



PROSTEN TECHNOLOGY HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

長達科技控股有限公司\*

*(於開曼群島註冊成立之有限公司)*

INTERIM REPORT 2005

二零零五年中期業績報告

*\* For identification purpose only 僅供識別*



Attentive for **Cultivating**  
a Bright **Future**  
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## CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

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

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

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

## 香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板是為可能帶有高投資風險之公司而設立之一個市場。尤為重要的是，在創業板上市之公司毋須有過往盈利記錄，亦毋須預測未來溢利能力。此外，在創業板上市之公司亦可能因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資者應了解投資該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之風險較高，加上具備其他特色，表示創業板較適合專業及其他經驗豐富之投資者。

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

創業板發佈資料之主要途徑為在聯交所為創業板而設之互聯網網頁上刊登。上市公司一般毋須在憲報指定報章發表付款公佈。因此，有意投資者應注意，彼等應瀏覽創業板網頁，以取得創業板上市發行人之最新資料。

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本報告乃遵照聯交所之創業板證券上市規則(「創業板上市規則」)提供有關長達科技控股有限公司(「本公司」)之資料，本公司各董事(「董事」)對本公司公佈共同及個別承擔全部責任。各董事在作出一切合理查詢後確認，就彼等所知及確信：(1)本報告所載資料在各主要方面均為準確及完整，及並無誤導成分；(2)並無遺漏任何其他事實，致令本報告的內容有所誤導；及(3)本報告所表達之一切意見乃經審慎周詳考慮後始行作出，並以公平合理之基準與假設為基礎。

## HIGHLIGHTS

## 摘要

- Turnover of the Group for the six months ended 30 September 2005 amounted to approximately HK\$34,341,000, representing an increase of approximately 14% as compared to the corresponding period in the previous financial year.
  - Net loss from ordinary activities attributable to shareholders for the six months ended 30 September 2005 amounted to approximately HK\$12,381,000, representing a decrease of approximately 37% as compared with the same period of 2004.
  - The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2005.
- 本集團截至二零零五年九月三十日止六個月之營業額約為34,341,000港元，較上一財政年度同期上升約14%。
  - 截至二零零五年九月三十日止六個月之股東應佔日常業務虧損淨額約為12,381,000港元，較二零零四年同期減少約37%。
  - 董事會不建議就截至二零零五年九月三十日止六個月派發任何中期股息。

## RESULTS

The Board of Directors (the “Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months and three months ended 30 September 2005 together with the comparative unaudited figures for the corresponding periods in 2004 as follows:

## 業績

本公司董事會(「董事會」)謹此宣佈，本公司及其附屬公司(「本集團」)截至二零零五年九月三十日止六個月及三個月之未經審核綜合業績，連同二零零四年同期之未經審核比較數字如下：

## CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

## 簡明綜合損益賬

|  |                  | Six months ended<br>30 September<br>截至九月三十日<br>止六個月 |                          | Three months ended<br>30 September<br>截至九月三十日<br>止三個月 |                          |                          |
|--|------------------|---|--------------------------|---|--------------------------|--------------------------|
|  |                  | 2005<br>二零零五年                                       | 2004<br>二零零四年            | 2005<br>二零零五年   | 2004<br>二零零四年            |                          |
|  |                  | Notes<br>附註   | HK\$'000<br>千港元          | HK\$'000<br>千港元                                       | HK\$'000<br>千港元          | HK\$'000<br>千港元          |
|  |                  |   | (Unaudited)<br>(未經審核)    | (Unaudited)<br>(未經審核)                                 | (Unaudited)<br>(未經審核)    | (Unaudited)<br>(未經審核)    |
| TURNOVER   | 營業額              | 2   | 34,341                   | 30,058  | 17,242                   | 18,943                   |
| Cost of sales  | 銷售成本             |   | (17,727)                 | (20,520)  | (8,311)                  | (13,456)                 |
| Gross profit   | 毛利               |   | 16,614                   | 9,538   | 8,931                    | 5,487                    |
| Other revenue  | 其他收益             | 2   | 733                      | 1,740   | 398                      | 1,366                    |
| Selling and distribution costs                                       | 銷售及分銷成本          |   | (10,179)                 | (10,130)  | (5,147)                  | (5,790)                  |
| General and administrative expenses                                  | 一般及行政開支          |   | (18,483)                 | (20,721)  | (9,208)                  | (10,434)                 |
| Other operating expenses   | 其他經營開支           |   | (1,199)                  | (661)   | (782)                    | (506)                    |
| LOSS FROM OPERATING<br>ACTIVITIES                                    | 經營業務虧損           | 4   | (12,514)                 | (20,234)  | (5,808)                  | (9,877)                  |
| Finance costs  | 財務費用             |   | (10)                     | (24)  | (2)                      | (3)                      |
| LOSS BEFORE TAX  | 除稅前虧損            |   | (12,524)                 | (20,258)  | (5,810)                  | (9,880)                  |
| Tax  | 稅項               | 5   | 143                      | 634   | 143                      | 646                      |
| NET LOSS FROM ORDINARY<br>ACTIVITIES ATTRIBUTABLE<br>TO SHAREHOLDERS | 股東應佔日常<br>業務虧損淨額 |   | (12,381)                 | (19,624)  | (5,667)                  | (9,234)                  |
| LOSS PER SHARE   | 每股虧損             | 6   |                          |   |                          |                          |
| Basic  | 基本               |   | (HK2.4 cents)<br>(2.4港仙) | (HK3.8 cents)<br>(3.8港仙)                              | (HK1.1 cents)<br>(1.1港仙) | (HK1.8 cents)<br>(1.8港仙) |

