



# Caring the Community

ANNUAL REPORT 2005 年報







It is our mission to enhance life  
automation through the implementation  
of Smartcard and RFID technologies.  
運用智能卡及射頻識別技術  
促進生活自動化

## Characteristics of GEM 創業板之特色

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

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

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

創業板乃為帶有高投資風險之公司提供上市市場。尤其在創業板上市之公司毋須擁有過往溢利記錄，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經驗豐富之投資者。

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

創業板發佈資料之主要途徑為在聯交所為創業板而設之互聯網網頁上刊登。創業板上市公司一般毋須在憲報指定報章刊登付款文件披露資料。因此，有意投資之人士須留意本身能否接連創業板網頁，以便取得創業板上市發行人之最新公開資料。

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# 1997



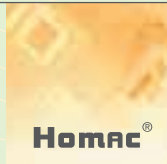
- Establishment of the Group
- 本集團成立

# 1998



- Development of technologies and applications
- 技術及應用開發

# 1999



- Launched hardware products for smartcard system under the trademark of "HOMAC"
- Awarded with important smartcard and RFID projects in Hong Kong
- 以「HOMAC」的註冊商標推出供智能卡系統應用的硬體產品
- 於香港取得多項重大智能卡及射頻識別工程

# 2000



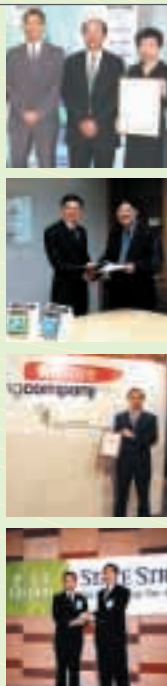
- Winning of 2000 HK Industry Award
- 取得二零零零年香港工業獎

# 2001



- Listing on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
- Establishment of wholly owned PRC subsidiary: ITE (China) Limited in Shanghai
- Winning of 2001 HK Industry Award
- Acquisition of leading IT System Integrator, Quesco Holdings Limited and Quesco Systems Limited on 7th December 2001
- 於香港聯合交易所有限公司創業板市場上市
- 於中國上海成立全資附屬公司：上海阿艾依智控系統有限公司
- 取得二零零一年香港工業獎
- 於二零零一年十二月七日收購具行業領導地位的資訊科技系統集成商  
- 捷科集團控股有限公司及捷科系統顧問有限公司

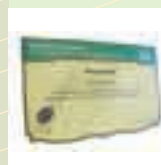
# 2002



- Accreditation of ISO 9001:2000 Quality Assurance System
- Launched new ISO15693 product series and solutions
- Patent filing of ISO15693 based Smart Key Management System (SKMS) accepted by the State Intellectual Property Office of the People's Republic of China
- Awarded with the first ISO15693 Smartlabel project in Hong Kong
- Strategic Business Agreement signed with Shanghai Public Traffic Card Company Limited (SPTCC) for the provision of value-added solutions and services to its user community
- Entered into distributor agreement with Texas Instruments for marketing, sales and support of its product ranges
- Became the sub-issuer of MULTOS
- Receiving of Caring Company Award
- 取得ISO 9001:2000品質管理系統認證
- 推出一系列ISO15693產品及解決方案
- 以ISO15693為基礎的智能鑰匙管理系統專利申請獲中國國家知識產權局專利局受理
- 投得本港首項ISO15693智能標籤系統工程
- 與上海公共交通卡股份有限公司簽訂策略性協議，為其用戶群提供增值解決方案及服務
- 與美國德州儀器公司簽訂分銷協議，為其產品作推廣、銷售及支援
- 成為MULTOS的發行商
- 獲頒「商界展關懷」標誌

# 2003

- Start geographical expansion into Macau
- Appointed as an international channel partner of Transcore, LP
- Patent filing of Automated Passenger Management System (APMS) accepted by the State Intellectual Property Office of the People's Republic of China
- Accredited as one of the fastest growing technology companies by Deloitte Touche Tohmatsu in the "2003 Asia Pacific Technology Fast 500"
- 業務拓展至澳門
- 獲 Transcore, LP 委任為國際伙伴
- 自動人流管理系統專利申請獲中國國家知識產權局專利局受理
- 獲德勤•關黃陳立會計師行(「德勤」)遴選為第二屆「亞太地區高科技高成長500強」企業排行榜內



# 2004

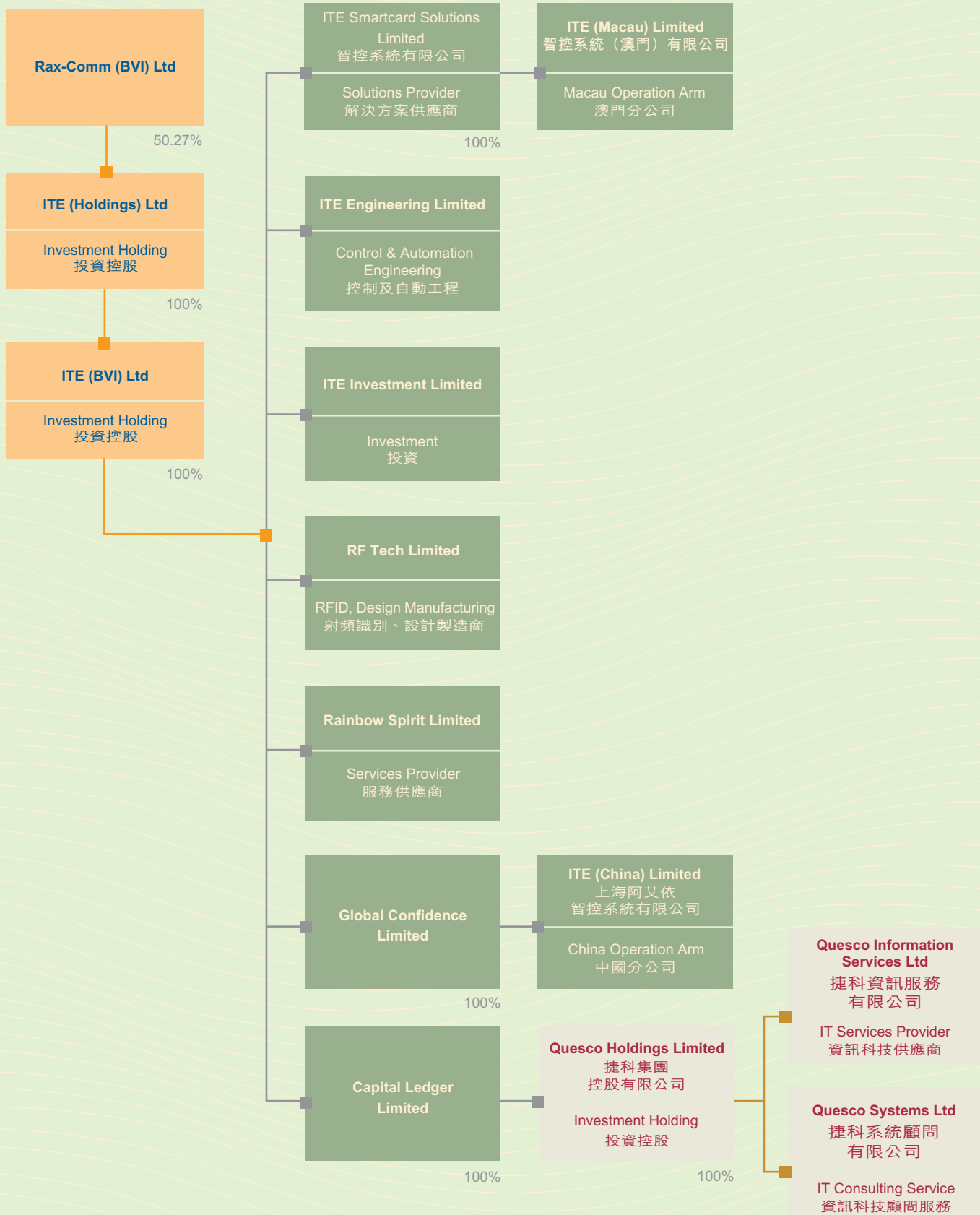
- Successfully completed the ISO 9001:2000 Quality Assurance System Audit
- Awarded the Caring Company by The Hong Kong Council of Social Service
- 成功完成ISO 9001:2000的持續審核質量管理系統認證
- 連續兩年獲頒「商界展關懷」標誌



# 2005

- Contract award of the Macau SAR Customers Services "Automated Vehicle Clearance System" & Public Security Forces Affairs Bureau "Automated Passenger Clearance System"
- QSL passed the ISO 9001:2000 Quality Assurance System
- Successfully completed the Hong Kong Marathon 2005
- Joined "Give Blood Give Live" - Blood Donation Day for the Hong Kong Red Cross Blood Transfusion service
- 成功獲取澳門特別行政區海關「車輛自動過關系統」及保安部隊事務局「旅客自動過關系統」工程
- 捷科顧問通過ISO 9000: 2000品質認證系統的審核
- 成功完成香港馬拉松2005
- 齊心參與香港紅十字會捐血行動





Group Results		本集團業績	
Year Ended 31 March	截至三月三十一日止年度	2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	48,470	61,843
Loss from ordinary activities before taxation	除稅前日常業務之虧損	(15,609)	(12,038)
Taxation	稅項	–	–
Loss attributable to shareholders	股東應佔虧損	(15,609)	(12,038)
Dividends	股息	–	–

Loss Per Share		每股虧損	
Year Ended 31 March	截至三月三十一日止年度	2005 二零零五年	2004 二零零四年
		cents 港仙	cents 港仙
Basic	基本	(1.72)	(1.33)
Diluted	攤薄	N/A 不適用	N/A 不適用

## Loss per share

### Basic loss per share

The calculation of basic loss per share is based on the loss attributable to shareholders of HK\$15,609,352 (2004: HK\$12,038,430) and the weighted average of 907,536,000 ordinary shares (2004: 907,536,000 shares) in issue during the year.

### Diluted loss per share

No diluted loss per share is presented for the year as there were no dilutive potential ordinary shares in existence during the year.

## 每股虧損

### 每股基本虧損

每股基本虧損乃按股東應佔虧損15,609,352港元(二零零四年：12,038,430港元)及年內已發行股份之加權平均股數907,536,000股(二零零四年：907,536,000股)普通股計算。

### 每股攤薄虧損

由於年內並無潛在可攤薄普通股，故於年內並無呈列每股攤薄虧損。





Dear Shareholders,

On behalf of the Board (the "Board") of Directors (the "Directors"), I hereby present the annual results for ITE (Holdings) Limited ("ITE" or the "Company") and its subsidiaries (together, the "Group") for the year ended 31 March 2005.

## Mission

The mission of the Group is to become the leading smartcard and radio frequency identification ("RFID") solution provider and system integrator in the Asia Pacific region. ITE has been pioneering smartcard system solutions and integration and has been performing outstandingly in Hong Kong. With profound expertise, strong research and development ("R&D") capability, proven track record and excellent reputation in the industry, the Group has established a leading profile in the smartcard industry in Hong Kong and has taken a proactive approach to introduce innovative and customised smartcard and RFID applications to its clients. Leveraging on its extensive industry experience, ITE is developing smartcard and RFID solutions for clients from many industries and expanding its business activities to the People's Republic of China (the "PRC") and other countries in the Asia Pacific region.

致各股東：

本人謹代表董事會（「董事會」或「董事」），提呈ITE (Holdings) Limited（「ITE」或「本公司」）及其附屬公司（合稱「本集團」）截至二零零五年三月三十一日止年度的全年業績。

## 目標

本集團的目標，是要成為亞太地區的領導智能卡與射頻識別方案供應商及系統集成商。ITE 一直是香港智能卡系統方案及集成工作的先驅，並一直表現優良。本集團具備專業知識、強大的研究及開發（「研發」）能力及良好的往績，並於業內享負盛名，已在香港智能卡業界建立領導地位，積極向客戶推介創新及度身訂造的智能卡及射頻識別應用方案。憑藉於行內累積的豐富經驗，ITE致力為來自不同行業的客戶開發智能卡及射頻識別解決方案，並於中華人民共和國（「中國」）及亞太區其他國家擴展業務。

*"ITE is selected as one of 20 outstanding Hong Kong software enterprises ... and continuously strives to ensure superior service delivery to client organisations by constantly enhancing its service quality and availability."*



## Overview

To promote success cases of Hong Kong software enterprises, the HKSAR Government, Office of the Government Chief Information Officer, has commissioned the Software Industry Information Centre (SIIC) of the Hong Kong Productivity Council to compile a reference book entitled "Excellence of Hong Kong Software Enterprises 2004". A vetting committee comprising industry experts have been formed to identify, approach and request case studies from a benchmark quantity of the top 20 software enterprises in Hong Kong.

## 概觀

香港特別行政區政府屬下政府資訊科技總監辦公室致力推動香港軟件企業的發展，委任香港生產力促進局的軟件業資訊中心（SIIC）編製書題為「香港軟件企業風采2004」。該委員會經嚴格挑選及審查專題項目個案，從而選出香港最傑出二十家軟業企業引作典範。

頹頹熱心救助人  
點點熱血不損身

*"ITE takes part in the visits and events organized by the Hong Kong Council of Social Service to help and support the lesser well off families and individuals or groups in our community."*



ITE is pleased to be selected as one of the 20 Outstanding Hong Kong Software Enterprises. The Group shall continuously strive to ensure superior service delivery to our clients by constantly enhancing our service quality and availability.

ITE is also pleased to receive for the third consequent year the Caring Company 2005 Award from the Hong Kong Council of Social Service for our good corporate citizenship which the Group shall continue to practice actively.

## Appreciation

I would like to take this opportunity to express my deepest thanks to my directors, management and staff for their dedication and hard work, and shareholders, financiers and business partners for their continual support.

**Lau Hon Kwong, Vincent**  
Chairman

Hong Kong, 17 June 2005

ITE非常榮幸能成為香港軟件企業最佳二十強之一，得此榮譽除了感到鼓勵之餘，更確認本公司對客戶服務的專注，我們將持續努力保證提供高質素的服務及專業水平。

ITE已連續第三年榮獲香港社會服務聯會頒贈「商界展關懷」二零零五標誌，以表揚其企業公民參與精神，本集團將持續進取，服務社會。

## 致謝

本人謹藉此機會，向董事會成員、管理層及員工所付出的幹勁和努力，以及股東、資本市場的朋友及業務伙伴一直以來的支持，致以深切謝意。

主席  
劉漢光

香港，二零零五年六月十七日



Management of the Group has continued to utilise our professional and committed workforce and financial resources to achieve maximum return to our shareholders.

## Business review

### Sales and marketing activities

The Directors are pleased to announce that following the recent contracts award of the Automated Vehicle Clearance System (“AVCS”) and the Automated Passenger Clearance System (“APCS”) by the Customs and Public Security Forces Affairs Bureau (“DSFSM”) of Macau Special Administrative Region (the “Macau SAR”), our subsidiaries Qesco Systems Limited (“QSL”) together with ITE Smartcard Solutions Limited (“ITES”) have secured another mission critical smartcard project for the Hong Kong Special Administrative Region (the “HKSAR”) – the Computerized Registration Management System of the newly formed Construction Workers Registration Authority. This project is one of the largest scale card personalization and management system of the Government of the HKSAR after the Smart ID Card project. The system includes a new backend information technology infrastructure, personalization machines, workflow and related application software and more than 100,000 pieces of contactless smartcards with security printing features to be issued.

During the year, ITES secured another important contract from a new client department of the Government of the HKSAR to design, develop, supply and install a card personalization and image identification reader system. More than 10,000 pieces of 4K memory contactless smartcard will be personalized and issued with over 100 reader stations to be installed at sites across the territory.

All of these projects are to be started and completed in the fiscal year of 2006, and revenues to be booked starting in the first quarter of fiscal year of 2006. While delivering these projects, ITES has continued to market our solutions and services to various government departments, public and private organizations, it is expected that a number of new contracts will be awarded in the next quarter, and the speed of establishing new clients and contracts from Macau SAR will increase.

Within the campus and real estates market, ITES and our China subsidiary, 上海阿艾依智控系統有限公司 (“ITEC”) have been awarded with new contracts from old and new clients in HKSAR, Macau SAR and Shanghai. ITEC has successfully completed the first Shanghai Traffic Card parking payment solution, and is actively promoting and developing the market in Shanghai.

本集團之管理人員憑藉專業知識、集團賦予之人力及財政資源，為股東創建最高之回報。

## 業務回顧

### 銷售及市場推廣活動

董事欣然宣佈繼成功獲取澳門特別行政區海關「車輛自動通關系統」項目及保安部隊事務局「旅客自助過關系統」項目後，本公司的兩間附屬公司，捷科系統顧問有限公司（「捷科顧問」）及智控系統有限公司（「智控系統」）攜手合作，並成功獲取另一項大型智能卡系統供應項目，該項目是為香港特別行政區政府最新成立的建造業工人註冊管理局提供電腦化註冊管理系統。這項是香港政府繼智能身份證發卡系統後，另一大規模個性化發卡及管理系統項目。項目包括設計及供應整個後台資訊技術系統、智能卡個性化打印機、運作流程相關應用軟件及超過十萬張含安全保密印刷的非接觸式智能卡。

年內，智控系統成功爭取香港特別行政區政府屬下一個主要部門為新客戶，為該部門設計、開發、供應、安裝發卡及圖像核對讀卡器系統，以支持超過一萬張4K記憶體非接觸式智能卡個性化及簽發，並於全港各區安裝超過一百個讀卡器。

以上工程項目已積極展開，並預計於二零零六年財政年度完成，收入將於二零零六年財政年第一季度開始反映。與此同時，智控系統持續推介各類解決方案及服務與政府部門、公共機構及私人企業，目標為下一季度帶來更多的新客戶及合約，並全力加緊開拓澳門市場，相信客戶及合約的數量將會高速遞增。

校園及屋苑市場方面，智控系統及本公司於中國的附屬公司，上海阿艾依智控系統有限公司（「上海阿艾依」），分別在香港、澳門及上海獲得多項新、舊客戶的工程合約。上海阿艾依已成功推出以上海公共交通卡為基礎發展的新一代停車庫電子收費，並繼續致力拓展上海市場。



Extensive marketing activities for the automated passenger management system have been conducted, ITES has tendered and offered for a number of bids across the world included a sizeable one in the Middle East. The result should be announced in the next quarter. Through our strong commercial partnership with industry players, it is expected that a new overseas market will be established in the very near future.

During the year, our subsidiary, Quesco Systems Limited (“QSL”), has continued to excel in the staffing and recruitment sectors in Hong Kong and participated in the tendering of the new T21 contract for the Provision of Information Technology Contract Staff Services issued by the Government of the HKSAR, the tender assessment interview was smoothly completed, the result of the tender should be released in the next quarter. Besides T21, QSL also participated in a number of contract bids and managed to secure new clients.

