內部方面，本集團繼續採取嚴緊的成本控制措施及推行一連串涉及精簡現有產品策劃、質量監控、定期進度匯報以至員工培訓等企業管理範疇，並使有關程序變得更系統化。此外，本集團亦繼續實施了新的員工考核制度並引入問責制，務求進一步提升本集團之營運質素及效率。我們相信，該等措施將會為本集團的長遠發展奠下鞏固的根基。

Chairperson's Statement

主席報告

BUSINESS OUTLOOK

The China Securities Regulatory Commission (“CSRC”) promulgated the “Notice of Furthering Tightening in Regulation of Transaction Settlement Fund for Customer of Securities Houses” [關於進一步加強證券公司客戶交易結算資金監管的通知] on 12th October 2004. In late 2004, Mr. Jiang Yulai, an executive Director and the Chief Operation Officer of the Group, was appointed as member of “證券公司客戶資金獨立存管標準制定專家小組” and “證券公司客戶資金獨立存管標準方案制定及實現情況評審專家小組”. Mr. Jiang has comprehensive understanding of the securities business and standards, which would be greatly beneficial to the Group's future development and the close integration of its products with market needs.

With the greater concerns by practitioners on the tightening of financial risk management, we believe that the new generation clearing and settlement system intended to be launched by the Group, the sole clearing and settlement software provider within the sector, will be able to accommodate the diversified markets and varieties of the industry in the future. In particular, it will be able to meet the changing demands on risk management and settlement requirements resulting from the future relaxation of financial control and the emergence of derivative products. Meanwhile, the market prospects of the securities dealer managerial application system being continuously developed by the Group will be promising with the broad customer base and the market recognition gained. Therefore, the Group is optimistic about its operations in the year ahead while also being well prepared for another challenging year.

Notwithstanding the aforesaid, in the long term, with the expected resurgence in the domestic securities market, coupled with the Group's excellent research and development capability and strengthened competitiveness through the said management improvement measures, we are confident that the Group is well positioned to capitalize on expansion opportunities and will resume to its track to profitability in the near future.

業務展望

中國證券監督管理委員會於二零零四年十月十二日頒布了《關於進一步加強證券公司客戶交易結算資金監管的通知》，二零零四年底，本集團執行董事兼營運總監江育來先生被中國證券監督管理委員會聘任為「證券公司客戶資金獨立存管標準制定專家小組成員」、「證券公司客戶資金獨立存管標準方案制定及實現情況評審專家小組成員」。江先生對證券業務及標準的理解透徹，對集團今後的發展及產品與市場的緊密結合將大有助益。

隨著業界對加強金融風險管理的進一步關注，吾等相信，作為行業內唯一一家結算軟件供應商，本集團計劃啟動的新一代結算系統，將可以應對未來多市場、多品種的行業狀況，特別是能夠應對未來金融管制放鬆和衍生產品出現後對風險管理與結算要求的變化。同時，本集團持續開發中的券商管理類應用系統將藉廣泛的客戶基礎及業界之認可，獲得良好的市場前景。故此，本集團對其來年業務樂觀，惟同時亦已準備就緒迎接另一富挑戰性之一年。

儘管如此，長遠而言，隨著預期國內證券市場再度活躍，加上本集團卓越的產品開發能力，以及透過實施上述管理改善措施，進一步加強本集團的競爭力，我們深信，本集團日後定能捉緊拓展業務的良機，於不久將來回復其盈利能力。

Chairperson's Statement

主席報告

APPRECIATION

Finally, I would like to extend my sincerest thanks to my fellow directors and our colleagues for their unwavering dedications and significant contributions rendered under the difficult market condition during 2004. I am confident that their endeavors will continue to bring upon satisfactory results for the Group in this year. On behalf of the Board, I would also like this opportunity to express our heartfelt gratitude to our shareholders, customers and business associates for their continuous support and confidence in the Group.

Gu Yun

Chairperson

22nd March 2005

致謝

最後，本人謹此向集團各董事及員工致以衷心謝意，彼等在二零零四年市況艱難的時候，仍然堅定不移為本集團作出最大的努力及貢獻。本人深信，彼等的努力將繼續於今年為本集團帶來理想業績。同時，本人謹代表董事會同人感謝股東、客戶及業務夥伴一直以來鼎力支持以及對本集團繼續充滿信心。

顧雲

主席

二零零五年三月二十二日

Management Discussion and Analysis

管理層討論及分析

OVERALL PERFORMANCE

During the year ended 31st December 2004, the Group recorded a consolidated turnover and profit attributable to shareholders of approximately RMB17,985,000 and RMB233,000 respectively, representing approximately a 10% (or RMB1,698,000) increase in turnover and a 67% (or RMB475,000) decrease in profit attributable to shareholders as compared to previous year. However, the profit before taxation of the Group for the year 2004 was approximately RMB891,000, representing approximately a 532% (or RMB750,000) increase over the amount reported for the previous year.

The movement in profit attributable to shareholders was mainly attributable to the following factors:-

- (1) increase in incomes from the technical consultancy & maintenances with higher added value;
- (2) general increase in operating expenses as further discussed below.

Turnover

Turnover by business operations for the two consecutive years ended 31st December 2004 was summarized as follows:

(expressed in Renminbi thousand dollars)
(以人民幣千元列值)

Software Sales	軟件銷售
Hardware Sales	硬件銷售
Network Construction Services	網絡工程服務
Technical Consultancy & Maintenances	技術諮詢及維護
TOTAL	總計

整體表現

截至二零零四年十二月三十一日止年度，本集團分別錄得綜合營業額及股東應佔溢利約人民幣17,985,000元及人民幣233,000元，分別較去年營業額及股東應佔溢利增加約10%（或人民幣1,698,000元）及減少約67%（或人民幣475,000元）。然而，本集團二零零四年度稅前溢利約人民幣891,000元，較去年增加約532%（或人民幣750,000元）。

股東應佔溢利變化的主要原因：

- (1) 較高增值之技術諮詢及維護收入的增加；
- (2) 下文所述之因素導致經營開支整體增加。

營業額

截至二零零四年十二月三十一日止連續兩個年度，按業務劃分之營業額概述如下：

Year ended 31st December
截至十二月三十一日止年度
2004 2003
二零零四年 二零零三年

10,416	10,016
2,182	2,795
447	197
4,946	3,279
17,985	16,287

Management Discussion and Analysis

管理層討論及分析

Turnover (Continued)

The Group has strategically trimmed down its non-core businesses of hardware distribution during the year. Despite the prolonged downturn in China stock market, information technology investments and spending of the domestic securities industry were generally aggravated. The incomes from our technical consultancy & maintenances has increased approximately 51% to RMB4,946,000. The Group successfully launched its new product, namely Shine investor capital independent depository platform「獨立存管平台」by the end of 2004. Such product was launched to meet the standardization of customer's assets management as stipulated by CSRC on securities firms.

Other Revenue

Other revenue mainly represented value added tax refunds in respect of distribution of the Group's self-developed software which was comparable to that of previous year.

Distribution Expenses

Distribution expenses mainly represented marketing expenses which was maintained at a level comparable to that of the previous year.

General and Administrative Expenses

This year is the first complete year after the successful listing of the Group in August 2003. As a result, increase in professional expenses (namely remuneration of the auditors and continuing sponsor) and the emoluments of the directors for the complete year is recorded.

Other Operating Expenses

It mainly represented the cost of research and development of the products and technologies.

營業額 (續)

年內，本集團策略地縮減其非核心硬件分銷業務。儘管中國股票市場持續低迷，國內證券業的整體信息科技投資萎縮，本集團技術諮詢及維修服務收入仍有增幅約51%，升至人民幣4,946,000元。本集團亦於二零零四年年末成功推出「獨立存管平台」，其主要是因應中國證監會規範證券公司對客戶資金管理而推出之產品。

其它收益

其它收益主要為分銷本集團自行開發之軟件的增值稅退稅。有關收益與去年相若。

分銷開支

分銷開支主要為市場推廣費用。有關費用與去年相若。

一般及行政開支

本集團於二零零三年八月上市，本年度為上市後之第一個完整年度。故主要增幅是整年計的專業費用（如核數師及延續保薦人酬金）和董事酬金。

其他營運開支

主要為產品及技術研發費用。

Management Discussion and Analysis

管理層討論及分析

Product Development

During the year, the Group invested approximately RMB5,686,000 on product development, which was mainly attributable to “independent depository platform” and “risk management platform”.

During the year, the Group continued to recruit more relevant experts to enhance its integrated capabilities on research, development and product implementation.

In light of the ever-changing securities information technology industry, it is crucial that the Group reviews its proposed development projects regularly. During the year, due to market uncertainties, the Group postponed some non-core projects which are less important or prospects of which involve uncertainties so as to focus on the development of products with substantial market potentials. In addition, the Group will determine whether to resume development of the aforementioned non-core projects in the future.

Details of the changes of product development plans are set out in the section headed “Comparison of Business Objectives with Actual Business Progress”.

Liquidity and Financial Resources

Despite the difficult operating environment in its sectors, the Group's healthy financial profile was further strengthened upon the completion of its initial public offering (in August 2003) whereas, as at 31st December 2004, the Group had net assets of approximately RMB47,520,000, including total cash, bank and deposits balances of approximately RMB20,071,000. To mitigate financial risk, the Group has implemented disciplined financial and risk managements with minimum use of highly-gearred financial arrangements. The Group's gearing ratio, as calculated by taking the ratio of the Group's total external borrowings, divided by its shareholders fund, was zero. Further, the Group had not charged on any of its assets as at 31st December 2004.

產品開發

年內，本集團之產品開發投資約人民幣5,686,000元，主要源自「獨立存管平台」及「風險控制平台」。

年內，本集團陸續增聘更多相關專才以加強本集團於研究、開發及產品實施等方面之綜合能力。

由於證券信息科技業務瞬息萬變，故本集團須經常就其擬開發的項目進行檢討。年內，鑒於市場持續出現不明朗因素，故本集團押後若干較次要或業務前景不明朗的非核心項目並集中開發其它具龐大市場潛力之產品。此外，日後本集團將因應當時市況再決定是否恢復開發前述的非核心項目。

有關產品開發計劃變動詳情載於「業務目標與實際業務進展之比較」分節。

流動資金及財務資源

儘管業內經營環境困難，於二零零三年八月完成其首次公開發售後，本集團進一步增強其穩健之財務狀況，於二零零四年十二月三十一日，本集團的資產淨值約人民幣47,520,000元，其中包括現金、銀行及存款結存約人民幣20,071,000元。本集團為減低其財務風險，採取謹慎的財務及風險管理策略，盡量減少使用高負債比率之融資安排。故此，本集團之資本與負債比率（按本集團對外借貸總額除以其股東資金計算）為零。此外，本集團於截至二零零四年十二月三十一日並無抵押其任何資產。

Management Discussion and Analysis

管理層討論及分析

Acquisitions and Disposals of Capital Investments

Since the Listing of the Company's shares on GEM on 12th August 2003 and up to the date of this report, the Group has not entered into any material transactions or significant investment which are classified as notifiable transactions as defined under Chapter 19 of the GEM Listing Rules.

For other acquisitions of the Group, please refer to note 33 to the financial statements.

Foreign Exchange Exposure

Most of the Group's operating transactions, assets and liabilities are primarily denominated in either Renminbi or Hong Kong dollar, the Directors believes that Renminbi will remain relatively stable against Hong Kong dollar in the foreseeable future and considers the Group's present exposure to exchange risk is relatively minimal. Currently, no financial arrangements have been implemented for hedging purpose. Nevertheless, the Directors will, from time to time, closely monitor and reassess the exchange risk exposures of the Group and will enter into non-speculative hedging arrangements as required.

Segmental Information

The segmental information of the Group was disclosed in note 13 to the financial statement.

Employees

As a software solution provider, people are the Group's our most valuable assets. Accordingly, the human resources framework is placed utmost strategic importance among the Group's critical policies.

The Group is a "people-oriented" and "equal opportunity" employer whereas its staff selection and promotion process will only be determined with reference to employees' own merits and their competency in relation to their responsibility.

Employee remuneration includes basic salaries and benefits-in-kind such as medical and insurance coverage, retirement benefits scheme, and other discretionary incentives etc.

收購及出售資本投資

自本公司股份於二零零三年八月十二日在創業板上市起至本報告日期期間，本集團並無訂立任何根據創業板上市規則第19章所界定為須予披露之重要交易或投資事項。

有關本集團的其他收購，請參閱財務報表附註33。

外匯風險

本集團之主要業務交易、資產及負債皆是以人民幣或港元支付結算。董事相信，於可見未來人民幣兌港元之匯率仍將維持相對穩定水平；故本集團目前之外匯風險相對輕微。本集團因而目前並無採取任何對沖外匯風險的財務措施。然而，董事將不時密切監察及評估本集團的外匯風險水平，在需要時將訂立非投機性的對沖風險安排。

分部資料

本集團之分部資料於財務報表附註13披露。

僱員

作為一家軟件解決方案供貨商，人才是本集團最寶貴的資產。因此，本集團視其人力資源架構為策略上最重要政策之一。

本集團為實行「以人為本」及「平等機會」管理政策的僱主。本集團在考慮選拔及晉升僱員時，只會考慮僱員本身的能力及其履行職責方面時的稱職程度等因素。

僱員薪酬包括基本薪金及其它實物利益，如醫療與保險計劃、退休福利計劃及其它酌情獎賞。

Management Discussion and Analysis

管理層討論及分析

Employees (Continued)

Employee remuneration is maintained at market competitive level and will be regularly reviewed within the general framework of the Group's human resources system. Remuneration policy is basically determined with reference to individual performance as well as financial results of the Group which will be revised from time to time when performances of staff is warranted.

To recognize the contributions and encourage initiatives and commitment from its staff, the Group has also operated a share option scheme. 20 millions share options have been granted in 2004.

Apart from the said tangible rewards, the Group will, on an ongoing basis, provides opportunity for professional development and trainings to its employees to ensure its workforces always keep abreast with up-to-date professional knowledge, competences and share the same corporate vision of the Group.

As at 31st December 2004, the Group employed 184 employees in total. Staff cost, including directors' emoluments, was approximately RMB13,139,000 for the year ended 31st December 2004.

Comparison of Use of Proceeds

There has been no change in principal business objectives of the Group. However, as mentioned in the IPO Prospectus, both the domestic securities and information technology industries in China are dynamic and fast-changing, with new policies, regulations, products and business emerging constantly. In response to the changing market conditions, the Group has strategically refined its implementation plan and has taken a more conservative tact in implementing its business plans than originally planned and amended and postponed certain sizeable development projects and strategic deployments accordingly as it was considered to be in the best interests of the Group and its shareholders as a whole.

For details in relation to the changes in execution plan, please refer to the subsection headed "Comparison of Business Objectives with Actual Business Progress" of this section.

僱員 (續)

僱員薪酬定於具市場競爭力之水平，並按本集團人力資源體制內之既定架構定期檢討。薪酬政策主要按員工個別表現及本集團整體財務業績釐定，而報酬將於僱員有理想表現時不時作出適當調整。

本集團設有購股權計劃以表揚員工所作貢獻，並同時透過此計劃以增強員工的積極性及對本集團的投入感。本集團於二零零四年授出20,000,000份購股權。

除上述有形報酬外，本集團亦為其員工提供持續專業進修與培訓機會，確保其員工在經常與本集團擁有相同企業信念的同時，能掌握業務所需的最新專業知識及技能。

於二零零四年十二月三十一日，本集團僱有合共184名僱員。截至二零零四年十二月三十一日止年度，員工成本（包括董事酬金）約為人民幣13,139,000元。

所得款項用途比較

本集團之主要業務並無任何重大變動。然而，誠如招股章程所載，中國國內證券及信息科技行業發展迅速且瞬息萬變，不斷推出新的政策、法規、產品以至業務。本集團因應不斷轉變的市況已修訂其業務推行計劃，採取較先前計劃者更為謹慎的策略，調整及押後進行若干項具一定規模的發展項目及策略性部署，以最大程度上符合本集團及其股東整體的最佳利益。

有關推行計劃之變動詳情，請參閱本節內的「業務目標與實際業務進展之比較」分節。

Management Discussion and Analysis

管理層討論及分析

Comparison of use of proceeds (Continued)

Since the listing of the Group and subject to the modifications and refinements in implementing its business plan above-mentioned, the net proceeds raised from the placing on 12th August 2003 had been applied to achieve the business objectives as set out in the IPO Prospectus of the Group and are utilized up to 31st December 2004 as detailed below:

(expressed in HK\$ thousand dollar)
(以千港元列值)

所得款項用途比較(續)

本集團於二零零三年八月十二日進行配售集資所得款項淨額(除由於上述就原有實施計劃作出的相應修訂及細調的情況外)已撥作達致本集團之招股章程內所載業務目標之用途,於上市後截至二零零四年十二月三十一日已動用之實際金額詳情載列如下:

		Planned use of proceeds as stated in the IPO Prospectus 招股章程所載所得款項用途	Actual amount utilized up to 31st December 2004 截至二零零四年十二月三十一日已動用之實際金額
Product Developments	產品開發		
Enhancing existing product-line	提升現有產品線	3,000	1,341
New products development and subsequent updates	開發新產品及其日後升級版本		
Customer Relationship Management/ Investor Relationship Management	客戶關係管理/ 投資者關係管理	3,660	3,625
Centralized Securities Processing Platform (Note)	證券集中交易平台(附註)	4,380	—
Integrated investment management and business support solutions Including:	綜合投資管理及業務支持解決方案包括:		
(1) Collaborative Work Platform and Office Automation	(1) 協同工作平台及辦公室自動化	2,730	289
(2) Securities Investment Management System	(2) 證券投資管理系統	2,650	1,214
(3) Business and Management Platform for Fund Institutions	(3) 基金公司業務及管理平台	2,360	286
(4) Business Support Platform for Securities Industry (Note)	(4) 證券業業務支持平台(附註)	1,120	2,599
Establish Regional Sales Offices and Servicing Centres	成立地區銷售辦事處及客戶中心	3,000	624
Brand Building and Marketing	品牌建立及市場推廣	3,600	1,401
		26,500	11,379



Management Discussion and Analysis

管理層討論及分析

Comparison of use of proceeds (Continued)

Unused net proceeds of approximately HK\$15,121,000 have been placed with licenced banks in Hong Kong and the PRC, and would be applied to achieve objectives as stated in the IPO Prospectus on a long-term basis.

To the extent that the net proceeds are not immediately used, the Group may deposit the same into financial institutions or engage in highly-liquid, short-term investments to optimise returns for its shareholders on a risk-controlled basis in the future.

Note: As stated in “Chairperson’s Statement”, with the CSRS had tightened its control over securities dealers, the Group consolidated its existing products and launched a separate custody platform for customer funds, a risk-monitoring control and audit system for newly developed products and a third party custody platform. These products aimed at strengthening the internal risk management of securities dealers in compliance with the regulatory requirements of the CSRC. Those products had gotten extensive attention when launching. Therefore, the proposed proceeds for Centralized Securities Processing Platform is now used for consolidation and development of securities business supporting platform.

所得款項用途比較 (續)

尚未動用的所得款項淨額(約15,121,000港元)現時分別存於香港及國內的持牌銀行，並將用於達致招股章程所載長遠目標之用途。

本集團日後可能將毋須實時動用之所得款項淨額，存放於財務機構或購入高度流通的短期投資，以謹慎控制風險的方式為股東增值。

附註： 誠如主席報告中描述，隨著中國證監會加強對證券公司之監管，本集團整合原有產品推出客戶資金獨立存管平台，新開發產品風險監控與稽核系統及第三方存管平台，該等產品旨在加強券商內部風險管理適應證監會的監管要求。一經推出市場即受到廣泛關注。故原定擬用於證券集中交易平台之款項，現投放於整合及發展證券業務支持平台。

Management Discussion and Analysis

管理層討論及分析

Comparison of business objectives with actual business progress

業務目標與實際業務進展之比較

Product developments and marketing
產品開發及市場推廣Objectives as stated in the IPO Prospectus
招股章程所載業務目標

Actual business progress in respect of the period ended 31st December 2004

截至二零零四年十二月三十一日止期間之實際業務進展

Existing clearing products
現有結算產品

Continuous review and perform market analysis. For selected products with market potentials, perform research, testing and development for new system features; continuous research & development for customers; promotion of the E-SIM system. 就有關產品系列進行持續檢討及市場分析。就部分具市場潛力產品進行進一步研究、測試及開發新系統功能繼續為客戶進行研發推廣新意證券綜合管理平台系統。

Continued to enhance the market share of its securities clearing products. During the year, 20 additional securities dealers have adopted the Group's products, adding to a total of 92 users, further strengthening the dominant position of its securities clearing products.

繼續提高結算產品的市場佔有率。年內新增20家券商使用，使該產品的客戶數達到92家，再行鞏固結算產品的壟斷地位。

Bank-securities Cross Sector Fund Management Module has developed banking portals for all 15 banks with legal custodian qualifications. Besides, as one of the necessary database for the audit management of securities firms, the Module has also been applied in the independent custody, audit and risk management system. Currently, there are 15 securities dealers using this Module. 銀證資金往來管理系統已經開發了所有15家具備法人存管資格的銀行接口。且該系統作為證券公司稽核管理必備的數據源之一亦被獨立存管與稽核風控系統利用，已有15家券商使用。

The Group developed a system involving corporate bonds and non-listed share custody, offline subscription, registration and clearing, and consolidated financial management, which is mainly used for the registration and clearing of non-listed products.

開發了企業債和非上市股份托管、網下申購登記結算和集合理財系統。主要解決非交易所上市產品的登記結算。

Customer Relationship Management/Investor Relationship Management ("CRM/IRM")
客戶關係管理／投資者關係管理（「客戶關係管理／投資者關係管理」）

Launch and promote the basic modules of the Securities CRM/IRM
推出及推廣證券客戶關係管理／投資者關係管理之基本模塊

Integrated to independent depository platform.
整合到獨立存管平台。

Management Discussion and Analysis

管理層討論及分析

Comparison of business objectives with actual business progress (Continued) 業務目標與實際業務進展之比較 (續)

Product developments and marketing 產品開發及市場推廣	Objectives as stated in the IPO Prospectus 招股章程所載業務目標	Actual business progress in respect of the period ended 31st December 2004 截至二零零四年十二月一日三十日止期間之實際業務進展
Integrated Investment Management and Business Support Solution 綜合投資管理及業務支持解決方案	Collaborative Work Platform and Office Automation 協同工作平台及辦公室自動化	Complete the framework design of the Collaborative Work Platform and Office Automation 完成協同工作平台及辦公室自動化之框架設計
	Research and development, testing and completion of the basic modules of the Collaborative Work Platform and Office Automation 研發、測試及完成協同工作平台及辦公室自動化之基本模塊	The market for this product remains uncertain. The Group continues to enhance its system capabilities and application modules while continues to apply it to internal use and defer the launch of the solution. 該產品市場仍不明朗，繼續完善系統功能及應用模塊，在集團內部持續應用，延遲推售該解決方案。
	Securities Investment Management System 證券投資管理系統	Research, testing and development for system features 研究、測試及開發系統功能
	Business and Management Platform for Fund Institutions 基金公司業務及管理平台	Perform research & development, testing and finalization of the basic modules of the Business and Management Platform for open-ended funds by stages 分階段研發、測試及完成開放式基金業務及管理平台之基本模塊
		Integrated to independent depository platform. 整合到獨立存管平台。
		It was successfully launched in the market in 2004. 二零零四年已成功推出市場。

Management Discussion and Analysis

管理層討論及分析

Comparison of business objectives with actual business progress (Continued) 業務目標與實際業務進展之比較 (續)

Objectives as stated in the IPO Prospectus 招股章程所載業務目標

Strategic Cooperation

策略性合作

Identify and evaluate potential strategic cooperation opportunities
物色及評估潛在策略性合作機會

Invest in selected strategic cooperation opportunities as well as participate and consolidate the management of related projects
投資經選定之策略性合作商機，並參與綜合有關項目之管理事宜

Establish regional sales offices and servicing centres

成立地區銷售辦事處及客戶中心

Identify and evaluate the setting up of regional sales offices and service centres in different provinces and cities
物色及評估於不同省市成立地區銷售辦事處及客戶中心

Establish selected regional sales offices and/or service centres
於選定地點成立地區銷售辦事處及／或客戶中心

Actual business progress in respect of the period ended 31st December 2004

截至二零零四年十二月三十一日止期間之實際業務進展

The Group continued to explore the possibility of strategic investment which will lead to synergistic effect to the Group. However, as of the date of this report, the Group does not have any target investment.