## CONDENSED CONSOLIDATED BALANCE SHEET

## 簡明綜合資產負債表

|   |                     |             | 30 September<br>2005<br>二零零五年<br>九月三十日   | 31 March<br>2005<br>二零零五年<br>三月三十一日   |
|---|---------------------|-------------|--|---------------------------------------|
|   |                     | Notes<br>附註 | HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
| <b>NON-CURRENT ASSETS</b>                                 | <b>非流動資產</b>        |             |  |                                       |
| Fixed assets  | 固定資產                | 7           | 5,524                                    | 4,415                                 |
| Deposits and club debentures                              | 訂金及會所債券             |             | 1,027                                    | 1,448                                 |
|   |                     |             | <b>6,551</b>                             | <b>5,863</b>                          |
| <b>CURRENT ASSETS</b>                                     | <b>流動資產</b>         |             |  |                                       |
| Inventories   | 存貨                  | 8           | 1,183                                    | 3,176                                 |
| Trade receivables   | 應收賬款                | 9           | 19,915                                   | 17,183                                |
| Prepayments, deposits and other receivables               | 預付款項、訂金及其他應收款項      |             | 5,082                                    | 6,746                                 |
| Financial assets at fair value through profit or loss     | 按公平價值列賬及在損益賬處理之金融資產 |             | 664                                      | -                                     |
| Short term investments                                    | 短期投資                |             | -  | 1,560                                 |
| Pledged bank deposits                                     | 有抵押銀行存款             |             | 444                                      | 444                                   |
| Cash and cash equivalents                                 | 現金及現金等值物            |             | 30,723                                   | 33,514                                |
|   |                     |             | <b>58,011</b>                            | <b>62,623</b>                         |
| <b>CURRENT LIABILITIES</b>                                | <b>流動負債</b>         |             |  |                                       |
| Trade payables  | 應付賬款                | 10          | 13,480                                   | 12,866                                |
| Tax payable   | 應付稅項                |             | 751                                      | 894                                   |
| Accrued liabilities, deposits received and other payables | 應計負債、已收訂金及其他應付款項    |             | 16,049                                   | 7,994                                 |
| Current portion of finance lease payables                 | 融資租賃應付款項之即期部分       |             | 24                                       | 93                                    |
|   |                     |             | <b>30,304</b>                            | <b>21,847</b>                         |
| <b>NET CURRENT ASSETS</b>                                 | <b>流動資產淨值</b>       |             | <b>27,707</b>                            | <b>40,776</b>                         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>              | <b>資產總值減流動負債</b>    |             | <b>34,258</b>                            | <b>46,639</b>                         |
| <b>CAPITAL AND RESERVES</b>                               | <b>資本及儲備</b>        |             |  |                                       |
| Issued capital  | 已發行股本               | 11          | 51,125                                   | 51,125                                |
| Reserves  | 儲備                  |             | (16,867)                                 | (4,486)                               |
|   |                     |             | <b>34,258</b>                            | <b>46,639</b>                         |

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動報表

|                                     |                       | Reserves<br>儲備   |   |   |   |  |                                    |                                |
|-------------------------------------|-----------------------|--|---|---|---|--|------------------------------------|--------------------------------|
|                                     |                       | Issued<br>share<br>capital<br>已發<br>行股本<br>HK\$'000<br>千港元 | Share<br>premium<br>account<br>股份<br>溢價賬<br>HK\$'000<br>千港元 | Statutory<br>reserve<br>fund<br>法定儲<br>備基金<br>HK\$'000<br>千港元 | Exchange<br>fluctuation<br>reserve<br>匯兌波<br>動儲備<br>HK\$'000<br>千港元 | Accumulated<br>losses<br>累計虧損<br>HK\$'000<br>千港元 | Sub-total<br>小計<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
| At 1 April 2004 (Audited)           | 於二零零四年四月一日<br>(經審核)   | 51,125   | 339,275   | 53  | 335   | (312,544)  | 27,119                             | 78,244                         |
| Net loss for the period             | 期內虧損淨額                | -  | -   | -   | -   | (19,624)   | (19,624)                           | (19,624)                       |
| At 30 September 2004<br>(Unaudited) | 於二零零四年九月三十日<br>(未經審核) | 51,125   | 339,275   | 53  | 335   | (332,168)  | 7,495                              | 58,620                         |
| At 1 April 2005 (Audited)           | 於二零零五年四月一日<br>(經審核)   | 51,125   | 339,275   | 53  | 539   | (344,353)  | (4,486)                            | 46,639                         |
| Net loss for the period             | 期內虧損淨額                | -  | -   | -   | -   | (12,381)   | (12,381)                           | (12,381)                       |
| At 30 September 2005<br>(Unaudited) | 於二零零五年九月三十日<br>(未經審核) | 51,125   | 339,275   | 53  | 539   | (356,734)  | (16,867)                           | 34,258                         |

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

## 簡明綜合現金流量表

|   |                        | Six months ended |               |
|---|------------------------|------------------|---------------|
|   |                        | 30 September     |               |
|   |                        | 截至九月三十日止六個月      |               |
|   |                        | 2005             | 2004          |
|   |                        | 二零零五年            | 二零零四年         |
|   |                        | HK\$'000         | HK\$'000      |
|   |                        | 千港元              | 千港元           |
|   |                        | (Unaudited)      | (Unaudited)   |
|   |                        | (未經審核)           | (未經審核)        |
| Net cash outflow from operating activities  | 經營業務之現金流出淨額            | (1,434)          | (7,184)       |
| Net cash inflow/(outflow) from investing activities   | 投資業務之現金流入／(流出)淨額       | (1,288)          | 4,927         |
| Net cash outflow from financing activities  | 融資活動之現金流出淨額            | (69)             | (65)          |
| Net decrease in cash and cash equivalents   | 現金及現金等值物減少淨額           | (2,791)          | (2,322)       |
| Cash and cash equivalents at beginning of period  | 期初之現金及現金等值物            | 33,514           | 19,422        |
| Cash and cash equivalents at end of period  | 期終之現金及現金等值物            | 30,723           | 17,100        |
| <b>Analysis of balances of cash and cash equivalents</b>  | <b>現金及現金等值物結餘分析</b>    |                  |               |
| Cash and bank balances  | 現金及銀行結餘                | 1,368            | 12,050        |
| Non-pledged time deposits placed at financial institutions with original maturity of less than three months | 存於財務機構原於三個月內到期之無抵押定期存款 | 29,355           | -             |
| Other liquid funds  | 其他速動資金                 | -                | 5,050         |
|   |                        | <b>30,723</b>    | <b>17,100</b> |

## Notes:

附註：

## 1. Basis of Preparation

The Group's unaudited condensed interim financial statements have been prepared in accordance with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" and other relevant HKASs and interpretations and the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements set out in Chapter 18 of the GEM Listing Rules. They have been prepared under the historical cost convention except for certain financial instruments which are measured at fair values, as appropriate.

The HKICPA has issued a number of new and revised HKFRS and HKAS ("new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005. The Group has adopted a number of new HKFRSs, for the first time, in the preparation of financial statements for the period from 1 April 2005 onward.

The adoption of HKAS 32 and HKAS 39 has resulted in a change in the accounting policy for recognition, derecognition, measurement and disclosure of financial instruments. Prior to 1 April 2005, investments of the Group were classified as short term investments and were stated at fair value.

In accordance with HKAS 39, investments are classified into available-for-sale financial assets, financial assets at fair value through profit or loss, loans and receivables, and held-to-maturity investments. The classification depends on the purpose of holding the investments. Under this accounting standard, the investments of the Group are classified as financial assets at fair value through profit or loss and are stated at fair value. The changes in accounting policies have been made in accordance with the transitional provision of HKAS 39. The investments of the Group are reclassified from "short term investments" to "financial assets at fair value through profit or loss" and no financial impact has arisen as a result of the change.