## Research and development

It has been a very busy year for the Group’s R&D activities. Our product arm RF Tech Limited (“RFT”) has continued to design and develop a number of new products and solutions in supporting the needs and requirements coming from the automated vehicle, passage, e-purse, Electronic Product Code (“EPC”) and card management systems.

The R&D activities cover not only the related hardware and software, but also outlook and workflow design. Our efforts have resulted in the filing of a number of patents in relation to the automated passenger clearance system in the PRC, Hong Kong and Macau.

Besides our internal R&D activities, we have entered into two sponsorship programs with the Hong Kong University of Science and Technology (“HKUST”) and the Hong Kong Polytechnic University in supporting the development of ‘Low-Cost Multiple-Standard Single-Chip UHF RFID Readers/Tags’ and ‘Advanced Textiles and Garment Manufacturing Process Technology Using RFID’ respectively. The R&D projects are under the matching funding from the Guangdong-HK Technology Cooperation Funding Scheme of the Innovation and Technology Commission and the new Textile and Clothing R&D Center of the HKSAR.

The Group has continued to form commercial and technology alliances with new overseas partners to access to the latest technologies and business requirements. The Directors aim to push forward the development and management of our intellectual property rights, knowledge and experiences, and we trust that those value will ultimately be appreciated by the market and clients, and reflected in our stronger business revenue streams and margins.

由於旅客自助過關系統被廣泛應用，故此智控系統積極參與多項環球性的競投活動，其中包括一個位於中東甚具規模的項目競投，結果將於下一個季度公布。透過強大的夥伴聯盟，我們期待在不久將來建立新的海外市場。

年內，本公司的附屬公司，捷科系統顧問有限公司（「捷科顧問」）在香港繼續集中為客戶提供合約僱員及招聘服務，並參與香港特別行政區政府資訊科技總監辦公室合約「T21」作聘用及轉介服務的競投，而評估審核工作已順利完成，結果將於下一個季度公布。除了T21合約以外，捷科系統亦參與其他合約項目的投標，並開拓新客戶及商機。

## 研究及開發

繼往開來，本集團仍然致力於研究與開發的活動。透過產品旗艦附屬子公司RF Tech Limited「RFT」全力為車輛自動通關、旅客通關、電子錢包、電子產品代碼「EPC」及發卡管理系統的未來需求及支援，不斷設計及開發新產品及解決方案。

我們的研究與開發活動不僅在於軟、硬件，並覆蓋外觀及工作流程設計。為了保障我們努力的成果，其中以自助旅客管理系統的應用環境設計方案及產品，已於中華人民共和國、香港和澳門申請相關專利註冊。

除內部研發活動以外，我們更參加兩項大學研究資助計劃。在創新科技署舉辦粵港科技合作資助計劃及紡織及成衣研發中心計劃中，我們分別參與有關企業配對項目。與香港科技大學合作發展「低成本—多標準—單晶片—超高頻—射頻識別讀卡器／標籤」及與香港理工大學合作利用射頻識別技術支持「先進的紡織品及成衣製造過程技術」發展。

以迎接嶄新的技術和業務需求，本集團將繼續與海外夥伴加強業務和技術聯盟。董事將致力專注發展及管理集團的知識產權、技術和經驗管理，並且深信會得到市場和客戶的認同及讚賞，而最終會在集團不斷增長的收入和利潤彰顯出來。

## Governance and social responsibility

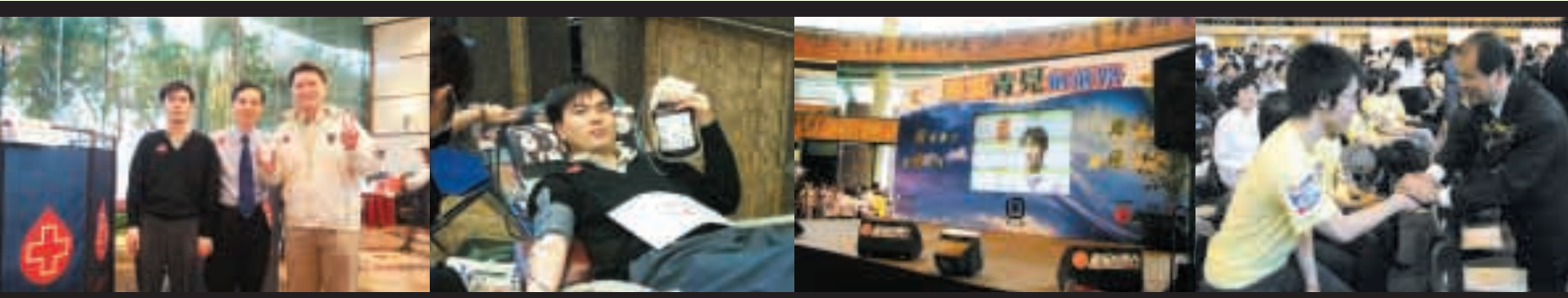
During the year, the Group has continued to participate in serving the community with our staff actively involved in social services. The Hong Kong Red Cross Blood Transfusion Service held a Blood Donation drive in March 2005 at our headquarter in the Grand Century Place. Many management team members and employees of the Group participated in the drive by donating their blood to this valuable and highly important cause. The blood donation process was very well organized and executed, leaving all with the satisfied feeling of having contributed more than just their hard work, time and effort to the Hong Kong community. Along with this blood donation event, our staffs have also joined a number of charity fund raising campaigns.

Aiming to offer training and career opportunities to the youth, the Group has continued to provide for the workplace attachment training organized by the Labour Department under the Youth Pre-employment Training Programme and the Business Internship Practice Scheme of the local universities.

## 企業管治及社會責任

年內，本集團持續參與服務社群活動，員工們積極參與社會服務。香港紅十字輸血服務中心於三月份在本集團總部新世紀廣場舉行捐血活動，集團管理層及員工們義不容辭齊心參加了捐血行動。捐血過程順利進行，同事們無私的分享為社會需要作出最適切的回應，充分展現「施比受更有福」的精神。除了捐血行動外，同事們亦踴躍參與其他慈善籌款的競賽活動。

為給與青少年提供工作實習及職前培訓，本集團多年來一直鼎力支持勞工處舉辦之「青少年展翅計劃」及本港大學之商業實習計劃。



The Group establishes as a corporate social responsibility to make Hong Kong a better place for all, and shall continue our support for worthy initiatives. ITE is also committed to maintain high standards and solid framework of corporate governance through the on-going establishment of best practices and policies. We shall comply throughout the year with the best practice provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong.

本集團承擔創建更佳社會的責任，在未來的日子會繼續積極參與及支持各類型關懷社會及有意義的活動。ITE承諾竭盡全力透過實踐及訂立有關的政策，加強、提升及鞏固企業管治，建立良好的企業操守，更有效地符合香港聯合交易所有限公司證券上市規則條文。

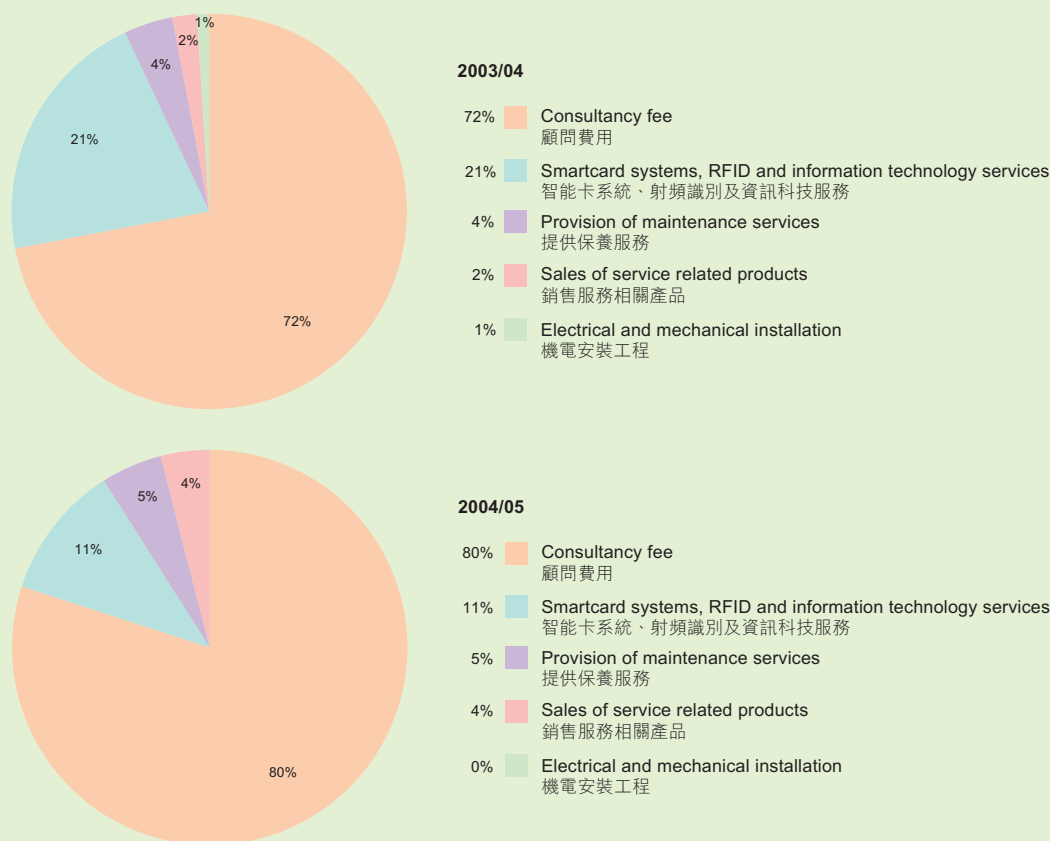
### Future prospect

The Group has reported financial losses for the past three years. During those periods, the Group has been tackling the effects of local economy downfall and changes in business environment and practices while at the same time investing extensive resources in corporate restructure, marketing, research and development with the aim to build up sustainable business and operation models for long term interests of the Group. The Directors strongly believe that the strategies are correct and the results are coming into effect as will be reflected in the fiscal year of 2006. Besides, our stronger market position is creating new opportunities to expand to overseas marketplaces. We expect the financial performance will continue to be improved.

### Financial performance

For the year ended 31 March 2005, the Group recorded a total revenue of approximately HK\$48 million, representing a decrease of 22% over last year. Loss attributable to the shareholders for the year ended 31 March 2005 was approximately HK\$16 million as compared to a loss of approximately HK\$12 million for the last year.

### Turnover breakdown by main business segments



### 展望

本集團在過去三年財務表現均錄得虧損。期間，面對本土經濟急速轉變及下滑，令經營環境變得極為嚴峻，但本集團仍然進行內部整合、開拓新興市場、集中核心業務發展及建立形象等措施，為長遠的利益和發展創造基礎。董事深信此等目標和策略都是正確的，結果將於二零零六年的業績開始反映。此外，我們穩健的市場地位將會締造更多海外市場的新商機。我們期望財政表現將繼續得到改善。

### 財務表現

截至二零零五年三月三十一日止年度，本集團錄得收入約為48,000,000港元，較去年同期下跌22%。截至二零零五年三月三十一日止年度之股東應佔虧損約為16,000,000港元，比對去年同期錄得虧損約為12,000,000港元。

### 按主要業務劃分之營業額



## Segmental information

During the year, the Group recorded a drop in turnover for about 22% when compared with last year. The Group's gross profit margin was decreased for about 21% from 14.74% in last year to 11.59% in current year.

During the year, the Group continued to concentrate its resources on its core business development, i.e. to provide the smartcard and RFID systems and information technology services. The significant drop in turnover was mainly due to the stringent credit evaluations of the financial condition of the customers resulting in slow business and less active in some low-end low-margin application markets. The Group was very cautious of bidding contracts from new customers, especially those involving high bidding budget and long tendering process. At the same time, a full provision was made on all those qualified contracts signed in previous years. Besides, within the campus market, the turnover also dropped for the reason of continual budget cutting by the government of the HKSAR.

Furthermore, as mentioned in previous section, the Group had much R&D activities during the year. Much effort had been placed in R&D investments. As at 31 March 2005, the headcount of R&D department has increased to 8 (as at 31 March 2004: 5) and the R&D department has already increased its headcount to 11 as at to date. Hence, the Company's policy is to direct write off the R&D cost to the Income Statement. However, the Directors strongly believe that such R&D investment will enhance Company's long-term business development and shareholders' worth ultimately.

For consultancy service segment, the turnover had been dropped for about 13% when compared with last year. The decrease is mainly due to the greater demand in IT professionals in the market upon economy recovery during the year. This results in higher staff turnover rate and lower profit margin for higher IT staff cost.

For electrical and mechanical engineering segment, with the higher risk on receivables, lower gross profit margin and longer credit period, the Group aims to slow down this segment purposely. During the year, cost amounted to around HK\$700,000 still had to be incurred in concluding the remaining contracts. Excluding this additional cost incurred in this segment, the revised overall gross profit margin would be 13.07% which is only 11% drop when compared with last year. However, all the related contracts in hand were fully completed and there would be no longer related cost to be incurred in the future.

## 分部資訊

年內，本集團錄得營業額較去年同期下跌22%。本集團邊際毛利從去年度14.74%減退至本年度11.59%，下跌約21%。

年內，本集團對核心業務繼續投入資源，即：提供智能卡及射頻識別系統及資訊科技服務等。營業額的下跌主要是客戶在銀根緊拙及財政緊縮情況下所造成，本集團將對於新客戶的合約抱著極審慎態度。同時，對於去年表現欠理想的合約工程作出全面的檢討。此外，校園市場方面亦同時因為香港特別行政區政府縮緊開支而相應下跌。

此外，如上文所言，本集團於去年集中研究及開發業務，投入大量資源。截至二零零五年三月三十一日止，研究及開發部已增添至8人(二零零四年三月三十一日：5人)，而現時已增至11人。本集團之政策是確認研究及開發支出於當期的損益表內，但董事會相信研發投資可增強集團長遠的發展。

顧問服務範疇方面，營業額較去年下跌13%。主要原因是經濟復甦，市場需要大量資訊科技人才，導致工資提升、人事週轉率提高造成利潤下跌。

由於機電工程服務是高風險及較長收款期的業務，本集團打算縮減發展。期內，預計支出費用為700,000港元從以完成現有工程的最後階段。撇除這項額外支出，邊際毛利將保持13.07%，較去年同期下跌11%。儘管如此，集團所有相關同類合約已完成，並且不會為未來帶來任何相關的費用。

The Group's other operating expenses increased approximately 10%. The increase was mainly attributable to the impairment loss on goodwill amounted to HK\$6,338,616. Excluded the said impairment loss on goodwill, the other operating expenses would only be HK\$6,626,413 which represented a significant drop of 44% when compared with that of last year. With our continual cost restructure and stringent cost control, our overall general and administrative expenses decreased during the year.

## Liquidity, financial resources and treasury policies

The Group generally financed its operations with its internally generated cash flows and bank borrowings. As at 31 March 2005, the Group had outstanding borrowings of HK\$9,296,579, comprising short-term loans of HK\$5,399,823, bank overdrafts of HK\$3,480,126 and installment loan of HK\$416,630. At 31 March 2005, the current ratio of the Group was 1.23 (2004: 1.58) while the liquidity ratio was 1.13 (2004: 1.46).

The Group continues to adopt a conservative approach towards its treasury policy. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial condition of its customers. Besides, the Group's liquidity and financing arrangements are also reviewed regularly.

Taking into consideration the banking facilities granted, stringent cost control and the existing financial resources available to the Group, it is believed that the Group should have adequate financial resources to meet its operation, development requirements and investments in the future.

## Significant investments

The Group had no significant investments during the year under review.

## Material acquisitions or disposal of subsidiaries and affiliated companies

During the year under review, the Group had no material acquisitions and disposals of subsidiaries and affiliated companies.

本集團其它營業費用增加約10%，主要原因是商譽之減值虧損6,338,616港元。撇除上述的損失，其它營業費用僅有6,626,413港元，較去年同期下跌44%。本集團相信持續的內部重組及成本控制，而減少年內的整體及行政支出抱有信心。

## 資金流動性及財政資源

本集團主要以內部產生之現金流量及銀行貸款應付其營運所需。於二零零五年三月三十一日，本集團之未償還借款9,296,579港元，當中包括5,399,823港元之短期銀行貸款，3,480,126港元之銀行透支以及416,630港元之分期貸款。本集團於二零零五年三月三十一日時之流動比率為1.23(二零零四年：1.58)，而流動現金比率則為1.13(二零零四年：1.46)。

本集團繼續採取審慎庫務政策。本集團不斷為其客戶的財政狀況進行信貸評估，致力減低所承擔的信貸風險。此外，本集團亦會定期檢討流動資金及融資安排。

於考慮銀行融資、嚴格成本控制及本集團現有可動用之財務資源後，本集團相信具備充裕之財務資源應付日後之營運、發展及投資所需。

## 重大投資

本集團於年內並沒有任何重大投資。

## 重大之收購或附屬公司及聯屬公司之出售

本集團於年內並沒有任何重大之收購或附屬公司及聯屬公司之出售。

## Employment information

The Group recognises that its staff is one of the Group's most important assets. Aiming at providing competitive salary packages, the Group adjusts employees' salary level in close association with the performance, qualifications and experience of individual staff as well as labour market conditions. In addition to the regular remuneration, discretionary bonus and share options may be awarded to eligible employees with reference to individual performance and the Group's business performance.

The Group enjoys good relations with staff and has not experienced any disruption of operations due to major labour disputes. In addition to the remuneration as mentioned above, the Group also provides fringe benefits which comply with the relevant laws and regulations of the PRC and Hong Kong including contributions to society security scheme of the PRC and contribution to the Mandatory Provident Fund Scheme of Hong Kong. Besides, the Group also provides on-going training programmes for its employees to keep them abreast of the latest market trends and new technologies.

At 31 March 2005, the Group had 160 full-time employees (2004: 171 full-time employees), of which 145 are based in Hong Kong and the rest are in the PRC. Staff cost, including directors' emoluments, was approximately HK\$47 million for the year ended 31 March 2005 (2004: approximately HK\$56 million). During the year, the Company has not granted any share option to any of its Directors and employees.

## Charges on group assets

At 31 March 2005, time deposits of HK\$13,594,808 (2004: HK\$13,584,923) were pledged to banks to secure certain banking facilities of the Group.

## Future plans for material investments

The Group did not have any plans for material investment and acquisition of material capital assets as at 31 March 2005.

## Gearing ratio

At 31 March 2005, the gearing ratio of the Group, which is calculated as the ratio of total secured bank loans due after one year to shareholders' funds, was nil (2004: 0.02).