本集團繼續物色能為本集團帶來協同效益的策略性投資機會。然而，截至本報告日期，本集團並無任何目標投資對象。

As an on-going business development practise, the Group has conducted in-depth contacts and serious discussions with a wide range of business partners and the world's famous solution provider, including Microsoft® Group, for possible strategic business alliance or cooperation opportunities.

就持續發展業務，本集團亦與多名業務夥伴和全球知名的解決方案供貨商（包括微軟®集團）就組成策略商業聯盟或其它合作機會，進行深入接觸和詳盡討論。

The Group announced on 22nd July 2004 of its proposed acquisition of a property in Shanghai from an independent third party for a consideration of RMB3,221,035. The acquisition was completed in November 2004. The property will be used as its regional headquarter to facilitate the development of the markets in Eastern China, as well as to reduce operating rentals in the long run.

本集團於二零零四年七月廿二日公布擬向獨立第三者以人民幣3,221,035元購入一位於上海的物業。收購於二零零四年十一月完成。此作為地區總部便於拓展華東市場，長遠而言更節省營運租金。

Biographical Information of Directors and Senior Management 董事及高級管理層履歷資料

EXECUTIVE DIRECTORS

Ms. Gu Yun, aged 53, has been a director of the Company since July 2002. She is one of the Group's founders and the Chairperson of the Company. Ms. Gu graduated from the Xiamen University in 1985 majoring in finance in the Department of Finance and Banking. She joined the Group in December 1997 and assumes responsibility for strategic planning and business development of the Group. Before joining the Group, Ms. Gu worked in the Fujian Branch of the People's Bank of China from 1976 to 1992 and had been a vice general manager in Fujian Securities Trading Centre. Ms. Gu has good and extensive business connections and has a broad range of experiences in the domestic securities and banking industries dating back to 1980s. She is also one of the compliance officers of the Company. Ms. Gu is also a director of Genesis Century Limited which is a substantial shareholder of the Company as disclosed in the section headed "SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAD AN INTEREST AND A SHORT POSITION WHICH WAS DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO" in the Directors' Report. There is a service agreement between the Company and Ms. Gu pursuant to which the emoluments payable to Ms. Gu is HK\$192,000 per annum. Ms. Gu was appointed for a fixed term of 3 years commencing from 12th August 2003 but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Ms. Gu's interests in the securities of the Company as at the date of this report pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Ms. Gu is not related to any director, substantial shareholder or initial management shareholder of the Company save as that she is the spouse of Mr. Xu Zhangxun who is deemed to be a substantial shareholder of the Company under Part XV of the SFO. Apart from her directorship with the Company, Ms. Gu does not hold any directorship in any publicly listed companies.

執行董事

顧雲女士，53歲，自二零零二年七月起為本公司董事。彼為本集團創辦人之一兼本公司主席。顧女士於一九八五年在廈門大學畢業，在財務及銀行系主修金融科。自一九九七年十二月加入本集團以來一直負責本集團之策略規劃與業務發展。加入本集團前，顧女士曾於一九七六年至一九九二年期間任職中國人民銀行福建分行，並曾任福建證券交易中心副總經理。顧女士擁有良好廣泛業務聯繫，自八零年代開始已在國內證券及銀行業積累豐富經驗。顧女士並為本公司監察主任之一。顧女士亦為董事會報告「根據證券及期貨條例第XV部第2及3分部擁有須予披露之權益及淡倉之主要股東及人士」一節所披露本公司主要股東Genesis Century Limited之董事。本公司與顧女士簽訂服務協議，據此應付予顧女士之薪金為每年192,000港元。顧女士之固定任期由二零零三年八月十二日起為期三年，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部，顧女士於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除為根據證券及期貨條例第XV部被視作本公司主要股東許章迅先生之配偶外，顧女士與任何本公司董事、主要股東或上市時管理層股東概無任何關係。除擔任本公司董事外，顧女士概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

EXECUTIVE DIRECTORS (Continued)

Mr. Qiu Yixin, aged 45, has been a director of the Company since July 2002. He is one of the Group's founders and the vice-chairman of the Company. He is also the chairman of Shanghai Shine Science and Xinwangluo, the operational arms of the Group in Shanghai. Mr. Qiu is responsible for corporate planning and management of the Group's operation in Shanghai. He has over 20 years of experience in technology application and corporate management, especially in the fields of market planning and information technology application in securities and banking sectors. He worked for the Science and Technology Department of Fujian Branch of the People's Bank of China from 1989 to 1993 and for Fujian Securities Trading Centre as the manager of its computer department from 1994 to 1999. Mr. Qiu graduated in 1983 from the Fujian Broadcasting Television University, majoring in electronics. There is a service agreement between the Company and Mr. Qiu pursuant to which the emoluments payable to Mr. Qiu is HK\$192,000 per annum. Mr. Qiu was appointed for a fixed term of 3 years commencing from 12th August 2003 but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Mr. Qiu's interests in the securities of the Company as at the date of this report pursuant to Part XV of the SFO is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Mr. Qiu is not related to any director, substantial shareholder or initial management shareholder of the Company save as that he is the spouse of Ms. Lin Wen who is deemed to be a substantial shareholder of the Company under Part XV of the SFO. Apart from his directorship with the Company, Mr. Qiu does not hold any directorship in any publicly listed companies.

執行董事(續)

邱一心先生，45歲，自二零零二年七月起為本公司董事。彼為本集團創辦人之一兼本公司副主席，亦為本集團在上海之業務部門上海新意和新意新網絡之董事長。邱先生負責本集團上海業務之企業規劃及管理工作，且擁有逾20年之技術應用與公司管理經驗，對市場規劃及信息技術在證券及銀行業之應用尤其熟悉。邱先生曾於一九八九年至一九九三年期間任職中國人民銀行福建分行科技處，另於一九九四年至一九九九年期間在福建證券交易中心電腦部擔任經理。邱先生於一九八三年在福建廣播電視大學畢業，主修電子學。本公司與邱先生簽訂服務協議，據此應付予邱先生之薪金為每年192,000港元。邱先生之固定任期由二零零三年八月十二日起為期三年，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。根據證券及期貨條例第XV部，邱先生於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除為根據證券及期貨條例第XV部被視作本公司主要股東林文女士之配偶外，邱先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。除擔任本公司董事外，邱先生概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

EXECUTIVE DIRECTORS (Continued)

Mr. Chen Yunrong, aged 41, has been a director of the Company since July 2002. He is the chief executive officer of the Company. Since joining the Group in February 2002, Mr. Chen has been responsible for the daily operation and management of the Group. Before joining the Company, Mr. Chen worked in the Fujian Branch of the PBOC from 1984 to 1988 and later became the deputy president of Minfa Securities Company Limited responsible for computerization and information technology research and application. He has over 19 years of experience and hand-on knowledge of China's financial and securities industries, especially in the fields of corporate management and applications of information technology. Mr. Chen obtained a bachelor's degree in economics from Xiamen University in 1984, and was awarded a master's degree in business administration from the Asia International Open University (Macau) in 2000. There is a service agreement between the Company and Mr. Chen pursuant to which the emoluments payable to Mr. Chen is HK\$192,000 per annum. Mr. Chen was appointed for a fixed term of 3 years commencing from 12th August 2003 but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Mr. Chen's interests in the securities of the Company as at the date of this report pursuant to Part XV of the SFO is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Mr. Chen is not related to any director, substantial shareholder or initial management shareholder of the Company save as that he is the spouse of Ms. Guo Lidan who is deemed to be a substantial shareholder of the Company under Part XV of the SFO. Apart from his directorship with the Company, Mr. Chen does not hold any directorship in any publicly listed companies.

執行董事(續)

陳芸榕先生，41歲，自二零零二年七月起為本公司董事。彼為本公司行政總裁。陳先生自二零零二年二月加入本集團以來一直負責本集團之日常營運管理工作。加入本公司前，陳先生曾於一九八四年至一九八八年期間任職人民銀行福建分行，其後出任福建省閩發證券有限責任公司副總裁，主管電腦工程以及信息技術研究與應用。陳先生於中國金融及證券業有逾19年經驗及實際知識，在企業管理及信息技術應用方面認識尤其豐富。陳先生在一九八四年於廈門大學取得經濟學學士學位，其後於二零零零年在亞洲（澳門）國際公開大學取得工商管理碩士學位。本公司與陳先生訂有服務協議，據此應付予陳先生之薪金為每年192,000港元。陳先生之固定任期由二零零三年八月十二日起為期三年，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。根據證券及期貨條例第XV部，陳先生於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除為根據證券及期貨條例第XV部被視作本公司主要股東郭立丹女士之配偶外，陳先生與任何本公司董事、主要股東或上市時管理層股東概無關係。除擔任本公司董事外，陳先生概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

EXECUTIVE DIRECTORS (Continued)

Mr. Ye Jinxing, aged 37, has been a director of the Company since July 2002. He is a senior economist. He joined the Group in October 2000 and has been in charge of the Group's overall financial management, strategic capital planning and treasury functions of the Group. Mr. Ye previously held various managerial positions at the Quanzhou City Branch of Industrial and Commercial Bank of China in Fujian Province from 1990 to 1994 and Minfa Securities Company Limited from 1994 to 1999. Mr. Ye has over 13 years of experience and in-depth knowledge in domestic banking, capital and money markets. Mr. Ye was awarded a bachelor's degree in economics from the Jiangxi College of Finance and Economics in 1990. There is a service agreement between the Company and Mr. Ye pursuant to which the emoluments payable to Mr. Ye is HK\$180,000 per annum. Mr. Ye was appointed for a fixed term of 3 years commencing from 12th August 2003 but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Mr. Ye's interests in the securities of the Company as at the date of this report pursuant to Part XV of the SFO is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Mr. Ye is not related to any director, substantial shareholder and initial management shareholder of the Company save as that he is the spouse of Ms. Wang Chunling and the son of Ms. Lian Xiu, both of whom are deemed to be substantial shareholders of the Company under Part XV of the SFO. Apart from his directorship with the Company, Mr. Ye does not hold any directorship in any publicly listed companies.

執行董事(續)

葉金興先生，37歲，自二零零二年七月起為本公司董事。彼為高級經濟師。葉先生自二零零零年十月加入本集團以來一直負責本集團整體財務管理、策略性資本規劃及司庫職能。葉先生曾分別於一九九零年至一九九四年期間及一九九四年至一九九九年期間在中國工商銀行福建省泉州市分行及福建省閩發證券有限責任公司出任多個管理職位。葉先生對國內銀行、資本及貨幣市場有逾13年之經驗及深厚知識。葉先生於一九九零年獲江西財經學院頒授經濟學學士學位。本公司與葉先生訂有服務協議，據此應付予葉先生之薪金為每年180,000港元。葉先生之固定任期由二零零三年八月十二日起為期為三年，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。根據證券及期貨條例第XV部，葉先生於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除為根據證券及期貨條例第XV部被視作本公司主要股東王春玲女士之配偶及連秀女士之兒子外，葉先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。除擔任本公司董事外，葉先生概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

EXECUTIVE DIRECTORS (Continued)

Ms. Li Xiaoyuan, aged 42, has been a director of the Company since July 2002. She is one of the Group's founders and a senior engineer. Before joining the Group, Ms. Li served as deputy general manager for the computer department of Fujian Securities Trading Centre from 1993 to 1999. Since joining the Group in December 1997, Ms. Li has assumed responsibility for the Group's strategic technological development and project management and led the Group in successfully developing many marketable and innovative solutions. Ms. Li obtained a bachelor's degree from Nanjing Communications Engineering Institute in 1984. Ms. Li is also a director of Genesis Century Limited which is a substantial shareholder of the Company as disclosed in the section headed "SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAD AN INTEREST AND A SHORT POSITION WHICH WAS DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO" in the Directors' Report. There is a service agreement between the Company and Ms. Li pursuant to which the emoluments payable to Ms. Li is HK\$20,000 per annum. Ms. Li was appointed for a fixed term of 3 years commencing from 12th August 2003 but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Ms. Li is not related to any director, substantial shareholder or initial management shareholder of the Company save as that she is the spouse of Zhang Xiaohui who is deemed to be a substantial shareholder of the Company under Part XV of the SFO. Ms. Li's interests in the securities of the Company as at the date of this report pursuant to Part XV of the SFO is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Apart from her directorship with the Company, Ms. Li does not hold any directorship in any publicly listed companies.

執行董事(續)

李小元女士，42歲，自二零零二年七月起為本公司董事。彼為本集團創辦人之一兼高級工程師。加入本集團前，李女士曾於一九九三年至一九九九年期間出任福建證券交易中心電腦部副總經理。李女士於一九九七年十二月加入本集團以來一直負責本集團之策略性技術開發和項目管理方面之工作，並帶領本集團成功開發多項暢銷而創新之解決方案。李女士於一九八四年獲南京通信工程學院頒授學士學位。李女士亦為董事會報告「根據證券及期貨條例第XV部第2及3分部擁有須予披露之權益及淡倉之主要股東及人士」一節所披露本公司主要股東 Genesis Century Limited之董事。本公司與李女士訂有服務協議，據此應付予李女士之薪金為每年20,000港元。李女士之固定任期由二零零三年八月十二日起為期三年，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。除為根據證券及期貨條例第XV部被視作本公司主要股東張曉輝先生之配偶外，李女士與任何本公司董事、主要股東或上市時管理層股東概無任何關係。根據證券及期貨條例第XV部，李女士於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除擔任本公司董事外，李女士概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

EXECUTIVE DIRECTORS (Continued)

Mr. Jiang Yulai, aged 35, has been a director of the Company since July 2002. He is the chief information officer of the Group. Mr. Jiang formerly worked for the computer department of Fujian Securities Trading Centre from 1994 to 1998. He joined the Group in December 1997 and is responsible for the research and development of the Group's pilot products. Mr. Jiang has extensive experiences in procedural and information flows of domestic securities business as well as in industrial information technology solution exploitation. He obtained his bachelor's degree from computer engineering and science department of the Tianjin University in 1991. There is a service agreement between the Company and Mr. Jiang, pursuant to which the emoluments payable to Mr. Jiang is HK\$192,000 per annum. Mr. Jiang was appointed for a fixed term of 3 years commencing from 12th August 2003 but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Mr. Jiang is not related to any director, substantial shareholder or initial management shareholder of the Company. Mr. Jiang's interests in the securities of the Company as at the date of this report pursuant to Part XV of the SFO is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Apart from his directorship with the Company, Mr. Jiang does not hold any directorship in any publicly listed companies.

執行董事 (續)

江育來先生，35歲，自二零零二年七月起為本公司董事。彼為本集團之信息主管。江先生於一九九四年至一九九八年期間曾任職福建證券交易中心電腦部。江先生於一九九七年十二月加入本集團以來一直負責本集團試驗性產品之研發工作。江先生對國內證券業務之流程及信息流向以及業內信息技術解決方案之開發方面擁有廣泛經驗。江先生於一九九一年獲天津大學計算機工程與科學系頒授學士學位。本公司與江先生訂有服務協議，據此應付予江先生之薪金為每年192,000港元。江先生之固定任期由二零零三年八月十二日起為期三年，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。江先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。根據證券及期貨條例第XV部，江先生於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除擔任本公司董事外，江先生概無擔任任何其他上市公司之董事職務。



Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

NON-EXECUTIVE DIRECTOR

Mr. Chen Qun, aged 49, has been a director of the Company since August 2002. He formerly worked for the Fujian Branch of the People's Bank of China (1985-1990) and is the general manager of the Computer Centre of Minfa Securities Company Limited. Mr. Chen has over 15 years' experience in the corporate management, product implementation and related technical services for domestic securities industry. Mr. Chen obtained a master degree in business administration from the Asia International Open University (Macau) in 2000. There is no service agreement between the Company and Mr. Chen. The emoluments payable to Mr. Chen is HK\$20,000 per annum. Mr. Chen was not appointed for a fixed term but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Mr. Chen is not related to any director, substantial shareholder or initial management shareholder of the Company. As at the date of this report, Mr. Chen is not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO. Apart from his directorship with the Company, Mr. Chen does not hold any directorship in any publicly listed companies.

非執行董事

陳群先生，49歲，自二零零二年八月起為本公司董事。他曾於一九八五年至一九九零年期間任職中國人民銀行福建分行，現為閩發證券有限責任公司電腦中心總經理。陳先生在國內證券業之企業管理、產品實施及相關技術服務方面擁有逾15年經驗。陳先生於二零零零年獲亞洲（澳門）國際公開大學頒授工商管理碩士學位。本公司與陳先生並無簽訂服務協議。應付予陳先生之薪金為每年20,000港元。陳先生並無固定任期，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。陳先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。於本報告日期，根據證券及期貨條例第XV部，陳先生概無於本公司股份或相關股份擁有或被視為擁有任何權益。除擔任本公司董事外，陳先生概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Choy Tak Ho, aged 76, has been a director of the Company since September 2002. He has over 40 years of experience in international trading business in Hong Kong. He is the director of Union International (HK) Company Limited and also acts as independent non-executive director of five main board-listed companies, namely Sino Golf Holdings Limited, Ocean Grand Holdings Limited, Yanion International Holdings Limited, Oriental Explorer Holdings Limited and Multifield International Holdings Limited. Mr. Choy was member of the 8th and 9th National Committee of the Chinese People's Political Consultation Conference, of the Selection Committee of the first Government of the Hong Kong Special Administrative Region and is also the Honourable Life Chairman of the Chinese General Chamber of Commerce H.K. and an executive committee member of the Chinese Manufacturers' Association of Hong Kong. There is no service agreement between the Company and Mr. Choy. The emoluments payable to Mr. Choy is HK\$70,000 per annum. Mr. Choy was not appointed for a fixed term but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. Mr. Choy is not related to any director, substantial shareholder or initial management shareholder of the Company. Mr. Choy's interests in the securities of the Company as at the date of this report pursuant to Part XV, of the SFO is set out in the section headed "DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report.

獨立非執行董事

蔡德河先生，76歲，自二零零二年九月起為本公司董事。彼在香港擁有逾40年國際貿易業務經驗，現為聯合國際(香港)有限公司之董事，同時亦為五間主板上市公司之獨立非執行董事，該等上市公司包括順龍控股有限公司、海域集團有限公司、益安國際集團有限公司、東方網庫控股有限公司及萬事昌國際控股有限公司。蔡先生並曾先後擔任第八屆及第九屆中華人民共和國全國政協委員、香港特別行政區第一屆政府推選委員會委員，並為香港中華總商會永遠名譽會長及香港中華廠商聯合會常務會董。本公司與蔡先生並無簽訂服務協議。應付予蔡先生之薪金為每年70,000港元。蔡先生並無固定任期，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。蔡先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。根據證券及期貨條例第XV部，蔡先生於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. Liu Bo, aged 48, has been a director of the Company since September 2002. He is a professor of Shanghai University of Finance and Economics. He was previously the vice general manager of Shanghai Stock Exchange and the chairman of China Southern Securities Co. Ltd. and China Southern Fund Management Co. Ltd. Mr. Liu is now the chairman of the Special Committee of the Investment Fund Industry of the Securities Association of China. There is no service agreement between the Company and Mr. Liu. Mr. Liu was not appointed for a fixed term but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. The emoluments payable to Mr. Liu is HK\$70,000 per annum. Mr. Liu is not related to any director, substantial shareholder or initial management shareholder of the Company. Mr. Liu's interests in the securities of the Company as at the date of this report pursuant to Part XV of the SFO is set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in the Directors' Report. Apart from his directorship with the Company, Mr. Liu does not hold any directorship in any publicly listed companies.

獨立非執行董事 (續)

劉波先生，48歲，自二零零二年九月起為本公司董事。彼為上海財經大學教授，曾任中國上海證券交易所副總經理、南方證券有限公司及中國南方資金管理有限公司之董事長。劉先生現為中國證券業協會轄下證券投資基金業特別委員會之主任。本公司與劉先生並無簽訂服務協議。劉先生並無固定任期，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。應支付予劉先生之薪金為每年70,000港元。劉先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。根據證券及期貨條例第XV部，劉先生於本報告日期在本公司證券中擁有之權益載於董事會報告「董事及最高行政人員於股份、相關股份及債券之權益或淡倉」一節。除擔任本公司董事外，劉先生概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. Sin Ka Man, age 37, has been a Director of the Company since September 2004. Mr. Sin is an assistant general manager who is responsible for the accounting and financial management of China Velocity Group Limited, a Hong Kong listed company. Mr. Sin holds a Bachelor's Degree in Social Sciences from the University of Hong Kong, a Master of Science Degree in Finance from the University of Strathclyde, the United Kingdom and a Master of Accounting Degree from Curtin University of Technology, Australia. He is an associate member of The Hong Kong Institute of Certified Public Accountants, a fellow member of The Association of Chartered Certified Accountants and a certified practicing accountant of the CPA Australia. He has over 14 years of professional experience in auditing, accounting and financial management for both private and listed corporations. There is no service agreement between the Company and Mr. Sin. He was not appointed for a fixed term but will be subject to retirement and re-election at the Company's forthcoming annual general meeting in accordance with the Articles of Association of the Company. The emoluments payable to Mr. Sin is HK\$70,000 per annum. Mr. Sin is not related to any director, substantial shareholder or initial management shareholder of the Company. As at the date of this report, Mr. Sin is not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO. Apart from his directorship with the Company, Mr. Sin does not hold any directorship in any publicly listed companies.