The adoption of HKFRS 2 "Share-based Payment" has resulted in a change in accounting policy for share options. In accordance to HKFRS 2, the share options granted by the Company after 7 November 2002 are measured at fair value at the date of grant and recognized as expenses over the vesting period. The Directors consider the adoption of HKFRS 2 does not have material impact on the results for the six months ended 30 September 2005 and accordingly, no

## 1. 編製基準

本集團之未經審核簡明中期財務報表乃根據由香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」及其他相關之香港會計準則及詮釋,以及香港財務申報準則(「香港財務申報準則」)、香港普遍採納之會計原則及創業板上市規則第18章所載之披露規定編製。該等財務報表乃根據歷史成本慣例編製,惟若干按公平價值列賬之金融工具(倘適用)除外。

香港會計師公會已頒佈多項於二零零五年一月一日或之後起始之會計期間生效之新增及經修訂之香港財務申報準則及香港會計準則(「新香港財務申報準則」)。本集團首次採用若干新香港財務申報準則以編製二零零五年四月一日起始之財務報表。

採納香港會計準則第32號及香港會計準則第39號導致金融工具之確認、不作確認、計量及披露之會計政策有變。於二零零五年四月一日前,本集團之投資被分類為短期投資,並按公平價值列賬。

根據香港會計準則第39號,投資被分類為可供出售之金融資產、按公平價值列賬及在損益賬處理之金融資產、貸款及應收款項及持至到期之投資。分類取決於持有投資之目的。在此會計準則下,本集團之投資被分類為按公平價值列賬及在損益賬處理之金融資產,並按公平價值列賬。會計政策已根據香港會計準則第39號之過渡安排作出改變。本集團之投資已由「短期投資」重新分類為「按公平價值列賬及在損益賬處理之金融資產」,該項變動並無產生任何財務影響。

採納香港財務申報準則第2號「股份為本之付款」造成有關購股權之會計政策有所變動。根據香港財務申報準則第2號,本公司於二零零二年十一月七日後授出之購股權以授出日期的公平價值計算,並於歸屬期內確認為開支。董事認為,採納香港財務申報準則第2號對截至二零零五年九月三十日止六



adjustment has been recorded to reflect the impact of applying HKFRS 2 in the unaudited condensed interim financial statements for the six months ended 30 September 2005.

Save as disclosed above, the adoption of the new HKFRSs had no material impact on the Group's results of operations and financial position.

The unaudited condensed interim financial statements have been reviewed by the audit committee of the Company.

## 2. Turnover and Revenue

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

An analysis of the Group's turnover and other revenue is as follows:

個月期間之業績並無重大影響。因此截至二零零五年九月三十日止六個月期間之未經審核簡明中期財務報表並未作出任何調整以反映採納香港財務申報準則第2號之影響。

除上文所披露外，採納新香港財務申報準則對本集團之營運業績及財務狀況並無重大影響。

未經審核簡明中期財務報表已由本公司之審核委員會審閱。

## 2. 營業額及收益

營業額指已出售貨品及所提供服務經扣除退貨、折扣、營業稅(倘適用)後之發票淨值。所有集團內公司間之重大交易已於綜合時對銷。

本集團營業額及其他收益之分析如下：

|   |               | Six months ended<br>30 September   |   | Three months ended<br>30 September                                       |   |
|---|---------------|--|---|--|---|
|   |               | 截至九月三十日止六個月<br>2005<br>二零零五年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 截至九月三十日止三個月<br>2005<br>二零零五年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) |
| Turnover:   | 營業額：          |  |   |  |   |
| Sale of goods   | 貨品銷售          | 3,095  | 10,797  | 1,161  | 8,976   |
| Services rendered                                     | 提供服務          | 31,246   | 19,261  | 16,081   | 9,967   |
|   |               | <b>34,341</b>  | <b>30,058</b>   | <b>17,242</b>  | <b>18,943</b>   |
| Other revenue:  | 其他收益：         |  |   |  |   |
| Financial subsidy from the PRC governmental authority | 中國政府機關撥出之財務補助 | -  | 558   | -  | 558   |
| Interest income                                       | 利息收入          | 486  | 410   | 262  | 243   |
| Investment income                                     | 投資收入          | 217  | 307   | 111  | 100   |
| Recovery of bad debts provided for in prior years     | 撥回過往年度之壞賬撥備   | -  | 465   | -  | 465   |
| Profit on disposal of fixed assets                    | 出售固定資產之溢利     | 7  | -   | 5  | -   |
| Others  | 其他            | 23   | -   | 20   | -   |
|   |               | <b>733</b>   | <b>1,740</b>  | <b>398</b>   | <b>1,366</b>  |
| Total revenue   | 總收益           | <b>35,074</b>  | <b>31,798</b>   | <b>17,640</b>  | <b>20,309</b>   |

### 3. Segment Information

The Group's operating businesses are organised and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- Provision of broadband data networks and Internet backbone solutions;
- Provision of applications software;
- Provision of e-commerce solutions and related IT consultancy services; and
- Provision of mobile value added services.

An analysis of the Group's unaudited revenue and results for the six months ended 30 September 2005 and 2004 by business segment is as follows:

### 3. 分部資料

本集團經營業務按其業務性質及所提供之產品及服務分別進行組織管理。本集團每項業務分部乃指一個提供承受有別於其他業務分部風險及回報之產品及服務之策略業務單位。業務分部之概要如下：

- 提供寬頻數據網絡及互聯網主幹線解決方案；
- 提供應用軟件；
- 提供電子商貿解決方案及與資訊科技有關之諮詢服務；及
- 提供移動增值服務。

本集團截至二零零五年及二零零四年九月三十日止六個月按業務分部劃分之未經審核收益及業績之分析如下：

|  | Provision of broadband data networks and Internet backbone solutions |         | Provision of applications software |      | Provision of e-commerce solutions and related IT consultancy services |       | Provision of mobile value added services |        | Total    |          |
|--|--|---------|------------------------------------|------|---|-------|--|--------|----------|----------|
|  | 2005   | 2004    | 2005                               | 2004 | 2005  | 2004  | 2005                                     | 2004   | 2005     | 2004     |
|  | 千港元  | 千港元     | 千港元                                | 千港元  | 千港元   | 千港元   | 千港元                                      | 千港元    | 千港元      | 千港元      |
| Segment revenue:   | 分部收益：  |         |                                    |      |   |       |  |        |          |          |
| Sales to external customers                                    | 3,432  | 10,609  | 22                                 | 188  | 358   | 3,778 | 30,529                                   | 15,483 | 34,341   | 30,058   |
| Segment results  | 分部業績   |         |                                    |      |   |       |  |        |          |          |
|  | (141)  | (3,310) | 2                                  | 39   | 228   | 111   | 4,793                                    | 983    | 4,882    | (2,177)  |
| Unallocated expenses   | 未分配費用  |         |                                    |      |   |       |  |        |          |          |
| Other revenue  |  |         |                                    |      |   |       |  |        | (18,129) | (19,797) |
| Loss from operating activities                                 |  |         |                                    |      |   |       |  |        | 733      | 1,740    |
| Finance costs  |  |         |                                    |      |   |       |  |        | (12,514) | (20,234) |
| Loss before tax  |  |         |                                    |      |   |       |  |        | (10)     | (24)     |
| Tax  |  |         |                                    |      |   |       |  |        | (12,524) | (20,258) |
| Net loss from ordinary activities attributable to shareholders |  |         |                                    |      |   |       |  |        | 143      | 634      |
|  |  |         |                                    |      |   |       |  |        | (12,381) | (19,624) |

## Note:

During the year ended 31 March 2005, in the opinion of the directors, separate disclosure of the business segment of provision of mobile value added services was more appropriate in reflecting the Group's segment information. Accordingly, certain comparative amounts have been reclassified to conform with the current period's presentation.