## 僱員資料

本集團認為，員工為本集團最重要之資產。本集團之整體目標旨在提供優厚之薪金待遇，僱員薪酬水平將按個別員工的工作表現、學歷、經驗以及勞動市場狀況作出調整。除基本待遇外，本集團亦會評估個別員工之工作表現及參考本集團之業務表現向合資格僱員發放酌情花紅及授出購股權。

本集團一向維持良好融洽之勞資關係，從未經歷任何影響業務運作之重大勞資糾紛。除上述之薪酬待遇外，本集團亦按照中國內地及香港有關法例及法規提供其他僱員福利，包括中國內地之社會保障計劃供款及香港強制性公積金計劃供款。除此之外，本集團為其僱員提供持續培訓計劃，協助他們緊貼市場之最新動態及新科技。

本集團於二零零五年三月三十一日僱有160名全職僱員（二零零四年：171名全職僱員），其中包括145名為香港僱員，其餘則為中國僱員。二零零五年三月三十一日，包括董事酬金在內的僱員成本約為47,000,000港元（二零零四年：約為56,000,000港元）。本公司於年內並無向其任何董事及僱員授出任何購股權。

## 資產押記

於二零零五年三月三十一日，為數13,594,808港元（二零零四年：13,584,923港元）之定期存款已抵押予銀行，作為擔保本集團之若干銀行融資。

## 日後之重大投資計劃

本集團於二零零五年三月三十一日並無任何重大投資及收購重大資本資產之計劃。

## 資產負債比率

本集團之資產負債比率乃指長期銀行貸款除以股東資金之百分比。於二零零五年三月三十一日，本集團之資產負債比率為零（二零零四年：0.02）。



## Exposure to fluctuations in exchange rates and related hedges

The Group's assets, liabilities, revenues and expenses are mainly denominated in Hong Kong dollars and Renminbi. The exchange rate between Hong Kong dollars and Renminbi has been very steady for the past few years. During the year, the Group generally used the receipts from customers and bank loans to pay its suppliers and meet its capital requirements. There are denominated in the local currency of the place in which the subsidiaries operate. The Group does not currently engage in hedging to manage possible exchange rate risk as the Group considers the cost associated with such hedging arrangements would exceed the benefits. However, management will continue to monitor the possible exposure to exchange rate risk and will take such measures as it deems prudent.

## Contingent liability

At 31 March 2005, the Company has undertaken to guarantee certain banking facilities granted to two wholly-owned subsidiaries to the extent of HK\$15.6 million (2004: HK\$18.5 million).

At 31 March 2005, the Group did not have any significant contingent liabilities (2004: HK\$Nil).

## 匯率波動風險及任何相關對沖

本集團之資產、負債、收入及開支主要以港元及人民幣為單位。人民幣與港元之匯率在過去數年亦十分穩定。年內，本集團一般所收客戶款項及銀行貸款用以支付供應商及資本開支。該等收支均以附屬公司經營所在地之貨幣進行。由於本集團認為對沖安排之成本高於利益，因此本集團目前並無採取對沖措施控制潛在之匯率風險。然而，管理層會採取審慎態度，不斷監察有關情況並且在需要時採取相應措施。

## 或然負債

於二零零五年三月三十一日，本公司就兩間全資附屬公司之若干銀行融資而提供為數15,600,000港元(二零零四年：18,500,000港元)之擔保。

於二零零五年三月三十一日，本集團並無任何重大之或然負債(二零零四年：無)。

## Directors

### Executive directors

**Mr. Lau Hon Kwong, Vincent**, aged 41, is an Executive Director, Chief Executive Officer and one of the founders of the Group. He is responsible for overall strategic planning and management of the Group. With over 18 years of experience in the executive management, Mr. Lau was engaged in China trade before founding the Group. He graduated from The University of Hong Kong with a first class honours Degree of Bachelor of Science in Mechanical Engineering.

**Mr. George Roger Manho**, aged 42, is an Executive Director, Chief Operating Officer and one of the founders of the Group. He is responsible for marketing and project management of the Group. Mr. Manho has 17 years of experience in the control and automation industries, electrical and mechanical projects and engineering management. He is a Chartered Engineer and a member of the Hong Kong Institute of Engineers, The Institute of Marine Engineers and The Hong Kong Institute of Marine Technology and the Institution of Fire Engineers. He holds a Master degree in Engineering Studies in Mechanical Engineering from the University of Sydney and a Bachelor of Science (Engineering) degree with first class honours in Marine Engineering from the University of Newcastle Upon Tyne.

**Mr. Cheng Kwok Hung**, aged 42, is an Executive Director, Chief Technology Officer and one of the founders of the Group. He is responsible for technical management and research and development (R&D). With 21 years of experience in R&D and production management, Mr. Cheng won the product design award of the Hong Kong Awards for Industry for five times (one product design in each of 1993, 2000 and 2001 and two designs in 1997). He holds a Higher Diploma in Electronics Engineering from the Hong Kong Polytechnic.

**Mr. Liu Hoi Wah**, aged 36, is an executive and Chief Finance Officer of the Group. He is responsible for financial management, accounting and corporate development. He joined the Group in March 2000 and has 14 years of experience in auditing and corporate finance, Mr. Liu was a financial controller of a private group. He graduated from The London School of Economics and Political Science of the University of London with a Bachelor of Science degree, first class honours in Management Sciences. He is an associate member of each of the Institute of Chartered Accountants in England and Wales and the Hong Kong Society of Accountants. Mr. Liu is the younger brother of Mr. H.K. Lau.

## 董事

### 執行董事

**劉漢光先生**，四十一歲，本集團執行董事、行政總裁兼創辦人之一，負責本集團整體策略性規劃及管理。劉先生於行政管理方面具備十八年經驗，創辦本集團之前從事中國貿易。劉先生畢業於香港大學，持有機械工程學一級榮譽理學士學位。

**聞偉雄先生**，四十二歲，本集團執行董事、營運總監兼創辦人之一，負責本集團市場推廣及項目管理。聞先生於控制及自動化行業、電機及機械項目與工程管理方面具備十七年經驗。聞先生為註冊工程師，亦是香港工程師學會、英國輪機工程師學會(The Institute of Marine Engineers)及香港海事科技學會(The Hong Kong Institute of Marine Technology)的會員。聞先生持有澳洲悉尼大學機械工程學工程研究碩士學位及英國紐卡素大學(University of Newcastle Upon Tyne)輪機工程學一級榮譽理學(工程)學士學位。

**鄭國雄先生**，四十二歲，本集團執行董事、技術總監兼創辦人之一，負責技術管理及研發工作。鄭先生於研發及生產管理方面具備二十一年經驗。鄭先生曾五次榮獲香港工業獎產品設計獎(分別於一九九三年、二零零零年及二零零一年各奪一項產品設計獎及於一九九七年奪得兩項設計獎)。鄭先生持有香港理工學院電子工程學高級文憑。

**劉海華先生**，三十六歲，本集團執行董事兼財務總監，負責財務管理、會計及企業發展。劉先生於二零零零年三月加入本集團，於核數及企業財務方面具備十四年經驗，曾為一個私人集團的財務總監。劉先生畢業於英國倫敦大學政治及經濟學院，持有管理科學一級榮譽理學學士，同時為英格蘭及威爾斯特許會計師公會和香港會計師公會會員。劉先生為劉漢光先生的弟弟。

## Independent non-executive directors

**Dr. Lee Peng Fei, Allen**, CBE, BS, FHKIE, JP, aged 65, holds an honorary doctoral degree in engineering from the Hong Kong Polytechnic University and an honorary doctoral in laws from the Chinese University of Hong Kong. He was formerly a member of the Hong Kong Legislative Council from 1978 to 1997 and a senior member of the Hong Kong Legislative Council from 1988 to 1991. Dr. Lee was also a member of the Hong Kong Executive Council from 1985 to 1992. He was appointed as the Company's independent non-executive director in December 2000.

**Mr. Kam Hau Choi, Anthony**, aged 39, is the proprietor of a Certified Public Accountant firm in Hong Kong. Mr. Kam holds a Bachelor of Laws degree from the University of Wolverhampton, the United Kingdom, and a Bachelor of Science degree from the University of Hong Kong. Mr. Kam is a fellow member of the Hong Kong Institute of Certified Public Accountants ("HKICPA"), a fellow member of Association of Chartered Certified Accountants ("ACCA"), an associate member of The Institute of Chartered Accountants in England & Wales and an affiliate member of the Hong Kong Securities Institute. Besides, Mr. Kam is also a member of Task Group in the HKICPA and a sub-committee member in the ACCA. Mr. Kam has over 16 years of experience in auditing, accounting and tax matters, both in private and public companies.

## Senior management

**Mr. Yu Cheuk Sin**, aged 47, is the Managing Director of Quesco Holdings Limited, QISL and QSL (together, the "Quesco"). Mr. Yu is responsible for the overall business development and the operations of the Quesco Group. He has been involved in the IT industry since 1987 and has previously held important marketing and management positions with several international IT companies. Mr. Yu spearheads various strategic partnering arrangements with several international vendors for the pursuit of a number of sizeable IT project initiatives in the region.

**Mr. Yuk Wai Kwok, Simon**, aged 40, is the Associated Directors (Marketing and Sales) of the Group. Mr. Yuk is responsible for business development, sales and marketing of the Group. He is also in charge of the development of business co-operation arrangement with vendor and partners in Hong Kong, PRC, Macau and other overseas market. With 14 years of experience in project management of IT industry, Mr. Yuk has been involved in the sales and tendering process for several sizeable IT projects. He was a project manager of a computer company for 10 years before joining the Group in December 1999.

## 獨立非執行董事

**李鵬飛博士** CBE, BS, FHKIE, JP，六十五歲，持有香港理工大學工程學榮譽博士及香港中文大學法律系榮譽博士學位。彼於一九七八年至一九九七年期間為香港立法局成員，另於一九八八年至一九九一年期間為香港立法局資深成員，而彼於一九八五年至一九九二年期間為香港行政局成員。彼於二零零零年十二月獲委任為獨立非執行董事。

**關孝財先生**，三十九歲，為一間香港會計師行持有人。關先生持有英國胡佛漢頓大學法律學士及香港大學理學榮譽學士。關先生乃香港會計師公會〔(會計師公會)〕及英國公認會計師公會〔(公認會計師公會)〕資深會員、英格蘭及威爾斯特許會計師公會會員及香港證券專業學會附屬會員。此外，關先生亦是會計師公會之工作小組會員及公認會計師公會的附屬委員會會員。關先生於私人及上市公司之審核、會計及稅務方面具備超過十六年經驗。關先生於二零零四年九月獲委任為本公司之獨立非執行董事。

## 高級管理層

**余灼羨先生**，四十七歲，為捷科集團控股有限公司、捷科資訊及捷科顧問(合稱「捷科集團」)之董事總經理，負責捷科集團旗下整體業務發展及運作。余先生自一九八七年起從事資訊科技行業，多次策劃及執行多間國際性資訊科技公司的主要市場推廣及管理。余先生將致力與多間供應商達成策略性合作安排，旨在取得區內多項大型資訊科技項目。

**沃為國先生**，四十歲，本集團市場及銷售部之聯繫董事，負責業務發展、銷售及市場推廣。沃先生同時負責與香港、中國、澳門及其他海外市場的供應商及伙伴建立業務合作安排。沃先生於資訊科技行業的項目管理方面具備十四年經驗，曾多次參與大型資訊科技工程的銷售及投標工作，一九九九年十二月加入本集團前於一家電腦公司任職項目經理十年。

**Mr. But Wui Fai, Cyrus**, aged 37, is the Associated Directors (Project and Sales) of the Group. Mr. But is responsible for management of project commissioning of the Group. With 14 years of experience in IT and RFID industry on project management, systems design and implementation. Mr. But had achieved numerous project assignments in government sectors, public utilities, tertiary institutions and public listed companies. He worked for 10 years in an IT consultancy company in Hong Kong before joining the Group in September 2001.

**Miss. Yeung Yuen Chun, Mona**, aged 31, is the Financial Controller and Associated Directors of the Group. Miss Yeung is responsible for managing the Group's finance and accounting operations, performing statutory and management reporting. Miss. Yeung has over 8 years of experience in auditing, accounting and financial analysis. She is an associate member of the Hong Kong Society of Accountants and a fellow member of the Association of Chartered Certified Accountants. She graduated from the Hong Kong Baptist University.

**Mr. Lee Kar Kai, Wilson**, aged 42, is the Project Manager of QISL. Mr. Lee is responsible for the project management and account management of QISL's development and maintenance projects. Mr. Lee has more than 17 years of solid IT systems implementation experience with more than 10 years focusing on managing projects of different sizes, from small scale to large scale mission critical systems. He is highly adept in managing project scope, cost, time, quality, risk and project life cycle from project initiation and implementation through to project closure and is an expert in using the proven and well-established IT project management methodologies. Mr. Lee holds a Higher Diploma in Systems Analysis from the Hong Kong Polytechnic, and a Diploma in Project Management in Henley Management College (UK).

**Mr. Law Man Kin, Raymond**, aged 28, is the Sales Manager of the Group. Mr. Law has 7 years of experience from the sales and marketing sectors with specific expertise and strong knowledge of RFID and Smartcard technologies. Working closely with the Marketing Teams, Mr. Law is responsible for market analysis and positioning, product management and delivery and also performed the key strategic alliance management for the company's international vendors and corporate clients. Mr. Law holds a Master of Science in Telecommunications and Bachelor Degree of Engineering with honours in Electronic Engineering from the Hong Kong University of Science and Technology.

**畢匯輝先生**，三十七歲，本集團項目及銷售部之聯繫董事，負責本集團承接項目的管理工作。畢先生於資訊科技行業項目管理、系統設計及開發方面具備十四年經驗，曾完成多項政府、公用機構、學院及上市公司的項目。畢先生於二零零一年九月加入本集團，之前曾於香港一間資訊科技顧問公司任職十年。

**楊婉珍小姐**，三十一歲，本集團財政總監及聯繫董事，負責管理本集團財務及會計運作，進行法定及管理匯報工作。楊小姐於核數、會計及財務分析方面具八年經驗。楊小姐畢業於香港浸會大學，乃香港會計師公會會員及英國特許會計師公會資深會員。

**李家溪先生**，四十二歲，捷科資訊項目經理。李先生專責管理公司的項目發展及保養工程。他具備十七年統籌資訊科技系統項目的經驗，包括十年專注管理多個不同類型的項目工程。他的工作範疇包括項目的管理、成本控制、營運交接、質素的控制、風險評估以至項目的施工到完成都極具經驗。李先生持有香港理工學院系統分析學高級文憑及Henley Management College (UK)項目管理學文憑。

**羅文健先生**，二十八歲，本集團銷售經理。羅先生擁有七年銷售及市場推廣射頻識別和智能卡技術的專業知識經驗。他與市場推廣部緊密合作，負責市場分析與定位、產品管理及至營運交接，並致力為集團的國際供應商及伙伴作策略性合作聯盟。羅先生畢業於香港科技大學，持有理學碩士(電信學)及電子工程學榮譽學士學位。



**Mr. Bat Kwok Kwan, Baker**, aged 30, is the Technical Manager of the Group. Mr. Bat has more than 6 years in depth knowledge and experience of the RFID and Smartcard technology sectors. With his wealth of hands on knowledge and experience of the smartcard industry Mr. Bat carries responsibility for the quality and performance of equipment, projects, product and technology development for Smartcard and RFID solutions. Mr. Bat works collaboratively within ITE's teams to ensure the effective management, integration and implementation of the company's complex RFID, smartcard, hardware and software products and services. Mr. Bat hold a Master of Science in Computer and Information Technology and Bachelor Degree of Engineering with honours in Computer Engineering from the University of Hong Kong.

**Mr. Luk Wai Suen**, aged 56, is an Senior Consultant of the Group. Mr. Luk is responsible for advising the system development for new product development and the design of software system. With 24 years of experience in R & D of system networking, Mr. Luk was the deputy chief engineer of an electronics company for 13 years before joining the Group in April 2000. He holds a degree in Computer Application from The Shanghai Institute of Education.

**畢國坤先生**，三十歲，本集團技術經理。畢先生在射頻識別和智能卡技術範疇有超過六年的經驗。憑藉他在智能卡行業上的豐富經驗，畢先生負責集團智能卡及射頻識別解決方案中儀器、項目計劃、產品及技術開發的質素及表現。畢先生與其他成員合作以保證射頻識別、智能卡、硬件及軟件的产品及服務能有效地管治、整合及實行。畢先生於香港大學畢業，擁合理學碩士(電腦及資訊科技)及電腦工程學系榮譽學士學位。

**陸偉宣先生**，五十六歲，本集團高級顧問，負責為新產品的開發及軟件系統設計提供顧問意見。陸先生於系統網絡研發方面具備二十四年經驗，二零零零年四月加入本集團前於一間電子公司任職副總工程師。陸先生持有上海師範學院的電腦應用學學位。

The directors submit their annual report together with the audited financial statements of the Company and the Group for the year ended 31 March 2005.

## Principal activities

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are set out in note 13 to the financial statements.

The analysis of the principal activities and geographical locations of the operations of the Group during the year ended 31 March 2005 are set out in note 10 to the financial statements.

## Results and appropriations

The results of the Group for the year ended 31 March 2005 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 32 to 78.

No interim dividend (2004: HK\$Nil) was paid during the year. The directors do not recommend the payment of a final dividend for the year ended 31 March 2005 (2004: HK\$Nil).

## Donation

Donation made by the Group during the year amounted to HK\$2,000 (2004: HK\$3,000).

## Fixed assets

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

## Bank loans and other borrowings

Particulars of bank loans and other borrowings of the Group as at 31 March 2005 are set out in notes 20 and 21 to the financial statements.

## Share capital

Details of movements in share capital of the Company during the year are set out in note 22 to the financial statements.

董事會全人提呈截至二零零五年三月三十一日止年度本公司及本集團之經審核財務報表。

## 主要業務

本公司之主要業務為投資控股。其附屬公司之主要業務及其他詳情載於財務報表附註13。

本集團截至二零零五年三月三十一日止財政年度之主要業務及營運地域分析載於財務報表附註10。

## 業績及分配

本集團截至二零零五年三月三十一日止年度的業績及本公司和本集團於該日之財政狀況載於第32至第78頁的財務報表內。

本集團年內並無支付中期股息(二零零四年：無)。董事會不建議派發截至二零零五年三月三十一日止年度之末期股息(二零零四年：無)。

## 慈善捐款

本集團於年內共作出2,000港元之慈善捐款(二零零四年：3,000港元)。

## 固定資產

本年度內固定資產之變動載於財務報表附註11。

## 銀行貸款及其他借貸

本集團截至二零零五年三月三十一日止之銀行貸款及其他借貸詳情載於財務報表附註20及21。

## 股本

本年度內本公司股本之變動詳情載於財務報表附註22。

## Pre-emptive rights

There are no provisions 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.