獨立非執行董事 (續)

冼家敏先生，37歲，自二零零四年九月起為本公司董事。冼先生為香港上市公司中國高速(集團)有限公司之助理總經理，專責該公司之會計及財務管理。冼先生持有香港大學社會科學學士學位、英國University of Strathclyde金融學理學碩士學位及澳洲Curtin University of Technology會計學碩士學位。冼先生為香港會計師公會會員、英國特許公認會計師公會資深會員及澳洲註冊執業會計師。彼在私人及上市公司核數、會計及財務管理方面積逾14年之專業經驗。本公司與冼先生並無簽訂服務協議，彼並無固定任期，惟將根據本公司之公司組織章程細則於本公司應屆股東週年大會告退及膺選連任。應支付予冼先生之薪金為每年70,000港元。冼先生與任何本公司董事、主要股東或上市時管理層股東概無任何關係。於本報告日期，根據證券及期貨條例第XV部，冼先生概無於本公司股份或相關股份中擁有或被視作擁有任何權益。除擔任本公司董事外，冼先生概無擔任任何其他上市公司之董事職務。

Biographical Information of Directors and Senior Management

董事及高級管理層履歷資料

SENIOR MANAGEMENT

Mr. Duan Jianlin, aged 44, is the business development controller of the Group. He has been responsible for the sales and marketing management of the Group since he joined the Group in September 2003. After his graduation from the Xian University of Technology in 1982, Mr. Duan held various senior positions in some domestic securities institutions and has over 20 years of experiences in business development and information technology business.

Mr. Lin Wei, aged 41, is the chief technological officer of the Group. He was awarded the Doctor of Philosophy in Management by the Huazhong University of Science & Technology. Before joining the Group in August 2003, Mr. Lin held various key positions in some renowned information technology companies in PRC.

Mr. Chu Kin Wang, Peleus, aged 41, was appointed the company secretary, qualified accountant and one of the compliance officers of the Company in October 2004. Mr. Chu graduated from the University of Hong Kong with a master degree in business administration. He is a fellow member of Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, an associate member of the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators. In the past, Mr. Chu had held senior financial posts in various companies including accounting firms, European/US multinationals, various small and medium-sized enterprises, and Guangdong Investment Limited, a company listed on the main board of the Stock Exchange. From 25th August 2003 to 16th September 2004, Mr. Chu was the Company Secretary, Qualified Accountant, Authorized Representative and Agent for Service of Process of Infoserve Technology Corporation, a company listed on the GEM.

高級管理人員

段建寧先生，44歲，本集團銷售總監。彼於二零零三年九月加入本集團以來一直負責本集團銷售及市場管理工作。段先生於一九八二年在西安理工大學畢業後，曾於當地多家證券機構出任多個高級職位，於業務開發及資訊科技業務方面積逾20年經驗。

林偉先生，41歲，本集團技術總監。林先生獲華中科技大學頒授管理學博士。於二零零三年八月加入本集團前，林先生曾於中國多家著名信息技術公司出任多個重要職位。

朱健宏先生，41歲，於二零零四年十月獲委任為本公司之公司秘書、合資格會計師兼監察主任之一。朱先生畢業於香港大學，獲頒工商管理碩士學位。彼為香港會計師公會及英國特許公認會計師公會資深會員，以及香港公司秘書公會及英國特許秘書及行政人員公會會員。朱先生以往曾於多家公司擔任高級財務職位，包括會計師事務所、歐／美跨國企業、多家中小型企業以及聯交所主板上市公司粵海投資有限公司。於二零零三年八月二十五日至二零零四年九月十六日期間，朱先生於創業板上市公司英普達資訊科技公司擔任公司秘書、合資格會計師、法定代表及接收傳票之代理。

Directors' Report

董事會報告

The directors of Shine Software (Holdings) Limited (the "Company") present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December 2004.

GROUP REORGANIZATION

The Company was incorporated in Cayman Islands on 15th July 2002 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Pursuant to a group reorganization (the "Reorganization") to rationalize the group structure in preparation for the listing of the Company's shares on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Exchange"), the Company became the holding company of the Group upon completion of the Reorganization on 28th July 2003 and, through a placement of 118,250,000 new shares (the "Placing") of the Company. The Company's shares were initially listed on GEM on 12th August 2003 (the "Listing"). Further details of the Reorganization are set out in the Company's prospectus dated 4th August 2003 (the "IPO Prospectus"). The Group resulting from the Reorganization is regarded as a continuing entity for accounting purpose.

The financial results of the Group include the results of the Company and its subsidiaries and have been prepared using the merger basis of accounting as a result of the Reorganization. On this basis, the Company had been treated as the holding company of its subsidiaries since their respective dates of incorporation. The basis of preparation for the results is set out in note 1(b) to the financial statements.

CHANGE OF COMPANY NAME

Pursuant to a special resolution of shareholder of the company, the name of the Company was changed from "Shine Science & Technology (Holdings) Limited" to "Shine Software (Holdings) Limited 新意軟件(控股)有限公司" with effect from 26th April 2004.

新意軟件(控股)有限公司(「本公司」)董事會謹此提呈本公司及其附屬公司(「本集團」)截至二零零四年十二月三十一日止年度之年報及經審核綜合財務報表。

集團重組

本公司於二零零二年七月十五日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。為精簡集團架構以籌備本公司股份於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市而進行集團重組(「重組」)，本公司透過配售本公司118,250,000股新股份(「配售」)於二零零三年七月二十八日完成重組並繼而成為本集團之控股公司。本公司股份於二零零三年八月十二日初次在創業板上市(「上市」)。有關重組詳情載於本公司日期為二零零三年八月四日之招股章程(「招股章程」)。進行重組後，本集團就會計目的被視為持續經營實體。

本集團之財務業績(包括本公司及其附屬公司之業績)於重組後以合併會計基準編製。按此基準而言，本公司被視為自其附屬公司各自註冊成立日期起為其附屬公司之控股公司。編製業績之基準載於財務報表附註1(b)。

更改公司名稱

根據本公司股東之特別決議案，本公司之名稱由「Shine Science & Technology (Holdings) Limited」更改為「Shine Software (Holdings) Limited 新意軟件(控股)有限公司」，自二零零四年四月二十六日起生效。

Directors' Report

董事會報告

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 17 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December 2004 are set out in the consolidated income statement on page 63.

The state of affairs of the Group and the Company as at 31st December 2004 are set out in the balance sheets on pages 64 and 65 respectively. The cash flows of the Group are set out in the consolidated cash flow statement on pages 67 and 68.

The directors of the Company do not recommend the payment of a dividend.

SHARE CAPITAL AND RESERVES

Details of the movements in share capital of the Company during the year are set out in note 28 to the financial statements.

Movements in the reserves of the Group and the Company during the year are set out in note 29 to the financial statements respectively.

FIXED ASSETS

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

DIRECTORS

The directors of the Company who held office during the year were:

Executive directors:

Ms. Gu Yun – *Chairperson*
 Mr. Qiu Yixin – *Vice chairman*
 Mr. Chen Yunrong – *Chief Executive Officer*
 Mr. Ye Jinxing
 Ms. Li Xiaoyuan
 Mr. Jiang Yulai

主要業務

本公司為投資控股公司。其附屬公司之主要業務載於財務報表附註17。

業績及分派

本集團截至二零零四年十二月三十一日止年度之業績載於第63頁的綜合收益表。

本集團及本公司於二零零四年十二月三十一日之營運狀況載於第64及65頁之資產負債表。本集團之現金流量載於第67及68頁之綜合現金流量表。

本公司董事不建議派付股息。

股本及儲備

本公司於年內之股本變動詳情載於財務報表附註28。

本集團及本公司於年內之儲備變動分別載於財務報表附註29。

固定資產

有關本集團之固定資產變動詳情載於財務報表附註14。

董事

本公司於年內之在任董事如下：

執行董事：

顧雲女士 – 主席
 邱一心先生 – 副主席
 陳芸榕先生 – 行政總裁
 葉金興先生
 李小元女士
 江育來先生

Directors' Report

董事會報告

DIRECTORS (Continued)

Non-executive director:

Mr. Chen Qun

Independent non-executive directors:

Mr. Choy Tak Ho

Mr. Liu Bo

Mr. Sin Ka Man (Appointed on 30th September 2004)

In accordance with article 86(3) of the Company's articles of association all of the above directors shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The non-executive directors have no set term of office but are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's Articles of Association.

Biographical information of these directors is set out on page 33 to page 43 of this report.

CHANGES OF DIRECTORATES AND EXECUTIVES

The following changes of directorates and executives occurred during the year:

1. Mr. Sin Ka Man has been appointed as an independent non-executive director and a member of the audit committee of the Company with effect from 30th September 2004;
2. Mr. Chu Kin Wang, Peleus has been appointed as company secretary, authorised representative, qualified accountant and compliance officer of the Company with effect from 1st October 2004; and
3. Mr. Cheng Yun Ming, Matthew has resigned as company secretary, authorised representative, qualified accountant and compliance officer of the Company with effect from 1st October 2004.

董事(續)

非執行董事:

陳 群先生

獨立非執行董事:

蔡德河先生

劉 波先生

冼家敏先生 (於二零零四年九月三十日獲委任)

根據本公司之公司組織章程細則第86(3)條，所有上述董事將於應屆股東週年大會告退，惟彼等合資格膺選連任。

非執行董事並無固定任期，惟須根據本公司之公司組織章程細則於本公司股東週年大會輪值告退。

有關該等董事之履歷資料載於本報告第33至43頁。

董事及行政人員之變動

年內，本公司董事及行政人員出現以下變動：

1. 冼家敏先生已獲委任為本公司之獨立非執行董事及審核委員會成員，由二零零四年九月三十日起生效；
2. 朱健宏先生已獲委任為本公司公司秘書、授權代表、合資格會計師及監察主任，由二零零四年十月一日起生效；及
3. 鄭潤明先生已辭任本公司公司秘書、授權代表、合資格會計師及監察主任，由二零零四年十月一日起生效。

Directors' Report

董事會報告

DIRECTORS' SERVICE CONTRACTS

Each of the executive directors, namely Ms. Gu Yun, Mr. Qiu Yixin, Mr. Chen Yunrong, Mr. Jiang Yulai, Ms. Li Xiaoyuan and Mr. Ye Jinxing has entered into a service agreement with the Company for a term of 3 years commencing from 12th August 2003. Such agreement may, during the term, be terminated by either party giving to the other not less than 3 months' written notice.

Save as disclosed above, none of the directors who are proposed for re-election at the forthcoming annual general meeting or any company controlled by the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Saved as disclosed above:

- (i) there was no transaction which need to be disclosed as connected transactions in accordance with the requirements of Chapter 20 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules"); and
- (ii) no contract of significance in relation to the Group's business subsisted at the year-end or any time during the year to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly.

COMPETING INTERESTS

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

董事服務合約

各執行董事顧雲女士、邱一心先生、陳芸榕先生、江育來先生、李小元女士及葉金興先生已分別與本公司訂立服務協議，年期由二零零三年八月十二日起，為期三年。該協議可於生效期內的任何時間由任何一方對對方發出不少於三個月書面通知予以終止。

除上文披露者外，有意於應屆股東週年大會上膺選連任之董事或任何由董事控制的公司均無與本公司或其任何附屬公司訂立任何本集團不可於一年內免付補償（法定補償除外）而終止之服務合約。

董事酬金

董事酬金須由股東於股東大會批准。其他酬金由本公司董事會參考董事之職務、責任及表現以及本集團業績後釐定。

董事於重大合約之權益

除上文披露者外：

- (i) 本公司概無進行任何須根據聯交所創業板證券上市規則（「創業板上市規則」）第20章所規定須予披露為關連交易之交易；及
- (ii) 本公司或其任何附屬公司於年終或年內任何時間概無訂有任何本公司董事於其中佔有重大權益（不論直接或間接）且與本集團業務有關之重大合約。

競爭權益

本公司董事或管理層股東或任何彼等各自之聯繫人士（定義見創業板上市規則）概無於對或可能對本集團業務構成重大競爭之業務中擁有任何權益。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**董事及主要行政人員於股份、相關股份及債券之權益或淡倉**

As at 31st December 2004, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealing by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

於二零零四年十二月三十一日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條規定而存置之登記冊所記錄，或根據聯交所創業板上市規則第5.46條所述上市發行人董事進行交易的規定標準已知會本公司及聯交所，本公司董事及最高行政人員在本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券中之權益及淡倉如下：

(a) Long positions in shares, underlying shares and debentures of the Company**(a) 於本公司股份、相關股份及債券之好倉**

Name	Capacity	Nature of Interest	Number of shares/ underlying shares	Approximate % of shareholdings
姓名	身分	權益性質	股份／相關 股份數目	持股概約 百分比
Gu Yun 顧雲	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	187,061,635 (Note 1) (附註1)	39.55%
Li Xiaoyuan 李小元	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	187,061,635 (Note 2) (附註2)	39.55%
Ye Jinxing 葉金興	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	35,839,097 (Note 3) (附註3)	7.58%
Chen Yunrong 陳芸榕	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	31,260,882 (Note 4) (附註4)	6.61%
Qiu Yixin 邱一心	Interest of controlled corporation 受控法團權益	Corporate interest 公司權益	28,793,514 (Note 5) (附註5)	6.09%
Jiang Yulai 江育來	Beneficial owner 實益擁有人	Personal interest 個人權益	470,000 (Note 6) (附註6)	0.09%
Choy Tak Ho 蔡德河	Beneficial owner 實益擁有人	Personal interest 個人權益	470,000 (Note 6) (附註6)	0.09%
Liu Bo 劉波	Beneficial owner 實益擁有人	Personal interest 個人權益	470,000 (Note 6) (附註6)	0.09%

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)**董事及最高行政人員於股份、相關股份及債券之權益或淡倉** (續)**(a) Long positions in shares, underlying shares and debentures of the Company** (Continued)**(a) 於本公司股份、相關股份及債券之好倉** (續)

Notes:

附註:

- Such shares are owned by Genesis Century Limited ("Genesis Century"). Ms. Gu Yun is a director of and the beneficial owner of 1,539 shares in Genesis Century, representing 15.39% of its total issued share capital. Ms. Gu is taken to be interested in the same parcel of shares held by Genesis Century pursuant to Part XV of the SFO as Genesis Century is accustomed or obliged to act in accordance with the directions or instructions of Ms. Gu, together with Ms. Li Xiaoyuan.
- Such shares are owned by Genesis Century and represent the same parcel of shares as in note 1. Ms. Li Xiaoyuan is a director of and is the beneficial owner of 3,784 shares in Genesis Century, representing 37.84% of its total issued share capital. Ms. Li is taken to be interested in the same parcel of shares held by Genesis Century pursuant to Part XV of the SFO as she is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Genesis Century.
- These shares are legally owned by Future Pursuit Ltd. ("Future Pursuit"), whose beneficial owners are Mr. Ye Jinxing and his mother, Ms. Lian Xiu, holding 39.79% and 60.21% interest respectively in its total issued share capital. Mr. Ye is taken to be interested in the same parcel of shares held by Future Pursuit pursuant to Part XV of the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Future Pursuit.

- 該等股份由 Genesis Century Limited (「Genesis Century」) 擁有。顧雲女士為 Genesis Century 之董事並實益擁有該公司 1,539 股股份，相當於其全部已發行股本 15.39%。由於 Genesis Century 慣於或須按顧女士及李小元女士之指令而行事，故根據證券及期貨條例第 XV 部，顧女士被視作擁有 Genesis Century 所持同一批股份之權益。
- 該等股份由 Genesis Century 擁有，與附註 1 所述者為同一批股份。李小元女士為 Genesis Century 董事並實益擁有該公司 3,784 股股份，相當於其全部已發行股本 37.84%。由於李女士有權於 Genesis Century 之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第 XV 部，李女士被視作擁有 Genesis Century 所持同一批股份之權益。
- 該等股份由 Future Pursuit Ltd. (「Future Pursuit」) 合法擁有，而 Future Pursuit 之實益擁有人為葉金興先生及其母親連秀女士，分別持有其全部已發行股本 39.79% 及 60.21%。由於葉先生有權於 Future Pursuit 之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第 XV 部，彼被視作擁有 Future Pursuit 所持同一批股份之權益。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)**董事及最高行政人員於股份、相關股份及債券之權益或淡倉** (續)**(a) Long positions in shares, underlying shares and debentures of the Company** (Continued)**(a) 於本公司股份、相關股份及債券之好倉** (續)

Notes:

附註:

4. These shares are legally owned by Cheer Prosper Investments Limited ("Cheer Prosper"), the entire issued share capital of which is owned by Mr. Chen Yunrong. Mr. Chen Yunrong is taken to be interested in the same parcel of shares held by Cheer Prosper pursuant to Part XV of the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Cheer Prosper.
5. These shares are legally owned by Easy Elegance Ltd. ("Easy Elegance"), the entire issued share capital of which is owned by Mr. Qiu Yixin. Mr. Qiu Yixin is taken to be interested in the same parcel of shares held by Easy Elegance pursuant to Part XV of the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Easy Elegance.
6. These represented the outstanding numbers of shares issuable under the share options granted to the respective directors pursuant to a share option scheme adopted by the Company on 28th July 2003. The said options were granted on 6th July 2004 and are exercisable between 6th July 2005 to 5th July 2008 at an exercise price of HK\$0.256 per share.

4. 該等股份由 Cheer Prosper Investments Limited (「Cheer Prosper」) 合法擁有，而 Cheer Prosper 之全部已發行股本乃由陳芸榕先生持有。由於陳芸榕先生有權於 Cheer Prosper 之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第 XV 部，彼被視作擁有 Cheer Prosper 所持同一批股份之權益。
5. 該等股份由 Easy Elegance Ltd. (「Easy Elegance」) 合法擁有，而 Easy Elegance 之全部已發行股本乃由邱一心先生擁有。由於邱一心先生有權於 Easy Elegance 之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第 XV 部，彼被視作擁有 Easy Elegance 所持同一批股份之權益。
6. 此乃根據本公司於二零零三年七月二十八日採納之購股權計劃授予有關董事之購股權而可予發行之尚未發行股份數目。上述購股權乃於二零零四年七月六日授出，可於二零零五年七月六日至二零零八年七月五日期間行使，行使價為每股 0.256 港元。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)**董事及最高行政人員於股份、相關股份及債券之權益或淡倉** (續)**(b) Long position in shares, underlying shares and debentures of associated corporations****(b) 於相聯法團股份、相關股份及債券之好倉**

Name	Name of associated corporation	Capacity	Nature of interest	Number of shares in the associated corporation	Percentage of interests in the registered capital of the associated corporation
姓名	相聯法團名稱	身分	權益性質	於相聯法團之股份數目	佔該相聯法團註冊資本之權益百分比
Gu Yun (Note 2) 顧雲 (附註2)	上海興意識管理諮詢有限公司 ("Shanghai Xingyishi") (Note 1) ([上海興意識]) (附註1)	Interest of spouse 配偶之權益	Family interest 家族權益	40,000	8.0%
Qiu Yixin 邱一心	Shanghai Xingyishi 上海興意識	Beneficial owner 實益擁有人	Personal interest 個人權益	20,000	4.0%
Chen Yunrong 陳芸榕	Shanghai Xingyishi 上海興意識	Beneficial owner 實益擁有人	Personal interest 個人權益	20,000	4.0%
Ye Jinxing 葉金興	Shanghai Xingyishi 上海興意識	Beneficial owner 實益擁有人	Personal interest 個人權益	20,000	4.0%
Jiang Yulai 江育來	Shanghai Xingyishi 上海興意識	Beneficial owner 實益擁有人	Personal interest 個人權益	20,000	4.0%
Chen Qun 陳群	Shanghai Xingyishi 上海興意識	Beneficial owner 實益擁有人	Personal interest 個人權益	20,000	4.0%

Notes:

- Shanghai Xingyishi is a subsidiary of the Group, in which 60% of its equity shares are owned by the Group and the remaining interests are owned by others, including certain directors of the Company or their respective associates as disclosed above.
- These shares are held by Mr. Xu Zhangxun, the spouse of Ms. Gu Yun. Ms. Gu is deemed to be interested in Mr. Xu's interests in Shanghai Xingyishi by virtue of Part XV of SFO.

附註:

- 上海興意識為本集團之附屬公司，其60%股權由本集團擁有，餘下權益則由包括上文所披露之若干本公司董事或彼等各自之聯繫人士在內的其他人士擁有。
- 該等股份由顧雲女士之配偶許章迅先生持有，根據證券及期貨條例第XV部，顧女士亦被視作擁有許先生在上海興意識所擁有權益之權益。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above, as at 31st December 2004, none of the directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were otherwise required, pursuant to the minimum standards of dealing by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Exchange. The Group had not issued any debentures during the year.

SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAD AN INTEREST AND A SHORT POSITION WHICH WAS DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO

As at 31st December 2004, the following persons (other than the directors or chief executive of the Company as disclosed above) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long positions in shares of the Company

Name 名稱	Capacity 身分	Number of shares 股份數目	Approximate % of shareholding 持股概約百分比
Genesis Century (Note 3) Genesis Century (附註3)	Beneficial owner 實益擁有人	187,061,635	39.55%
Zhang Xiaohui (Notes 1 & 3) 張曉輝 (附註1及3)	Interest of spouse 配偶之權益	187,061,635	39.55%
Xu Zhangxun (Notes 2 & 3) 許章迅 (附註2及3)	Interest of spouse 配偶之權益	187,061,635	39.55%
Future Pursuit (Note 6) Future Pursuit (附註6)	Beneficial owner 實益擁有人	35,839,097	7.58%
Lian Xiu (Notes 4 & 6) 連秀 (附註4及6)	Interest of controlled corporation 受控法團權益	35,839,097	7.58%
Wang Chunling (Notes 5 & 6) 王春玲 (附註5及6)	Interest of spouse 配偶之權益	35,839,097	7.58%
Cheer Prosper (Note 7) Cheer Prosper (附註7)	Beneficial owner 實益擁有人	31,260,882	6.61%
Guo Lidan (Note 7) 郭立丹 (附註7)	Interest of spouse 配偶之權益	31,260,882	6.61%
Easy Elegance (Note 8) Easy Elegance (附註8)	Beneficial owner 實益擁有人	28,793,514	6.09%
Lin Wen (Note 8) 林文 (附註8)	Interest of spouse 配偶之權益	28,793,514	6.09%

董事及最高行政人員於股份、相關股份及債券之權益或淡倉 (續)

除上文披露者外，於二零零四年十二月三十一日，本公司董事或最高行政人員概無在本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有任何根據證券及期貨條例第352條規定而須載入該條例所述之登記冊內，或根據創業板上市規則第5.46條所述上市發行人董事進行交易的最低標準規定而須知會本公司及聯交所之任何權益或淡倉。本集團並無於本年度內發行任何債券。

根據證券及期貨條例第XV部第2及3分部擁有須予披露之權益及淡倉之主要股東及人士

於二零零四年十二月三十一日，根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，下列人士（已於上文披露之本公司董事或最高行政人員除外）擁有本公司之股份及相關股份之權益或淡倉：

於本公司股份之好倉

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAD AN INTEREST AND A SHORT POSITION WHICH WAS DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO (Continued)**根據證券及期貨條例第XV部第2及3分部擁有須予披露之權益及淡倉之主要股東及人士(續)**

Notes:

- Such shares are owned by Genesis Century. Ms. Li Xiaoyuan is taken to be interested in the shares held by Genesis Century pursuant to Part XV of the SFO as she is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Genesis Century. Mr. Zhang Xiaohui is also taken to be interested in such shares pursuant to Part XV of the SFO as he is the spouse of Ms. Li Xiaoyuan.
- Such shares are owned by Genesis Century. Ms. Gu Yun is a director of and the beneficial owner of 1,539 shares in Genesis Century. Ms. Gu is taken to be interested in the shares held by Genesis Century as Genesis Century is accustomed or obliged to act in accordance with her directions or instructions. Mr. Xu Zhangxun is also taken to be interested in such shares pursuant to Part XV of the SFO as he is the spouse of Ms. Gu Yun.
- The shares under Genesis Century, Mr. Zhang Xiaohui and Mr. Xu Zhangxun represent the same parcel of shares.
- Such shares are owned by Future Pursuit. Ms. Lian Xiu, the mother of Mr. Ye Jinxing, owns 60.21% of the total issued shares of Future Pursuit. Ms. Lian Xiu is taken to be interested in the shares held by Future Pursuit pursuant to Part XV of the SFO as she is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Future Pursuit.
- Such shares are owned by Future Pursuit. Mr. Ye Jinxing owns 39.79% of the total issued shares of Future Pursuit. Mr. Ye Jinxing is taken to be interested in the shares held by Future Pursuit pursuant to Part XV of the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of Future Pursuit. Ms. Wang Chunling is also taken to be interested in such shares pursuant to Part XV of the SFO as she is the spouse of Mr. Ye Jinxing.
- The shares under Future Pursuit, Ms. Lian Xiu and Ms. Wang Chunling represent the same parcel of shares.