## 附註：

於截至二零零五年三月三十一日止年度內，董事認為提供移動增值服務之業務分部作出獨立披露對反映本集團之分部資料而言較為適當。因此，若干比較之數額已作重新分類，以配合本期間之呈報。

## 4. Loss from Operating Activities

The Group's loss from operating activities is arrived at after charging/(crediting):

## 4. 經營業務虧損

本集團之經營業務虧損經扣除／（計入）下列各項後得出：

|  | Six months ended<br>30 September   |   | Three months ended<br>30 September                                       |   |       |
|--|--|---|--|---|-------|
|  | 截至九月三十日止六個月<br>2005<br>二零零五年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 截至九月三十日止三個月<br>2005<br>二零零五年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) |       |
| Depreciation                                   | 折舊   | 868   | 1,376  | 434   | 642   |
| Minimum lease payments under operating leases: | 經營租賃最低租賃付款：  |   |  |   |       |
| Land and buildings                             | 土地及樓宇  | 3,321   | 3,521  | 1,663   | 1,803 |
| Staff costs:                                   | 員工成本：  |   |  |   |       |
| Wages and salaries                             | 工資及薪金  | 13,107  | 13,857   | 6,539   | 6,997 |
| Pension scheme contributions                   | 退休金計劃供款  | 1,137   | 1,595  | 570   | 903   |
| Profit on disposal of fixed assets             | 出售固定資產之溢利  | (7)   | -  | (5)   | -     |

## 5. Tax

## 5. 稅項

|                                 | Six months ended<br>30 September   |   | Three months ended<br>30 September                                       |   |       |
|---------------------------------|--|---|--|---|-------|
|                                 | 截至九月三十日止六個月<br>2005<br>二零零五年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 截至九月三十日止三個月<br>2005<br>二零零五年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四年<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) |       |
| Current period provision:       | 本期撥備：  |   |  |   |       |
| Hong Kong                       | 香港   | -   | -  | -   | -     |
| Elsewhere                       | 其他地區   | -   | 12   | -   | -     |
|                                 |  | -   | 12   | -   | -     |
| Hong Kong profits tax refunded  | 退回香港利得稅  | -   | (503)  | -   | (503) |
| Overprovision in prior years    | 往年過度撥備   | (143)   | (143)  | (143)   | (143) |
| Tax written back for the period | 期內之稅項回撥  | (143)   | (634)  | (143)   | (646) |

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong for the six months and three months ended 30 September 2005 (2004: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The Group's subsidiary operating in the PRC is adjudicated as a "高新技術企業" by the PRC governmental authority. In accordance with a notice issued by the PRC governmental authority, the subsidiary is entitled to a subvention on 3.5% of its assessable profits for the period from 1 January to 31 December 2005 when all attaching conditions are complied with.

There was no unprovided deferred tax in respect of the six months and three months ended 30 September 2005 and at the balance sheet date (2004: Nil).

## 6. Loss per Share

The calculation of basic loss per share amount for the six months and three months ended 30 September 2005 are based on the unaudited net loss from ordinary activities attributable to shareholders of HK\$12,381,000 (six months ended 30 September 2004: net loss from ordinary activities attributable to shareholders of HK\$19,624,000) and HK\$5,667,000 (three months ended 30 September 2004: net loss from ordinary activities attributable to shareholders of HK\$9,234,000), respectively, and on the weighted average number of 511,250,000 ordinary shares (both for the six months and three months ended 30 September 2004: 511,250,000 ordinary shares) in issue throughout the periods.

The amount of diluted loss per share for the six months and three months ended 30 September 2005 and 2004 have not been disclosed, as the share options outstanding had an anti-dilutive effect on the basic loss per share for the periods.

由於本集團於截至二零零五年九月三十日止六個月及三個月並無錄得香港應課稅溢利(二零零四年: 無), 故並無作出香港利得稅之撥備。其他地區之應課稅溢利乃根據本集團經營業務所在之國家當地之現行法例、詮釋及慣例按當地現行稅率計算。

本集團一間在中國經營之附屬公司獲中國政府機關頒發「高新技術企業」。根據中國政府機關發出之通知, 如該附屬公司達成所有附帶之條件, 便有權獲得二零零五年一月一日至十二月三十一日止期間之應課稅溢利之3.5%的津貼。

截至二零零五年九月三十日止六個月及三個月及於結算日概無任何未撥備之遞延稅項(二零零四年: 無)。

## 6. 每股虧損

截至二零零五年九月三十日止六個月及三個月之每股基本虧損金額乃按期內之未經審核股東應佔日常業務虧損淨額分別為12,381,000港元(截至二零零四年九月三十日止六個月: 股東應佔日常業務虧損淨額19,624,000港元)及5,667,000港元(截至二零零四年九月三十日止三個月: 股東應佔日常業務虧損淨額9,234,000港元), 以及於兩段期間已發行普通股之加權平均股數511,250,000股普通股(截至二零零四年九月三十日止六個月及三個月: 511,250,000股普通股)計算。

截至二零零五年及二零零四年九月三十日止六個月及三個月之每股攤薄虧損金額並沒有披露, 因未行使之購股權對該等期間之每股基本虧損有反攤薄影響。

## 7. Fixed Assets

The movements of fixed assets of the Group were:

|  |            | 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|------------|--|--|
| Net book value, beginning of period/year | 賬面淨值，期初／年初 | 4,415  | 2,872  |
| Additions                                | 添置         | 1,979  | 3,747  |
| Disposals                                | 出售         | (2)  | (12)   |
| Depreciation                             | 折舊         | (868)  | (2,204)  |
| Exchange realignment                     | 匯兌調整       | -  | 12   |
| Net book value, end of period/year       | 賬面淨值，期終／年終 | 5,524  | 4,415  |

## 8. Inventories

|                  |     | 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|------------------|-----|--|--|
| Work in progress | 在製品 | 83   | 166  |
| Finished goods   | 製成品 | 1,100  | 3,010  |
|                  |     | 1,183  | 3,176  |

No inventories were stated at net realisable value as at 30 September 2005 and 31 March 2005.

## 7. 固定資產

本集團之固定資產變動如下：

|  |            | 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|------------|--|--|
| Net book value, beginning of period/year | 賬面淨值，期初／年初 | 4,415  | 2,872  |
| Additions                                | 添置         | 1,979  | 3,747  |
| Disposals                                | 出售         | (2)  | (12)   |
| Depreciation                             | 折舊         | (868)  | (2,204)  |
| Exchange realignment                     | 匯兌調整       | -  | 12   |
| Net book value, end of period/year       | 賬面淨值，期終／年終 | 5,524  | 4,415  |

## 8. 存貨

|                  |     | 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|------------------|-----|--|--|
| Work in progress | 在製品 | 83   | 166  |
| Finished goods   | 製成品 | 1,100  | 3,010  |
|                  |     | 1,183  | 3,176  |

截至二零零五年九月三十日及二零零五年三月三十一日，並無存貨按可變現淨值列賬。

## 9. Trade Receivables

Trade receivables, which generally have credit terms pursuant to the provisions of the relevant contracts, are recognised and carried at original invoice amount, and an estimate for doubtful debts is made and deducted when collection of the full amount is no longer probable. Bad debts are written off as incurred.