## Share option schemes

Details of the Company's share option schemes are set out in note 23 to the financial statements.

The directors consider that it is not appropriate to disclose a theoretical value of the share options granted under the Company's share option schemes because a number of factors crucial for the valuation cannot be determined, and, accordingly, any valuation of the share option based on various speculative assumptions would not be meaningful, but would be misleading to the shareholders of the Company.

## Purchase, sale and redemption of shares of the company

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the year.

## Major customers and suppliers

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

		Percentage of the Group's total 佔本集團總額百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	71.67%	—
Five largest customers in aggregate	五大客戶總計	80.59%	—
The largest supplier	最大供應商	—	13.08%
Five largest suppliers in aggregate	五大供應商總計	—	35.91%

At no time during the year have the directors, their associates or any shareholders of the Company (which, to the best knowledge of the directors, own more than 5% of the Company's share capital) had any beneficial interest in the major customers and suppliers noted above.

## 優先購買權

公司組織章程細則及開曼群島法律並無關於優先購買權之規定，致使本公司需履行責任，按比例向現有股東發放新股。

## 購股權計劃

本公司的購股權計劃詳情載於財務報表附註23。

董事認為披露本公司根據購股權計劃所授出購股權之表面價值並不恰當，因為未能確定多個對評估有影響之關鍵因素，因此根據不同理論性假設對購股權作出之評估並無意義，更可能誤導本公司股東。

## 購回、出售及贖回本公司股份

本公司或其附屬公司於本年度內概無購回、出售或贖回本公司之任何股份。

## 主要客戶及供應商

於本年度內，本集團主要客戶應佔銷售額及供應商應佔採購額詳情如下：

董事、彼等之聯繫人士或根據董事所知擁有本公司股本5%以上之任何股東，概無擁有上述主要客戶及供應商之任何權益。

## Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 24(a) to the financial statements and in the consolidated statement of changes in equity, respectively.

## Directors

The directors who held office during the year and up to the date of this report were as follows:

### Executive directors

Mr. Lau Hon Kwong, Vincent  
Mr. George Roger Manho  
Mr. Cheng Kwok Hung  
Mr. Liu Hoi Wah

### Independent non-executive directors

Dr. Lee Peng Fei, Allen  
Mr. Tsao Kwang Yung, Peter (passed away on 5 June 2005)  
Mr. Kam Hau Choi, Anthony (appointed on 30 September 2004)

Following the death of Mr. Tsao Kwang Yung, Peter, the Company has only two independent non-executive directors and two audit committee members which fall below the minimum number of three independent non-executive directors and three audit committee members as required under Rules 5.05 and 5.28 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM Listing Rules") respectively. In this regard, the Company will use its best endeavour to find a suitable candidate to fill the vacancy as soon as practicable and will make further announcement upon appointment of an additional independent non-executive director and audit committee member in accordance with the GEM Listing Rules.

Dr. Lee Peng Fei, Allen and Mr. Kam Hau Choi, Anthony will retire from the board in accordance with Articles 108 and 112 of the Company's Articles of Association at the forthcoming annual general meeting, and, being eligible, will offer themselves for re-election.

## 儲備

本年度內本公司及本集團之儲備變動詳情分別載於財務報表附註24(a)及綜合股權變動表有關普通股之變動。

## 董事

於年內及截至本報告刊發日期之在任董事如下：

### 執行董事

劉漢光先生  
聞偉雄先生  
鄭國雄先生  
劉海華先生

### 獨立非執行董事

李鵬飛博士  
曹廣榮先生(已於二零零五年六月五日辭世)  
關孝財先生(於二零零四年九月三十日獲委任)

於曹廣榮先生辭世後，本公司僅有兩名獨立非執行董事及兩名審核委員會成員，因而分別違反香港聯合交易所有限公司《創業板證券上市規則》(「創業板上市規則」)第5.05及5.28條須最少有三名獨立非執行董事及審核委員會成員之規定。就此而言，本公司將盡最大努力盡快物色適當人選以填補空缺，並將於根據創業板上市規則委任額外獨立非執行董事及審核委員會成員後另行作出公佈。

根據公司組織章程細則第108及112條，李鵬飛博士及關孝財先生將於應屆股東週年大會上輪值告退，惟彼願意膺選連任。



## Directors' service contracts

Mr. Lau Hon Kwong, Vincent, Mr. Cheng Kwok Hung and Mr. Liu Hoi Wah have entered into service contracts with the Company on 1 April 2005 for an initial fixed term of one year commencing from 1 April 2005 which will continue thereafter until terminated by three months' notice in writing served by either party on the other.

Mr. George Roger Manho has entered into a service contract with the Company on 23 December 2004 for an initial fixed term of one year commencing from 1 January 2005 which will continue thereafter until terminated by three months' notice in writing served by either party on the other.

Except for the above, none of the directors proposed for re-election at the forthcoming annual general meeting has service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

## Directors' interest in contracts

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

## 董事服務合約

劉漢光先生、鄭國雄先生及劉海華先生於二零零五年四月一日，已各自與本公司訂立服務合約，固定期間由二零零五年四月一日起計為期一年，並於其後一直存續，直至任何訂約方向另一方發出三個月之書面通知予以終止為止。

聞偉雄先生於二零零四年十二月二十三日，已與本公司訂立服務合約，固定期間由二零零五年一月一日起計為期一年，並於其後一直存續，直至任何訂約方向另一方發出三個月之書面通知予以終止為止。

除上文所述者外，擬於應屆股東週年大會候任之董事概無訂立本公司或任何附屬公司不可於一年內免付賠償（一般法定賠償除外）予以終止之尚未屆滿服務合約。

## 董事在合約中擁有之權益

本公司、其控股公司或其任何附屬公司並無訂立任何本公司董事擁有重大權益，且於年結日或年內任何時間仍有效之重大合約。

## Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the company or any associated corporations

As at 31 March 2005, the interests and short positions of each director 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 (the "SFO")), which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

### (i) Interests in shares of the Company

Name of director 董事姓名	Number of ordinary shares 普通股股數					Total 合計	Percentage of issued share capital 佔已發行 股本百分比
	Personal interests 個人權益	Corporate interests 公司權益	Family interests 家族權益	Other interests 其他權益			
Mr. Lau Hon Kwong, Vincent 劉漢光先生	–	456,250,348 (L) (Note 2) (附註2)	–	–	456,250,348 (L)	50.27%	
Mr. George Roger Manho 聞偉雄先生	118,142,254 (L)	–	–	–	118,142,254 (L)	13.02%	
Mr. Cheng Kwok Hung 鄭國雄先生	–	456,250,348 (L) (Note 2) (附註2)	–	–	456,250,348 (L)	50.27%	
Mr. Tsao Kwang Yung, Peter 曹廣榮先生	100,000 (L)	–	–	–	100,000 (L)	0.01%	

#### Notes:

- The letter "L" denotes a long position in the shares.
- These shares are beneficially owned by Rax-Comm (BVI) Limited ("Rax-Comm"), a company incorporated in the British Virgin Islands. Mr. Lau Hon Kwong, Vincent and Mr. Cheng Kwok Hung held 46.21% and 36.11% of the entire issued share capital of Rax-Comm, respectively.

## 董事及行政總裁於本公司或聯營公司之股份、相關股份及債券及淡倉

於二零零五年三月三十一日，本公司各董事及行政總裁根據證券及期貨條例第15.7及第15.8條之規定，本公司或其任何相聯法團(定義見《證券及期貨條例》(「證期條例」)第十五部)之股份、相關股份及債券中擁有之權益或淡倉(包括根據證期條例之該等規定被認為或視作擁有之權益或淡倉)，或必須列入根據證期條例第352條予以存置之登記冊內，或根據創業板上市規則第5.46條所載之規則必須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或淡倉載列如下：

### (i) 本公司之股份權益

#### 附註：

- 「L」字表示股份為長倉。
- 此等股份由一家於英屬處女群島成立之公司Rax-Comm (BVI) Limited (「Rax-Comm」)所持有。劉漢光先生及鄭國雄先生分別持有Rax-Comm 46.21%及36.11%之已發行股份。

## (ii) Interests in equity derivatives (as defined in the SFO) in, or in respect of, underlying shares

As at 31 March 2005, the directors had the following personal interests in options to subscribe for shares of the Company granted at HK\$1 under a share option scheme of the Company. Each option gives the holder the right to subscribe for one share.

## (ii) 於或有關於該等相關股份衍生工具之權益(定義見證期條例)

於二零零五年三月三十一日，本公司董事在根據本公司購股權計劃以1港元之價格授出可認購本公司股份之購股權中擁有以下之個人權益。每股購股權可讓持有人認購一股股份。

Name of director 董事姓名	Number of options outstanding at 31 March 2005 於二零零五年三月三十一日尚未行使的購股權數目	Date granted 授出日期	Period during which options exercisable 購股權行使期	Number of shares acquired on exercise of options during the year 年內行使購股權而認購的股份數目	Price per share to be paid on exercise of options 行使購股權時須支付的每股價格
Mr. Lau Hon Kwong, Vincent 劉漢光先生	6,109,440 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	–	HK\$0.095 0.095港元
Mr. George Roger Manho 閻偉雄先生	4,000,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	–	HK\$0.095 0.095港元
Mr. Cheng Kwok Hung 鄭國雄先生	4,000,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	–	HK\$0.095 0.095港元
Mr. Liu Hoi Wah 劉海華先生	19,112,640 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	–	HK\$0.095 0.095港元
Dr. Lee Peng Fei, Allen 李鵬飛博士	1,760,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	–	HK\$0.095 0.095港元

Note: The letter "L" denotes a long position in the shares.

附註：「L」字表示股份為長倉。

(iii) Aggregate interest in the shares and underlying shares of the Company

(iii) 本公司股份及相關股份之總計權益

Name of director 董事姓名	Aggregate number in ordinary shares 普通股總計	Aggregate number in underlying shares 相關股份總計	Total 合計	Percentage to the issued share capital of the Company 佔本公司已發行股本之百分比
Mr. Lau Hon Kwong, Vincent 劉漢光先生	456,250,348 (L)	6,109,440 (L)	462,359,788 (L)	50.95%
Mr. George Roger Manho 聞偉雄先生	118,142,254 (L)	4,000,000 (L)	122,142,254 (L)	13.46%
Mr. Cheng Kwok Hung 鄭國雄先生	456,250,348 (L)	4,000,000 (L)	460,250,348 (L)	50.71%
Mr. Liu Hoi Wah 劉海華先生	–	19,112,640 (L)	19,112,640 (L)	2.11%
Dr. Lee Peng Fei, Allen 李鵬飛博士	–	1,760,000 (L)	1,760,000 (L)	0.19%
Mr. Tsao Kwang Yung, Peter 曹廣榮先生	100,000 (L)	–	100,000 (L)	0.01%

Note: The letter “L” denotes a long position in the shares.

附註：「L」字表示股份為長倉。

Save as disclosed above, as at 31 March 2005, none of the directors, chief executive of the Company or their associates had any interests in the shares or debentures of, or short positions in the shares of, the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 of the GEM Listing Rules, were required to be notified to the Company and the Stock Exchange.

除上述所披露者外，於二零零五年三月三十一日，董事、行政總裁或彼等之聯繫人士概無根據證期條例第15.7及15.8條於本公司或其任何相聯法團(定義見證期條例第十五部)擁有股份或債券之權益或淡倉(包括根據證期條例之該等規定被認為或視作擁有之權益或淡倉)，或必須列入根據證期條例第352條予以存置之登記冊內，或根據創業板上市規則第5.46條所載之規則必須知會本公司及聯交所之任何權益或淡倉。



## Directors' and chief executive's rights to acquire shares or debt securities

Save as disclosed under the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations", as at 31 March 2005, neither the Company nor any of its subsidiaries was a party to any arrangements to enable the directors and chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debt securities, including debentures, of the Company or any other body corporate, and none of the directors and chief executive of the Company or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights.

## Substantial interests in the share capital of the company

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 March 2005, the Company had been notified of the following interests, being 5% or more of the issued share capital of the Company:

		Ordinary shares held 所持普通股股數	Percentage of total issued shares 佔已發行股份 合計百分比
Rax-Comm (BVI) Limited (Note 1)	Rax-Comm (BVI) Limited (附註1)	456,250,348	50.27%
Mr. George Roger Manho (Note 2)	閻偉雄先生(附註2)	118,142,254	13.02%
Mr. Man Kai Shun	文界淳先生	55,301,000	6.09%

### Notes:

- These shares have been disclosed as the corporate interests of the relevant directors in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations".
- These shares have been disclosed as the personal interests of the director in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations".

## 董事及行政總裁購買股份或債務證券之權益

除以上述「董事及行政總裁於本公司或聯營公司之股份、相關股份及債券及淡倉」所披露外，於二零零五年三月三十一日，本公司或其附屬公司概無參與任何安排，使本公司董事及行政總裁可藉著購入本公司或任何其他法人團體之股份或債務證券(包括債券)而獲得利益，而本公司董事及行政總裁或彼等之配偶或任何未滿十八歲之子女概無任何可認購本公司證券之權利，亦無行使任何該等權利。

## 佔本公司股本之重大權益

本公司根據證期條例第336條規定存置之主要股東登記冊內獲悉，於二零零五年三月三十一日，以下股東擁有本公司已發行股本5%或以上之權益：

### 附註：

- 該等股份已於「董事及行政總裁於本公司或聯營公司之股份、相關股份及債券及淡倉」一節披露為有關董事之公司權益。
- 該等股份已於「董事及行政總裁於本公司或聯營公司之股份、相關股份及債券及淡倉」一節披露為董事之個人權益。

## Five year financial summary

A summary of the published results and of the assets and liabilities of the Group for the latest five years is set out on page 79 of the Company's annual report for the year ended 31 March 2005.

## Competing interests

As at 31 March 2005, the directors were not aware of any business or interest of each director, management shareholder and the respective associates of each that competes or may compete with the business of the Group and any other conflicts of interest which any such persons have or may have with the Group.

## Audit committee

As required by Rules 5.28 to 5.33 of the GEM Listing Rules, the Company has established an audit committee which comprises three independent non-executive directors, Dr. Lee Peng Fei, Allen, Mr. Tsao Kwang Yung, Peter and Mr. Kam Hau Choi, Anthony, and an executive director, Mr. Liu Hoi Wah. Dr. Lee Peng Fei, Allen was appointed the Chairman of the audit committee. As mentioned above, following the death of Mr. Tsao Kwang Yung, Peter, the number of audit committee member has fall below the minimum number as required under Rule 5.28 of the GEM Listing Rules and the Company will find a suitable candidate to fill the vacancy as soon as practicable. The audit committee meets with the Group's senior management and external auditors to review the effectiveness of the internal control systems. The Group's financial statements for the year ended 31 March 2005 have been reviewed by the audit committee, who is of the opinion that such statements comply with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosures had been made.

## Retirement 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 an independent trustee. 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.

## 五年概要

本集團過去五年之已公佈業績及資產與負債概要載於本公司截至二零零五年三月三十一日之年報第79頁。

## 競爭性權益

於二零零五年三月三十一日，各董事並不知悉有任何董事、管理股東或彼等各自聯繫人士擁有任何對本集團業務構成競爭或可能構成競爭之業務或權益；或上述任何人士與可能與本集團存在任何其他利益衝突。

## 審核委員會

根據創業板上市規則第5.28至第5.33條之規定，本公司已成立審核委員會，由三名獨立非執行董事，即李鵬飛博士、曹廣榮先生及闞孝財先生，以及一名執行董事，即劉海華先生組成。李鵬飛博士已獲委任為審核委員會主席。就上文所述，隨著曹廣榮先生之辭世，本公司僅有兩名獨立非執行董事及兩名審核委員會成員，因而分別違反創業板上市規則第5.28條審核委員會成員之規定。本公司將盡最大努力盡快物色適當人選以填補空缺。審核委員會與本集團高級管理人員及外聘核數師會面，以審核本集團之內部控制系統之效用。審核委員會已審閱本集團截至二零零五年三月三十一日止年度之財務報表，其成員認為該等財務報表已遵照適用之會計準則、創業板上市規則及法律規定，並已作出足夠披露。

## 退休計劃

本集團遵照香港強制性公積金計劃條例，為其在香港僱傭條例管轄範圍內之受僱員工實施一項強制性公積金計劃（「強積金計劃」）。強積金計劃乃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計劃作出供款額為有關僱員收入5%之供款，惟每月有關收入上限為20,000港元。

## Board practices and procedures

During the year ended 31 March 2005, the Company has complied Rules 5.34 to 5.45 of the GEM Listing Rules concerning the Board practices and procedures, which applied before the amendment of the GEM Listing Rules relating to the Code on Corporate Governance Practices and Rules on Corporate Governance Report become effective on 1 January 2005.

## Compliance with rules 5.48 to 5.67 of the gem listing rules

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year ended 31 March 2005. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standard of dealings throughout the year ended 31 March 2005.

## Corporate governance

In light of changes to the GEM Listing Rules which came into effect on 1 January 2005, the Directors are in the process of reviewing and making appropriate changes to the Group's corporate governance practices by reference to the new Code on Corporate Governance Practices.

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

## Auditors

On 4 March 2003, KPMG tendered their resignations as the auditors of the Company. On 25 March 2003, RSM Nelson Wheeler were appointed as auditors of the Company by the board of directors to fill in the casual vacancy.

A resolution for the re-appointment of RSM Nelson Wheeler as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By order of the board of directors

**Lau Hon Kwong, Vincent**

Chairman

Hong Kong, 17 June 2005

## 遵守創業板上市規則

於二零零五年三月三十一日止年度內，本公司一直遵守創業板上市規則第5.34條至5.45條所述之董事會常規及程序（乃適用於二零零五年一月一日生效之創業板上市規則有關「企業管治常規守則」及「企業管治報告」修訂前）。

## 遵守創業板上市規則 第5.48條至5.67條

截至二零零五年三月三十一日止年度內，本公司已就董事之證券交易採納一套守則，其條款不遜於創業板上市規則第5.48條至5.67條所載之交易所需標準。在向所有董事作出查詢後，本公司董事截至二零零五年三月三十一日止年度內均一直遵守有關之守則及交易所需標準。

## 企業管治

由於創業板上市規則之變動已於二零零五年一月一日生效，董事現正參考新修訂之企業管治常規守則，就本集團之企業管治常規進行檢討及作出適當修訂。

本公司已收到各獨立非執行董事根據創業板上市規則第5.09條提交有關其獨立性之年度確認書。本公司確認各獨立非執行董事之獨立性。

## 核數師

於二零零三年三月四日，畢馬威會計師事務所辭任本公司核數師。於二零零三年三月二十五日，董事會委任羅申美會計師行為核數師，以填補就此出現之臨時空缺。

羅申美會計師行辭任本公司核數師，惟續聘決議案將於應屆股東週年大會上提呈。

承董事會命

主席

劉漢光

香港，二零零五年六月十七日

# RSM! Nelson Wheeler

羅申美會計師行

Certified Public Accountants

## TO THE SHAREHOLDERS OF ITE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 32 to 78 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 statements and to report our opinion solely to you, as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong 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 circumstances of the Company and of the Group, consistently applied and adequately disclosed.