附註:

- 該等股份由Genesis Century擁有。由於李小元女士有權於Genesis Century之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第XV部，李女士被視作擁有Genesis Century所持股份之權益。由於張曉輝先生為李小元女士之配偶，故根據證券及期貨條例第XV部，彼亦被視作於該等股份中擁有權益。
- 該等股份由Genesis Century擁有。顧雲女士為Genesis Century之董事及實益擁有該公司1,539股股份。由於Genesis Century慣於或須按顧雲女士指令而行事，故彼被視作擁有Genesis Century所持股份之權益。由於許章迅先生為顧雲女士之配偶，故根據證券及期貨條例第XV部，彼亦被視作於該等股份中擁有權益。
- Genesis Century、張曉輝先生及許章迅先生名下之股份屬同一批股份。
- 該等股份由Future Pursuit擁有。葉金興先生之母親連秀女士擁有Future Pursuit全部已發行股份60.21%之權益。由於連秀女士有權於Future Pursuit之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第XV部，彼被視作擁有Future Pursuit所持股份之權益。
- 該等股份由Future Pursuit擁有。葉金興先生擁有Future Pursuit全部已發行股份39.79%之權益。由於葉金興先生有權於Future Pursuit之股東大會行使或控制行使三分之一或以上之投票權，故根據證券及期貨條例第XV部，彼被視作擁有Future Pursuit所持股份之權益。由於王春玲女士為葉金興先生之配偶，故根據證券及期貨條例第XV部，彼亦被視作於該等股份中擁有權益。
- Future Pursuit、連秀女士及王春玲女士名下股份屬同一批股份。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAD AN INTEREST AND A SHORT POSITION WHICH WAS DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO (Continued)

Notes: (Continued)

- Such shares represent the same parcel of shares and are owned by Cheer Prosper, the total issued share capital of which is owned by Mr. Chen Yunrong. Ms. Guo Lidan is also taken to be interested in Mr. Chen Yunrong's shares as held by Cheer Prosper pursuant to Part XV of the SFO since she is the spouse of Mr. Chen Yunrong.
- Such shares represent the same parcel of shares and are owned by Easy Elegance, the total issued share capital of which is owned by Mr. Qiu Yixin. Ms. Lin Wen is also taken to be interested in Mr. Qiu Yixin's shares as held by Easy Elegance pursuant to Part XV of the SFO since she is the spouse of Mr. Qiu Yixin.

Save as disclosed above, as at 31st December 2004 no other person (other than the directors or chief executive of the Company) had an interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

根據證券及期貨條例第XV部第2及3分部擁有須予披露之權益及淡倉之主要股東及人士(續)

附註：(續)

- 該等股份屬同一批股份，並由Cheer Prosper擁有，而Cheer Prosper之全部已發行股本由陳芸榕先生持有。由於郭立丹女士為陳芸榕先生之配偶，故根據證券及期貨條例第XV部，彼亦被視作擁有陳芸榕先生於Cheer Prosper所持股份之權益。
- 該等股份屬同一批股份，由Easy Elegance擁有，而Easy Elegance全部已發行股本由邱一心先生持有。由於林文女士為邱一心先生之配偶，故根據證券及期貨條例第XV部，彼亦被視作擁有邱一心先生於Easy Elegance所持股份之權益。

除上文披露者外，按根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，於二零零四年十二月三十一日，並無其他人士(本公司董事或最高行政人員除外)於本公司股份及相關股份中擁有權益或淡倉。

Directors' Report

董事會報告

SHARE OPTION SCHEME

Pursuant to a written resolution passed by the then shareholders of the Company on 28th July 2003, the Company adopted a share option scheme (the "Share Option Scheme") with a life of 10 years commencing from its adoption date. The principal terms of the Share Option Scheme are set out in the Company's 2003 Annual Report.

On 6th July 2004, a total of 20,000,000 share options were granted to certain directors and employees of the Group under the Share Option Scheme, details of which are set out below:

購股權計劃

本公司根據二零零三年七月二十八日由本公司當時之股東通過之書面決議案採納購股權計劃(「購股權計劃」)，購股權計劃由其採納當日起計為期十年。其主要條款詳載於本公司二零零三年年報內。

於二零零四年七月六日，共有20,000,000份購股權根據購股權計劃授予若干本集團董事及僱員，詳情載列如下：

Participants 參與者	Date of grant (Note 1) 授出日期 (附註1)	Exercise price per share 每股 行使價 (HK\$) (港元)	Number of share options 購股權數目			Company's share price at date of grant (Note 2) 本公司 股份於授出 日期之價格 (附註2) (HK\$) (港元)
			At 1st January 2004 於 二零零四年 一月一日	Granted during period 於期內 授出	At 31st December 2004 於 二零零四年 十二月 三十一日	
Directors 董事						
Jiang Yulai 江育來	6th July 2004 二零零四年七月六日	0.256	-	470,000	470,000	0.24
Choy Tak Ho 蔡德河	6th July 2004 二零零四年七月六日	0.256	-	470,000	470,000	0.24
Liu Bo 劉波	6th July 2004 二零零四年七月六日	0.256	-	470,000	470,000	0.24
Other employees 其他僱員						
In aggregate 合計	6th July 2004 二零零四年七月六日	0.256	-	18,590,000	18,590,000	0.24
Total share options granted 授出購股權總數						
			-	20,000,000	20,000,000	

Directors' Report

董事會報告

SHARE OPTION SCHEME (Continued)

Notes:

1. The exercise period of these share options is three years commencing from one year immediately after the date of grant and terminating three years thereafter. Generally, the share options are vested in different tranches (some of which are conditional).
2. The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange's closing price on the trading day immediately prior to the date of the grant of the share options.

Save as disclosed above, no share options had been granted, cancelled, lapsed or exercised during the period. The total number of shares that may be issued upon exercise of all share options granted and yet to be exercised under the Share Option Scheme is 20,000,000 shares as at 31st December 2004, representing approximately 4.22% of the entire issued share capital of the Company as at the date of this report.

The financial impact of the share options granted is not recorded in the Company's and the Group's accounts until such time as the share options are exercised. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares recorded by the Company in the share premium account. Share options which lapsed, if any, prior to their exercise date are deleted from the outstanding share options.

The directors of the Company do not consider it appropriate to state the value of the share options granted during the year as a number of variables which are crucial for the calculation of the share options value have not been determined. The Directors believe that any calculation of the value of the share options based on a great number of speculative assumptions would not be meaningful and would be misleading.

購股權計劃(續)

附註:

1. 該等購股權之行使期為三年，由緊隨授出日期後一年起，並於其後三年終止。一般而言，購股權的行使權分批授出（部分購股權帶有附帶條件）。
2. 所披露之本公司股份於購股權授出日期之價格乃緊接購股權授出日期前交易日之聯交所收市價。

除上文披露者外，期內並無授出、註銷任何購股權，亦無任何購股權失效或獲行使。於二零零四年十二月三十一日，就行使所有根據購股權計劃已授出但尚未行使之購股權而可予發行之股份總數為20,000,000股，相當於本公司於本報告日期之全部已發行股本約4.22%。

已授出購股權之財務影響於購股權獲行使時，方會記入本公司及本集團賬目。於購股權獲行使後，由此發行之股份由本公司按股份面值記錄為額外股本，而每股行使價超出股份面值之金額則由本公司記入股份溢價賬。於其行使日期前失效之購股權（如有）自尚未行使購股權中刪除。

本公司董事認為不宜列出年內已授出購股權之價值，此乃由於未能確定計算購股權價值之多個關鍵變數。董事相信，基於大量推測假設計算之購股權價值並無意義，亦會造成誤導。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

MAJOR CUSTOMERS AND SUPPLIERS

For the year under review, the top five customers of the Group together accounted for approximately 21% of the Group's total sales for the year while the single largest customers accounted for approximately 6% of the Group's total sales during the year.

Whereas external purchase, mainly arising from its hardware resale operations, only accounted for about 37% of the Group's cost of sales during the year, the top five suppliers of the Group for the year under review together accounted for approximately 72% of the Group's total purchases for the year and the single largest supplier accounted for approximately 20% of the Group's total purchases.

None of the directors, their respective associates or any shareholders of the Company who owns more than 5% of the issued share capital of the Company has any interests in the Group's five largest customers and suppliers above-mentioned.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31st December 2004.

RETIREMENT BENEFITS SCHEMES

Particular of the retirement benefits schemes of the Group are set out in note 31 to the financial statements.

CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, warrants or instruments carrying other similar rights as at 31st December 2004.

董事及最高行政人員購買股份或債券之權利

除上文披露之購股權外，本公司或其任何附屬公司概無於年內任何時間訂有任何安排，致使本公司董事及最高行政人員可透過購買本公司或任何其他法團之股份或債券而受惠，而董事或彼等之配偶或18歲以下子女概無擁有認購本公司證券之權利，亦無行使有關權利。

主要客戶及供應商

於回顧年內，本集團五大客戶合共佔本集團年內總銷售額約21%，而最大單一客戶則佔本集團年內總銷售額約6%。

對外採購主要源自其硬件轉售業務，僅佔本集團年內銷售成本約37%，而本集團五大供應商於回顧年內合共佔本集團年內總採購額約72%，而最大單一供應商則佔本集團總採購額約20%。

董事、彼等各自之聯繫人士或任何擁有本公司已發行股本5%以上之本公司股東概無於上述本集團五大客戶及供應商中擁有任何權益。

或然負債

於二零零四年十二月三十一日，本集團並無任何重大或然負債。

退休福利計劃

本集團退休福利計劃詳情載於財務報表附註31。

可換股證券、認股權證或類似權利

於二零零四年十二月三十一日，本公司並無任何尚未行使可換股證券、認股權證或附有其他類似權利之文據。

Directors' Report

董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

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

During the year ended 31st December 2004, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed Shares.

SPONSOR'S INTEREST

Pursuant to a sponsor agreement dated 4th August 2003 entered into between the Company and South China Capital Limited (the "Sponsor"), the Sponsor has been appointed as the retained sponsor of the Company for the period from 12th August 2003 to 31st December 2005 (or until the sponsor agreement is otherwise terminated upon the terms and conditions contained therein), for which the Sponsor will receive a fee.

As notified and updated by the Sponsor, neither the Sponsor nor any of its directors or employees or associates (as referred to in Note 3 to Rule 6.35 of the GEM Listing Rules) had any interest in any class of securities of the Company or any member of the Group, or any right to subscribe for or to nominate persons to subscribe for the securities of the Company or any member of the Group as at 31st December 2004.

Save as disclosed above, the Sponsor had no other interest in the Company as at 31st December 2004.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with Rules 5.28, 5.29 and 5.30 of the GEM Listing Rules on 28th July 2003. The primary duties of the audit committee are, among others, to review and oversee the financial reporting principles and practices adopted as well as internal control procedures and issues of the Group. It also reviews quarterly, interim and the final results of the Group prior to recommending the same to the Board for consideration.

優先購買權

本公司之公司組織章程細則或開曼群島法例並無訂有有關優先購買權之條文，規定本公司須向現有股東按比例提呈發售新股份。

購買、出售或贖回本公司上市股份

於截至二零零四年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

保薦人權益

根據本公司與南華融資有限公司（「保薦人」）所訂立日期為二零零三年八月四日之保薦人協議，保薦人已獲委任為本公司自二零零三年八月十二日起至二零零五年十二月三十一日（或直至根據當中所載之條款及條件予以終止）止期間之延聘保薦人，就此，保薦人將收取相關費用。

於二零零四年十二月三十一日，根據保薦人所知會之最新資料，保薦人或其任何董事、僱員或聯繫人士（見創業板上市規則第6.35條附註3所述）概無於本公司或本集團任何成員公司任何類別證券中擁有權益，或擁有認購或提名他人認購本公司或本集團任何成員公司之證券之權利。

除上文披露者外，於二零零四年十二月三十一日，保薦人並無於本公司擁有其他權益。

審核委員會

本公司已於二零零三年七月二十八日遵照創業板上市規則第5.28、5.29及5.30條，成立審核委員會並書面列明其職權範圍。審核委員會之主要職責為（其中包括）審閱及監察本集團之財務申報準則及所採納之慣例，以及內部監控程序及事宜。就此向董事會提供推薦意見前，其亦審閱本集團季度、中期及全年業績。

Directors' Report

董事會報告

AUDIT COMMITTEE (Continued)

The audit committee, comprising of the three independent non-executive directors of the Company, namely Mr. Choy Tak Ho, Mr. Liu Bo and Mr. Sin Ka Man (Chairman).

During the year ended 31st December 2004, the audit committee has held four meetings. The Group's audited results for the year ended 31st December 2004 have been reviewed and commented by the audit committee members.

DISCLOSURE PURSUANT TO RULE 17.22 OF THE GEM LISTING RULES

Other Receivables

As at 31st December 2004, the Group had receivables from Industrial Securities Company Limited ("Industrial Securities") of approximately RMB5,720,000, which exceeded eight per cent. of the total assets of the Group as at 31st December 2004 and the revenue and net profit of the Group (as defined in Chapter 19 of GEM Listing Rules) for the year ended 31st December 2004.

The receivables from Industrial Securities were resulted from security trading through Industrial Securities by the Company in the PRC stock market over the year of 2004. Industrial Securities is an independent third party who is not a connected person (as defined in GEM Listing Rules) of the Company. The receivables are unsecured, with an annual interest rate of 0.72 per cent. and will be fully repaid by Industrial Securities upon request.

Deposit

As at 31st December 2004, the Group had a deposit to 深圳市中大投資發展有限公司 (China Prime Investment Development Company Limited) ("China Prime") of RMB5,415,000, which exceeded eight per cent. of the total assets of the Group as at 31st December 2004 and the revenue and net profit of the Group (as defined in Chapter 19 of GEM Listing Rules) for the year ended 31st December 2004.

The deposit was resulted from the engagement of China Prime to perform certain marketing research for the Company in December 2004. China Prime is an independent third party who is not a connected person (as defined in GEM Listing Rules) of the Company. The deposit is unsecured and has no interest bearing, and will be used for the marketing research.

審核委員會(續)

審核委員會由本公司三名獨立非執行董事蔡德河先生、劉波先生及冼家敏先生(主席)所組成。

於截至二零零四年十二月三十一日止年度內，審核委員會曾舉行四次會議，而本集團截至二零零四年十二月三十一日止年度之經審核業績已獲審核委員會成員審閱及提供意見。

根據創業板上市規則第17.22條作出披露

其他應收款項

於二零零四年十二月三十一日，本集團應收興業證券股份有限公司(「興業證券」)之款項約為人民幣5,720,000元，分別超出本集團於二零零四年十二月三十一日之總資產及本集團截至二零零四年十二月三十一日止年度之收益及溢利淨額(定義見創業板上市規則第19章)8%。

應收興業證券之款項乃由於本公司於二零零四年度透過興業證券於中國股份市場進行證券買賣而產生。興業證券為獨立第三方，亦非本公司之關連人士(定義見創業板上市規則)。應收款項為無抵押，按年利率0.72厘計息，並須應要求由興業證券悉數償還。

保證金

於二零零四年十二月三十一日，本集團於深圳市中大投資發展有限公司(「中大投資」)之保證金為人民幣5,415,000元，超出本集團於二零零四年十二月三十一日之總資產及本集團截至二零零四年十二月三十一日止年度之收益及溢利淨額(定義見創業板上市規則第19章)8%。

該筆保證金乃源自中大投資於二零零四年十二月為本公司提供若干市場研究服務而產生。中大投資為獨立第三方，亦非本公司之關連人士(定義見創業板上市規則)。該筆款項為無抵押、免息，並將撥作市場研究用途。

Directors' Report

董事會報告

CORPORATE GOVERNANCE

During the year ended 31st December 2004, the Company has complied with the Board Practices and Procedures as set out in Rules 5.34 to 5.45 of the GEM Listing Rules, which applied before the amendments of the GEM Listing Rules relating to the Code on Corporate Governance Practices and Rules on Corporate Governance Report on 1st January 2005.

The Company has adopted a code of conduct regarding securities dealings by directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specified enquiry of all directors of the Company, the Company was not aware of any non-compliance with such code of conduct throughout the year ended 31st December 2004.

The Company has received from each of the independent non-executive directors an annual confirmation of their independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of its independent non-executive directors are independent.

AUDITORS

The financial statements have been audited by Messrs. CCIF CPA Limited (formerly known as Charles Chan, Ip & Fung CPA Ltd.) who retire and, being eligible, offer themselves for re-appointment.

By order of the Board

Gu Yun

Chairperson

22nd March 2005

企業管治

於截至二零零四年十二月三十一日止年度內，本公司已遵守創業板上市規則第5.34至5.45條所載董事會常規及程序，該等常規及程序於二零零五年一月一日修訂創業板上市規則有關企業管治常規守則及企業管治報告規則前適用。

本公司已採納創業板上市規則第5.48至5.67條有關董事進行證券交易的操守守則。本公司經向所有董事作出特定查詢後，並不知悉任何董事於截至二零零四年十二月三十一日止年度內未有遵守該操守守則。

本公司已接獲各獨立非執行董事根據創業板上市規則第5.09條作出確認彼等獨立身分之年度確認。本公司認為其全體獨立非執行董事均為獨立人士。

核數師

財務報表已由陳葉馮會計師事務所有限公司審核，其將告退，惟合資格及願應聘留任。

承董事會命

主席

顧雲

二零零五年三月二十二日

Auditors' Report

核數師報告

CCIF CPA Limited
37th Floor, Hennessy Centre
500 Hennessy Road
Causeway Bay, Hong Kong

AUDITORS' REPORT TO THE SHAREHOLDERS OF SHINE SOFTWARE (HOLDINGS) LIMITED
(FORMERLY KNOWN AS SHINE SCIENCE & TECHNOLOGY (HOLDINGS) LIMITED)
(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

We have audited the financial statements on pages 63 to 132 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

* For identification only



陳葉馮會計師事務所有限公司
香港銅鑼灣
軒尼詩道500號
興利中心37樓

致新意軟件(控股)有限公司
(前稱新意科技(控股)有限公司*)
(於開曼群島註冊成立之有限公司)
全體股東之核數師報告

本核數師已完成審核第63至132頁之財務報表，財務報表乃按照香港普遍採納之會計原則編製。

董事及核數師各自之責任

貴公司董事須負責編製真實兼公平之財務報表。在編製該等真實兼公平之財務報表時，董事必須採用適當之會計政策，並且貫徹應用該等會計政策。

本核數師之責任是根據審核結果，對該等財務報表作出獨立意見，僅向整體股東報告，除此之外，本報告並無其他目的。本核數師不會就本報告的內容向任何其他人士負上或承擔任何責任。

* 僅供識別

Auditors' Report

核數師報告

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public 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.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

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

CCIF CPA Limited

Certified Public Accountants
Hong Kong, 22nd March 2005

Chan Wai Dune, Charles
Practising Certificate Number P00712

意見之基礎

本核數師已按照香港會計師公會頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評審董事於編製財務報表時所作之重大估計和判斷、所採用之會計政策是否適合 貴公司與 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。

本核數師在策劃和進行審核工作時，均以取得所有本核數師認為必需之資料及解釋為目標，以便獲得充分憑證，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，本核數師亦已評估該等財務報表所載之資料在整體上是否足夠。本核數師相信，我們之審核工作已為吾等之意見提供合理之基礎。

意見

本核數師認為，上述財務報表足以真實兼公平地顯示 貴公司與 貴集團於二零零四年十二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，並按照香港公司條例的披露規定妥為編製。

陳葉馮會計師事務所有限公司

執業會計師
香港，二零零五年三月二十二日

陳維端
執業證書號碼P00712

Consolidated Income Statement**綜合收益表**

For the year ended 31st December 2004 (Expressed in Renminbi)

截至二零零四年十二月三十一日止年度(以人民幣列值)

		Note 附註	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Turnover	營業額	4 & 13	17,985	16,287
Cost of sales	銷售成本		(4,832)	(7,063)
Gross profit	毛利		13,153	9,224
Other revenue	其他收益	5	2,625	2,353
Other net income	其他收入淨額	5	36	190
Distribution costs	分銷成本		(3,246)	(3,391)
Administrative expenses	行政開支		(9,778)	(7,705)
Other operating expenses	其他經營開支		(1,899)	(530)
Profit from ordinary activities before taxation	除稅前日常業務溢利	6	891	141
Income tax	所得稅	7(a)	(753)	238
Profit from ordinary activities after taxation	除稅後日常業務溢利		138	379
Minority interests	少數股東權益		95	329
Profit attributable to shareholders	股東應佔溢利	10 & 29(a)	233	708
Dividends attributable to the year:	本年度股息:	11(a)		
Final dividend proposed after the balance sheet date	結算日後擬派末期股息		—	1,705
			RMB (cents) 人民幣(仙)	RMB (cents) 人民幣(仙)
Earnings per share	每股盈利	12		
– Basic	– 基本		0.05	0.18
– Diluted	– 攤薄		N/A (不適用)	N/A (不適用)

The notes on pages 69 to 132 form part of these financial statements.

第69至132頁之附註組成財務報表其中部分。

Consolidated Balance Sheet

綜合資產負債表

At 31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

		Note 附註	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Fixed assets	固定資產	14	6,099	4,018
Intangible assets	無形資產	15	13,196	8,797
Goodwill	商譽	16	(472)	(597)
Deferred tax assets	遞延稅項資產	27(a)	—	190
			18,823	12,408
Current assets	流動資產			
Investments	投資	18	—	163
Inventories	存貨	19	69	76
Trade and other receivables	應收賬款及 其他應收款項	20	15,663	2,066
Tax recoverable	可收回稅項	21	957	986
Fixed deposits	定期存款	22	—	12,000
Cash and cash equivalents	現金及現金等值物	23	20,071	28,205
			36,760	43,496
Current liabilities	流動負債			
Trade and other payables	應付賬款及 其他應付款項	24	5,450	4,537
Deferred income	遞延收入	25	856	779
Taxation payable	應繳稅項	26	92	161
			6,398	5,477
Net current assets	流動資產淨值		30,362	38,019
Total assets less current liabilities	總資產減流動負債		49,185	50,427
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	27(a)	(1,510)	(947)
Minority interests	少數股東權益		(155)	(488)
NET ASSETS	資產淨值		47,520	48,992
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	28	5,014	5,014
Reserves	儲備	29	42,506	43,978
			47,520	48,992

Approved and authorised for issue by the board of directors on 22nd March 2005.