An aged analysis of the Group's trade receivables as at the balance sheet date, net of provisions, is as follows:

|                |          |
|----------------|----------|
| 0 – 90 days    | 0至90日    |
| 91 – 180 days  | 91至180日  |
| 181 – 365 days | 181至365日 |
| Over 365 days  | 超過365日   |

## 10. Trade Payables

An aged analysis of the Group's trade payables as at the balance sheet date is as follows:

|                |          |
|----------------|----------|
| 0 – 90 days    | 0至90日    |
| 91 – 180 days  | 91至180日  |
| 181 – 365 days | 181至365日 |
| Over 365 days  | 超過365日   |

## 9. 應收賬款

根據有關合約之規定，應收賬款一般均有信貸期。應收賬款按原始發票金額予以確認及列賬，並在不可能收回其全部金額時作出呆賬估計，並予以扣除。壞賬則於產生時撇銷。

於結算日，本集團之應收賬款(扣除撥備後)之賬齡分析如下：

| 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|--|
| 13,071   | 11,005   |
| 6,633  | 4,449  |
| 132  | 1,248  |
| 79   | 481  |
| <b>19,915</b>  | <b>17,183</b>  |

## 10. 應付賬款

於結算日，本集團之應付賬款之賬齡分析如下：

| 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|--|
| 1,129  | 2,082  |
| 1,262  | 153  |
| 522  | 234  |
| 10,567   | 10,397   |
| <b>13,480</b>  | <b>12,866</b>  |

## 11. Share Capital

|  |                                 |
|--|---------------------------------|
| Authorised:                              | 法定股本：                           |
| 2,500,000,000 shares<br>of HK\$0.10 each | 2,500,000,000股每股面值<br>0.10港元之股份 |
| Issued and fully paid:                   | 已發行及繳足股本：                       |
| 511,250,000 shares of<br>HK\$0.10 each   | 511,250,000股每股面值<br>0.10港元之股份   |

## 12. Operating Lease Arrangements

The Group leases certain of its office properties and motor vehicles under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

As at 30 September 2005, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

|  |                    |
|--|--------------------|
| Land and building:                         | 土地及樓宇：             |
| Within one year                            | 一年內                |
| In the second to fifth<br>years, inclusive | 第二至第五年(包括<br>首尾兩年) |
| Motor vehicles:                            | 汽車：                |
| Within one year                            | 一年內                |
| In the second to fifth<br>years, inclusive | 第二至第五年(包括<br>首尾兩年) |

## 11. 股本

| 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|--|
| 250,000  | 250,000  |
| 51,125   | 51,125   |

## 12. 經營租賃安排

本集團根據經營租賃安排租賃若干辦公室物業及汽車。經磋商後有關物業之租賃期為一至三年不等。

於二零零五年九月三十日，本集團根據不可撤銷經營租賃即將屆滿之未來最低租賃付款總額如下：

| 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|--|
| 5,419  | 4,224  |
| 294  | 1,473  |
| 5,713  | 5,697  |
| 194  | 333  |
| -  | 45   |
| 194  | 378  |
| 5,907  | 6,075  |

The Company did not have any significant commitment under non-cancellable operating leases at the balance sheet date.

於結算日，本公司並無任何不可撤銷經營租賃之重大承擔。

### 13. Commitments

Capital commitments contracted for

Investment in a subsidiary in the PRC 投資於一間中國附屬公司

The Company had no significant commitments at the balance sheet date.

### 14. Contingent Liabilities

The Company has given corporate guarantee in favour of a bank to the extent of HK\$31,199,000 (31 March 2005: HK\$31,199,000).

As at 30 September 2005, the bank facilities granted to a subsidiary subject to this guarantee given to a bank by the Company was utilised to the extent of approximately HK\$444,000 (31 March 2005: HK\$444,000).

### 15. Connected and Related Party Transactions

During the period, the Group had the following material transactions with related parties:

### 13. 承擔

按下列事項訂約之資本承擔

| 30 September<br>2005<br>二零零五年<br>九月三十日<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 31 March<br>2005<br>二零零五年<br>三月三十一日<br>HK\$'000<br>千港元<br>(Audited)<br>(經審核) |
|--|--|
|--|--|

3,900

3,900

本公司於結算日並無重大承擔。

### 14. 或然負債

本公司向一間銀行提供為數達31,199,000港元(二零零五年三月三十一日：31,199,000港元)之公司擔保。

於二零零五年九月三十日，根據本公司向一間銀行提供之擔保而授予一間附屬公司之銀行融資已動用約444,000港元(二零零五年三月三十一日：444,000港元)。

### 15. 關連及有關連人士交易

於期內，本集團與關連人士有下列重大交易：

|                            |          | Six months ended<br>30 September<br>截至九月三十日止六個月          |  |
|----------------------------|----------|--|--|
|                            |          | 2005<br>二零零五<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) | 2004<br>二零零四<br>HK\$'000<br>千港元<br>(Unaudited)<br>(未經審核) |
| Rental expenses paid       | 已付租金開支   | (i) 383  | 378  |
| Handling services fee paid | 已付處理服務費用 | (ii) 424   | 421  |
| Rental expenses paid       | 已付租金開支   | (iii) 207  | 180  |



- (i) The rentals were paid in respect of the Group's leased motor vehicles to a related company, of which a shareholder of the related company is the father-in-law of Mr. Yip Heon Ping, a director of the Company. The directors of the Company have confirmed that the monthly rentals were calculated by reference to the then prevailing open market rental value.
  - (ii) Handling services fee paid represented the fee charged on services provided by a related company in handling the Group's mobile value added services, of which shareholders of the related company are the mother-in-law and sister-in-law of Mr. Yip Heon Ping, a director of the Company. The fee was charged according to the terms of an agreement dated 20 August 2003.
  - (iii) The rentals were paid in respect of the Group's leased staff quarter situated in Hong Kong to Mr. Yip Heon Wai, a director of the Company, and Ms. Chan Fu Kuen, Gladys, the spouse of Mr. Yip Heon Wai. The directors of the Company have confirmed that the monthly rental was calculated by reference to the then prevailing open market rental value.
- (i) 有關租金乃就本集團向一間關連公司租賃汽車而支付，該關連公司一名股東乃本公司董事葉向平先生之岳父。本公司董事已確認，月租乃參照當時之公開市值租金計算。
  - (ii) 已付處理服務費用指一間關連公司處理本集團移動增值服務所收取之費用，該關連公司之兩名股東乃本公司董事葉向平先生之岳母及嫂子。有關費用乃根據日期為二零零三年八月二十日之協議之條款收取。
  - (iii) 有關租金乃就本集團向本公司董事葉向維先生及其妻子陳富娟女士在香港租賃員工宿舍而支付。本公司董事確認，月租乃參照當時公開市值租金計算。

## INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2005 (2004: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

The consolidated turnover for the six months ended 30 September 2005 was HK\$34,341,000, representing an increase of 14% over the same period in 2004. During the period under review, the revenue from Mobile Value Added Services ("MVAS") business increased by 97% to HK\$30,529,000 compared with the same period of last year. On the other hand, the revenue generated from provision of broadband data networks and Internet backbone solutions and provision of e-commerce solutions and related IT consultancy services were decreased by 68% to HK\$3,432,000 and by 91% to HK\$358,000 respectively.