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

## 致ITE (HOLDINGS) LIMITED各股東

(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核刊於第32至第78頁按照香港公認會計原則編製之財務報表。

## 董事及核數師之責任

貴公司之董事須編製真實及公允之財務報表。在編製真實與公允之財務報表時，董事必須貫徹採用合適之會計政策。

我們之責任是根據審核之結果，對這些財務報表作出獨立意見，並僅向整體股東報告，除此之外本報告別無其他目的。我們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。

## 意見之基礎

我們是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憑證，亦包括評估董事於編製財務報表時所作出之主要估計和判斷、所釐定之會計政策是否適合 貴公司及 貴集團之具體情況、以及有否貫徹運用並足夠披露這些會計政策。

我們在策劃和進行審核工作時，均以取得一切我們認為必需之資料及解釋為目標，使我們能獲得充份之憑證，就財務報表是否存在重大之錯誤陳述，作出合理之確定。在提出意見時，我們亦已衡量財務報表所載資料在整體上是否足夠。我們相信，我們之審核工作已為下列意見建立了合理之基礎。

## Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2005 and of the results and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **RSM Nelson Wheeler**

Certified Public Accountants

Hong Kong, 17 June 2005

## 意見

我們認為，財務報表真實與公允地反映 貴公司及 貴集團於二零零五年三月三十一日之財務狀況和 貴集團截至該日止年度之業績及現金流量，並已按照香港《公司條例》之披露規定妥善編製。

### **羅申美會計師行**

執業會計師

香港，二零零五年六月十七日



# Consolidated Income Statement 綜合收益表

For the year ended 31 March 2005 (Expressed In Hong Kong dollars) 截至二零零五年三月三十一日止年度(以港元列值)

			2005 二零零五年	2004 二零零四年
			\$ 元	\$ 元
		Notes 附註		
<b>Turnover</b>	營業額	2, 10	48,470,321	61,842,809
Cost of services rendered	已提供服務之成本		(41,531,535)	(52,051,430)
Cost of goods sold	已售貨物之成本		(1,321,065)	(678,662)
Other revenue	其他收益	2	5,617,721	9,112,717
Other net loss	其他虧損淨值	3	461,851	516,425
Other staff costs	其他員工成本		(106,586)	(88,035)
Depreciation and amortisation	折舊及攤銷		(6,252,448)	(6,760,392)
Other operating expenses	其他經營開支		(1,636,080)	(2,260,196)
Loss from operations	經營虧損		(12,965,029)	(11,837,894)
Finance costs – Interest on bank loans and overdrafts	融資成本 – 銀行貸款 及透支利息		(14,880,571)	(11,317,375)
<b>Loss from ordinary activities before taxation</b>	除稅前日常業務之 虧損	4	(728,781)	(721,055)
Taxation	稅項	5	–	–
<b>Loss attributable to shareholders</b>	股東應佔虧損	8	(15,609,352)	(12,038,430)
<b>Loss per share</b>	每股虧損	9		
Basic	基本		(1.72 cents 仙)	(1.33 cents 仙)
Diluted	攤薄		N/A 不適用	N/A 不適用

The notes on pages 38 to 78 form an integral part of these financial statements.

第38至第78頁的附註屬於此等財務報表之一部份。

# Consolidated Balance Sheet 綜合資產負債表

At 31 March 2005 (Expressed in Hong Kong dollars) 於二零零五年三月三十一日 (以港元列值)

			2005 二零零五年	2004 二零零四年
		Notes 附註	\$ 元	\$ 元
<b>Non-current assets</b>	<b>非流動資產</b>			
Fixed assets	固定資產	11	662,436	1,366,125
Goodwill	商譽	12	–	7,289,408
Investment securities	投資證券	14	2,249,670	2,484,010
			2,912,106	11,139,543
<b>Current assets</b>	<b>流動資產</b>			
Trading securities	買賣證券	15	21,670	98,750
Inventories	存貨	16	2,059,649	2,642,430
Trade and other receivables	應收及其他應收帳款	17	7,406,546	15,600,508
Deposits and prepayments	訂金及待攤費用		674,507	640,492
Pledged bank balances	抵押銀行存款	26(c)	13,594,808	13,584,923
Bank and cash balances	銀行及現金結餘		347,201	1,131,942
			24,104,381	33,699,045
<b>Current liabilities</b>	<b>流動負債</b>			
Creditors and accrued charges	應付帳款及應計費用	18	10,240,889	10,743,083
Short term borrowings	短期借貸	20	8,879,949	8,923,824
Current portion of long term secured bank loan	長期有抵押銀行貸款之即期部份	21	416,630	1,666,680
			19,537,468	21,333,587
<b>Net current assets</b>	<b>流動資產淨值</b>		4,566,913	12,365,458
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		7,479,019	23,505,001
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Secured bank loan	有抵押銀行貸款	21	–	416,630
<b>Net assets</b>	<b>資產淨值</b>		7,479,019	23,088,371
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	22	9,075,360	9,075,360
Reserves	儲備		(1,596,341)	14,013,011
<b>Shareholders' funds</b>	<b>股東資金</b>		7,479,019	23,088,371

Approved and authorised for issue by the board of directors on 17 June 2005.

董事會於二零零五年六月十七日核准及授權刊發。

Lau Hon Kwong Vincent  
Director

Cheng Kwok Hung  
Director

劉漢光  
董事

鄭國雄  
董事

The notes on pages 38 to 78 form an integral part of these financial statements.

第38至78頁的附註屬於此等財務報表之一部份。

# Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度(以港元列值)

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營業務現金流量</b>		
Loss before taxation	除稅前虧損	(15,609,352)	(12,038,430)
Adjustments for:	就下列各項作出調整：		
Depreciation	折舊	685,288	1,309,404
Amortisation of goodwill	商譽攤銷	950,792	950,792
Provision for impairment loss on goodwill	商譽之減值虧損撥備	6,338,616	—
Provision for obsolete inventories	過時存貨撥備	280,000	—
Net unrealised loss/(gain) on trading securities carried at fair value	按公允價值列帳之買賣證券未變現虧損/(收益)	10,080	(57,040)
Loss on disposals of fixed assets	出售固定資產虧損	113,000	160,515
Impairment loss on investment securities	投資證券之減值虧損	234,340	238,396
Gain on disposals of trading securities	出售買賣證券之收益	(32,755)	(33,588)
Dividend income	股息收入	(1,339)	(1,423)
Interest income	利息收入	(25,077)	(92,312)
Interest expense	利息費用	728,781	721,055
Operating loss before working capital changes	於營運資金變動前之經營虧損	(6,327,626)	(8,842,631)
Decrease in trade and other receivables	應收及其他應收帳款減少	8,142,958	8,092,566
(Increase)/Decrease in deposits and prepayments	訂金及待攤費用(增加)/減少	(34,015)	1,338,127
Decrease in inventories	存貨減少	302,781	1,191,361
Decrease in creditors and accrued charges	應付帳及應計費用減少	(502,194)	(2,027,805)
Cash generated from/(used in) operations	業務產生/(所用)現金	1,581,904	(248,382)
Interest paid	利息支出	(728,781)	(721,055)
Tax refund received	已收退稅	51,004	—
Net cash generated from/(used in) operating activities	經營業務產生/(所用)現金淨值	904,127	(969,437)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動現金流量</b>		
Purchases of fixed assets	購置固定資產	(121,413)	(647,286)
Purchases of trading securities	購買買賣證券	(188,495)	(155,900)
Proceeds from disposals of fixed assets	出售固定資產之所得款項	26,814	500
Proceeds from disposals of trading securities	出售買賣證券之所得款項	288,250	210,788
Dividend received	已收股息	1,339	1,423
Interest received	已收利息	25,077	92,312
Net cash generated from/(used in) investing activities	投資活動產生/(所用)現金淨值	31,572	(498,163)

# Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度(以港元列值)

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
	Note 附註		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動現金流量</b>		
Increase in pledged bank deposits	抵押銀行存款增加	(9,885)	(73,555)
New bank loans	新銀行貸款	10,797,714	2,576,948
Repayment of bank loans	償還銀行貸款	(14,193,730)	(1,666,680)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生現金淨值	(3,405,901)	836,713
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物減少</b>	<b>(2,470,202)</b>	<b>(630,887)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>	<b>於四月一日之現金及現金等價物</b>	<b>(662,723)</b>	<b>(31,836)</b>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>於三月三十一日之現金及現金等價物</b>	<b>(3,132,925)</b>	<b>(662,723)</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物結餘之分析</b>		
Bank and cash balances	銀行及現金結餘	347,201	1,131,942
Bank overdrafts	銀行透支	(3,480,126)	(1,794,665)
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>於三月三十一日之現金及現金等價物</b>	<b>(3,132,925)</b>	<b>(662,723)</b>

The notes on pages 38 to 78 form an integral part of these financial statements.

第38至78頁的附註屬於此等財務報表之一部份。

# Consolidated Statement of Changes in Equity 綜合股權變動表

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度(以港元列值)

		Reserves 儲備				Total 合計
		Share capital (note 22) 股本 (附註22)	Share premium (note 24(b)) 股份溢價 (附註24(b))	Merger reserve (note 24 (c)) 合併儲備 (附註24(c))	Accumulated losses 累積虧損	
		\$ 元	\$ 元	\$ 元	\$ 元	\$ 元
Balance at 1 April 2003	於二零零三年 四月一日	9,075,360	22,816,249	10,748,910	(7,513,718)	35,126,801
Loss for the year	本年度虧損	-	-	-	(12,038,430)	(12,038,430)
Balance at 31 March 2004	於二零零四年 三月三十一日結餘	9,075,360	22,816,249	10,748,910	(19,552,148)	23,088,371
Loss for the year	本年度虧損	-	-	-	(15,609,352)	(15,609,352)
Balance at 31 March 2005	於二零零五年 三月三十一日結餘	9,075,360	22,816,249	10,748,910	(35,161,500)	7,479,019

The notes on pages 38 to 78 form an integral part of these financial statements.

第38至第78頁的附註屬於此等財務報表之一部份。



# Balance Sheet – The Company 資產負債表 – 本公司

At 31 March 2005 (Expressed in Hong Kong dollars) 於二零零五年三月三十一日 (以港元列值)

			2005 二零零五年	2004 二零零四年
			\$	\$
			元	元
		Note 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司之權益	13	7,739,951	23,453,241
<b>Current assets</b>	<b>流動資產</b>			
Other receivables	其他應收帳款	17	139,703	26,374
Bank and cash balances	銀行及現金結餘		2,041	3,872
			141,744	30,246
<b>Current liabilities</b>	<b>流動負債</b>			
Accrued charges and other payables	應計費用及其他應付帳款	18	402,676	395,116
<b>Net current liabilities</b>	<b>流動負債淨值</b>		(260,932)	(364,870)
<b>Net assets</b>	<b>資產淨值</b>		7,479,019	23,088,371
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	22	9,075,360	9,075,360
Reserves	儲備	24	(1,596,341)	14,013,011
<b>Shareholders' funds</b>	<b>股東資金</b>		7,479,019	23,088,371

Approved and authorised for issue by the board of directors on 17 June 2005.

董事會於二零零五年六月十七日核准及授權刊發。

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The notes on pages 38 to 78 form an integral part of these financial statements.

第38至78頁的附註屬於此等財務報表之一部份。

## 1. Significant accounting policies

### Statement of compliance

These financial statements have been prepared in accordance with all applicable Statements of Standard Accounting Practice (“SSAPs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), 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 (the “GEM Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out below.

The measurement basis used in the preparation of the financial statements is historical cost as modified by the revaluation of trading securities.

### Impact of recently issued Hong Kong Financial Reporting Standards

HKICPA 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 1 January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005. 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.

## 主要會計政策

### 遵守聲明

此等財務報表已按照香港會計師公會（「會計師公會」）頒佈之所有適用《會計實務準則》（「會計準則」）及詮釋、香港公認會計原則及香港《公司條例》之披露規定編製。此等財務報表亦同時符合香港聯合交易所有限公司《創業板市場證券上市規則》（「創業板上市規則」）適用之披露規定。以下為本集團採用之主要會計政策概要。

編製財務報表時，除買賣證券是以重申評價修改外，其他乃採用歷史成本作為計算基準。

### 新頒佈香港財務報告準則之影響

會計師公會已頒佈若干新訂及經修訂香港財務報告準則及香港會計準則（「新財務報告準則」），該等新財務報告準則對於二零零五年一月一日或之後開始之會計期間有效。

截至二零零五年三月三十一日止年度之財務報表內，本集團並無提早採納該等新財務報告準則。本集團已開始評估該等新財務報告準則之影響，惟尚未能夠指出該等新財務報告準則是否會對其營運業績及財務狀況產生重大影響。

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

## 1. Significant accounting policies (continued)

### Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

### Subsidiaries

A subsidiary is a company that is controlled by the Company. 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 its activities.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses. The results of a subsidiary is accounted for by the Company on the basis of dividends received and receivable.

### Fixed assets and depreciation

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and any impairment losses.

The cost of fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. 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 Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

## 主要會計政策(續)

### 綜合帳目

綜合財務報表包括本公司及其附屬公司截至三月三十一日之財務報表。年內收購或出售之附屬公司之業績自收購生效之日起計入綜合收益表或計至出售生效日止(如適當)。

本集團內公司間之重大交易及結餘於綜合帳目時撇銷。

### 附屬公司

附屬公司是指本公司控制之公司。附屬公司被視為受控制，倘本公司有權直接或間接管限其財務及營運政策，從而從其業務中取得利益。

在本公司之資產負債表內，於附屬公司之投資按成本值減去任何減值虧損。附屬公司業績乃由本公司已收及應收股息入帳。

### 固定資產及折舊

固定資產在資產負債表中按成本值減累積折舊及減值虧損入帳。

固定資產之成本包括購買價及任何將資產達致營運狀況及地點作擬定用途之直接成本。有關固定資產其後之已確認開支均於日後經濟效益(即超逾現有資產之原本評定表現水平)可肯定歸本公司所有時，加入資產之帳面值內。所有其他其後開支則於開支產生期間內確認為支出。

## 1. Significant accounting policies (continued)

### Fixed assets and depreciation (continued)

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

Leasehold improvements	Over the shorter of the lease terms and 4 years
Furniture and fixtures	4 years
Computer and other equipment	4 years

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

### Goodwill

Goodwill arising on the acquisition of subsidiaries 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 as at the date of the acquisition.

Goodwill arising on the acquisition of subsidiaries is amortised to the consolidated income statement on a straight-line basis over its estimated useful life. Goodwill is stated in the consolidated balance sheet at cost less accumulated amortisation and any impairment losses.

### Investment securities

Investment securities, which are securities held for an identified long-term strategic purpose, are stated at cost less any impairment losses. The carrying amounts of individual investment securities are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such investment securities is reduced to its fair value. The amount of the reduction is recognised as an expense in the income statement.

## 主要會計政策(續)

### 固定資產及折舊(續)

固定資產之折舊是按照其預計可用年限，以直線法攤銷成本計算。就此採用之預計可用年限如下：

租賃物業裝修	四年或租賃年期 (以較短者為準)
傢俬及裝置	四年
電腦及其他設備	四年

報廢或出售固定資產所產生之損益以出售所得淨額與帳面金額之間之差額釐定，並於報廢或出售當日於收益表中確認。

### 商譽

因收購附屬公司所產生之商譽指於交易日所付之收購成本與本集團應佔已購入可辨認資產及負債之公允價值之差額。

因收購附屬公司所產生之商譽以直線法按其估計可使用年期在綜合收益表攤銷。商譽乃按成本值扣除任何累積攤銷及任何減值虧損在綜合資產負債表列帳。

### 投資證券

投資證券指訂明為長期持有之證券投資，並按成本減任何減值虧損撥備入帳。投資之帳面值乃於各結算日重新檢討，以評估公允價值是否低於帳面值。倘出現非臨時性下跌，該等證券之帳面值將減少至其公允價值，而此帳面減值則在收益表撇銷。

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

## 1. Significant accounting policies (continued)

### Trading securities

Trading securities are stated in the balance sheet at fair value on the basis of their quoted market prices, on an individual investment basis. Changes in fair value are recognised in the income statement as they arise. 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.

### Impairment of assets

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

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

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).

In respect of assets other than goodwill, an impairment loss is reversed if there has been a 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.

## 主要會計政策(續)

### 買賣證券

所有證券均引用個別證券之市場價格為公允價值在資產負債表列帳，而公允價值之變動則於出現時在收益表內確認。當所收購之證券乃主要作為從價格或交易相差額中取利者，則呈列為買賣證券。

### 資產減值

於資產負債表結算日，本公司審閱內部及外來資料以辨認任何資產可有減值跡象，或以往已確認之減值虧損不再出現或減少。

若任何此等跡象存在，將估計資產之可收回金額。當資產之帳面值超越其可收回金額時，減值虧損會被確認。當減值虧損發生，此減值虧損會於期內計入收益表。

資產之可收回金額為其銷售淨價及其使用價值兩者中之較高者。評估使用價值時是以除稅前之折扣率計算預計未來之現金流量之現值，而該折扣率反映當時市場對金錢價值之評估及該項資產之特有風險。如某類資產產生之現金流量不能獨立於其他資產所產生之現金流量，可收回金額按最細資產組合(即產生現金之單元)所產生之獨立現金流量計算。

除商譽以外之資產，只有在確定可收回金額中所使用之估計有所改變時，減值虧損會被轉回。有關商譽之減值虧損，只有當虧損是由一特別外來事件引起而預期該事件之特殊性質不會再次出現，及增加之可收回金額清楚地跟轉回該特別事件之影響有關時，有關商譽之減值虧損可被轉回。



## 1. Significant accounting policies (continued)

### Impairment of assets (continued)

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment losses is credited to the income statement in the period in which it arises.

### Inventories

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

Cost is calculated on the first in first out basis 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 render services or make the sales.

When inventories are consumed in rendering services or sold, 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 when 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.

### Service contracts

Contract revenue on the rendering of services represents the agreed contract amount. Costs of rendering services comprise labour and other costs of personnel directly engaged in providing the services and attributable overheads.