Gu Yun
Director

顧雲
董事

Chen Yunrong
Director

陳芸榕
董事

The notes on pages 69 to 132 form part of these financial statements.

董事會於二零零五年三月二十二日批准及授權刊發。

第69至132頁之附註組成財務報表其中部分。

Balance Sheet**資產負債表**

At 31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

		Note	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
		附註		
Non-current assets	非流動資產			
Fixed assets	固定資產	14	85	176
Investments in subsidiaries	於附屬公司之投資	17	19	19
			104	195
Current assets	流動資產			
Trade and other receivables	應收賬款及其他			
	應收款項	20	29,317	29,144
Cash and cash equivalents	現金及現金等值物	23	5,450	10,501
			34,767	39,645
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他			
	應付款項	24	533	450
Net current assets	流動資產淨值		34,234	39,195
NET ASSETS	資產淨值		34,338	39,390
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	28	5,014	5,014
Reserves	儲備	29	29,324	34,376
			34,338	39,390

Approved and authorised for issue by the board of directors on 22nd March 2005.

Gu Yun
Director

顧雲
董事

Chen Yunrong
Director

陳芸榕
董事

董事會於二零零五年三月二十二日批准及授權刊發。

The notes on pages 69 to 132 form part of these financial statements.

第69至132頁之附註組成財務報表其中部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31st December 2004 (Expressed in Renminbi)

截至二零零四年十二月三十一日止年度(以人民幣列值)

		Note 附註	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Shareholders' equity at 1st January	於一月一日之股東資金		48,992	6,739
Reserve arising from the group reorganisation	集團重組所產生儲備		-	(11)
Net profit for the year	本年度純利		233	708
Dividends in respect of the year ended 31st December 2003 approved and paid during the year	年內就截至二零零三年十二月三十一日止年度批准及派付之股息	11	(1,705)	-
Movements in shareholders' equity arising from capital transactions with shareholders:	與股東進行資本交易而產生之股東資金變動:	28 & 29		
Capital elimination on combination	於合併賬目時撇銷資本		-	(8)
Shares issued under the group reorganisation	根據集團重組已發行股份		-	19
Shares issued under the conversion of convertible notes into shares	根據轉換可換股票據為股份發行股份		-	5
Shares issued under the placing	根據配售發行股份		-	1,253
Net share premium received	已收取股份溢價淨額		-	40,287
			-	41,556
Shareholders' equity at 31st December	於十二月三十一日之股東資金		47,520	48,992

The notes on pages 69 to 132 form part of these financial statements.

第69至132頁之附註組成財務報表其中部分。



Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31st December 2004 (Expressed in Renminbi)

截至二零零四年十二月三十一日止年度(以人民幣列值)

		2004		2003	
		二零零四年		二零零三年	
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Operating activities	經營業務				
Profit from ordinary activities before taxation	除稅前日常業務溢利	891		141	
Adjustments for:	就下列各項調整:				
Depreciation	折舊	1,016		1,251	
(Written back)/provision for bad and doubtful debts	呆壞賬(撥回)/撥備	(35)		213	
Bad debts written off	壞賬撇銷	168		246	
Amortisation of positive goodwill	正商譽攤銷	5		-	
Amortisation of negative goodwill	負商譽攤銷	(125)		(32)	
Amortisation of intangible assets	無形資產攤銷	1,287		536	
Dividend income from listed equity securities	上市股本證券之股息收入	(2)		(3)	
Interest income	利息收入	(226)		(94)	
Loss on disposals of fixed assets	出售固定資產之虧損	177		117	
Net realised and unrealised gains on listed equity securities carried at market value	按市值列賬之上市股本證券之已變現及未變現盈利淨額	(36)		(140)	
Operating profit before changes in working capital	未計營運資金變動前之經營溢利	3,120		2,235	
Decrease in inventories	存貨減少	7		75	
(Increase)/decrease in debtors, deposits and prepayments	應收賬款、按金及預付款項(增加)/減少	(7,981)		10,452	
Increase/(decrease) in creditors and accrued charges	應付賬款及應計費用增加/(減少)	834		(3,450)	
Increase in deferred income	遞延收入增加	77		253	
Increase/(decrease) in other tax payables	其他應繳稅項增加/(減少)	79		(1,041)	
Cash (used in)/generated from operations	經營業務(動用)/產生之現金	(3,864)		8,524	
Tax paid	已繳稅項				
PRC enterprise income tax paid	已繳中國企業所得稅	(69)		(113)	
Net cash (used in)/generated from operating activities	經營業務(動用)/產生之現金淨額		(3,933)		8,411

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31st December 2004 (Expressed in Renminbi)

截至二零零四年十二月三十一日止年度(以人民幣列值)

	Note 附註	2004 二零零四年		2003 二零零三年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Investing activities					
Payment for purchase of fixed assets		(4,324)		(2,249)	
Proceeds from sales of fixed assets		654		222	
Expenditure on development projects		(5,290)		(4,731)	
Payment for purchase of trading securities		(37,235)		(102)	
Proceeds from sales of trading securities		37,434		184	
Payment for purchase of partial interest in a subsidiary, net of cash acquired		(243)		(657)	
Decrease/(increase) in deposits with banks maturing after three months from the date of the deposits		12,000		(12,000)	
Increase in amount due from a securities broker firm		(5,720)		-	
Interest income received		226		180	
Dividend income received		2		3	
Net cash used in investing activities			(2,496)		(19,150)
Financing activities					
Net proceeds from shares issued under the placing		-		26,705	
Dividend paid to minority interest		-		(505)	
Dividend paid		(1,705)		(6,000)	
Net cash (used in)/generated from financing activities			(1,705)		20,200
Net (decrease)/increase in cash and cash equivalents			(8,134)		9,461
Cash and cash equivalents at 1st January			28,205		18,744
Cash and cash equivalents at 31st December			20,071		28,205

The notes on pages 69 to 132 form part of these financial statements.

第69至132頁之附註組成財務報表其中部分。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

1. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

(a) Reorganisation

The Company was incorporated in the Cayman Islands on 15th July 2002 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company became the holding company of the Group on 17th June 2003 through a group reorganisation (the "Reorganisation") to rationalise the Group's structure in preparation for the public listing of the Company's shares on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company acquired by share exchange the entire share capital of Shine Science & Technology (BVI) Limited ("Shine Science BVI"), the then holding company of the subsidiaries included in the Reorganisation, and hereby became the holding company of the companies now comprising the Group.

Further details of the Reorganisation are set out in the prospectus dated 4th August 2003 issued by the Company. The shares of the Company were listed on the GEM of the Stock Exchange with effect from 12th August 2003.

1. 集團重組及財務報表呈報基準

(a) 重組

本公司於二零零二年七月十五日根據開曼群島法例第二十二章公司法(一九六一年第三冊·經統一及修訂)在開曼群島註冊成立為獲豁免有限公司。為籌備本公司股份在香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)公開上市·本集團透過集團重組(「重組」)精簡集團架構·本公司因而於二零零三年六月十七日成為本集團之控股公司。本公司透過股份交換收購重組所涉及附屬公司當時之控股公司 Shine Science & Technology (BVI) Limited (「Shine Science BVI」)全部股本·因而成為現時組成本集團各公司之控股公司。

重組進一步詳情載於本公司所刊發日期為二零零三年八月四日之招股章程。本公司股份自二零零三年八月十二日起在聯交所創業板上市。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

1. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

(Continued)

(b) Basis of presentation of financial statements

On 17th June 2003, the Company became the holding company of the other companies comprising the Group pursuant to the Reorganisation involving companies under common control. The Company and its subsidiaries resulting from the Reorganisation have been regarded as a continuing group. Accordingly, the Reorganisation has been accounted for on the basis of merger accounting, under which the consolidated financial statements have been prepared as if the Company had been the holding company of the other companies comprising the Group throughout the year ended 31st December 2003, rather than from the date on which the Reorganisation was completed, except for any acquisitions or disposals subsequent to the Reorganisation which are accounted for under the acquisition basis of accounting.

The financial statements have been prepared under the historical convention except that, as explained in the accounting policies set out below, investments in trading securities are stated at fair value.

1. 集團重組及財務報表呈報基準 (續)**(b) 財務報表呈報基準**

於二零零三年六月十七日，本公司根據涉及受共同控制公司之重組成為組成本集團其他公司的控股公司。因重組產生之本公司及其附屬公司被視為持續經營集團。因此，重組乃根據合併會計法列賬，並據此編製綜合財務報表，猶如本公司於截至二零零三年十二月三十一日止整個年度一直為組成本集團其他公司的控股公司，而非自重組完成日期起，惟於重組後進行之任何收購或出售乃根據收購會計法列賬。

財務報表乃按歷史成本法編製，惟如下文所載會計政策所闡釋，買賣證券投資按公平值列賬。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Statement of compliance**

These financial statements have been prepared in accordance with all applicable Statements of Standard Accounting Practice issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Subsidiaries

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of 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, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a subsidiary is consolidated into the consolidated financial statements, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case, it is stated in the consolidated balance sheet at fair value with changes in fair value recognised in the consolidated income statement as they arise.

2. 主要會計政策**(a) 守章聲明**

財務報表乃按香港會計師公會頒佈之所有適用會計實務準則、香港普遍採納之會計原則及香港公司條例之披露規定而編製。財務報表亦符合香港聯合交易所有限公司創業板證券上市規則之適用披露條文。本集團採納之主要會計政策概述如下。

(b) 附屬公司

附屬公司為由本公司直接或間接持有過半數已發行股本；或控制過半數投票權；或控制董事會組成之公司。倘本公司有權直接或間接控制其財務及經營政策以從其業務獲益，則附屬公司被視為受控制。

於附屬公司之投資綜合計入綜合財務報表，除非其僅就於短期內出售而收購及持有或因長期於嚴格限制下經營而嚴重損害其撥資予本集團之能力，於此情況下，於附屬公司之投資按公平值於綜合資產負債表列賬，而公平值變動則於產生時於綜合收益表確認。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(b) Subsidiaries (Continued)**

Intra-group balances and transactions, and any unrealised profits arising from intra-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.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the consolidated income statement.

Where losses attributable to the minority exceed the minority interest in the net assets of a subsidiary, the excess, and any further losses attributable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. All subsequent profits of the subsidiary are allocated to the Group until the minority's share of losses previously absorbed by the Group has been recovered.

2. 主要會計政策(續)**(b) 附屬公司(續)**

集團內公司間之結餘及交易與產生自集團內公司間之任何未變現溢利，於編製綜合財務報表時全數對銷。產生自集團內公司間交易之未變現虧損僅於並無減值跡像之情況下，方以未變現盈利之相同方式對銷。

於結算日之少數股東權益指並非由本公司直接或間接透過附屬公司擁有之股本權益應佔附屬公司資產淨值部分，於綜合資產負債表與負債及股東資金分開獨立呈列，本集團本年度業績之少數股東權益亦於綜合收益表獨立呈列。

倘少數股東應佔虧損超出一間附屬公司資產淨值之少數股東權益，則超出數額及少數股東應佔任何進一步虧損，於少數股東有具約束責任且能夠補償虧損之情況自本集團權益扣除。所有其後產生之附屬公司溢利分配至本集團，直至收回先前由本集團承擔之少數股東應佔虧損為止。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(b) Subsidiaries (Continued)**

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 2(g)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Company, in which case, it is stated at fair value with changes in fair value recognised in the income statement as they arise.

(c) Goodwill

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. Positive goodwill is amortised to the consolidated income statement on a straight-line basis over its estimated useful life. Positive goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and any impairment losses (see note 2(g)).

2. 主要會計政策(續)**(b) 附屬公司(續)**

於附屬公司之投資於本公司資產負債表按成本減任何減值虧損(見附註2(g))列賬,除非其僅就於短期內出售而收購及持有或因長期於嚴格限制下經營而嚴重損害撥資予本公司之能力,於此情況下,按公平值於產生時在收益表確認為公平值變動。

(c) 商譽

因綜合賬目而產生之正商譽指收購成本超出本集團應佔所收購可識別資產及負債之公平值的差額。正商譽按直線法就其估計可使用年期於綜合收益表攤銷。正商譽按成本減任何累計攤銷及任何減值虧損後於綜合資產負債表列賬(見附註2(g))。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(c) Goodwill (Continued)**

Negative goodwill arising on acquisitions of subsidiaries represents the excess of the Group's share of the fair value of the identifiable assets and liabilities acquired over the cost of the acquisition. Negative goodwill is accounted for to the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the consolidated income statement when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the consolidated income statement over the weighted average useful life of those non-monetary assets that are depreciable/amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the consolidated income statement.

In respect of any negative goodwill not yet recognised in the consolidated income statement, such negative goodwill is shown in the consolidated balance sheet as a deduction from assets in the same balance sheet classification as positive goodwill.

On disposal of a subsidiary during the year, any attributable amount of purchased goodwill not previously amortised through the consolidated income statement is included in the calculation of the profit or loss on disposal.

2. 主要會計政策(續)**(c) 商譽(續)**

因收購附屬公司而產生之負商譽指本集團應佔所收購可識別資產及負債之公平值超出收購成本的差額。倘負商譽與收購計劃所識別、能可靠計算、惟尚未確認之日後虧損及開支有關，則待確認日後虧損及開支時，於綜合收益表確認。任何不超過所購入非貨幣資產公平值之負商譽餘額，就該等可折舊／可攤銷非貨幣資產之加權平均可用年期於綜合收益表確認。倘負商譽超過所購入非貨幣資產公平值，則即時於綜合收益表確認。

就尚未於綜合收益表確認之負商譽而言，有關負商譽於綜合資產負債表自於同一資產負債表列為正商譽之資產扣除。

年內售出一間附屬公司，而先前尚未於綜合收益表攤銷之購入商譽任何應佔數額計入出售之溢利或虧損。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(d) Investments**

Investments represent investments in securities. Securities are presented as trading securities when they were acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin. Trading securities are stated in the balance sheet at fair value. Changes in fair value are recognised in the income statement as they arise.

(e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses (see note 2(g)). Subsequent expenditure relating to a fixed asset 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 enterprise. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

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

Land and buildings	Over the remaining term of the leases or 20 years if shorter
Leasehold improvements	Over the remaining term of the leases or 20 years if shorter
Computer equipment	3-5 years
Furniture and equipment	5 years
Motor vehicles	5-8 years

2. 主要會計政策(續)**(d) 投資**

投資指證券投資。倘收購證券之目的主要為自股價之短期波動或交易商按金產生溢利，則該等證券呈列為買賣證券。買賣證券按公平值於資產負債表列賬。公平值之變動於產生時在收益表確認。

(e) 固定資產

固定資產乃按成本減累計折舊及減值虧損(見附註2(g))入賬。與固定資產相關之已確認日後支出，於超出現有資產之原先評估表現標準之日後經濟利益可能流入企業時計入有關資產之賬面值。所有其他日後支出於產生期間確認為開支。

折舊乃按下列固定資產之估計可用年期以直線法撇銷其成本減剩餘價值計算：

土地及樓宇	剩餘租期或20年之較短期間
租賃裝修工程	剩餘租期或20年之較短期間
電腦設備	3至5年
傢具及設備	5年
汽車	5至8年

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(e) Fixed assets (Continued)**

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.

(f) Intangible assets (other than goodwill)

(i) Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if its recoverability can be foreseen with reasonable assurance and the following criteria are complied with:

- the cost attributable to the product or process can be separately identified and measured reliably;
- the technical feasibility of the product or process can be demonstrated;
- there is an intention to produce and market, or use, the product or process;
- the ability to produce or use the product and process can be demonstrated;

2. 主要會計政策(續)**(e) 固定資產(續)**

棄用或出售固定資產產生之損益為估計出售所得款項淨額與資產賬面值之差額，並於棄用或出售日期於收益表確認。

(f) 無形資產(商譽除外)

(i) 有關可為日後帶來新科學或技術知識及認識之研究活動開支，於產生期間確認為開支。開發活動開支於合理確定收回之可能性屬可預見者及符合以下條件時撥充資本：

- 產品或過程之成本可獨立識別及可靠衡量；
- 顯示產品或過程於技術上可行；
- 有意生產或推銷或使用產品或過程；
- 顯示有能力生產或使用產品及過程；

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(f) Intangible assets (other than goodwill)**
(Continued)

(i) (Continued)

- the existence of a market for the product or process or, if it is to be used internally rather than sold, its usefulness, can be demonstrated; and
- adequate resources exist, or their availability can be demonstrated, to complete the project and market or use the product or process.

The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 2(g)). Other development expenditure is recognised as an expense in the period in which it is incurred.

- (ii) Amortisation of intangible assets is charged to the income statement on a straight-line basis over their estimated useful lives with the period of not exceeding five years, commencing from the date when the products are put into commercial production.

2. 主要會計政策(續)**(f) 無形資產(商譽除外)(續)**

(i) (續)

- 產品或過程有存在市場,或倘作內部用途而非出售,則可顯示其可用性;及
- 有足夠資源,或能夠顯示具備資源完成項目及推出市場或使用產品或過程。

撥充資本之開支包括材料及直接勞工成本,以及間接費用適當部分。撥充資本之開發成本按成本減累計攤銷及減值虧損(見附註2(g))列賬。其他開發開支於產生期間確認為開支。

- (ii) 無形資產攤銷以直線法按估計可用年期自收益表扣除,估計可用年期為自產品投入商業生產日期起計不超過五年。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(f) Intangible assets (other than goodwill)**
(Continued)

(iii) 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.

(g) Impairment of assets

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

- fixed assets;
- investments in subsidiaries;
- intangible assets; and
- positive goodwill.

If any such indication exists, the asset's recoverable amount is estimated. For intangible assets that are not yet available for use, or are amortised over more than 20 years from the date when the asset is available for use or goodwill that is amortised over 20 years from initial recognition, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised in the income statement whenever the carrying amount of such an asset exceeds its recoverable amount.

2. 主要會計政策 (續)**(f) 無形資產(商譽除外)(續)**

(iii) 無形資產於購買或完成後之開支於產生時確認為開支，除非該等開支可能使資產產生超出其原先評估之表現標準的日後經濟利益，且該等開支能可靠計算及計入資產。倘符合上述條件，其後產生之開支加入無形資產成本。

(g) 資產減值

於各結算日審核內部及外部資料來源，以確定下列資產是否出現減值或先前確認之減值虧損是否不再存在或已經減少：

- 固定資產；
- 於附屬公司之投資；
- 無形資產；及
- 正商譽。

倘存在任何該等跡象，則估計資產之可收回金額。倘無形資產尚未可使用或按可供使用日期起計於超過20年內攤銷或商譽由初次確認起於20年內攤銷，則於各結算日估計可收回金額。倘一項資產之賬面值超過其可收回金額，則減值虧損將於收益表確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(g) Impairment of assets (Continued)***(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 the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

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.

2. 主要會計政策(續)**(g) 資產減值(續)***(i) 計算可收回金額*

資產之可收回金額指其淨銷售價及使用價值之較高者。在估定使用價值時，估計日後現金流量按反映現時市場對金額時間值及資產特定風險所評估之除稅前折讓率折讓至其現值。倘一項資產所產生之現金流入在很大程度上並非獨立於其他資產所產生之現金流入，則就獨立產生現金流入之最小部分資產(即現金產生單元)釐定可收回金額。

(ii) 撥回減值虧損

就商譽以外之資產而言，倘用以釐定可收回金額之估計基準出現有利變動，則撥回減值虧損。倘虧損乃僅由於預期不會再發生的特殊外在事件而產生，且可收回數額增加明顯與該特殊事件逆轉影響有關，方會撥回商譽減值虧損。

減值虧損撥回以於過往年度並無確認減值虧損而原應釐定之資產賬面值為限。減值虧損撥回計入確認該等撥回之年度之收益表。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(h) 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, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

(i) Inventories

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

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

2. 主要會計政策 (續)**(h) 經營租約費用**

倘本集團根據經營租約使用資產，租約項下之付款將按租期所涵蓋之會計期間按均等分期金額自收益表扣除，惟倘有其他方法可更清晰反映自租賃資產所得利益之情況，則當別論。已收租賃津貼於收益表確認為合共已付租賃淨額之組成部分。或然租金於產生之會計期間自收益表扣除。

(i) 存貨

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據加權平均成本法計算，包括所有購買成本、加工成本及其他將存貨送抵目前地點及達致目前狀況所產生之其他成本。

可變現淨值指於日常業務中之估計售價減估計完工成本及作出銷售所需估計成本。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(i) Inventories (Continued)**

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 in which 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.

(j) 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 cash flow statement.

2. 主要會計政策(續)**(i) 存貨(續)**

售出存貨後，有關存貨之賬面值將於有關收益獲確認之期間確認為開支。所有將存貨撇減至可變現淨值之數額及有關存貨之所有虧損於撇減或出現虧損期間確認為開支。倘因存貨之可變現淨值增加而撥回任何撇減，則有關數額將於出現撥回期間按已確認為開支之存貨數額減少確認。

(j) 現金及現金等值物

現金及現金等值物包括銀行及手頭現金，銀行及其他財務機構之活期存款，以及可隨時轉換為已知數額現金，並於購入時起計三個月內到期且幾乎不受價值變動風險所影響之短期高度流通投資項目。就現金流量表而言，須應要求償還且構成本集團現金管理中組成部分之銀行透支亦已作為現金及現金等值物計算在內。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(k) Employee 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. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and a mandatory central pension scheme organised by the People's Republic of China ("PRC") governments, are recognised as an expense in the income statement as incurred, except to the extent that they are included in the cost of intangible assets and inventories not yet recognised as an expense.
- (iii) When the Group grants employees options to acquire shares of the Company, no employee benefit cost or obligation is recognised at the date of grant. When the options are exercised, equity is increased by the amount of the proceeds received.

2. 主要會計政策(續)**(k) 僱員福利**

- (i) 薪金、年度花紅、有薪年假、假期及本集團之非貨幣福利成本，乃於本集團僱員提供有關服務之年度計算。倘款項支付或清付遞延處理且其影響屬重大，則該等金額將以其現值列賬。
- (ii) 向根據香港強制性公積金條例所規定之強制性公積金及中華人民共和國(「中國」)政府統籌之強制性中央退休金計劃作出之供款，於產生時在收益表確認為支出，惟倘該等款項已計入未確認為支出之無形資產及存貨成本，則另作別論。
- (iii) 倘本集團向僱員授出購股權購買本公司股份，則於授出日期不會確認任何僱員福利成本或責任。倘購股權獲行使，已收所得款項將令股本有所增加。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(I) 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 expected tax payable on 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.
- (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.

2. 主要會計政策(續)**(I) 所得稅**

- (i) 本年度所得稅包括即期稅項以及遞延稅項資產及負債變動。即期稅項以及遞延稅項資產及負債變動於收益表確認，惟倘與直接於股本確認之項目有關者，則於股本中確認。
- (ii) 即期稅項指年內就應課稅收入，按於結算日實施或實際實施之稅率，並經就過往年度應繳稅項調整而計算之估計應繳稅項。
- (iii) 分別由可扣減及應課稅暫時差額產生之遞延稅項資產及負債，指就財務申報之資產及負債賬面值與其稅基之差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項進賬產生。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(I) Income tax (Continued)****(iii) (Continued)**

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 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.