For the three months ended 30 September 2005, the revenue from MVAS business was increased by HK\$8,475,000 and the revenue from solution integration business was significantly decreased by HK\$10,176,000 compared to the corresponding period in 2004. The consolidated turnover for the three months ended 30 September 2005 was slightly decreased by HK\$1,701,000 or 9% compared to the corresponding period in 2004.

Among MVAS revenue, revenue from Interactive Voice Response Services ("IVRS") and Multimedia Messaging Service ("MMS") increased significantly in the current period due to increased popularity of these services in China market and more marketing and promotion activities being launched. Besides, revenue from Wireless Application Protocol ("WAP") was also increased significantly in the second quarter of 2005 due to change of promotional strategy. However, the increase in revenue from IVRS, MMS and WAP was partly offset by the decrease in revenue from Short Messaging Services ("SMS"), which was mainly due to the removal of silent mobile phone user accounts by telecom operators.

## 中期股息

董事會不建議就截至二零零五年九月三十日止六個月派發任何中期股息(二零零四年：無)。

## 管理層討論及分析

### 財務回顧

本集團截至二零零五年九月三十日止六個月之綜合營業額為34,341,000港元，較二零零四年同期增加14%。於回顧期內，移動增值服務（「MVAS」）業務之收益較去年同期增加97%至30,529,000港元。另一方面，提供寬頻數據網絡及互聯網主幹線解決方案所產生之收益減少68%至3,432,000港元，而提供電子商貿解決方案及與資訊科技有關之諮詢服務所產生之收益則減少91%至358,000港元。

截至二零零五年九月三十日止三個月，MVAS業務之收益及解決方案整合業務之收益分別較二零零四年同期增加8,475,000港元及大幅減少10,176,000港元。截至二零零五年九月三十日止三個月，綜合營業額較二零零四年同期輕微減少1,701,000港元或9%。

在MVAS收益當中，來自互動語音回應服務（「IVRS」）及多媒體訊息服務（「MMS」）之收益於期內大幅增加，原因為該等服務於中國市場漸趨流行，以及進行更多市場推廣及宣傳活動所致。此外，由於市場推廣策略有變，故二零零五年第二季來自無線應用軟體協定服務（「WAP」）之收益亦大幅增加。然而，來自IVRS、MMS及WAP之部份收益增長因短訊服務（「SMS」）收益減少而被抵銷，主因是電訊運營商撤銷沉默移動電話用戶賬目所致。

The Group's gross profit for the six months ended 30 September 2005 amounted to HK\$16,614,000, representing a 74% increase as compared to the same period in 2004. Moreover, the gross profit margin was increased by 16% from 32% to 48% in the current period. The increase in Group's gross profit margin was because MVAS accounted for 89% of the Group's turnover in 2005, which was largely increased from 52% in 2004, and the gross profit margin for MVAS business is generally much higher than solution integration business.

During the six-month period under review, the selling and distribution costs were maintained at similar level as last period. The promotion and marketing expenses for MVAS business were significantly increased during the current period, however, it was mostly net-off by the decrease of staff cost, business trip and entertainment expenses due to curtailing of solution integration business. The general and administrative expenses were decreased by 11% to HK\$18,483,000. On the other hand, the other operating expenses were increased by 81% to HK\$1,199,000 as higher staff cost for research and development team was incurred during the period.

The overall operating expenses including selling and distribution costs, general and administrative expenses, other operating expenses and finance costs amounted to HK\$29,871,000 for the six months ended 30 September 2005. Such amount was slightly decreased by HK\$1,665,000 or 5% as compared to the corresponding period in 2004.

The net loss from ordinary activities attributable to shareholders for the six months ended 30 September 2005 was HK\$12,381,000, representing an improvement of HK\$7,243,000 or 37% as compared to HK\$19,624,000 for the same period in 2004.

本集團截至二零零五年九月三十日止六個月之毛利達16,614,000港元，較二零零四年同期增加74%。此外，期內之毛利率增加16%由32%至48%。本集團之毛利率增加乃由於MVAS佔本集團於二零零五年之營業額之89%，而這較二零零四年之52%大幅增加及MVAS業務之毛利率一般而言遠高於解決方案整合業務之毛利率。

於回顧之六個月期內，銷售及分銷成本維持於與上期間相若之水平。MVAS業務之宣傳及市場推廣開支於本期間大幅增加，然而，該項開支之大部份已因縮減解決方案整合業務而引致員工成本、業務差旅費及交際費用減少而被抵銷。一般及行政開支減少11%至18,483,000港元。另一方面，由於研發隊伍於期內產生較高之員工成本，其他經營開支因而增加81%至1,199,000港元。

截至二零零五年九月三十日止六個月，整體經營開支(包括銷售及分銷成本、一般及行政開支、其他經營開支及財務費用)達29,871,000港元，較二零零四年同期輕微減少1,665,000港元或5%。

截至二零零五年九月三十日止六個月，股東應佔日常業務虧損淨額為12,381,000港元，較二零零四年同期之19,624,000港元改善7,243,000港元或37%。

## Financial Position, Liquidity and Financial Resources

The shareholders' fund of the Group as at 30 September 2005 was HK\$34,258,000 (31 March 2005: HK\$46,639,000). The Group had net current assets of HK\$27,707,000 (31 March 2005: HK\$40,776,000). The Group's current ratio, as a ratio of current assets to current liabilities, was approximately 1.9 as at 30 September 2005 (31 March 2005: 2.9).

During the period under review, the Group financed its operations mainly with its revenue from operation, internal resources and balance of proceeds from initial public offering. The Group had cash and bank balances including pledged bank deposits of HK\$31,167,000 as at 30 September 2005 (31 March 2005: HK\$33,958,000). The Group's financial and liquidity positions remain at a stable and healthy level.

## Gearing Ratio

As at 30 September 2005, the gearing ratio of the Group, as a ratio of total borrowings to shareholders' fund, was 0.1% (31 March 2005: 0.2%).

## Capital Structure

The shares of the Company were listed on GEM on 28 March 2000. There has been no change in the capital structure of the Company since that date.

## Significant Investment and Disposals

There was no material acquisitions and disposals of subsidiaries and affiliated companies by the Company during the period under review.