## 主要會計政策(續)

### 資產減值(續)

減值虧損之轉回限於往年度資產沒有確認減值損失時之帳面值(攤銷或折舊後之淨值)。減值虧損之轉回於確認轉回時計入收益表。

### 存貨

存貨以成本值與可變現淨值兩者中之較低數額列帳。

成本以先入先出方法計算，其中包括所有採購成本、加工成本及將存貨運至現址和達致現狀所需之其他成本。

可變現淨值是以日常業務過程中之估計售價減去估計完成成本及提供服務或予以銷售所需之成本。

當存貨於提供服務時耗用或經已出售，該等存貨之帳面值於有關收入確認期間確認為支出。任何將存貨撇減至可變現值之款額及所有存貨虧損一概在減值或虧損產生期間確認為支出。因可變現淨值增加而引致任何存貨之減值撥回，會在撥回出現期間所確認之支出項目中列為存貨削減之數。

### 服務合約

提供服務之合約收益乃協議之合約金額。提供服務成本包括直接工資、其他直接有關提供服務之人士成本及支出。

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## 1. Significant accounting policies (continued)

### Service contracts (continued)

Revenue from the rendering of services is recognised based on the percentage of completion of the transaction, provided that the revenue, the costs incurred and the estimated costs to completion can be measured reliably. The percentage of completion is established by reference to the costs incurred to date as compared to the estimated total costs to be incurred under the transaction.

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers.

Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

### Trade receivables

Provision is made against trade receivables to the extent they are considered to be doubtful. Trade receivables in the consolidated balance sheet are stated net of such provision, if any.

### Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

## 主要會計政策 (續)

### 服務合約 (續)

提供服務之收益，在能可靠地計量收益、所涉成本及估計完工成本之情況下，根據完工百分比確認。完工百分比乃參照當日已發生成本與估計交易總成本作比較計算得出。

倘管理層預計可見未來會出現虧損，則須作出撥備。

若當日已發生合約成本加已確認溢利減去已確認虧損大於進度付款申請，餘額被列為應收客戶合約款項。

若進度付款申請超出當日已發生合約成本加已確認溢利減去已確認虧損，餘額將列作應付客戶合約款項。

### 應收帳款

對應收帳款存疑時提撥呆帳準備。資產負債表內之應收帳款乃在扣除該項準備 (如有) 後列帳。

### 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物乃包括手頭現金及活期存款、可隨時轉換為已知數額之現金及價值變動風險並不重大以及於購入時之到期期限不超過三個月之短期高流通性投資，再減去提取時須按要求償還並組成本集團現金管理不可分割之部分之銀行透支。

## 1. Significant accounting policies (continued)

### Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to the income statement on a straight line basis over the lease term.

### Provisions and contingent liabilities

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

### Translation of foreign currencies

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

On consolidation, the balance sheet of overseas subsidiaries expressed in foreign currencies are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date whilst the income statement is translated into Hong Kong dollars at the weighted average exchange rates. The resulting translation differences are dealt with as a movement in reserves.

## 主要會計政策(續)

### 經營租賃

凡資產所有權之絕大部份回報及風險仍屬出租公司所有之租賃，均列作經營租賃。該等經營租賃適用之租金以直線法按租期在收益表內扣除。

### 撥備及或然負債

當本集團因過去事項須承擔法定義務或推定義務，而履行該義務很可能需要付出經濟效益及有可靠之估計時，便為未確定時間或金額之負債確認為撥備。如果金錢之時間價值重大，撥備會以履行義務預期所需支出之現值列報。

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

### 外幣換算

年內之外幣交易按交易日匯率換算為港幣。以外幣為單位之貨幣性資產及負債則按結算日之匯率換算為港幣。匯兌盈虧均撥入收益表處理。

於綜合帳目時，海外附屬公司以外幣顯示之資產負債表均按結算日之匯率折算為港元，而收益表則按平均匯率折算。由此產生之匯兌盈虧作為儲備變動入帳。

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## 1. Significant accounting policies (continued)

## 主要會計政策(續)

### Revenue recognition

### 收益確認

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

收益是在經濟效益可能會流入本集團，以及能夠可靠地計算收益，根據下列方法確認：

(i) Service revenue

(i) 服務收益

Service revenue comprises revenue from smartcard systems, radio frequency identification (“RFID”) and information technology and related service contracts, and electrical and mechanical installation work and related service contracts.

服務收益包括智能卡系統、射頻識別、資訊科技及相關服務合約、機電安裝工程及相關合約之收益。

Service revenue is recognised on the percentage of completion basis, as further explained in the accounting policy for “Service contracts”.

服務收益根據完工百分比方式確認，詳情刊載於主要會計政策「服務合約」一節。

(ii) Consultancy fee income

(ii) 顧問費用收入

Consultancy fee income is recognised when the services are rendered.

顧問費用收入於服務已提供時確認。

(iii) Income from maintenance services

(iii) 保養服務收入

Income from maintenance services is recognised on a straight line basis over the term of the maintenance service contracts.

保養服務之收入根據保養服務合約條款按直線法確認。

Income received or receivable in respect of services which have not been completed on or before the balance sheet date are shown in the balance sheet as deferred maintenance income.

資產負債表結算日當日或之前未完成服務之已收或應收收入於資產負債表列為遞延保養收入。

(iv) Sales of goods

(iv) 銷售貨品

Revenue from the sales of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

銷售貨品所得收益乃在擁有權之風險及回報轉移到買方時確認，通常亦即為貨品付運予客戶及所有權轉讓時。

## 1. Significant accounting policies (continued)

## 主要會計政策(續)

## Revenue recognition (continued)

## 收益確認(續)

## (v) Interest income

## (v) 利息收入

Interest income is recognised on a time proportion basis, taking into account the principal outstanding and at the effective interest rate applicable.

利息收入根據未償還本金額及有關實際利率按時間比例確認入帳。

## (vi) Dividend income

## (vi) 股息收入

Dividend income is recognised when the right to receive payment is established.

股息收入乃於有權收取有關款項時確認。

## Employee benefits

## 僱員福利

(i) Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as expenses in the income statement as incurred.

(i) 對於界定供款退休計劃作出供款之責任(包括根據香港強制性公積金計劃條例應付之供款)，於產生時確認為開支。

(ii) Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

(ii) 有關年假及長期服務休假之僱員權益於應計予僱員時予以確認。僱員因直至結算日所提供之服務而享有之年假及長期服務休假，其估計負債已作出撥備。

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

有關病假及產假或陪产假之僱員權益於休假時方會確認。

(iii) The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet and no employee benefit cost or obligation is recognised until such time as the options are exercised. Upon the exercise of share options, equity is increased by the amount of the proceeds received. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

(iii) 授出購股權之財務影響於截至行使購股權後，方記錄在本公司或本集團之資產負債表，惟不會確認任何僱員福利成本或責任。當購股權獲行使時，股本乃按所得款項之金額增加。在行使期屆滿前已註銷或失效之購股權會在尚未行使購股權登記冊內刪去。



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## 1. Significant accounting policies (continued)

### 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, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

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. Inter-segment pricing is based on similar terms as those available to other external parties.

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

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

### Related parties

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.

## 主要會計政策(續)

### 分部報告

分部是將集團內從事於提供產品或服務(業務分部)，或在既定之經濟環境內提供產品或服務(經營地域分部)作分類，其所承受之風險及回報而與其他分部皆有所不同。

根據本集團內部財務報告之形式，本集團選擇以業務分部之表達方式為主要報告格式，而經營地域分部則視為輔助報告格式。

分部收益、開支、業績、資產及負債包括可直接歸類於某一分部之項目，以及其他能以合理基礎分配至該分部之項目。例如分部資產可包括存貨、應收帳款及固定資產。而作為綜合會計程序之一部份，除非該等集團內部交易乃屬於同一分部內之集團企業，否則分部收益、開支、業績、資產與負債之計算須在集團內部交易抵銷前確立。分類間之定價乃按提供予其他外界人士之相若條款釐定。

分部資本開支為於收購預期其使用期超過一個年度之分部資產(有形及無形資產)年內所產生之總成本。

未分配項目主要包括財務及企業資產、計息貸款、借貸、企業及融資費用。

### 關連人士

如果本集團能夠直接或間接監控另一方人士或對另一方人士之財務及經營決策發揮重大之影響力，或另一方人士能夠直接或間接監控本集團或對本集團之財務及經營決策發揮重大之影響力，或本集團與另一方人士均受制於相同之監控或共同之重大影響下，有關人士即被視為本集團之關連人士。關連人士可以是個別人士或其他實體。

## 1. Significant accounting policies (continued)

### Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowable. Hong Kong profits tax is provided at the rate prevailing for the year based on the assessable profit for the year less allowable losses, if any, brought forward.

Deferred taxation is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred taxation is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred taxation is also dealt with in equity.

## 主要會計政策(續)

### 稅項

稅項乃根據年內業績，按毋須課稅或不獲減免項目作出調整後計算。香港利得稅乃就估計應課稅溢利按年內稅率並扣除任何承上虧損之稅務優惠後計算。

遞延稅項採用資產負債表負債法就計算資產及負債所採用稅基與財務報表帳面值兩者之暫時差異作出全數撥備。遞延稅項採用於結算日前已頒佈或實際頒佈之稅率計算。倘日後應課稅溢利可用作抵銷暫時差異，則會確認遞延稅項資產。

遞延稅項乃就於附屬公司、聯營公司及合營企業之投資產生之暫時差異而作出撥備，惟可控制撥回暫時差異之時間，且可見將來不大可能撥回者則除外。

遞延稅項於收益表扣除或入帳，除非直接與股本扣除或入賬之項目有關，在此情況下，遞延稅項亦列作股本處理。

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## 2. Turnover and revenue

## 營業額及收益

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

本公司之主要業務為投資控股。附屬公司之主要業務列於財務報表附註13內。

The amount of each significant category of revenue recognised in turnover during the year is as follows:

年內，各個重要類別已確認為收益之金額如下：

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Turnover	營業額		
Provision of smartcard systems, RFID and information technology services	提供智能卡系統、射頻識別及資訊科技服務		
– Service revenue	– 服務收益	5,354,658	12,592,776
– Income from maintenance services	– 保養服務收入	2,442,608	2,755,186
– Sales of service related products	– 銷售服務相關產品	2,045,254	1,089,242
		9,842,520	16,437,204
Consultancy fee income	顧問費用收入	38,541,801	44,534,191
Service revenue from provision of electrical and mechanical installation work	提供機電安裝工程之服務收益	86,000	871,414
		48,470,321	61,842,809
Other revenue	其他收益		
Interest on bank deposits	銀行存款利息	25,077	92,312
Dividend income	股息收入	1,339	1,423
Other income	其他收入	435,435	422,690
		461,851	516,425
		48,932,172	62,359,234

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

## 3. Other net loss

## 其他虧損淨值

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Exchange loss	匯兌虧損	(16,261)	(18,148)
Gain on disposals of trading securities	出售買賣證券之收益	32,755	33,588
Net unrealised (loss)/gain on trading securities carried at fair value	按公允價值列帳之買賣證券未變現(虧損)/收益淨值	(10,080)	57,040
Loss on disposal of fixed assets	出售固定資產之虧損	(113,000)	(160,515)
		(106,586)	(88,035)

## 4. Loss from ordinary activities before taxation

## 除稅前日常業務之虧損

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

除稅前日常業務之虧損已扣除：

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Amortisation of goodwill	商譽攤銷	950,792	950,792
Auditors' remuneration	核數師酬金	335,000	281,746
Cost of inventories	存貨成本	3,113,420	3,455,268
Depreciation	折舊	685,288	1,309,404
Impairment loss on goodwill	商譽之減值虧損	6,338,616	—
Impairment loss on investment securities	投資證券之減值虧損	234,340	238,396
Operating lease charges: minimum lease payments for hire of properties	經營租賃費用：租賃物業之最低租賃付款額	1,173,388	1,874,000
Provision for obsolete inventories	過時存貨之撥備	280,000	—
Provision for doubtful debts	呆帳撥備	173,053	497,713
Staff costs including directors' emoluments and retirement benefit scheme contributions	包括董事酬金及退休福利計劃供款之員工成本	47,195,092	56,114,267

Note: Cost of inventories sold includes provision for inventories of approximately \$280,000 (2004: \$Nil) which is included in the amount disclosed separately above for the year.

附註：已售存貨成本包括存貨撥備約280,000元(二零零四年：無)，此等存貨撥備已在上文就本年度獨立披露。

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度（以港元列值）

## 5. Taxation

## 稅項

- (a) No provision for Hong Kong profits tax and overseas profits tax is required since the Group has no assessable profit for the year.
- (a) 由於本集團年內並無應課稅溢利，故並無就香港利得稅或海外利得稅撥備。
- (b) The taxation on the Group's loss before taxation differs from the theoretical amount that would arise using the applicable tax rate of the Group as follows:
- (b) 本集團除稅前虧損之稅項有別於採用香港利得稅稅率計算之理論金額如下：

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Loss before taxation	除稅前虧損	(15,609,352)	(12,038,430)
Tax at the applicable tax rate	根據適用稅率之稅項	(2,851,481)	(2,250,685)
Tax effect of income that is not taxable in determining taxable profit	於釐定應課稅溢利毋須課稅收入之稅務影響	—	(36,929)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣稅開支之稅務影響	1,426,605	194,175
Tax effect of unused tax losses not recognised	未確認及未動用稅項虧損之稅務影響	1,968,418	2,837,121
Tax effect of prior year's tax losses utilised this year	年內動用之稅項虧損之稅務影響	(543,542)	(743,682)
Taxation charges	稅項費用	—	—

The applicable tax rate represents the weighted average of the rates of taxation prevailing in the relevant jurisdictions in which the Group operates.

適用稅率是根據本集團之當地過去有關規定稅率之加權平均數。

- (c) Deferred tax assets are not recognised for temporary differences and tax losses carried forward due to uncertainty of realisation of the related tax benefit through the future taxable profits. The tax effect on temporary differences and unrecognised tax losses was approximately \$7,862,000 (2004: \$5,240,000) as at 31 March 2005.
- (c) 由於透過日後之應課溢利變現之相關稅務利益並不肯定，故並無就暫時差異及承前稅項虧損之遞延稅項資產作出確認。於二零零五年三月三十一日，暫時差異及未確認稅項虧損之稅務影響約7,862,000元（二零零四年：5,240,000元）。

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度（以港元列值）

## 6. Directors' emoluments

Directors' emoluments disclosed pursuant to the GEM Listing Rules and Section 161 of the Hong Kong Companies Ordinance are as follows:

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Fees	袍金	505,000	480,000
Basic salaries, allowances and other benefits	底薪、津貼 及其他福利	1,851,949	1,774,452
Retirement benefit scheme contributions	退休福利計劃供款	39,930	39,600
		2,396,879	2,294,052

The executive directors, Mr. Lau Hon Kwong, Vincent, Mr. George Roger Manho, Mr. Cheng Kwok Hung and Mr. Liu Hoi Wah received emoluments of \$633,383 (2004: \$579,484), \$549,483 (2004: \$579,484), \$633,383 (2004: \$579,484) and \$75,630 (2004: \$75,600), respectively, for the year ended 31 March 2005.

The independent non-executive directors who are also the members of Audit Committee, Mr. Kam Hau Choi, Anthony, Dr. Lee Peng Fei, Allen and Mr. Tsao Kwang Yung, Peter received directors' fees of \$25,000 (2004: Nil), \$240,000 (2004: \$240,000) and \$240,000 (2004: \$240,000), respectively, for the year ended 31 March 2005.

The emoluments of the directors (executive and independent non-executive) is within the following band:

		2005 二零零五年	2004 二零零四年
		Number of directors 董事數目	Number of directors 董事數目
\$Nil – \$1,000,000	零元 – 1,000,000元	7	6

## 董事酬金

根據創業板上市規則及香港《公司條例》第161條披露之董事酬金詳情如下：

於截至二零零五年三月三十一日止年度，執行董事劉漢光先生、聞偉雄先生、鄭國雄先生及劉海華先生，分別收取633,383元（二零零四年：579,484元），549,483元（二零零四年：579,484元），633,383元（二零零四年：579,484元），及75,630元（二零零四年：75,600元）之酬金。

於截至二零零五年三月三十一日止年度，董事酬金包括本集團於年內分別向三位獨立非執行董事兼審核委員會成員關孝財先生、李鵬飛博士及曹廣榮先生，分別支付為數25,000元（二零零四年：無）、240,000元（二零零四年：240,000元）及240,000元（二零零四年：240,000元）之袍金。

執行與獨立非執行董事之酬金介乎下列範圍：



For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度（以港元列值）

## 6. Directors' emoluments (continued)

During the year, no emoluments were paid to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

There was no arrangement under which a director waived or agreed to waive any emoluments during the year.

## 董事酬金（續）

年內，本集團並無向董事支付酬金，作為鼓勵彼等加入本集團，或作為加入本集團時之獎勵或離職補償。

年內各董事概無訂立任何有關放棄或同意放棄任何酬金之安排。

## 7. Individuals with highest emoluments

The five individuals with the highest emoluments in the Group for the year included two (2004: none) directors, details of whose emoluments are presented above. The aggregate of the emoluments in respect of the remaining three (2004: five) highest paid individuals are as follows:

## 最高薪人士

於五位最高薪人士中，兩位（二零零四年：零位）為董事，其餘三位（二零零四年：五位）最高薪人士之酬金總額如下：

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Basic salaries, allowances and other benefits	底薪、津貼及其他福利	2,038,290	4,038,894
Retirement benefits scheme contributions	退休福利計劃供款	36,000	60,000
		2,074,290	4,098,894

The emoluments of the remaining three (2004: five) individuals are within the following bands:

三位（二零零四年：五位）最高薪人士之酬金介乎下列範圍：

		2005 二零零五年	2004 二零零四年
		Number of individuals 人數	Number of individuals 人數
\$Nil – \$1,000,000	零元 – 1,000,000元	3	4
\$1,000,001 – \$1,500,000	1,000,001元 – 1,500,000元	–	1

During the year, no emoluments were paid to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

年內，本集團並無向五位最高薪人士支付酬金，作為鼓勵彼等加入本集團，或作為加入本集團時之獎勵或離職補償。

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度（以港元列值）

## 8. Loss attributable to shareholders

The consolidated loss attributable to shareholders includes a loss of \$15,609,352 (2004: \$7,858,910) which has been dealt with in the financial statements of the Company.

## 9. Loss per share

### (a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to shareholders of \$15,609,352 (2004: \$12,038,430) and the weighted average of 907,536,000 ordinary shares (2004: 907,536,000 shares) in issue during the year.

### (b) Diluted loss per share

No diluted loss per share is presented for the year as there were no dilutive potential ordinary shares in existence during the year.