2. 主要會計政策(續)**(I) 所得稅(續)****(iii) (續)**

除若干例外情況外，倘日後應課稅溢利有可能對銷可予以使用的資產，則確認所有遞延稅項負債及遞延稅項資產。日後應課稅溢利有助確認撥回現有應課稅臨時差額之可扣減臨時差額產生之遞延稅項資產，惟該等差額須與同一稅務機構及同一應課稅實體有關，並預期會在可扣減臨時差額預期撥回之相同期間或轉回或結轉遞延稅項資產產生稅項虧損之期間撥回。於釐訂現有應課稅臨時差額是否可用以確認尚未動用的稅項虧損及進賬之遞延稅項資產時，可採納相同的準則，即是倘差額屬同一應課稅機構及同一應課稅實體，以及預期稅項虧損或可予以動用之進賬於期內撥回，該等差額將計入賬目。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(I) Income tax (Continued)****(iii) (Continued)**

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, negative goodwill treated as deferred income, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

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.

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.

2. 主要會計政策(續)**(I) 所得稅(續)****(iii) (續)**

確認遞延稅項資產及負債之例外情況為自商譽產生之臨時差額不能就稅項扣減；負商譽被視作遞延收入；初步確認影響會計或應課稅溢利(惟並非業務組成部分)之資產或負債，及有關於附屬公司投資所出現臨時差額時，惟倘就應課稅差額而言，本集團可控制撥回時間及差額很可能不會於可見將來撥回或出現可扣減差額則除外，除非日後很可能會撥回。

所確認之遞延稅項金額乃按預期資產及負債賬面值之變現或交收方式，以結算日實施或實際實施之稅率計算。遞延稅項資產及負債不會折讓。

遞延稅項資產賬面值於各結算日審閱，倘可能不再有足夠應課稅溢利以容許使用有關稅項利益，則會進行扣減。倘可能會有足夠應課稅溢利，該等扣減將會撥回。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(I) Income tax (Continued)**

(iii) (Continued)

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:

- 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

2. 主要會計政策(續)**(I) 所得稅(續)**

(iii) (續)

源自股息分派之額外所得稅於確認支付有關股息責任時予以確認。

- (iv) 現有稅項結餘及遞延稅項結餘和其變動，均獨立呈列及不會予以抵銷。倘及僅由於本公司或本集團有法定執行權，可以現有稅項資產抵銷現有稅項負債及達成以下額外條件時，則現有稅項資產將抵銷現有稅項負債，及遞延稅項資產將抵銷遞延稅項負債：

- 倘為現有稅項資產及負債，本公司或本集團擬按扣減基準結算或同時變現資產及清償負債；或
- 倘為遞延稅項資產及負債，由同一稅務機構徵收所得稅：
 - 同一個應稅實體；或

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(l) Income tax (Continued)****(iv) (Continued)**

- 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.

(m) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or the 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.

2. 主要會計政策(續)**(l) 所得稅(續)****(iv) (續)**

- 不同的應稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，按淨額實現即期稅項資產和清償即期稅項負債或在實現資產的同時清償負債。

(m) 撥備及或然負債

倘本公司或本集團因過往事件而負有可能須動用經濟利益之流出方可了結之法定或推定責任，且能作出可靠估計，則就不確定時限及金額之負債確認撥備。倘款項時間值為重大者，則撥備按預期解決債務所需開支之現值入賬。

倘可能毋須導致經濟利益流出或不能作出可靠估計，則將責任列作或然負債披露，除非經濟利益流出之可能性極微。僅可由發生或不發生一件或數件未來事件予以確定之可能責任，亦列作或然負債披露，除非經濟利益流出之可能性極微。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(n) 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) *Sales of software and hardware*
Revenue is recognised when the Group has transferred to the customer the significant risks and rewards of ownership of the goods. Revenue excludes value added and business taxes, and is after deduction of any goods returns and trade discounts.
- (ii) *Network construction services*
Revenue from network construction services is recognised when the installation work is completed and the customer has accepted the goods and services together with significant risks and rewards of ownership.
- (iii) *Income from provision of maintenance and other services*
Revenue from maintenance and other services is recognised at the time when the service is performed.
- (iv) *Dividends*
Dividend income from listed investments is recognised when the shareholders' right to receive payment is established.
- (v) *Interest income*
Interest income is accrued on a time-apportioned basis by reference to the principal outstanding and at the rate applicable.

2. 主要會計政策(續)**(n) 收益確認**

倘經濟利益極有可能流入本集團，且收益及成本(倘適用)能可靠計算，收益將按以下方式於收益表確認：

- (i) *銷售軟件及硬件*
收益乃於本集團將貨品擁有權之重大風險及回報轉移予客戶時確認。收益不包括增值稅及營業稅，並於扣除任何退貨及商業折扣後列賬。
- (ii) *網絡工程服務*
網絡工程服務之收益在鋪設工程竣工，而客戶已接納貨物及服務連同擁有權之重大風險及回報時確認。
- (iii) *提供維修及其他服務之收入*
維修及其他服務之收益乃於提供服務時確認。
- (iv) *股息*
上市投資之股息收入於股東獲派有關款項之權利確立時確認。
- (v) *利息收入*
利息收入乃按時間比例基準，經參考未償還本金額按適用利率計算。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(n) Revenue recognition (Continued)**

(vi) *Value added tax refunds*
Value added tax refunds is recognised when the acknowledgement of refunds from the Tax Bureau has been received.

(vii) *Government grants*
Government grants are recognised in the balance sheet initially as deferred income when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised in the income statement as revenue on a systematic basis over the useful life of the asset.

(o) Warranty costs

Warranty costs are charged to the income statement when incurred.

(p) Translation of foreign currencies

Foreign currency transactions during the year are translated into Renminbi at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Renminbi at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the income statement.

2. 主要會計政策(續)**(n) 收益確認(續)**

(vi) *增值稅退稅*
增值稅退稅乃於確認收訖稅務局退稅時予以確認。

(vii) *政府津貼*
當可合理確定將獲發政府津貼及本集團符合有關條件，則可於資產負債表內初步確認政府津貼為遞延收入。撥作補償本集團開支之津貼，會於開支產生之相同期間有系統地於收益表確認為收益。補償本集團資產成本之津貼，會有系統地按資產可使用年期於收益表確認為收益。

(o) 保用成本

保用成本於產生時自收益表扣除。

(p) 外幣換算

年內以外幣結算之交易乃按交易日之匯率換算為人民幣。以外幣換算之貨幣資產及負債，則按結算日之匯率換算為人民幣。外匯收益及虧損於收益表中處理。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(p) Translation of foreign currencies (Continued)**

The results of foreign enterprises are translated into Renminbi at the average exchange rates for the year; balance sheet items are translated into Renminbi at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

On disposal of a foreign enterprise, the cumulative amount of the exchange differences which relate to that foreign enterprise is included in the calculation of the profit or loss on disposal.

(q) 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.

(r) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

2. 主要會計政策(續)**(p) 外幣換算(續)**

國外企業之業績按年內平均匯率換算為人民幣;資產負債表項目則按結算日之匯率換算為人民幣。匯兌差額列作儲備變動處理。

於出售國外企業時,有關國外企業之累計匯兌差額於計算出售損益時計入。

(q) 有關連人士

就財務報表而言,倘本集團有能力直接或間接控制另一方或對另一方之財務及經營決策行使重大影響力,反之亦然;或本集團與另一方受共同控制或有共同重大影響力,則有關人士被視為與本集團有關連。有關連人士可屬個人或其他實體。

(r) 分部呈報

分部指本集團所提供產品或服務(業務分部)或在特定經濟環境(地域分部)提供產品或服務之可區分類別,且不同類別之風險及回報均不相同。

根據本集團內部財務申報制度,本集團之財務報表以業務分部資料為主要呈報形式,而地區分部資料則為次要呈報形式。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(r) Segment reporting (Continued)**

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and fixed assets. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses and minority interests.

3. RECENTLY ISSUED ACCOUNTING STANDARDS

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1st January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st December 2004. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

2. 主要會計政策 (續)**(r) 分部呈報 (續)**

分部收益、開支、業績、資產及負債包括直接屬於某個類別之項目及可合理分配予該類別之項目。舉例而言，分部資產可包括存貨、應收賬款及固定資產。分部收益、開支、資產及負債乃在集團內公司間結餘及集團內公司間交易作為綜合賬目過程之部分而對銷前釐定，惟倘該集團內公司間結餘及交易乃於同一類別內之集團企業間進行者除外。

分部資本開支指期內用以購入分部資產(不論有形或無形，而且預計可使用一段期間以上)所產生之總成本。

未分配項目主要包括財務及企業資產、計息貸款、借款、企業及融資費用和少數股東權益。

3. 近期頒佈之會計準則

香港會計師公會已頒佈多項新訂及經修訂香港財務申報準則及香港會計準則(「新訂香港財務申報準則」)，自二零零五年一月一日或之後開始會計期間生效。

截至二零零四年十二月三十一日止年度，本集團並無於財務報表提早採納此等新訂香港財務申報準則。本集團已著手評估此等新訂香港財務申報準則之影響，惟尚未能表明此等新訂香港財務申報準則會否對本集團經營業績及財務狀況造成重大影響。

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4. TURNOVER

The Company is an investment holding company. The principal activities of the Group are development of computer software, resale of hardware, provision of system integration and maintenance.

Turnover represents the sales value of goods supplied and services provided to customers, which excludes value-added and business taxes, and is after deduction of any goods returns and trade discounts. The amount of each significant category of revenue recognised in turnover during the year is as follows:

4. 營業額

本公司為投資控股公司。本集團之主要業務為電腦軟件開發、硬件轉售、提供系統集成及維修服務。

營業額指向客戶提供貨品及服務之銷售值，惟不包括增值稅及營業稅，並於扣除任何退貨及商業折扣後列賬。年內於營業額確認之各項重大收益類別金額如下：

	2004	2003
	二零零四年	二零零三年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Sales of software	10,410	10,016
Sales of hardware	2,182	2,795
Network construction services fees	447	197
Maintenance and other services fees	4,946	3,279
	17,985	16,287

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5. OTHER REVENUE AND NET INCOME

5. 其他收益及收入淨額

		2004	2003
		二零零四年	二零零三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Other revenue	其他收益		
Interest income from bank deposits	銀行存款利息收入	207	94
Interest income from others	其他利息收入	19	-
Value-added tax refunds	增值稅退稅	1,834	1,977
Government grants received	已收政府津貼	455	150
Dividend income from listed securities	上市證券之股息收入	2	3
Others	其他	108	129
		2,625	2,353
Other net income	其他收入淨額		
Net realised and unrealised gains on listed equity securities carried at market value	按市值列賬之上市股本 證券已變現及未變現 盈利淨額	36	140
Net exchange gain	外匯收益淨額	-	50
		36	190

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6. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

Profit from ordinary activities before taxation is arrived at after charging/(crediting):

6. 除稅前日常業務溢利

除稅前日常業務溢利已扣除/(計入)下列各項:

		2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
(a) Staff costs	(a) 員工成本		
Contributions to defined contribution plans	定額供款計劃供款	610	629
Salaries, wages and other benefits	薪金、工資及其他福利	12,529	9,789
Total staff costs #	總員工成本#	13,139	10,418
Less: Amount capitalised as development costs	減:撥充資本之開發成本	(5,290)	(3,550)
		7,849	6,868

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6. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION (Continued)**6. 除稅前日常業務溢利(續)**

		2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
(b) Other items	(b) 其他項目		
Cost of inventories sold and services rendered #	售出存貨及提供服務之成本#	4,832	7,063
Amortisation of intangible assets	無形資產攤銷	1,287	536
Amortisation of negative goodwill	負商譽攤銷	(125)	(32)
Amortisation of positive goodwill	正商譽攤銷	5	-
Auditors' remuneration	核數師酬金		
– Provision for the year	– 一年內撥備	351	281
– Over-provision in prior year	– 過往年度超額撥備	-	(265)
		351	16
Depreciation #	折舊#	1,412	1,748
Less: Amount capitalised as development costs	減:撥充資本之開發成本	(396)	(497)
		1,016	1,251
Operating lease charges in respect of land and buildings	土地及樓宇之經營租約費用	986	935
Provision for bad and doubtful debts	呆壞賬撥備	-	213
Write back of provision for bad and doubtful debts	呆壞賬撥備撥回	(35)	-
Bad debt written off	壞賬撇銷	168	246
Loss on disposal of fixed assets	出售固定資產之虧損	177	117
Research costs	研究成本	1,695	-

Cost of inventories sold and services rendered includes staff costs of approximately RMB1,041,000 (2003: RMB2,226,000) and depreciation expenses of approximately RMB28,000 (2003: RMB225,000) that are also included in the respective total amounts disclosed separately above for each of these types of expenses.

售出存貨及提供服務之成本·包括員工成本約人民幣1,041,000元(二零零三年:人民幣2,226,000元)及折舊開支約人民幣28,000元(二零零三年:人民幣225,000元)·已計入上述各開支類別各自另行披露之總金額內。

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7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

7. 綜合收益表之所得稅

(a) Taxation in the consolidated income statement represents:

(a) 綜合收益表之稅項指:

Current tax – Provision for PRC enterprise income tax	現有稅項 – 中國企業所得稅撥備
Over-provision in prior years	過往年度超額撥備
Deferred tax	遞延稅項
Origination and reversal of temporary differences	暫時差額來源及撥回

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
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–	(520)
753	282
753	(238)

Notes:

附註:

- (i) **Hong Kong profits tax**
No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits for the years ended 31st December 2004 and 2003.
- (ii) **PRC enterprise income tax**
Fujian Shine Science Company Limited ("Fujian Shine Science"), which is a subsidiary of the Company and obtained the approval from PRC tax authority on 26th February 2003, is exempted from PRC enterprise income tax for the two years starting from its first profit-making year after Fujian Shine Science became a wholly foreign-owned enterprise, and is entitled to a 50% relief on PRC enterprise income tax for the subsequent three years. Accordingly, no provision for PRC enterprise income tax has been made for the years ended 31st December 2004 and 2003.

- (i) **香港利得稅**
由於本集團於截至二零零四年及二零零三年十二月三十一日止年度並無估計應課稅溢利，故並無為香港利得稅作出任何撥備。
- (ii) **中國企業所得稅**
本公司附屬公司福建新意科技有限公司(「福建新意」)於二零零三年二月二十六日取得中國稅務機關批准，由福建新意成為全外資企業後首個獲利年度起計兩個年度獲豁免繳納中國企業所得稅，而隨後三年則可獲減免50%中國企業所得稅。因此，福建新意並無就截至二零零四年及二零零三年十二月三十一日止年度作出中國企業所得稅撥備。

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7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (Continued)**(a) Taxation in the consolidated income statement represents: (Continued)**

Notes: (Continued)

(ii) PRC enterprise income tax (Continued)

Shanghai Shine Science Company Limited ("Shanghai Shine Science"), which is a subsidiary of the Company and obtained a certificate of "Software Enterprise" on 10th April 2002, is exempted from PRC enterprise income tax for the two years starting from its first profit-making year, and is entitled to a 50% relief on PRC enterprise income tax for the subsequent three years. No provision for PRC enterprise income tax has been made as Shanghai Shine Science has no estimated assessable profits for the years ended 31st December 2004 and 2003.

No provision for PRC enterprise income tax has been made in the financial statements of Fuzhou Xinyi Xinwangluo Network Company Limited ("Xinwangluo") and Shanghai Xingyishi Management Consulting Company Limited ("Shanghai Xingyishi"), subsidiaries of the Company, as Xinwangluo and Shanghai Xingyishi have no estimated assessable profits for the years ended 31st December 2004 and 2003.

7. 綜合收益表之所得稅(續)**(a) 綜合收益表之稅項指:(續)**

附註:(續)

(ii) 中國企業所得稅(續)

本公司附屬公司上海新意科技有限公司(「上海新意」)於二零零二年四月十日取得「軟件企業」證書,自首個獲利年度起獲豁免繳納中國企業所得稅兩年,而其後三年獲寬減50%中國企業所得稅。由於上海新意於截至二零零四年及二零零三年十二月三十一日止年度並無任何估計應課稅溢利,故並無就中國企業所得稅作出任何撥備。

由於本公司附屬公司福州新意新網絡有限公司(「新意新網絡」)及上海興意識管理諮詢有限公司(「上海興意識」)於截至二零零四年及二零零三年十二月三十一日止年度並無估計應課稅溢利,故新意新網絡及上海興意識之財務報表均無就中國企業所得稅作出撥備。

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

7. 綜合收益表之所得稅(續)

(b) Reconciliation between tax expense/(written back) and accounting profit at applicable tax rates:**(b) 按適用稅率計算之稅項開支/(撥回)與會計溢利之對賬:**

		2004 二零零四年		2003 二零零三年	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Profit before tax	除稅前溢利	891		141	
Notional tax on profit before tax, calculated at the applicable rate	按適用稅率計算之除稅前溢利名義稅項	294	33.0	46	33.0
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	321	36.0	92	65.2
Tax effect of non-taxable revenue	非應課稅收益之稅務影響	(365)	(41.0)	(45)	(31.9)
Tax effect of unused tax losses not recognised	未確認尚未使用稅項虧損之稅務影響	703	78.9	376	266.7
Effect of different tax rates of companies of the Group	本集團成員公司不同稅率之影響	(269)	(30.1)	(187)	(133.0)
Others	其他	69	7.7	-	-
Tax expense	稅項開支	753	84.5	282	200.0
Over-provision in prior years	過往年度超額撥備	-		(520)	
Actual tax expense/(written back)	實際稅項開支/(撥回)	753		(238)	

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8. DIRECTORS' REMUNERATION

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

8. 董事酬金

根據香港公司條例第161節披露之董事酬金如下：

		The Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Fees	袍金	195	126
Salaries and other emoluments	薪金及其他薪酬	1,268	972
Retirement scheme contributions	退休計劃供款	13	22
		<hr/> 1,476 <hr/>	<hr/> 1,120 <hr/>

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8. DIRECTORS' REMUNERATION (Continued)

The directors' remuneration of each director for the year fall within the band of less than RMB1,060,000 (equivalent to approximately HK\$1,000,000) and the details of directors' remuneration by individuals are as follows:

Gu Yun	顧雲
Qiu Yixin	邱一心
Chen Yunrong	陳芸榕
Ye Jinxing	葉金興
Li Xiaoyuan	李小元
Jiang Yulai	江育來
Chen Qun	陳群
Choy Tak Ho	蔡德河
Liu Bo	劉波
Sin Ka Man (appointed on 30th September 2004)	冼家敏(於二零零四年 九月三十日獲委任)

Certain directors were granted options to subscribe for shares in the Company. The details of the share options granted and outstanding in respect of each director as at 31st December 2004 are disclosed under the paragraph "Share Option Scheme" in the directors' report and note 30.

During the years ended 31st December 2004 and 2003, no directors waived any emoluments. No incentive payments for joining the Group or compensation for loss of office was paid or payable to any director for the years ended 31st December 2004 and 2003.

Each of the executive directors entered into a service contract with the Company for a term of three years and these contracts shall continue thereafter until terminated by either party giving to the other not less than three months' notice in writing.

8. 董事酬金(續)

年內各董事之董事酬金介乎人民幣1,060,000元(約相當於1,000,000港元)以下範圍,有關個別人士之董事酬金詳情如下:

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
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253	199
242	206
256	213
231	84
39	123
260	169
21	20
78	53
78	53
18	N/A (不適用)
1,476	1,120

若干董事獲授購股權以認購本公司股份。有關各董事於二零零四年十二月三十一日獲授及尚未行使購股權之詳情於董事會報告「購股權計劃」一段及附註30內披露。

於截至二零零四年及二零零三年十二月三十一日止年度,概無董事放棄任何酬金。於截至二零零四年及二零零三年十二月三十一日止年度,並無向任何董事支付或應付任何加入本集團之獎賞或離職補償。

各執行董事與本集團訂有服務合約,年期為三年,此等合約其後將繼續有效,直至任何一方向另一方發出不少於三個月書面通知予以終止為止。

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財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2003: four) are directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the other one (2003: one) individual is as follows:

Salaries and other emoluments	薪金及其他酬金
Retirement scheme contributions	退休計劃供款

During the years ended 31st December 2004 and 2003, no emoluments were paid or payable to the five highest paid individuals (including directors and other employees) as inducement to join or upon joining the Group or as compensation for loss of office. The emoluments of the one (2003: one) individual with the highest emoluments are within the following band:

RMB nil – RMB1,060,000	人民幣零元 – 人民幣1,060,000元
(equivalent to approximately	(約相當於零港元至
HK\$ nil to HK\$1,000,000)	1,000,000港元)

10. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a loss of RMB3,347,000 (2003: RMB2,174,000) which has been dealt with in the financial statements of the Company.

9. 最高薪人士

五名最高薪人士中，四名(二零零三年：四名)為董事，彼等之酬金於附註8披露，其餘一名(二零零三年：一名)人士之酬金總額如下：

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

456	558
9	14
465	572

於截至二零零四年及二零零三年十二月三十一日止年度，概無任何已付或應付包括董事及其他僱員在內之五名最高薪人士之酬金，作為招攬其加入本集團或加入本集團時之獎賞或作為離職補償。一名(二零零三年：一名)最高薪人士之酬金介乎以下範圍：

**Number of individuals
人數**

2004 二零零四年	2003 二零零三年
---------------	---------------

1	1
---	---

10. 股東應佔溢利

綜合股東應佔溢利包括已於本公司財務報表處理之虧損人民幣3,347,000元(二零零三年：人民幣2,174,000元)。

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財務報表附註

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於二零零四年十二月三十一日(以人民幣列值)

11. DIVIDENDS

11. 股息

(a) Dividends attributable to the year:

(a) 本年度股息:

	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Final dividend proposed after the balance sheet date of RMB nil per share (2003: HK\$0.34 cents) (equivalent to approximately RMB0.36 cents per share)	-	1,705
結算日後擬派末期股息每股人民幣零元(二零零三年:0.34港仙)(約相當於每股人民幣0.36仙)		

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

結算日後擬派之末期股息並無確認為結算日之負債。

(b) Dividend attributable to the previous financial year, approved and paid during the year.

(b) 過往財政年度之股息,於年內批准及派付。

	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Final dividend in respect of the year ended 31st December 2003, approved and paid during the year ended 31st December 2004, of HK\$0.34 cents (equivalent to approximately RMB0.36 cents) (2003: RMB nil) per share	1,705	-
截至二零零三年十二月三十一日止年度之末期股息每股0.34港仙(約相當於人民幣0.36仙)(二零零三年:人民幣零元)已於截至二零零四年十二月三十一日止年度批准及派付		

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財務報表附註

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於二零零四年十二月三十一日(以人民幣列值)

12. EARNINGS PER SHARE**(a) Basic earnings per share**

The calculation of basic earnings per share is based on the profit attributable to shareholders of approximately RMB233,000 (2003: RMB708,000) and the weighted average of 473,000,000 (2003: 400,754,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

There is no potential dilution of earnings per share during the years ended 31st December 2004 and 2003.

13. SEGMENT REPORTING

Segment information is presented in respect of the Group's business segments. As all of the Group's revenue and results were substantially derived from the PRC, no geographical segment information is presented.