## 財政狀況、流動資金及財政資源

於二零零五年九月三十日，本集團之股東資本為34,258,000港元(二零零五年三月三十一日：46,639,000港元)。本集團之流動資產淨值為27,707,000港元(二零零五年三月三十一日：40,776,000港元)。於二零零五年九月三十日，本集團之流動比率(流動資產與流動負債之比率)約為1.9(二零零五年三月三十一日：2.9)。

於回顧期內，本集團主要以其經營收益、內部資源及首次公開售股所得款項餘額支付其經營所需資金。於二零零五年九月三十日，本集團之現金及銀行結餘包括已抵押銀行存款為31,167,000港元(二零零五年三月三十一日：33,958,000港元)。本集團之財政及流動資金狀況維持於穩健水平。

## 資本負債比率

於二零零五年九月三十日，本集團之資本負債比率(總借貸與股東資本之比率)為0.1%(二零零五年三月三十一日：0.2%)。

## 資本架構

本公司股份於二零零零年三月二十八日在創業板上市。自該日以來，本公司之資本架構並無任何變動。

## 重大投資及出售

於回顧期內，本公司並無進行附屬公司及聯屬公司之重大收購及出售。

## Foreign Currency Exchange Exposure and Treasury Policies

The Group's trading transactions, monetary assets and liabilities were substantially denominated in Renminbi, United States dollars and Hong Kong dollars. As the exchange rate of all these currencies are fairly stable, the Directors believe that the impact of the foreign exchange exposure of the Group is minimal and has no significant adverse effect on the normal operations of the Group. As at 30 September 2005, no related currency hedges were made by the Group.

## Capital Commitment

As at 30 September 2005, the Group had capital commitment contracted for investment in a subsidiary in the PRC for the amount of HK\$3,900,000.

Save as disclosed above, the Group had no significant commitment as at 30 September 2005.

## Banking Facilities

As at 30 September 2005, the Group was granted banking facilities of HK\$444,000 that were secured by the Group's bank deposits of HK\$444,000. As at 30 September 2005, the banking facilities utilised by the Group amounted to HK\$444,000.

## Contingent Liabilities

In 2004, Grace & Digital Information Technology Co., Ltd. ("GDIT") filed a civil complaint against the Company and other parties in the Superior Court of California ("the Court") for the County of Monterey in the United States of America ("U.S.A."). With respect to the Company, GDIT alleged in its complaint that the Company purportedly interfered with a contract. GDIT then sought compensatory damages against the Company, and other defendants, in excess of US\$59 million. GDIT also sought unspecified punitive damages against the Company and other defendants.

## 外匯風險及庫務政策

本集團之買賣交易、貨幣資產及負債大部份以人民幣、美元及港元為計算單位。由於該等貨幣之匯率均相當穩定，董事相信外匯風險對本集團所構成之影響甚微，且對本集團之正常業務並無重大不利影響。於二零零五年九月三十日，本集團並無進行任何相關貨幣對沖。

## 資本承擔

於二零零五年九月三十日，本集團就中國一間附屬公司之投資之已訂約資本承擔為3,900,000港元。

除上文所披露者外，於二零零五年九月三十日，本集團並無重大承擔。

## 銀行信貸

於二零零五年九月三十日，本集團獲授444,000港元之銀行信貸，該項信貸乃以本集團444,000港元銀行存款作為抵押。於二零零五年九月三十日，本集團已動用銀行信貸中之444,000港元。

## 或然負債

於二零零四年，Grace & Digital Information Technology Co., Ltd. (「GDIT」) 於美利堅合眾國(「美國」) 蒙特利郡之加利福尼亞州上級法院(「法院」)，向本公司及其他各方提出民事訴訟。就本公司而言，GDIT於其申訴書中聲稱本公司干預一份合約。當時，GDIT要求本公司及其他被告人作出逾59,000,000美元之損害賠償。GDIT亦同時向本公司及其他被告人追討非指定懲罰性賠償。

During the period under review, the Company filed a motion to quash service of GDIT's complaint and to set aside a default. In July 2005, the Court granted the Company's motion. The Court set aside the default and quashed the service of the complaint on the Company on the grounds that the Court lacks jurisdiction over the Company. GDIT may appeal that ruling to the California Court of Appeal. Based on California law, the time for GDIT to file an appeal of the court's order quashing service of the complaint ran out on 4 October 2005. To date, neither the Company nor its counsel in the U.S.A. has received any notice of appeal from GDIT. Currently, the Directors consider a provision for the action is not necessary.

Save as disclosed above, the Group had no other material contingent liabilities.

### Employee and Remuneration Policy

As at 30 September 2005, the Group had a total of 172 employees. The Group's remuneration policy is basically determined by the performance of individual employees and the market condition. In addition to salaries, employee benefits included medical scheme, pension contributions and share option schemes.

### Business Review and Outlook

For the six months ended 30 September 2005, the Group continued to concentrate on expanding its MVAS business, the MVAS revenue recorded a turnover of HK\$30,529,000, representing a 97% increase when comparing with that of the prior corresponding period. The revenue of MVAS increased significantly because it further expanded the customer base of the Group. At the same time, revenues of the other business segments were decreased which is in line with the Group's planned business strategy. The Group achieved gross profit margin of 48% for this period. The net loss from ordinary activities improved by 37%. Despite the rapidly changing MVAS industry regulations and policies, the Group continued to keep the MVAS revenue in a healthy and stable growth in the second quarter of 2005.

於回顧期內，本公司提交一項動議撤銷GDIT之控訴，及宣告失責無效。於二零零五年七月，法院批准本公司之動議。法院裁定失責無效並撤銷對本公司作出之訴訟，原因為法院對本公司缺乏司法管轄權。GDIT可向加州上訴法庭提出上訴。根據加州法律，GDIT對法院就撤銷控訴之裁決提出上訴之期限已於二零零五年十月四日到期。直到目前為止，本公司或本公司之美國法律顧問並無接獲GDIT發出之上訴通知書。目前，董事認為無必要就法律行動作出發備。

除上文所披露者外，本集團並無其他重大或然負債。

### 僱員及薪酬政策

於二零零五年九月三十日，本集團共有172名僱員。本集團之薪酬政策一般根據個別僱員之表現及市場狀況釐定。除薪金外，僱員福利包括醫療計劃、退休金供款及購股權計劃。

### 業務回顧及展望

截至二零零五年九月三十日止六個月，本集團繼續專注於擴充其MVAS業務。MVAS收益錄得營業額30,529,000港元，較去年同期增加97%。MVAS進一步擴闊本集團之客戶基礎，令MVAS收益大幅增加。同時，其他業務分部之收益因應本集團預定之業務策略而減少。期內，本集團之毛利率達致48%。日常業務虧損淨額改善37%。儘管MVAS之行業規例及政策變動迅速，於二零零五年第二季，本集團之MVAS收益仍繼續維持穩健增長。

During the first quarter, the Group entered a pilot testing agreement with a mobile operator to launch its Mobile Intelligent Navigation Engine (“MINE”) powered mobile music search platform for 3 provinces in China. The music search pilot test was completed in September with an overwhelming success. As a result, the music search platform has been rolled out to 4 additional provinces in China. Within six months, MINE has launched in 7 provinces with a potential reach of over 70 millions mobile subscribers and 30 millions ring-back tone subscribers. MINE is the first commercial mobile music search platform in China. The Group is pleased with the outcome and plans to deploy MINE search platform to other provinces in China. In addition, MINE mobile search solution was adopted by one of the largest handset manufacturers in China by embedding the kjava version of MINE music search solution onto their latest handset models. Furthermore, numerous content and service providers approached the Group for alliance and cooperation on MINE. The Group will carefully evaluate the opportunities being put forward.