## 股東應佔虧損

股東應佔綜合虧損包括一筆為數15,609,352元之虧損（二零零四年：7,858,910元），該筆款項已於本公司之財務報表內處理。

## 每股虧損

### (a) 每股基本虧損

每股基本虧損乃按股東應佔虧損15,609,352元（二零零四年：12,038,430元）及年內已發行股份之加權平均股數907,536,000股（二零零四年：907,536,000股）普通股計算。

### (b) 每股攤薄虧損

由於年內並無潛在可攤薄普通股，故於年內並無呈列每股攤薄虧損。

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度（以港元列值）

## 10. Segment reporting

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

### (a) Business segments

The Group comprises the following main business segments:

Smartcard systems, RFID and information technology services	:	The provision of smartcard systems, RFID and information technology services.
Consultancy services	:	The provision of information technology consultancy services
Electrical and mechanical installation	:	The provision of electrical and mechanical installation work

## 分部報告

已就本集團之業務及經營地域呈列分部資料。本集團選擇以業務分部之方式作為主要報告格式，因為其更適用於本集團之內部財務報告。

### (a) 按業務劃分

本集團之主要業務分部包括：

智能卡系統、射頻識別及資訊科技服務	:	提供智能卡系統、射頻識別及資訊科技服務
顧問服務	:	提供資訊科技顧問服務
機電安裝工程	:	提供機電安裝工程服務

## 10. Segment reporting (continued)

## 分部報告(續)

(a) Business segments (continued)

(a) 按業務劃分(續)

		Smartcard systems, RFID and information technology services 智能卡系統、射頻識別 及資訊科技服務		Consultancy services 顧問服務	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元
<b>TURNOVER</b>	<b>營業額</b>				
Sales to external customers	外界客戶之銷售	9,842,520	16,437,204	38,541,801	44,534,191
<b>RESULTS</b>	<b>業績</b>				
Segment results	分部業績	(7,592,804)	(11,582,217)	3,661,487	3,924,620
Unallocated corporate revenue	未予分配公司收益				
Unallocated corporate expenses	未予分配公司費用				
Loss from operations	經營虧損				
Finance costs	融資成本				
Loss before taxation	稅前虧損				
Taxation	稅項				
Loss attributable to shareholders	股東應佔虧損				
<b>ASSETS</b>	<b>資產</b>				
Segment assets	分部資產	17,799,153	25,670,840	7,848,932	9,102,274
Unallocated corporate assets	未予分配資產				
Consolidated total assets	綜合總資產				
<b>LIABILITIES</b>	<b>負債</b>				
Segment liabilities	分部負債	7,441,599	6,208,557	7,796,936	8,837,768
Unallocated corporate liabilities	未予分配負債				
Consolidated total liabilities	綜合總負債				
<b>OTHER INFORMATION</b>	<b>其他資料</b>				
Capital expenditure	資本開支	76,568	453,323	44,845	3,443
Depreciation and amortisation	折舊及攤銷	505,433	965,745	151,276	290,939
Impairment loss	減值虧損	234,340	238,396	—	—
Provision for inventories	存貨撥備	280,000	—	—	—
Non-cash expenses other than depreciation, amortization and impairment loss	重大非現金開支(折舊、攤銷及減值虧損除外)	—	—	173,053	497,713

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		Electrical and mechanical installation 機電 安裝工程		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元
<b>TURNOVER</b>	<b>營業額</b>				
Sales to external customers	外界客戶之銷售	86,000	871,414	48,470,321	61,842,809
<b>RESULTS</b>	<b>業績</b>				
Segment results	分部業績	(715,987)	(161,962)	(4,647,304)	(7,819,559)
Unallocated corporate revenue	未予分配公司收益			461,851	516,425
Unallocated corporate expenses	未予分配公司費用			(10,695,118)	(4,014,241)
Loss from operations	經營虧損			(14,880,571)	(11,317,375)
Finance costs	融資成本			(728,781)	(721,055)
Loss before taxation	稅前虧損			(15,609,352)	(12,038,430)
Taxation	稅項			-	-
Loss attributable to shareholders	股東應佔虧損			(15,609,352)	(12,038,430)
<b>ASSETS</b>	<b>資產</b>				
Segment assets	分部資產	843,958	2,023,905	26,492,043	36,797,019
Unallocated corporate assets	未予分配資產			524,444	8,041,569
Consolidated total assets	綜合總資產			27,016,487	44,838,588
<b>LIABILITIES</b>	<b>負債</b>				
Segment liabilities	分部負債	446,574	1,121,116	15,685,109	16,167,441
Unallocated corporate liabilities	未予分配負債			3,852,359	5,582,776
Consolidated total liabilities	綜合總負債			19,537,468	21,750,217
<b>OTHER INFORMATION</b>	<b>其他資料</b>				
Capital expenditure	資本開支	-	-		
Depreciation and amortisation	折舊及攤銷	-	-		
Impairment loss	減值虧損	-	-		
Provision for inventories	存貨撥備	-	-		
Non-cash expenses other than depreciation, amortization and impairment loss	重大非現金開支(折舊、攤銷及減值虧損除外)	-	-		

## 10. Segment reporting (continued)

## 分部報告(續)

## (b) Geographical segments

The Group participates principally in Hong Kong, the PRC and other locations.

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

## (b) 按經營地域劃分

本集團主要在香港和中華人民共和國(「中國」)以及其他地方經營業務。

在按經營地域呈列資料時，分部收入乃按客戶所在地域劃分。分部資產及資本開支乃按資產所在地域劃分。

		Hong Kong 香港		The PRC 中國		Other locations 其他地方		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元
Revenue from external customers	來自外界 客戶收益	46,284,277	59,220,903	887,153	1,317,495	1,298,891	1,304,411	48,470,321	61,842,809
Segment assets	分部資產	23,860,476	38,563,428	3,140,778	6,275,160	15,233	-	27,016,487	44,838,588
Capital expenditure incurred during the year	年內產生的 資本開支	116,282	406,308	5,132	240,978	-	-	121,414	647,286



For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

## 11. Fixed assets

## 固定資產

The Group

本集團

		Leasehold improvements 租賃物業裝修	Furniture and fixtures 傢俬及裝置	Computer and other equipment 電腦及 其他設備	Total 合計
		\$ 元	\$ 元	\$ 元	\$ 元
<b>Cost</b>	<b>成本</b>				
At 1 April 2004	於二零零四年四月一日	380,126	572,353	3,636,899	4,589,378
Additions	添置	—	1,736	119,677	121,413
Disposals/Written off	出售/勾銷	—	(103,316)	(271,899)	(375,215)
At 31 March 2005	於二零零五年三月三十一日	380,126	470,773	3,484,677	4,335,576
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 April 2004	於二零零四年四月一日	44,721	397,152	2,781,380	3,223,253
Charge for the year	年內折舊	134,162	84,684	466,442	685,288
Disposals/Written off	出售/勾銷	—	(62,586)	(172,815)	(235,401)
At 31 March 2005	於二零零五年三月三十一日	178,883	419,250	3,075,007	3,673,140
<b>Net book value</b>	<b>帳面淨值</b>				
At 31 March 2005	於二零零五年三月三十一日	201,243	51,523	409,670	662,436
At 31 March 2004	於二零零四年三月三十一日	335,405	175,201	855,519	1,366,125

## 12. Goodwill

## 商譽

		The Group 本集團
		\$ 元
<b>Cost</b>	<b>成本</b>	
At 1 April 2004 and at 31 March 2005	於二零零四年四月一日及於二零零五年三月三十一日	9,507,923
<b>Accumulated amortisation</b>	<b>累積攤銷</b>	
At 1 April 2004	於二零零四年四月一日	2,218,515
Charge for the year	年內攤銷	950,792
At 31 March 2005	於二零零五年三月三十一日	3,169,307
<b>Provision for impairment loss</b>	<b>減值虧損之撥備</b>	
At 1 April 2004	二零零四年四月一日	—
Charge for the year	年內攤銷	6,338,616
At 31 March 2005	於二零零五年三月三十一日	6,338,616
<b>Net book value</b>	<b>帳面淨值</b>	
At 31 March 2005	於二零零五年三月三十一日	—
At 31 March 2004	於二零零四年三月三十一日	7,289,408

## 13. Interests in subsidiaries

## 於附屬公司之權益

		The Company 本公司	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Unlisted shares, at cost	非上市股份(按成本)	4,000,000	4,000,000
Amounts due from subsidiaries	應收附屬公司款項	26,014,876	26,415,710
		30,014,876	30,415,710
Impairment loss	減值虧損	(22,274,925)	(6,962,469)
		7,739,951	23,453,241

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## 13. Interests in subsidiaries (continued)

## 於附屬公司之權益(續)

Details of the subsidiaries at 31 March 2005 are as follows:

於二零零五年三月三十一日，附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operation 註冊成立與 經營地點	Percentage of equity attributable to the Company 本公司 所佔股權		Nominal value of issued and paid up ordinary/ registered capital 已發行及繳足 普通股股本/ 註冊資金	Principal activities 主要業務
		Direct 直接	Indirect 間接		
ITE (BVI) Limited	The British Virgin Islands 英屬處女群島	100%	–	US\$20,000 20,000美元	Investment holding 投資控股
ITE Smartcard Solutions Limited 智控系統有限公司	Hong Kong 香港	–	100%	\$3,418,336 3,418,336元	Provision of smartcard systems and related services and sales of smartcard related products 提供智能卡系統及相關服務 以及銷售智能卡相關產品
ITE Engineering Limited	Hong Kong 香港	–	100%	\$2 2元	Provision of electrical and mechanical installation services 提供電機安裝工程服務
ITE Investment Limited	Hong Kong 香港	–	100%	\$2 2元	Investment holding 投資控股
RF Tech Limited	Hong Kong 香港	–	100%	\$2 2元	Manufacture and research of smartcard system related products 生產及研究智能卡系統 相關產品
Rainbow Spirit Limited 盈彩電貿有限公司	Hong Kong 香港	–	100%	\$2 2元	Dormant 暫無營業
Quesco Information Services Limited 捷科資訊服務有限公司	Hong Kong 香港	–	100%	\$2 2元	Commission of turnkey computer systems development projects 委託處理承包電腦系統 開發項目

## 13. Interests in subsidiaries (continued)

## 於附屬公司之權益(續)

Name 名稱	Place of incorporation/ registration and operation 註冊成立與 經營地點	Percentage of equity attributable to the Company 本公司 所佔股權		Nominal value of issued and paid up ordinary/ registered capital 已發行及繳足 普通股股本/ 註冊資金	Principal activities 主要業務
		Direct 直接	Indirect 間接		
ITE (China) Limited 上海阿艾依智控系統 有限公司 (note a)(附註a)	The People's Republic of China 中國	—	100%	US\$700,000 700,000美元	Provision of smartcard systems and related services 提供智能卡系統及相關服務
Global Confidence Limited	The British Virgin Islands 英屬處女群島	—	100%	US\$10 10美元	Investment holding 投資控股
Capital Ledger Limited	The British Virgin Islands 英屬處女群島	—	100%	US\$54 54美元	Investment holding 投資控股
Quesco Holdings Limited holding 捷科集團控股有限公司	Hong Kong 香港	—	100%	\$5,000,000 5,000,000元	Investment holding 投資控股
Quesco Systems Limited 捷科系統顧問 有限公司	Hong Kong 香港	—	100%	\$6,500,000 6,500,000元	Provision of information technology consultancy services 提供資訊科技顧問服務
捷科軟件(珠海) 有限公司 (note b)(附註b)	The People's Republic of China 中國	—	100%	\$600,000 600,000元	Not yet commenced business 未開始營業
ITE (Macau) Limited 智控系統(澳門) 有限公司	Macau 澳門	—	100%	MOP25,000 25,000葡元	Not yet commenced business 未開始營業

The amounts due from subsidiaries are unsecured, interest free and repayable on demand.

應收附屬公司款項均為無抵押、免息，並須應要求償還。

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## 13. Interests in subsidiaries (continued)

## 於附屬公司之權益(續)

Notes:

附註：

- (a) ITE (China) Limited is a wholly owned foreign enterprise with an operating period of 20 years expiring on 26 June 2021.
- (b) 捷科軟件(珠海)有限公司 is a wholly owned foreign enterprise with an operating period of 15 years expiring on 18 April 2018.

- (a) 上海阿艾依智控系統有限公司為一家全外資企業，經營期為20年，於二零二一年六月二十六日屆滿。
- (b) 捷科軟件(珠海)有限公司為一家全外資企業，經營期為15年，於二零一八年四月十八日屆滿。

## 14. Investment securities

## 投資證券

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Unlisted investment, at cost	非上市投資證券(按成本)	2,830,189	2,830,189
Less: Impairment loss	減：減值虧損	(580,519)	(346,179)
		2,249,670	2,484,010

## 15. Trading securities

## 買賣證券

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Equity securities listed in Hong Kong, at market value	香港上市股本證券(按市值)	21,670	98,750

## 16. Inventories

## 存貨

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Raw materials	原材料	1,003,752	1,292,980
Work in progress	在製品	37,089	39,980
Finished goods	製成品	1,018,808	1,309,470
		2,059,649	2,642,430

As at 31 March 2005, the carrying amount of inventories that are carried at net realisable value amounted to \$Nil (2004: \$Nil).

於二零零五年三月三十一日，為數零元之存貨以可變現淨值列帳(二零零四年：無)。

## 17. Trade and other receivables

## 應收及其他應收帳款

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元
Trade receivables, net	應收貿易帳款(淨值)	4,620,621	6,615,254	–	–
Other receivables	其他應收帳款	501,523	971,730	139,703	26,374
Gross amount due from customers for service contract work – note 19	應收客戶之服務 合約工程款項 總額 – 附註19	1,979,994	7,058,899	–	–
Retention money receivables	應收保留金	304,408	954,625	–	–
		7,406,546	15,600,508	139,703	26,374

The Group has a policy of allowing its trade customers with credit period normally between 30 days to 60 days or terms in accordance with contracts. The ageing analysis, based on invoice date, is as follows:

本集團之政策容許給予其貿易客戶一般介乎30日至60日之信貸期，或根據銷售合同之條款。按發票日期計算其帳齡分析如下：

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元
Within 1 month	一個月內	2,552,186	4,521,734	–	–
1 month to 3 months	一至三個月	1,115,256	814,692	–	–
More than 3 months but less than 12 months	超過三個月 但少於十二個月	744,021	979,240	–	–
More than 1 year but less than 2 years	超過一年 但少於兩年	209,158	299,588	–	–
		4,620,621	6,615,254	–	–



For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

## 18. Creditors and accrued charges

## 應付帳款及應計費用

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元
Trade payables	應付貿易帳款	844,016	1,306,657	—	—
Accrued charges and other payables	應計費用及 其他應付帳款	6,485,699	7,792,317	402,676	395,116
Gross amount due to customers for service contract work – note 19	應付客戶的服務 合約工程款項 總額—附註19	1,856,284	486,071	—	—
Deferred maintenance income	遞延保養收入	726,936	794,634	—	—
Retention money payable	應付保留金	327,954	363,404	—	—
		10,240,889	10,743,083	402,676	395,116

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

應付帳款及應計費用包括應付貿易帳款按發票日期計算其帳齡分析如下：

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元	\$ 元	\$ 元
Within 1 month	一個月內	270,117	250,168	—	—
1 month to 3 months	一至三個月	206,370	299,696	—	—
More than 3 months but less than 12 months	超過三個月 但少於十二個月	207,097	11,986	—	—
More than 1 year but less than 2 years	超過一年 但少於兩年	4,980	744,807	—	—
More than 2 years	超過兩年	155,452	—	—	—
		844,016	1,306,657	—	—

## 19. Service contracts in progress

## 進行中之服務合約

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Cost incurred plus attributable profit less foreseeable losses	已發生成本加應佔溢利 減去可預見之虧損	15,259,012	24,555,115
Less: Progress billings	減：進度付款申請	(15,135,302)	(17,982,287)
		123,710	6,572,828
Gross amount due from customers for service contract work – note 17	應收客戶之服務合約工程 款項總額 – 附註17	1,979,994	7,058,899
Gross amount due to customers for service contract work – note 18	應付客戶之服務合約工程 款項總額 – 附註18	(1,856,284)	(486,071)
		123,710	6,572,828

## 20. Short term borrowings

## 短期借貸

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Secured bank loans – note 26	有抵押銀行貸款 – 附註26	5,399,823	7,129,159
Bank overdrafts – note 26	銀行透支 – 附註26	3,480,126	1,794,665
		8,879,949	8,923,824

## 21. Long term secured bank loan

## 長期有抵押銀行貸款

		The Group 本集團	
		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Interest bearing borrowing	含利息之借款		
Secured bank loan – note 26	有抵押銀行貸款 – 附註26	416,630	2,083,310
Less: Current portion	減：即期部份	(416,630)	(1,666,680)
Non-current portion	非即期部份	–	416,630
The secured bank loan is repayable as follows:	有抵押銀行貸款之 還款如下：		
Within one year	一年內	416,630	1,666,680
In the second year	第二年	–	416,630
In the third to fifth years, inclusive	第三年至第五年	–	–
		416,630	2,083,310

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

## 22. Share capital

## 股本

		Number of shares 股數	Amount 金額
			\$ 元
Authorised:	法定股本：		
Ordinary shares of \$0.01 each	每股面值0.01元的普通股	2,000,000,000	20,000,000
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2004 and 31 March 2005	於二零零四年四月一日及 二零零五年三月三十一日	907,536,000	9,075,360

## 23. Share option schemes

## 購股權計劃

The Company adopted a pre-IPO share option scheme (the “Pre-IPO Scheme”) and a post-IPO share option scheme (the “Post-IPO Scheme”) on 12 February 2001. In addition, the Company adopted a 2002 share option scheme (the “2002 Scheme”) on 8 August 2002, and the Pre-IPO Scheme and the Post-IPO Scheme were simultaneously terminated. Upon termination of the Pre-IPO Scheme and the Post-IPO Scheme, no further options may be offered thereunder. However, in respect of the outstanding options, the provisions of the Pre-IPO Scheme and the Post-IPO Scheme shall remain in force. The outstanding options granted under the Pre-IPO Scheme and the Post-IPO Scheme shall continue to be subject to the provisions of the Pre-IPO Scheme and the Post-IPO Scheme, respectively, and the provisions of Chapter 23 of the GEM Listing Rules and the adoption of the 2002 Scheme will not in any event affect the terms in respect of such outstanding options.