Business segments

The Group comprises the following main business segments:

Software sales	:	Sales of software relating to securities and financial industries in the PRC
Hardware sales	:	Sales of hardware
Network construction	:	Provision of network construction services
Provision of maintenance and other services	:	Provision of technical support and consultancy services for its customers

12. 每股盈利**(a) 每股基本盈利**

每股基本盈利乃按股東應佔溢利約人民幣233,000元(二零零三年:人民幣708,000元)及年內已發行普通股加權平均數473,000,000股(二零零三年:400,754,000股)計算。

(b) 每股攤薄盈利

截至二零零四年及二零零三年十二月三十一日止年度並無每股潛在攤薄盈利。

13. 分部呈報

分部資料按本集團之業務分部呈列。由於本集團之收益及業績大部分均源自中國，故並無呈列地區分部資料。

業務分部

本集團之主要業務分部包括：

軟件銷售	:	在中國銷售證券及金融業有關之軟件
硬件銷售	:	銷售硬件
網絡工程	:	提供網絡工程服務
提供維修及其他服務	:	向其客戶提供技術支援及顧問服務

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

13. SEGMENT REPORTING (Continued)

Business segments (Continued)

- (i) An analysis of the Group's revenue and results by business segments is as follows:

13. 分部呈報(續)

業務分部(續)

- (i) 本集團按業務分部劃分之收益及業績分析如下:

		2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Revenue from external customers	來自外界客戶之收益		
Software sales	軟件銷售	10,410	10,016
Hardware sales	硬件銷售	2,182	2,795
Provision of network construction services	提供網絡工程服務	447	197
Provision of maintenance and other services	提供維修及其他服務	4,946	3,279
		<hr/>	<hr/>
Total revenue from external customers	來自外來客戶之收益總額	17,985	16,287
		<hr/>	<hr/>
Other revenue	其他收益		
Software sales	軟件銷售	1,834	1,977
Unallocated items	未分配項目	791	376
		<hr/>	<hr/>
Total other revenue	其他收益總額	2,625	2,353
		<hr/>	<hr/>
Total operating revenue	經營收益總額	20,610	18,640
		<hr/>	<hr/>
Segment results	分部業績		
Software sales	軟件銷售	6,426	6,422
Hardware sales	硬件銷售	11	733
Provision of network construction services	提供網絡工程服務	48	(56)
Provision of maintenance and other services	提供維修及其他服務	3,562	711
		<hr/>	<hr/>
Unallocated operating income and expenses	未分配經營收入及開支	10,047	7,810
		<hr/>	<hr/>
		(9,156)	(7,669)
		<hr/>	<hr/>
Profit from operations	經營溢利	891	141
Income tax	所得稅	(753)	238
Minority interests	少數股東權益	95	329
		<hr/>	<hr/>
Profit attributable to shareholders	股東應佔溢利	233	708
		<hr/>	<hr/>

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

13. SEGMENT REPORTING (Continued)**Business segments** (Continued)

- (ii) An analysis of the Group's depreciation and amortisation by business segments is as follows:

Depreciation and amortisation

Software sales	軟件銷售
Hardware sales	硬件銷售
Provision of network construction services	提供網絡工程服務
Provision of maintenance and other services	提供維修及其他服務
Unallocated assets	未分配資產

折舊及攤銷

2004	2003
二零零四年	二零零三年
RMB'000	RMB'000
人民幣千元	人民幣千元

業務分部 (續)

- (ii) 本集團按業務分部劃分之折舊及攤銷分析如下:

1,708	1,213
—	—
—	—
16	45
975	1,026
2,699	2,284

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日 (以人民幣列值)

13. SEGMENT REPORTING (Continued)

Business segments (Continued)

- (iii) An analysis of the Group's assets and liabilities by business segments is as follows:

13. 分部呈報 (續)

業務分部 (續)

- (iii) 本集團按業務分部劃分之資產及負債分析如下:

		2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
Segment assets	分部資產		
Software sales	軟件銷售	17,903	11,877
Hardware sales	硬件銷售	248	99
Provision of network construction services	提供網絡工程服務	-	85
Provision of maintenance and other services	提供維修及其他服務	525	146
		18,676	12,207
Unallocated assets	未分配資產	36,907	43,697
Total assets	總資產	55,583	55,904
Segment liabilities	分部負債		
Software sales	軟件銷售	2,723	1,898
Hardware sales	硬件銷售	196	28
Provision of network construction services	提供網絡工程服務	671	31
Provision of maintenance and other services	提供維修及其他服務	947	871
		4,537	2,828
Unallocated liabilities	未分配負債	3,371	3,596
Total liabilities	總負債	7,908	6,424

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

13. SEGMENT REPORTING (Continued)**Business segments** (Continued)

(iv) An analysis of the Group's capital and expenditure by business segments is as follows:

Capital expenditure

Software sales
Hardware sales
Provision of network
construction services
Provision of maintenance
and other services
Unallocated assets

資本開支

軟件銷售
硬件銷售
提供網絡工程服務
提供維修及其他服務
未分配資產

2004	2003
二零零四年	二零零三年
RMB'000	RMB'000
人民幣千元	人民幣千元

6,409	5,720
-	-
-	-
-	79
3,601	1,678
10,010	7,477

Notes to the Financial Statement

財務報表附註

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於二零零四年十二月三十一日(以人民幣列值)

14. FIXED ASSETS

14. 固定資產

(a) The Group

(a) 本集團

		Land and buildings	Leasehold improve- ments 租賃 裝修工程	Computer equipment	Furniture and equipment	Motor vehicles	Total
		土地及樓宇 RMB'000 人民幣千元	裝修工程 RMB'000 人民幣千元	電腦設備 RMB'000 人民幣千元	傢具及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost	原值						
At 1st January 2004	於二零零四年 一月一日	121	2,595	3,801	794	1,099	8,410
Additions	添置	3,433	-	805	86	-	4,324
Disposals	出售	-	(1,560)	(120)	(215)	-	(1,895)
At 31st December 2004	於二零零四年 十二月三十一日	3,554	1,035	4,486	665	1,099	10,839
Accumulated depreciation	累計折舊						
At 1st January 2004	於二零零四年 一月一日	31	1,653	2,178	249	281	4,392
Charge for the year	年內支出	61	311	758	149	133	1,412
Written back on disposals	出售時撥回	-	(932)	(48)	(84)	-	(1,064)
At 31st December 2004	於二零零四年 十二月三十一日	92	1,032	2,888	314	414	4,740
Net book value	賬面淨值						
At 31st December 2004	於二零零四年 十二月三十一日	3,462	3	1,598	351	685	6,099
At 31st December 2003	於二零零三年 十二月三十一日	90	942	1,623	545	818	4,018

As at 31st December 2004, the Group's land having the carrying amounts of approximately RMB1,731,000 (2003: RMB45,000) is located in the PRC and held under medium-term leases.

於二零零四年十二月三十一日，本集團賬面金額約人民幣1,731,000元(二零零三年：人民幣45,000元)之土地乃位於中國以中期租約持有。

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財務報表附註

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於二零零四年十二月三十一日(以人民幣列值)

14. FIXED ASSETS (Continued)

14. 固定資產(續)

(b) The Company

(b) 本公司

		Leasehold improvements 租賃裝修工程 RMB'000 人民幣千元	Computer equipment 電腦設備 RMB'000 人民幣千元	Furniture and equipment 傢具及設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	原值				
At 1st January 2004	於二零零四年一月一日	147	27	106	280
Additions	添置	-	15	-	15
Disposals	出售	(147)	-	-	(147)
At 31st December 2004	於二零零四年 十二月三十一日	-	42	106	148
Accumulated depreciation	累計折舊				
At 1st January 2004	於二零零四年 一月一日	74	9	21	104
Charge for the year	年內支出	61	12	21	94
Written back on disposals	出售時撥回	(135)	-	-	(135)
At 31st December 2004	於二零零四年 十二月三十一日	-	21	42	63
Net book value	賬面淨值				
At 31st December 2004	於二零零四年 十二月三十一日	-	21	64	85
At 31st December 2003	於二零零三年 十二月三十一日	73	18	85	176

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財務報表附註

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於二零零四年十二月三十一日(以人民幣列值)

15. INTANGIBLE ASSETS

15. 無形資產

		The Group 本集團 Development costs 開發成本 RMB'000 人民幣千元
Cost	原值	
At 1st January 2004	於二零零四年一月一日	9,645
Additions through internal development	內部開發成本	5,686
		<hr/>
At 31st December 2004	於二零零四年十二月三十一日	15,331
		<hr/>
Accumulated amortisation	累計攤銷	
At 1st January 2004	於二零零四年一月一日	848
Charge for the year	年內支出	1,287
		<hr/>
At 31st December 2004	於二零零四年十二月三十一日	2,135
		<hr/>
Net book value	賬面淨值	
At 31st December 2004	於二零零四年十二月三十一日	13,196
		<hr/>
At 31st December 2003	於二零零三年十二月三十一日	8,797
		<hr/>

Amortisation of intangible assets is recognised as an expense on a straight-line basis over their useful lives with the period of not exceeding five years.

無形資產攤銷按其不超過五年之可用年期以直線法確認為開支。

The amortisation charge for the year is included in "cost of sales" in the consolidated income statement.

年內攤銷支出於綜合收益表「銷售成本」列賬。

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財務報表附註

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16. GOODWILL

16. 商譽

		The Group 本集團	
		Positive goodwill 正商譽 RMB'000 人民幣千元	Negative goodwill 負商譽 RMB'000 人民幣千元
Cost	原值		
At 1st January 2004	於二零零四年一月一日	-	(629)
Additions through acquisition of partial interest in a subsidiary	透過收購一間附屬公司部分權益增加	5	-
At 31st December 2004	於二零零四年十二月三十一日	5	(629)
Accumulated amortisation	累計攤銷		
At 1st January 2004	於二零零四年一月一日	-	32
Amortisation for the year	年內攤銷	(5)	125
At 31st December 2004	於二零零四年十二月三十一日	(5)	157
Net book value	賬面淨值		
At 31st December 2004	於二零零四年十二月三十一日	-	(472)
At 31st December 2003	於二零零三年十二月三十一日	-	(597)

Positive/(negative) goodwill is recognised as an expense/income on a straight-line basis over its useful life with the period of not exceeding five years.

正/(負)商譽以直線法就不超過五年之可使用期間確認為開支/收入。

The amortisation of goodwill for the year is included in "other operating expenses" in the consolidated income statement.

年內商譽攤銷於綜合收益表「其他經營開支」列賬。

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於二零零四年十二月三十一日(以人民幣列值)

17. INVESTMENTS IN SUBSIDIARIES

17. 於附屬公司之投資

The Company

本公司

2004	2003
二零零四年	二零零三年
RMB'000	RMB'000
人民幣千元	人民幣千元

Unlisted shares, at cost

非上市股份·按原值

19

19

As at 31st December 2004, the details of all subsidiaries of the Company were as follows:

於二零零四年十二月三十一日·本公司所有附屬公司之詳情如下:

Name of company 公司名稱	Place of incorporation 註冊成立地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本詳情	Group's effective interest 本集團 實際權益	Proportion of ownership interest 擁有權益比例		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Shine Science & Technology (BVI) Company Limited ("Shine Science BVI")	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	100,000 ordinary shares of US\$0.01 each 100,000股 每股面值0.01美元 之普通股	100%	100%	-	Investment holding 投資控股
Fujian Shine Science & Technology Co., Ltd. ("Fujian Shine Science") (note (a)) 福建新意科技有限公司 (「福建新意」)(附註(a))	The People's Republic of China ("PRC") 中華人民共和國 (「中國」)	Registered capital 註冊資本 RMB12,500,000 人民幣12,500,000元	100%	-	100%	Development of computer software, resale of hardware, provision of system integration and maintenance in the PRC 在中國開發電腦軟件· 轉售硬件及提供系統 集成及維修服務

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17. INVESTMENTS IN SUBSIDIARIES (Continued)

17. 於附屬公司之投資(續)

Name of company 公司名稱	Place of incorporation 註冊成立地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本詳情	Group's effective interest 本集團 實際權益	Proportion of ownership interest 擁有權益比例		Principal activities 主要業務
				Direct 直接	Indirect 間接	
Shanghai Shine Science Company Limited ("Shanghai Shine Science") (note (b)) 上海新意新科技有限公司 (「上海新意」)(附註(b))	PRC 中國	Registered capital 註冊資本 RMB5,000,000 人民幣5,000,000元	100%	–	100%	Development of computer software, resale of hardware, provision of system integration and maintenance in the PRC 在中國開發電腦軟件、 轉售硬件及提供 系統集成和維修服務
Fuzhou Xinyi Xinwangluo Network Company Limited ("Xinwangluo") (note (c)) 福州新意新網絡有限公司 (「新意新網絡」)(附註(c))	PRC 中國	Registered capital 註冊資本 RMB1,000,000 人民幣1,000,000元	100%	–	100%	Resale of hardware and network installation 轉售硬件及進行 網絡安裝
Shanghai Xingyishi Management Consulting Company Limited ("Shanghai Xingyishi") (note (d)) 上海興意識管理諮詢 (「上海興意識」) (附註(d))	PRC 中國	Registered capital 註冊資本 RMB500,000 人民幣500,000元	60%	–	60%	Provision of computer and management consultancy services in the PRC 在中國提供電腦及管理 諮詢服務

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17. INVESTMENTS IN SUBSIDIARIES (Continued)

Notes:

- (a) Fujian Shine Science is a wholly foreign-owned enterprise established in the PRC to be operated for 24.5 years up to July 2022.
- (b) Shanghai Shine Science is an equity joint venture established in the PRC to be operated for 20 years up to February 2021. The Group nominated Ms. Gu Yun ("Ms. Gu"), the Chairperson of the Company to hold the 10% interest in trust for and on behalf of the Group.
- (c) Xinwangluo is an equity joint venture established in the PRC to be operated for 10 years up to June 2011. In January 2004, the Group acquired the remaining 33% of its interest in Xinwangluo and nominated Ms. Gu to hold the 33% interest in trust for and on behalf of the Group.
- (d) Shanghai Xingyishi is an equity joint venture established in the PRC to be operated for 20 years up to May 2022. During the year ended 31st December 2004, Shanghai Xingyishi became dormant.

18. INVESTMENTS

17. 於附屬公司之投資(續)

附註:

- (a) 福建新意為於中國成立之全外資企業,其經營年期為二十四年半,至二零二二年七月止。
- (b) 上海新意為於中國成立之合資合營企業,其經營年期為二十年,至二零二一年二月止。本集團提名本公司主席顧雲女士(「顧女士」)以信託方式代表本集團持有其10%權益。
- (c) 新意新網絡為於中國成立之合資合營企業,其經營年期為10年,至二零一一年六月止。於二零零四年一月,本集團收購其於新意新網絡餘下33%權益,並提名顧女士以信託方式代表本集團持有該33%權益。
- (d) 上海興意識為於中國成立之合資合營企業,其經營年期為二十年,至二零二二年五月止。截至二零零四年十二月三十一日止年度,上海興意識暫無經營任何業務。

18. 投資

The Group
本集團

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
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Trading securities (at market value) 按市值列賬之買賣證券

Listed equity securities outside
Hong Kong

香港境外之上市股本證券

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19. INVENTORIES

19. 存貨

	The Group 本集團		
	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元	
Computer hardware and accessories acquired for resale	電腦硬件及作轉售 而購入之配件	69	76
All inventories were stated at cost as at 31st December 2004 and 2003.		於二零零四年及二零零三年十二月 三十一日之全部存貨均以原值列賬。	

20. TRADE AND OTHER RECEIVABLES

20. 應收賬款及其他應收款項

	The Group 本集團		The Company 本公司		
	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元	2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元	
Due from subsidiaries (note (a))	應收附屬公司欠款 (附註(a))	-	-	29,158	28,896
Trade receivables	應收賬款	2,823	1,213	-	-
Rental and other deposits	租金及其他按金	111	298	-	89
Advances to suppliers	墊予供應商之款項	639	21	-	-
Prepayments and other receivables	預付款項及其他 應收款項	955	534	159	159
Deposit for a marketing research project (note (b))	一項市場推廣研究 項目之按金 (附註(b))	5,415	-	-	-
Due from a securities broker firm (note (c))	應收證券經紀行 款項(附註(c))	5,720	-	-	-
		15,663	2,066	29,317	29,144

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20. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) The amounts due from subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.
- (b) In December 2004, the Group appointed an independent third party to perform certain marketing research for the Group. Accordingly, the Group paid the independent third party a deposit of RMB5,415,000.
- (c) During the year ended 31st December 2004, the Group traded equity and debt securities through a securities broker firm. As at 31st December 2004, amount of RMB5,720,000 was due from the securities broker firm. The amount is unsecured, bears interest at 0.72 per cent. per annum and can be withdrawn by the Group at any time.
- (d) All of the trade and other receivables, apart from rental and other deposits, are expected to be recovered within one year.
- (e) Included in trade and other receivables are trade debtors (net of provision for bad and doubtful debts) with the following ageing analysis:

Within 1 month	1個月內
More than 1 month but less than 3 months	1個月後但3個月內
More than 3 months but less than 6 months	3個月後但6個月內
More than 6 months but less than 12 months	6個月後但12個月內
More than 12 months	12個月後
Less: Provision for bad and doubtful debts	減: 呆壞賬撥備

The Group generally grants credit terms of 30 days to 180 days to its customers.

20. 應收賬款及其他應收款項(續)

附註:

- (a) 應收附屬公司欠款為無抵押、免息及無固定還款期。
- (b) 於二零零四年十二月,本集團委任獨立第三方為本集團進行若干市場推廣研究。因此,本集團向該名獨立第三方支付按金人民幣5,415,000元。
- (c) 截至二零零四年十二月三十一日止年度,本集團透過一家證券經紀行買賣股本及債務證券。於二零零四年十二月三十一日,該證券經紀行之欠款為人民幣5,720,000元。該筆款項為無抵押、按每年0.72厘息率計息及可由本集團隨時收取。
- (d) 除租金及其他按金外,預期所有應收賬款及其他應收款項將於一年內收回。
- (e) 計入於應收賬款及其他應收款項之應收賬款(扣除呆壞賬撥備)賬齡分析如下:

The Group 本集團	
2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
834	320
1,071	604
918	160
418	651
550	481
3,791	2,216
(968)	(1,003)
2,823	1,213

本集團一般給予客戶30至180日信貸期。

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21. TAX RECOVERABLE**21. 可收回稅項**

		The Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Value added tax prepaid	預繳增值稅	-	74
Value added tax refunds receivable	應收增值稅退稅	957	912
		957	986

22. FIXED DEPOSITS**22. 定期存款**

		The Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deposits with banks maturing after three months from the date of the deposits	由存款日期起計三個月後到期之銀行存款	-	12,000

23. CASH AND CASH EQUIVALENTS**23. 現金及現金等值物**

		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
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Deposits with banks maturing within three months from the date of the deposits	由存款日期起計三個月內到期之銀行存款	5,770	20,373	4,770	8,480
Cash at bank	銀行現金	14,198	7,757	680	2,021
Cash on hand	手頭現金	103	75	-	-
Cash and cash equivalents	現金及現金等值物	20,071	28,205	5,450	10,501

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24. TRADE AND OTHER PAYABLES

24. 應付賬款及其他應付款項

		The Group 本集團		The Company 本公司	
		2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Trade payables	應付賬款	6	268	-	-
Deposits received from customers	向客戶收取按金	3,675	1,825	-	-
Employees welfare payable	應付員工福利	456	901	-	-
Accrued expenses and other payables	應計開支及其他應付款項	988	1,297	533	450
Other tax payables	其他應繳稅項	325	246	-	-
		5,450	4,537	533	450

Included in trade and other payables are trade creditors with the following ageing analysis:

包括於應付賬款及其他應付款項之應付賬款賬齡分析如下:

		The Group 本集團	
		2004 二零零四年	2003 二零零三年
		RMB'000 人民幣千元	RMB'000 人民幣千元
After 1 month but less than 3 months	1個月後但3個月內	6	-
After 6 months but less than 12 months	6個月後但12個月內	-	210
After 12 months	12個月後	-	58
		6	268

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於二零零四年十二月三十一日 (以人民幣列值)

25. DEFERRED INCOME**25. 遞延收入**

		The Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1st January	於一月一日	779	526
Released to consolidated income statement	轉撥至綜合收益表	(779)	(526)
Income deferred during the year	年內遞延收入	856	779
At 31st December	於十二月三十一日	856	779

26. TAXATION PAYABLE**26. 應繳稅項**

		The Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
PRC enterprise income tax	中國企業所得稅		
At 1st January	於一月一日	161	794
Over-provision in prior years	過往年度超額撥備	-	(520)
PRC enterprise income tax paid	已繳付中國企業所得稅	(69)	(113)
At 31st December	於十二月三十一日	92	161

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27. DEFERRED TAXATION

27. 遞延稅項

(a) Deferred tax assets and liabilities recognised

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the current year are as follows:

(a) 已確認遞延稅項資產及負債

以下為已於本年度確認之主要遞延稅項資產/(負債)及有關變動:

		The Group 本集團			
		Tax losses	Develop- ment costs	Provision for bad and doubtful debts	Total
		稅項虧損	開發成本	呆壞賬撥備	總計
		RMB'000	RMB'000	RMB,000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1st January 2002	於二零零二年一月一日	40	(615)	100	(475)
(Charged)/credited to consolidated income statement (note 7(a))	於綜合收益表(扣除)/計入之金額(附註7(a))	335	(705)	88	(282)
At 31st December 2003 and 1st January 2004	於二零零三年十二月三十一日及二零零四年一月一日	375	(1,320)	188	(757)
(Charged)/credited to consolidated income statement (note 7(a))	於綜合收益表(扣除)/計入之金額(附註7(a))	(252)	(407)	(94)	(753)
At 31st December 2004	於二零零四年十二月三十一日	123	(1,727)	94	(1,510)

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於二零零四年十二月三十一日(以人民幣列值)

27. DEFERRED TAXATION (Continued)**(a) Deferred tax assets and liabilities recognised** (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

(b) Deferred tax assets/(liabilities) not recognised

The Group and the Company have not recognised deferred tax assets in respect of tax losses of approximately RMB8,115,000 (2003: RMB2,568,000) and approximately RMB5,652,000 (2003: RMB2,182,000) respectively as it is not probable that taxable profit will be available against which tax losses can be utilised.

As 31st December 2004, the Group's tax losses of approximately RMB1,890,000 (2003: RMB nil) will expire in five years from the year in which they were incurred and of approximately RMB6,225,000 (2003: RMB2,568,000) do not expire under current tax legislation.