本公司於二零零一年二月十二日採納一項上市前之購股權計劃(「上市前計劃」)及一項上市後之購股權計劃(「上市後計劃」)。於二零零二年八月八日，本公司採納二零零二年購股權計劃(「二零零二年計劃」)和同時終止上市前計劃及上市後計劃。待上市前計劃及上市後計劃終止後，不得再根據此計劃提呈任何購股權。惟尚未行使之購股權，此兩項計劃應繼續生效。上市前計劃及上市後計劃尚未行使之購股權應繼續分別按該兩項計劃提供，創業板上市規則第二十三章及二零零二年計劃將不會影響此尚未行使購股權之任何條款。

## 23. Share option schemes (continued)

## 購股權計劃（續）

## (a) Pre-IPO Scheme and Post-IPO Scheme

## (a) 上市前計劃及上市後計劃

As mentioned above, the Pre-IPO Scheme and the Post-IPO Scheme were terminated on 8 August 2002 and no further options may be offered thereunder. Details of the outstanding share options of these schemes during the year are as follows:

以上提及，上市前計劃及上市後計劃於二零零二年八月八日終止，此後不會就此再發行購股權，於期內尚未行使之購股權之詳情如下：

Name or category of participant 具資格者姓名及類別	Number of share options 購股權數目				Outstanding at 31 March 2005 於二零零五年三月三十一日尚未行使
	Outstanding at 1 April 2004 於二零零四年四月一日尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	
<b>Pre-IPO Scheme</b> 上市前計劃					
Lau Hon Kwong, Vincent/Director 劉漢光／董事	6,109,440	–	–	–	6,109,440
George Roger Manho/Director 聞偉雄／董事	4,000,000	–	–	–	4,000,000
Cheng Kwok Hung/Director 鄭國雄／董事	4,000,000	–	–	–	4,000,000
Liu Hoi Wah/Director 劉海華／董事	19,112,640	–	–	–	19,112,640
Lee Peng Fei, Allen/Director 李鵬飛／董事	1,760,000	–	–	–	1,760,000
Employees 僱員	35,157,920	–	–	–	35,157,920
	70,140,000	–	–	–	70,140,000

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

Name or category of participant 具資格者姓名及類別	Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時須支付之每股價格	Market value per share at date of grant of options 授出購股權當日之股份市值
<b>Pre-IPO Scheme</b> 上市前計劃				
Lau Hon Kwong, Vincent/Director 劉漢光/董事	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
George Roger Manho/Director 聞偉雄/董事	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
Cheng Kwok Hung/Director 鄭國雄/董事	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
Liu Hoi Wah/Director 劉海華/董事	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
Lee Peng Fei, Allen/Director 李鵬飛/董事	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
Employees 僱員	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	\$0.095 0.095元	N/A 不適用

## 23. Share option schemes (continued)

## 購股權計劃（續）

(a) Pre-IPO Scheme and Post-IPO Scheme  
(continued)

(a) 上市前計劃及上市後計劃（續）

Name or category of participant 具資格者姓名及類別	Number of share options 購股權數目				Outstanding at 31 March 2005 於二零零五年 三月三十一日 尚未行使
	Outstanding at 1 April 2004 於二零零四年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	
<b>Post-IPO Scheme</b> 上市後計劃					
Employees 僱員	5,032,000	–	–	5,032,000	–
Employees 僱員	6,756,000	–	–	6,756,000	–
Employees 僱員	2,000,000	–	–	–	2,000,000
	13,788,000	–	–	11,788,000	2,000,000



For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

Name or category of participant 具資格者姓名及類別	Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時須支付之每股價格	Market value per share at date of grant of options 授出購股權當日之股份市值
<b>Post-IPO Scheme</b> 上市後計劃				
Employees 僱員	10 April 2001 二零零一年四月十日	10 April 2002 to 9 April 2004 二零零二年四月十日 至 二零零四年四月九日	\$0.455 0.455元	\$0.455 0.455元
Employees 僱員	11 October 2001 二零零一年十月十一日	11 October 2002 to 10 October 2004 二零零二年十月十一日 至 二零零四年十月十日	\$0.35 0.35元	\$0.3 0.3元
Employees 僱員	28 December 2001 二零零一年十二月二十八日	1 July 2004 to 31 December 2011 二零零四年七月一日 至 二零一一年十二月三十一日	\$0.195 0.195元	\$0.195 0.195元

## 23. Share option schemes (continued)

### (b) 2002 Scheme

The Company operates the 2002 Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the 2002 Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, advisers and consultants, etc. The 2002 Scheme became effective on 8 August 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares of the Company in issue. The maximum number of shares issuable under share options to each eligible participant in the 2002 Scheme and any other share option schemes of the Company within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or a substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of \$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

## 購股權計劃(續)

### (b) 二零零二年計劃

本公司實行二零零二年計劃，旨在向對本集團運作成功有所貢獻等具資格者提供獎勵及獎賞。二零零二年計劃具資格者包括公司董事，其中包括獨立非執行董事、本集團其他僱員、產品及服務供應商、客戶、顧問等。二零零二年計劃於二零零二年八月八日起生效，除被取消或更改外，將持續於當日起計十年內有效。

就行使所有尚未行使之已授出購股權或即將行使之本公司二零零二年計劃及其他購股權計劃之購股權，其發行之股份數目不應超過公司股份發行總數之30%。於任何十二個月期內，本公司二零零二年計劃及任何其他購股權計劃對每位具資格者可發出之股份數目，其最高上限為公司當時已發行股份之1%。任何超出此上限之購股權授出，須於股東大會經股東批准。

向董事、行政總裁、公司大股東或其任何伙伴授出購股權，須預先經獨立非執行董事批准。此外，若向公司大股東、公司獨立非執行董事或其任何伙伴所授出之購股權，於任何十二個月期內多於公司股份之0.1%或其總值(按授出當日公司股份價格計算)高於五百萬元，須於股東大會經股東批准。

## 23. Share option schemes (continued)

### (b) 2002 Scheme (continued)

The offer of a grant of share options may be accepted within 21 days from the date of the offer upon payment of a nominal consideration of \$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the 2002 Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the closing price of the Company's shares on the date of the offer of the share options; (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the share.

## 購股權計劃(續)

### (b) 二零零二年計劃(續)

獲授予購股權者可於提供授出購股權的二十一  
天內，以總數一元之象徵式費用接受購股權。  
授出購股權之行使時段由董事釐定，於授出期  
一段時期內開始，並於提供授出購股權日期十  
年內之日，或較早者，於二零零二年計劃到期  
日完結。

購股權之行使價格乃由董事釐定，惟其不得低  
於下列較高者：(i) 公司股份在購股權授出當日  
之收市價；(ii) 公司股份在股份授出日期前五個  
交易日之平均收市價；及(iii) 股份面值。

## 23. Share option schemes (continued)

## 購股權計劃(續)

## (b) 2002 Scheme (continued)

## (b) 二零零二年計劃(續)

Details of the outstanding share options of the 2002 Scheme during the year are as follows:

於年內尚未行使之二零零二年計劃之購股權之詳情如下：

Name or category of participant 具資格者姓名及類別	Number of share options 購股權數目				
	Outstanding at 1 April 2004 於二零零四年四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding at 31 March 2005 於二零零五年三月三十一日 尚未行使
Employees 僱員	3,500,000	–	–	–	3,500,000
An Employee 僱員	6,400,000	–	–	–	6,400,000
	9,900,000	–	–	–	9,900,000

For the year ended 31 March 2005 (Expressed in Hong Kong dollars) 截至二零零五年三月三十一日止年度 (以港元列值)

Name or category of participant 具資格者姓名及類別	Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時須支付之每股價格	Market value per share at date of grant of options 授出購股權當日之股份市值
Employees 僱員	9 August 2002 二零零二年八月九日	9 August 2003 to 8 August 2012 二零零三年八月九日至 二零一二年八月八日	\$0.175 0.175元	\$0.175 0.175元
An Employee 僱員	9 August 2002 二零零二年八月九日	9 February 2003 to 8 August 2012 二零零三年二月九日至 二零一二年八月八日	\$0.175 0.175元	\$0.175 0.175元

At 31 March 2005, the number of shares outstanding and issuable under the Pre-IPO Scheme, the Post-IPO scheme and the 2002 Scheme were 70,140,000, 2,000,000 and 9,900,000, respectively.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

於二零零五年三月三十一日，上市前計劃、上市後計劃及二零零二年計劃可發行之股份數目分別為70,140,000、2,000,000及9,900,000。

購股權並無授予持有人收取股息及於股東大會投票之權利。

## 24. Reserves

## 儲備

(a) The Company

(a) 本公司

		Share premium note (b) 股份溢利附註(b)	Accumulated losses 累積虧損	Total 合計
		\$ 元	\$ 元	\$ 元
Balance at 1 April 2003	於二零零三年四月一日結餘	22,816,249	(944,328)	21,871,921
Loss for the year	本年度虧損	—	(7,858,910)	(7,858,910)
Balance at 31 March 2004	於二零零四年三月三十一日結餘	22,816,249	(8,803,238)	14,013,011
Loss for the year	本年度虧損	—	(15,609,352)	(15,609,352)
Balance at 31 March 2005	於二零零五年三月三十一日結餘	22,816,249	(24,412,590)	(1,596,341)

(b) The application of the share premium account is governed by the Company's articles of association and the Cayman Islands Companies Law, which provides that the share premium account may be applied in making distributions or paying dividends to members, provided that immediately following the date on which distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(b) 股份溢價帳之運用是受本公司之組織章程細則，以及開曼群島公司法所規管。該等條文規定股份溢價帳可用作向股東分派或支付股東股息，惟在緊隨建議支付分派或股息之日以後，本公司仍有能力在日常業務過程中支付到期負債。

(c) The Group's merger reserve represents the difference between the aggregate of the nominal value of the share capital of the subsidiaries acquired pursuant to the Group reorganisation completed on 18 November 2000 over the nominal value of the share capital of the Company issued in exchange therefor.

(c) 本集團之合併儲備指於二零零零年十一月十八日本集團重組時，已購入之股份面值超出用作交換而發行股份面值。

(d) At 31 March 2005, in the opinion of the directors, the Company's reserves available for distribution to shareholders of the Company, comprising share premium account, net of accumulated losses, amounted to \$Nil (2004: \$14,013,011).

(d) 在二零零五年三月三十一日，董事認為本公司可供分派予本公司股東之儲備(包括股份溢價與保留溢利)除去累積虧損合共為零元(二零零四年：14,013,011元)。



## 25. Retirement benefits scheme

The Group participates in a Mandatory Provident Fund ("MPF") scheme operated by an approved MPF trustee for its staff in Hong Kong. All eligible staff and the Group make mandatory contributions in compliance with the requirements of the Mandatory Provident Fund Schemes Ordinance.

The subsidiaries operating in the PRC are required to participate in defined contribution retirement schemes, organised by relevant local government authorities for the staff in the PRC. The subsidiaries are required to make contributions to the retirement schemes at certain rates of the basic salary of their employees in the PRC.

The Group's retirement costs charged to the income statement for the year were \$1,570,486 (2004: \$1,920,043).

## 26. Banking facilities

At 31 March 2005, the Group had general banking facilities granted by banks to the extent of approximately \$15.6 million (2004: \$18.5 million). The facilities were secured by the following:

- (a) corporate guarantees executed by the Company;
- (b) personal guarantees executed by three directors of the Company;
- (c) the Group's fixed deposits of \$13,594,808 (2004: \$13,584,923).

## 退休福利計劃

本集團已為其香港僱員而參與一項強制性公積金(「強積金」)計劃，該計劃由一位經批准之強積金受托人管理。所有合資格員工和本集團均須按強制性公積金計劃條例之規定強制供款。

本公司中國之附屬公司應當地政府機關要求已為當地僱員參予指定退休供款計劃。附屬公司按照中國有關退休計劃設定之利率以僱員基本工資作出相應之供款。

本集團於本年度計入收益表之退休成本為1,570,486元(二零零四年：1,920,043元)。

## 銀行融資

於二零零五年三月三十一日，本集團獲銀行授出之一般銀行融資共約15,600,000元(二零零四年：18,500,000元)。融資之抵押如下：

- (a) 本公司之企業擔保；
- (b) 本公司三名董事之個人擔保；
- (c) 本集團為數13,594,808元(二零零四年：13,584,923元)之定期存款。

## 27. Lease commitments

At 31 March 2005, the Group's total future minimum lease payments under non-cancellable operating leases in respect of properties are payable as follows:

		2005 二零零五年	2004 二零零四年
		\$ 元	\$ 元
Within one year	一年內	1,308,922	1,083,103
After one year but within five years	一年後五年內	195,158	1,513,278
		1,504,080	2,596,381

## 28. Contingent liabilities

At 31 March 2005, the Company has undertaken to guarantee certain banking facilities granted to two wholly-owned subsidiaries to the extent of \$15.6 million (2004: \$18.5 million).

At 31 March 2005, the Group did not have any significant contingent liabilities (2004: \$Nil).

## 29. Related party transactions

Three directors of the Company have provided personal guarantees to the Group in relation to general banking facilities of \$8 million (2004: \$8 million) granted to the Group.

## 30. Ultimate holding company

The directors consider the ultimate holding company at 31 March 2005 to be Rax-Comm (BVI) Limited, a company incorporated in the British Virgin Islands.

## 31. Approval of financial statements

The financial statements were approved by the board of directors on 17 June 2005.

## 租賃承擔

於二零零五年三月三十一日，本集團根據有關物業之不可撤回經營租賃而須於日後支付之最低租賃款項如下：

## 或然負債

於二零零五年三月三十一日，本公司就提供予兩間全資附屬公司之若干銀行融資而提供15,600,000元(二零零四年：18,500,000元)之擔保。

於二零零五年三月三十一日，本集團並無任何重大之或然負債(二零零四年：無)。

## 關連交易

本公司之三位董事就本集團之若干銀行融資而提供8,000,000元(二零零四年：8,000,000元)之個人擔保。

## 最終控股公司

董事認為於二零零五年三月三十一日之最終控股公司為英屬處女群島註冊成立之Rax-Comm (BVI) Limited。

## 財務報表核准

財務報表於二零零五年六月十七日經董事會審核通過。

		2005 二零零五年	2004 二零零四年	2003 二零零三年	2002 二零零二年	2001 二零零一年
		\$ 元	\$ 元	\$ 元	\$ 元	\$ 元
<b>Results</b>	<b>業績</b>					
Turnover	營業額	<b>48,470,321</b>	61,842,809	77,301,806	62,848,428	45,669,195
(Loss)/Profit from operations	經營(虧損)/溢利	<b>(14,880,571)</b>	(11,317,375)	(20,798,775)	5,280,406	19,070,287
Finance costs	融資成本	<b>(728,781)</b>	(721,055)	(582,385)	(142,724)	(7,862)
(Loss)/Profit from ordinary activities before taxation	除稅前日常業務之(虧損)/溢利	<b>(15,609,352)</b>	(12,038,430)	(21,381,160)	5,137,682	19,062,425
Taxation	稅項	-	-	167,399	(303,802)	(2,800,000)
(Loss)/Profit attributable to shareholders	股東應佔(虧損)/溢利	<b>(15,609,352)</b>	(12,038,430)	(21,213,761)	4,833,880	16,262,425
<b>Earnings per share</b>	<b>每股(虧損)/盈利</b>					
Basic	基本	<b>(1.72 cents 仙)</b>	(1.33 cents 仙)	(2.34 cents 仙)	0.53 cents 仙	2.01 cents 仙
Diluted	攤薄	<b>N/A 不適用</b>	N/A 不適用	(2.28 cents 仙)	0.50 cents 仙	1.99 cents 仙
<b>Assets and liabilities</b>	<b>資產與負債</b>					
Fixed assets	固定資產	<b>662,436</b>	1,366,125	2,189,258	3,292,969	1,616,853
Goodwill	商譽	-	7,289,408	8,240,200	9,190,992	-
Investment securities	投資證券	<b>2,249,670</b>	2,484,010	2,722,406	-	-
Net current assets	流動資產淨值	<b>4,566,913</b>	12,365,458	24,058,247	43,901,763	51,725,572
Total assets less current liabilities	總資產減流動負債	<b>7,479,019</b>	23,505,001	37,210,111	56,385,724	53,342,425
Non-current liabilities	非流動負債	-	(416,630)	(2,083,310)	-	(3,293)
		<b>7,479,019</b>	23,088,371	35,126,801	56,385,724	53,339,132
Share capital	股本	<b>9,075,360</b>	9,075,360	9,075,360	9,079,960	4,490,680
Reserves	儲備	<b>(1,596,341)</b>	14,013,011	26,051,441	47,305,764	48,848,452
		<b>7,479,019</b>	23,088,371	35,126,801	56,385,724	53,339,132

**Executive Directors**

Lau Hon Kwong, Vincent CEO  
George Roger Manho COO  
Cheng Kwok Hung CTO  
Liu Hoi Wah CFO

**執行董事**

劉漢光 行政總裁  
聞偉雄 營運總監  
鄭國雄 技術總監  
劉海華 財務總監

**Independent Non-executive Directors**

Lee Peng Fei, Allen CBE, BS, FHKIE, JP  
Kam Hau Choi, Anthony AHKSI, FCCA, FCPA

**獨立非執行董事**

李鵬飛 CBE, BS, FHKIE, JP  
關孝財 AHKSI, FCCA, FCPA

**Company Secretary and Qualified Accountant**

Liu Hoi Wah ACA, CPA

**公司秘書及合資格會計師**

劉海華 ACA, CPA

**Compliance Officer**

Lau Hon Kwong, Vincent

**監察主任**

劉漢光

**Authorised Representatives**

Lau Hon Kwong, Vincent  
Liu Hoi Wah

**法定代表**

劉漢光  
劉海華

**Audit Committee**

Lee Peng Fei, Allen Chairman  
Kam Hau Choi, Anthony  
Liu Hoi Wah

**審核委員會**

李鵬飛 主席  
關孝財  
劉海華

**Auditors**

RSM Nelson Wheeler  
Certified Public Accountants  
7th Floor, Allied Kajima Building  
138 Gloucester Road  
Hong Kong

**核數師**

羅申美會計師行  
香港  
告士打道138號  
聯合鹿島大廈7字樓

**Principal Bankers**

The Hongkong and Shanghai Banking Corporation Limited  
The Bank of East Asia, Limited

**主要往來銀行**

香港上海滙豐銀行有限公司  
東亞銀行有限公司

**Registered Office**

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

**註冊辦事處**

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

**Head Office and Principal Place of Business**

Units 1717-20, Level 17, Tower I  
Grand Century Place  
193 Prince Edward Road West  
Mongkok, Kowloon  
Hong Kong

**總辦事處暨主要營業地點**

香港九龍  
旺角太子道西193號  
新世紀廣場1座17樓1717-20室

**Principal Share Registrar and Transfer Office**

Bank of Bermuda (Cayman) Limited  
P.O. Box 513 GT  
2nd Floor, Strathvale House  
North Church Street, George Town  
Grand Cayman, Cayman Islands  
British West Indies

**主要股份過戶登記處**

Bank of Bermuda (Cayman) Limited  
P.O. Box 513 GT  
2nd Floor, Strathvale House  
North Church Street, George Town  
Grand Cayman, Cayman Islands  
British West Indies

**Hong Kong Branch Share Registrar and Transfer Office**

Hong Kong Registrars Limited  
46th Floor, Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

**香港股份過戶登記處**

香港證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心46樓

**Website Address**

www.hkite.com

**網址**

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**Stock Code**

8092

**股份代號**

8092

商界展關懷

caring**company** 2002-05

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