27. 遞延稅項 (續)**(a) 已確認遞延稅項資產及負債** (續)

以下為作財務申報用途的遞延稅項結餘分析：

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
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-	190
(1,510)	(947)
(1,510)	(757)

(b) 未確認遞延稅項資產/(負債)

本集團及本公司並無就稅項虧損分別約人民幣8,115,000元(二零零三年:人民幣2,568,000元)及約人民幣5,652,000元(二零零三年:人民幣2,182,000元)確認遞延稅項資產,此乃由於應課稅溢利可用以抵銷稅項虧損之可能性不大。

於二零零四年十二月三十一日,根據現行稅法,本集團之稅項虧損約人民幣1,890,000元(二零零三年:人民幣零元)將於產生年度起計五年到期,另人民幣約6,225,000元(二零零三年:人民幣2,568,000元)則不會到期。

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28. SHARE CAPITAL

28. 股本

		The Group and the Company 本集團及本公司			
		2004 二零零四年		2003 二零零三年	
		Number of shares 股份數目 '000 千股	Amount 款項 RMB'000 人民幣千元	Number of shares 股份數目 '000 千股	Amount 款項 RMB'000 人民幣千元
Authorised – Ordinary shares of HK\$0.01 (equivalent to approximately RMB0.0106) each:	法定—每股面值0.01港元(約相當於人民幣0.0106元)之普通股:				
At 1st January	於一月一日	5,000,000	53,000	1,000	106
Subdivision of shares into HK\$0.01 each (note (a))	拆細為每股面值0.01港元之股份(附註(a))	-	-	9,000	-
Increase in authorised share capital (note (d))	增加法定股本(附註(d))	-	-	4,990,000	52,894
At 31st December	於十二月三十一日	5,000,000	53,000	5,000,000	53,000
Issued and fully paid – Ordinary shares of HK\$0.01 (equivalent to approximately RMB0.0106) each:	已發行及繳足—每股面值0.01港元(約相當於人民幣0.0106元)之普通股:				
At 1st January	於一月一日	473,000	5,014	100	-
Subdivision of shares into HK\$0.01 each (note (a))	拆細為每股面值0.01港元之股份(附註(a))	-	-	900	-
Issue of shares arising from the Reorganisation (note (b))	因重組發行股份(附註(b))	-	-	780	19
Conversion of convertible notes into shares (note (c))	兌換可換股票據為股份(附註(c))	-	-	452	5
Issue of shares under initial public offering (note (e))	根據首次公開發售發行股份(附註(e))	-	-	118,250	1,253
Capitalisation issue of shares (note (f))	資本化發行股份(附註(f))	-	-	352,518	3,737
At 31st December	於十二月三十一日	473,000	5,014	473,000	5,014

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28. SHARE CAPITAL (Continued)*Notes:*

- (a) Pursuant to the written resolution passed by all the shareholders on 17th June 2003, by means of a sub-division of share capital, the par value to the ordinary shares of the Company was reduced from HK\$0.10 each to HK\$0.01 each, and every issued and unissued ordinary share of HK\$0.10 each was sub-divided into ten shares.
- (b) On 17th June 2003, the Company acquired the entire issued share capital of Shine Science BVI, in connection with the Reorganisation in note 1(a), in consideration for (i) the transfer of 1,000,000 nil paid ordinary shares of HK\$0.01 each in the Company held by the shareholders of the Company and (ii) the issue and allotment of 780,000 ordinary shares, to the shareholders of Shine Science BVI. The Company became the holding company of the Group with effect from 17th June 2003.
- (c) On 18th June 2003, the convertible notes were converted into 451,644 ordinary shares in the Company at a total consideration of approximately RMB14,840,000, of which approximately RMB5,000 was credited to share capital and the balance of approximately RMB14,835,000 was credited to the share premium account. Further details of the convertible notes are set out in the prospectus dated 4th August 2003 issued by the Company.
- (d) Pursuant to the written resolution passed by all the shareholders on 28th July 2003, the authorised share capital of the Company was increased from HK\$100,000 (equivalent to approximately RMB106,000) to HK\$50,000,000 (equivalent to approximately RMB53,000,000) by the creation of an additional 4,990,000,000 ordinary shares of HK\$0.01 each ranking pari passu with the then existing ordinary shares in all respects.
- (e) Pursuant to the listing of the shares of the Company on the GEM of the Stock Exchange on 12th August 2003, 118,250,000 ordinary shares of HK\$0.01 each were issued and offered for subscription at a price of HK\$0.30 (equivalent to approximately RMB0.318) per ordinary share, resulting in cash proceeds (net of share issuance expenses) of approximately HK\$25,193,000 (equivalent to approximately RMB26,705,000).

28. 股本 (續)*附註:*

- (a) 根據全體股東於二零零三年六月十七日通過之書面決議案，本公司普通股之面值以分拆股本之方式由每股0.10港元減至每股0.01港元，每股面值0.10港元之已發行及尚未發行普通股分拆為十股股份。
- (b) 於二零零三年六月十七日，本公司就附註1(a)所述重組購入Shine Science BVI全部已發行股本，代價為(i)轉讓由本公司股東所持本公司1,000,000股每股面值0.01港元之未繳股款普通股；及(ii)發行及配發780,000股普通股予Shine Science BVI之股東。本公司自二零零三年六月十七日起成為本集團之控股公司。
- (c) 於二零零三年六月十八日，可換股票據按人民幣14,840,000元之總代價轉換為本公司451,644股普通股，當中約人民幣5,000元於股本列賬，餘額約人民幣14,835,000元則計入股份溢價賬。有關可換股票據之進一步詳情，載於本公司所刊發日期為二零零三年八月四日之招股章程。
- (d) 根據全體股東於二零零三年七月二十八日通過之書面決議案，本公司藉增設4,990,000,000股每股面值0.01港元之普通股（各方面均與當時現有普通股享有同等權利），將法定股本由100,000港元（約相當於人民幣106,000元）增至50,000,000港元（約相當於人民幣53,000,000元）。
- (e) 根據本公司股份於二零零三年八月十二日在聯交所創業板上市，118,250,000股每股面值0.01港元之普通股按每股普通股0.30港元（約相當於人民幣0.318元）之認購價發行及發售，因而在扣除股份發行開支後獲得現金所得款項約25,193,000港元（約相當於人民幣26,705,000元）。

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28. SHARE CAPITAL (Continued)

Notes:

(f) On 12th August 2003, share premium of approximately HK\$3,525,184 (equivalent to approximately RMB3,737,000) was capitalised for the issuance of 352,518,356 ordinary shares to the Company's shareholders whose names appear on the register of members of the Company as at the close of business on 28th July 2003 in the same proportion as their then shareholdings in the Company.

28. 股本(續)

附註:

(f) 於二零零三年八月十二日·約3,525,184港元(約相當於人民幣3,737,000元)之股份溢價撥充資本·以向於二零零三年七月二十八日營業時間結束時名列本公司股東名冊之本公司股東·按彼等當時於本公司之持股比例·發行352,518,356股普通股。

29. RESERVES

(a) The Group

29. 儲備

(a) 本集團

		Share premium	Merger reserve (note (i))	General reserve fund (note (ii))	Common welfare reserve fund (note (iii)) 公共福利儲備金	Retained profits	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1st January 2003	於二零零三年一月一日	-	(2,340)	2,136	1,038	5,897	6,731
Premium on conversion of convertible notes into shares (note 28(c))	兌換可換股票據為股份產生之溢價 (附註28(c))	14,835	-	-	-	-	14,835
Premium on issue of shares under initial public offering (note 28(e))	根據首次公開發售發行股份產生之溢價 (附註28(e))	36,350	-	-	-	-	36,350
Effect of the Reorganisation	重組之影響	-	(11)	-	-	-	(11)
Capitalisation issue of shares (note 28(f))	資本化發行股份 (附註28(f))	(3,737)	-	-	-	-	(3,737)
Share issuance expenses	股份發行開支	(10,898)	-	-	-	-	(10,898)
Net profit for the year	年內純利	-	-	-	-	708	708
Transfer to reserves	轉撥至儲備	-	-	17	8	(25)	-
At 31st December 2003 and 1st January 2004	於二零零三年十二月三十一日至二零零四年一月一日	36,550	(2,351)	2,153	1,046	6,580	43,978
Dividends approved in respect of the previous year (note 11(b))	過往年度批准股息 (附註11(b))	(1,705)	-	-	-	-	(1,705)
Net profit for the year	年內純利	-	-	-	-	233	233
Transfer to reserves	轉撥至儲備	-	-	18	9	(27)	-
At 31st December 2004	於二零零四年十二月三十一日	34,845	(2,351)	2,171	1,055	6,786	42,506

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29. RESERVES (Continued)**(a) The Group (Continued)**

Notes:

(i) Merger reserve

The merger reserve represents the amount of reserves of subsidiaries that have been capitalised as a result of the merger.

(ii) General reserve fund

According to the relevant laws and regulations in the PRC, each of the PRC subsidiaries is required to appropriate at least 10% of after-tax profit (after offsetting prior year's losses), based on the PRC statutory financial statements prepared in accordance with the generally accepted accounting principals ("GAAP") and financial regulations applicable to the PRC enterprises, to a general reserve fund until the balance of the fund reaches 50% of the PRC subsidiary's registered capital. Thereafter, any further appropriation can be made at the directors' discretion.

The general reserve fund can be utilised to offset the prior years' losses, or be utilised to increase the capital on the condition that the general reserve fund shall be maintained at a minimum of 25% of the registered capital after such increase.

The directors of Fujian Shine Science have proposed to transfer 10% of the profit after taxation to the general reserve fund for the years ended 31st December 2004 and 2003.

The directors of Shanghai Shine Science, Xinwangluo and Shanghai Xingyishi determined not to make any appropriation to the general reserve fund as these subsidiaries have sustained loss for the years ended 31st December 2004 and 2003.

29. 儲備(續)**(a) 本集團(續)**

附註:

(i) 合併儲備

合併儲備指附屬公司因合併而撥充資本之儲備金額。

(ii) 一般儲備基金

根據中國有關法律及法規，各中國附屬公司於抵銷上年度虧損後，須自根據按普遍採納會計原則（「公認會計原則」）及中國企業適用之財務規例編製之中國法定財務報表除稅後溢利撥款最少10%，作為一般儲備基金，直至基金之結餘達到中國附屬公司之註冊資本50%為止。其後，董事可酌情決定作出任何額外撥款。

一般儲備基金可用作抵銷過往年度虧損，或用作增加資本，惟增加資本後，一般儲備基金須維持不少於註冊資本25%。

福建新意之董事建議將截至二零零四年及二零零三年十二月三十一日止年度除稅後溢利10%轉撥至一般儲備基金。

由於上海新意、新意新網絡及上海興意識於截至二零零四年及二零零三年十二月三十一日止年度持續錄得虧損，故該等附屬公司之董事決定不會向一般儲備基金撥款。

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29. RESERVES (Continued)**(a) The Group (Continued)**

Notes: (Continued)

(iii) Common welfare reserve fund

In accordance with the relevant laws and regulations in the PRC and the articles of association of all the subsidiaries in PRC, each of the subsidiaries is required to appropriate 5% to 10% of their statutory profit after tax under PRC GAAP after offsetting prior years' losses to common welfare reserve fund. Such fund can be used for collective employees benefits, but cannot be used to pay for employees welfare expenses.

The directors of Fujian Shine Science have proposed to transfer 5% of the profit after taxation to the common welfare reserve fund for the years ended 31st December 2004 and 2003.

The directors of Shanghai Shine Science, Xinwangluo and Shanghai Xingyishi determined not to make any appropriation to the common welfare reserve fund for the years ended 31st December 2004 and 2003.

29. 儲備(續)**(a) 本集團(續)**

附註:(續)

(iii) 公共福利儲備金

根據有關中國法例、法規及中國所有附屬公司之公司組織章程細則,各附屬公司於抵銷過往年度虧損後,須將根據中國公認會計原則計算之法定除稅後溢利5%至10%撥作公共福利儲備金。該等基金可用於員工集體福利,但不可用作支付員工福利開支。

福建新意之董事建議將除稅後溢利5%轉撥至截至二零零四年及二零零三年十二月三十一日止年度之公共福利儲備金。

上海新意、新意新網絡及上海興意識之董事決定不會就截至二零零四年及二零零三年十二月三十一日止年度向公共福利儲備金作出任何撥款。

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29. RESERVES (Continued)

(b) The Company

At 1st January 2003	於二零零三年一月一日	-	-	-
Premium on conversion of convertible notes into shares (note 28(c))	兌換可換股票據為股份產生之溢價(附註28(c))	14,835	-	14,835
Premium on issue of shares under initial public offering (note 28(e))	首次公開發售發行股份產生之溢價(附註28(e))	36,350	-	36,350
Capitalisation issue of shares (note 28(f))	資本化發行股份(附註28(f))	(3,737)	-	(3,737)
Share issuance expenses	股份發行開支	(10,898)	-	(10,898)
Net loss for the year	年內淨虧損	-	(2,174)	(2,174)
At 31st December 2003 and 1st January 2004	於二零零三年十二月三十一日至二零零四年一月一日	36,550	(2,174)	34,376
Dividends approved in respect of the previous year	過往年度批准股息	(1,705)	-	(1,705)
Net loss for the year	年內虧損淨額	-	(3,347)	(3,347)
At 31st December 2004	於二零零四年十二月三十一日	34,845	(5,521)	29,324

Notes:

Under the Companies Law (Revised) of the Cayman Islands, share premium is distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of share premium if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital account.

At 31st December 2003, the aggregate amount of the Company's reserves available for distribution to shareholders was approximately RMB29,324,000 (2003: RMB34,376,000) computing in accordance with the Companies Law (Revised) of the Cayman Islands and the Company's articles of association. This includes the Company's share premium of approximately RMB34,845,000 (2003: RMB36,550,000) less accumulated losses of approximately RMB5,521,000 (2003: RMB2,174,000), which is available for distribution provided that immediately following the date on which the dividend is proposed, the Company will be able to pay off its debts as they fall due in the ordinary course of business.

29. 儲備(續)

(b) 本公司

Share premium	Accumulated losses	Total
股份溢價	累計虧損	總計
RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元
-	-	-
14,835	-	14,835
36,350	-	36,350
(3,737)	-	(3,737)
(10,898)	-	(10,898)
-	(2,174)	(2,174)
36,550	(2,174)	34,376
(1,705)	-	(1,705)
-	(3,347)	(3,347)
34,845	(5,521)	29,324

附註:

根據開曼群島公司法(修訂本), 股份溢價可分派予股東, 惟倘(i)於分派時或其後未能償還其到期負債, 或(ii)資產可變現價值因而少於其負債及已發行股本賬之總額, 則本公司不得宣派或派付任何股息或於股份溢價賬作出任何分派。

於二零零三年十二月三十一日, 本公司可供分派予股東之儲備總額約人民幣29,324,000元(二零零三年: 人民幣34,376,000元), 乃根據開曼群島公司法(修訂本)及本公司之公司組織章程細則計算, 當中包括本公司股份溢價約人民幣34,845,000元(二零零三年: 人民幣36,550,000元)減累計虧損約人民幣5,521,000元(二零零三年: 人民幣2,174,000元), 此筆款項可供分派, 惟緊隨建議派付股息日期後, 本公司須能夠償還其於日常業務中到期之債務。

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30. EQUITY COMPENSATION BENEFITS

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 28th July 2003 for the purpose of providing incentives or rewards to eligible persons for their contributions to the Group. The Scheme will expire on 27th July 2013. Under the Scheme, the Company may grant options to any person who is a director or employee (whether full-time or part-time) of the Group or any entity in which the Group holds any equity interest, or any classes of supplier, customer, consultant, adviser, manager or officer of the Group or any entity in which the Group holds any equity interest.

The total number of shares in respect of which options may be granted under the Scheme and any other share option schemes of the Company must not in aggregate exceed ten per cent. of the total shares of the Company in issue at the date of listing of the Company. The total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not in aggregate exceed thirty per cent. of the total shares of the Company in issue from time to time. The total number of shares issued and which may fall to be issued upon exercise of the options granted (including both exercised or outstanding options) to each eligible person in any 12-month period must not exceed one per cent. of the total shares of the Company in issue. Any further grant of options in excess of the individual limit must be subject to shareholders' approval.

30. 股本補償福利

本公司之購股權計劃(「該計劃」)是根據於二零零三年七月二十八日通過之決議案採納,目的是就合資格人士對本集團所作貢獻提供鼓勵及獎償。該計劃將會於二零一三年七月二十七日屆滿。根據該計劃,本公司可向本集團或本集團持有任何股權之任何實體的董事或僱員(不論全職或兼職),或本集團或本集團持有任何股權之任何實體的任何類別供應商、客戶、諮詢顧問、顧問、經理或主管授出購股權。

根據該計劃及本公司任何其他購股權計劃可授出之購股權相應股份總數,合共不得多於本公司上市日期當日已發行股份總數之10%。根據該計劃或本公司任何其他購股權計劃授出之所有已發行但尚未行使購股權獲行使時可予發行之股份總數,合共不得超過本公司不時已發行股份總數之30%。於任何12個月期間向各合資格人士授出購股權(包括已行使或尚未行使購股權)獲行使時已經及可能須發行之股份總數,不得超過本公司已發行股份總數1%。任何進一步授出超逾個人限額的購股權,必須先事獲得股東批准。

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30. EQUITY COMPENSATION BENEFITS
(Continued)

Options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1.00 as consideration for the grant. In respect of option holders other than suppliers and customers, option may be exercised, which shall commence 1 year from the date on which that option is granted and shall expire on the earlier of the last day of (i) a 10-year period from the date of such grant and (ii) 10 years from 28th July 2003. In respect of option holders who are suppliers and customers, such period shall commence on the date of grant and expire 1 year thereafter. The subscription price is determined by the Board, but shall not be less than the highest of (a) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations on the date of grant of that option, which must be a business day; (b) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of grant of that option; and (c) the nominal value for the time being of each shares of the Company.

(a) Movements in share options

At 1st January	於一月一日
Issued	已發行
At 31st December	於十二月三十一日
Options vested at 31st December	於十二月三十一日歸屬之購股權

30. 股本補償福利(續)

授出購股權必須由授出日期起計21天內接納，屆時須支付1.00港元作為授出代價。就供應商及客戶以外的購股權持有人而言，購股權可由購股權授出日期起計一年後開始行使，直至由(i)該項授出日期起計十年內；或(ii)二零零三年七月二十八日起計10年期間(以較早者為準)之最後一日屆滿。就身為供應商及客戶之購股權持有人而言，該段期間將會由授出日期起，並於該日期後1年屆滿。認購價由董事會釐定，惟不得少於下列三項中之最高者：(a)於授出購股權日期(必須為營業日)當日聯交所每日報價表所示本公司股份之收市價；(b)於緊接授出購股權日期前五個營業日聯交所每日報價表所示本公司股份之平均收市價；及(c)本公司股份當時之每股面值。

(a) 購股權變動**Number of options**

購股權數目

2004	2003
二零零四年	二零零三年

—	—
20,000,000	—
20,000,000	—
—	—

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30. EQUITY COMPENSATION BENEFITS
(Continued)**(b) Terms of unexpired and unexercised share options at balance sheet date**

Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價	Number of options 購股權數目	
			2004 二零零四年	2003 二零零三年
6th July 2004 二零零四年七月六日	6th July 2005 to 5th July 2008 二零零五年七月六日至 二零零八年七月五日	HK\$0.256 0.256港元	6,000,000	-
6th July 2004 二零零四年七月六日	6th July 2006 to 5th July 2008 二零零六年七月六日至 二零零八年七月五日	HK\$0.256 0.256港元	6,000,000	-
6th July 2004 二零零四年七月六日	6th July 2007 to 5th July 2008 二零零七年七月六日至 二零零八年七月五日	HK\$0.256 0.256港元	8,000,000	-
			20,000,000	-

30. 股本補償福利(續)**(b) 於結算日未屆滿及尚未行使購股權之年期****31. RETIREMENT BENEFITS SCHEME**

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. 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 MPF Scheme vest immediately.

The Company's subsidiaries established in the PRC participates in a mandatory central pension scheme organised by the PRC government for certain of its employees, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and are charged to the income statement as they become payable, in accordance with the rules of the scheme. The employer's contributions vest fully once they are made.

31. 退休福利計劃

本集團就僱用於香港僱傭條例管轄範圍之僱員，根據香港強制性公積金計劃條例設立強制性公積金計劃(「強積金計劃」)。強積金計劃指由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員須各自就僱員之有關收入向計劃作出5%供款，最高上限為每月有關收入20,000港元。強積金計劃供款將即時撥歸僱員所有。

本公司於中國成立之附屬公司為其若干僱員參與由中國政府籌辦之強制性中央退休金計劃，該計劃之資產與本集團之資產分開持有。根據該計劃規則，本集團按合資格僱員之薪金比率作出之供款於應付時計入收益表。僱主供款於作出後立即全數撥歸僱員所有。

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31. RETIREMENT BENEFITS SCHEME (Continued)

Under the above schemes, retirement benefits of existing and retired employees are payable by the relevant scheme administrators and the Group has no further obligations beyond the annual contributions.

The aggregate amounts of employer's contributions by the Group in respect of retirement benefits scheme dealt with in the consolidated income statement for the year are disclosed in note 6(a) to these financial statements.

The Group does not have any other pension schemes for its employees in respect of the subsidiaries outside Hong Kong and PRC. In the opinion of the directors of the Company, the Group did not have any significant contingent liabilities as at 31st December 2004 in respect of the retirement of its employees.

32. COMMITMENTS

At 31st December 2004, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within 1 year	1年內
After 1 year but within 5 years	1年後但5年內

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

31. 退休福利計劃(續)

根據上述計劃，現有及退休僱員之退休福利由有關計劃管理人負責支付，本集團除每年供款外並無其他責任。

本集團就退休福利計劃作出之僱主供款總額於年內之綜合收益表中處理，並已於財務報表附註6(a)中披露。

本集團並無就香港及中國以外附屬公司僱員設立任何其他退休金計劃。本公司董事認為，於二零零四年十二月三十一日，本集團並無任何有關其僱員退休之重大或然負債。

32. 承擔

於二零零四年十二月三十一日，根據不可註銷經營租約應付之日後最低租賃款項總額如下：

The Group 本集團		The Company 本公司	
2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
228	950	-	197
-	606	-	-
228	1,556	-	197

本集團按經營租約租賃若干物業。租約一般最初年期由一至兩年不等，可於重新磋商所有條款後續租。概無租約附有任何或然租金。

Notes to the Financial Statement

財務報表附註

31st December 2004 (Expressed in Renminbi)

於二零零四年十二月三十一日(以人民幣列值)

33. ACQUISITION OF FURTHER INTEREST IN A SUBSIDIARY

In January 2004, the Group acquired the remaining 33% of its interest in Xinwangluo, a subsidiary of the Company, with a cash consideration of approximately RMB243,000. After the acquisition, the Group owned 100% interest in Xinwangluo. The acquisition of the subsidiary had the following effects on the Group's assets and liabilities.

33. 進一步收購一間附屬公司權益

於二零零四年一月，本集團以現金代價約人民幣243,000元收購其於本公司附屬公司新意新網絡餘下33%權益。於收購後，本集團擁有新意新網絡100%權益。收購附屬公司對本集團資產及負債之影響如下：

		<i>RMB'000</i> 人民幣千元
Net assets acquisition of:	購入下列各項資產淨值：	
Non-current assets	非流動資產	19
Current assets	流動資產	328
Current liabilities	流動負債	(109)
		<hr/>
Net identifiable assets and liabilities	可識別資產及負債淨額	238
Goodwill arose on acquisition	收購所產生商譽	5
		<hr/>
Total purchase price paid, satisfied in cash	已付收購價總額，以現金清付	<u>243</u>

34. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to confirm with the current year's presentation.

34. 比較數字

若干比較數字已重新分類，以符合本年度之呈報方式。

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新意軟件 (控股)有限公司
Shine Software (Holdings) Limited