The Group has re-structured and streamlined its MVAS organization by business lines during the first half of 2005. As a result, the Group has achieved a higher operational efficiency and productivity as compared with the same period last year. These achievements have been reflected by the Group’s improved gross profit margin and lowered general administration expenses. The Group expects the operating costs of MVAS will be gradually and steadily decreased. At the same time, it is expected that the bad debts rate will be lowered and the credit periods to telecom operators will be shortened. The Group expects that gross profit margin will be further improved in the second half financial year.

Due to the rapidly growth of the MVAS business, the Group has established a dedicated customer services team in order to meet the increasing need by a vast number of potential mobile users. The Group plans to acquire new call center equipments and software to automate the workflow and handle the increasing capacity. The customer services team will play an important role to bridge the gap between the mobile users and our businesses.

於首個季度，本集團與一間移動電話運營商訂立一項測試協議，以於中國三個省份推出移動智能搜索引擎（「搜索引擎」）移動音樂搜尋平台。音樂搜尋測試已於九月完成，並獲得成功。因此，音樂搜尋平台已推廣至額外四個中國省份。在六個月內，搜索引擎已在七個省份推出，潛在覆蓋超過七千萬名移動電話認購者及三千萬名彩鈴認購者。搜索引擎為中國首個商業移動音樂搜尋平台。本集團對結果表示滿意，並計劃在其他中國省份部署搜索引擎搜尋平台。此外，中國最大手機製造商之一透過將搜索引擎音樂搜尋方案之kjava版本載入其最新型號之手機，採用搜索引擎移動搜尋方案。另一方面，多個內容及服務供應商亦與本集團接觸，商討就搜索引擎展開聯盟及進行合作。本集團將審慎評估所帶來之機會。

於二零零五年上半年，本集團已按照業務種類重組及精簡其MVAS架構。因此，與去年同期相比，本集團已達致更高之營運效率及生產力。該等成就已自本集團更佳之毛利率及更低之一般行政開支中反映出來。本集團預期MVAS之營運成本將逐漸穩步下跌。同時，預期壞賬率將會降低，而授予電訊運營商之信貸期將會縮短。本集團預期下半年財政年度之毛利率將進一步改善。

鑑於MVAS業務之迅速發展，本集團已建立一個專門的客戶服務隊伍，以應付大量潛在移動用戶需求之增長。本集團計劃為熱線中心購買新設備及軟件，將工作流量自動化以處理更多工作。客戶服務隊伍將成為移動用戶及本集團業務間之重要橋樑。

On the broadband data network and Internet backbone solutions business, the Group completed during the second quarter the China Unicom VOIP V project in the provinces of Liaoning and Henan for the preliminary stage and in Guizhou, Shandong, Heilongjiang and Hainan for the final stage. Besides, the Group completed the China Unicom VOIP phase six extension project in the provinces of Liaoning, Anhui, Jiangxi, Ningxia, Chongqing and Shandong for its equipment installation works. In line with the Group's business direction, the team has been mainly focusing on completion of the existing projects and the collection of accounts receivable.

The Group aims to elevate the income of MVAS business by building a strong product sales team and developing alliances with leading media and technology partners. The Group anticipates MINE will create new opportunities for the Group. The management is confident that the Group is well positioned to take up growth opportunities in the telecom industry in China in this financial year.

在寬頻數據網絡及互聯網主幹線解決方案業務方面，於第二季期間，本集團已於遼寧省及河南省完成中國聯通VOIP V項目之初步階段，並已於貴州、山東、黑龍江及海南等省份完成該項目之最後階段。此外，本集團已於遼寧、安徽、江西、寧夏、重慶及山東等省份完成中國聯通VOIP第六期擴建項目之設備安裝工作。為配合本集團之業務方向，隊伍一直主要專注於完成現有項目並收回應收賬款。

本集團旨在透過建立一隊強大之產品銷售隊伍及與主要媒體及技術夥伴展開聯盟，提升MVAS業務之收入。本集團預期搜索引擎將為本集團創造新機會。管理層有信心本集團已準備就緒，於本財政年度全面掌握中國電訊業之增長機會。



## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2005, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under section 352 of the SFO, or which were required, pursuant to the Code of Conduct regarding Securities Transactions by Directors adopted by the Company ("Code of Conduct"), to be notified to the Company and the Exchange, were as follows:

### Long positions in the shares of the Company

| Name of Director<br>董事姓名   | Notes<br>附註 | Capacity and<br>nature of interest<br>權益類別及性質  | Number of<br>ordinary shares<br>普通股股份數目 | Percentage of<br>the Company's<br>issued share<br>capital<br>佔本公司已發行<br>股本百分比 |
|----------------------------|-------------|--|---|---|
| Mr. Yip Heon Ping<br>葉向平先生 | (1)         | Object of a discretionary family trust & interest of a controlled corporation<br>全權家族信託之對象及受控制公司之權益  | 404,280,619                             | 79.08%  |
| Mr. Yip Seng Mun<br>葉醒民先生  | (2)         | Founder of a discretionary family trust & interest of controlled corporations<br>全權家族信託之創辦人及受控制公司之權益 | 404,280,619                             | 79.08%  |

### 董事於股份、相關股份及債權證之權益及淡倉

於二零零五年九月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券及期貨條例第352條須置存之登記冊內之權益或淡倉，或根據本公司已採納之董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益或淡倉如下：

### 於本公司股份之好倉

## Notes:

- (1) These shares are held by Greenford Company Limited, Century Technology Holding Limited and Bakersfield Global Corporation as trustees of The Greenford Unit Trust, The Century Unit Trust and The Bakersfield Unit Trust, respectively, all the units of which are held by Cititrust (Cayman) Limited as trustee of The New Millennium Trust, a discretionary family trust established with Mr. Yip Heon Ping as one of the discretionary objects for the time being.

Among these shares, 155,931,035 shares held by Greenford Company Limited as trustee mentioned above. The entire issued share capital in Greenford Company Limited is beneficially owned by Mr. Yip Heon Ping.

- (2) By virtue of the SFO, Mr. Yip Seng Mun, being the settlor and being regarded as the founder of the New Millennium Trust is deemed to be interested in the 404,280,619 shares of the Company.

Among these shares, 155,931,035 shares held by Century Technology Holding Limited and 92,418,549 shares held by Bakersfield Global Corporation as trustees mentioned above. The entire issued share capital in each of Century Technology Holding Limited and Bakersfield Global Corporation is beneficially owned by Mr. Yip Seng Mun.

## Long position in underlying shares of the Company

### Share Options

The interests of the Directors in the share options of the Company are separately disclosed in the section "Share option schemes" below.

In addition to the above, certain Directors had non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the requirement for a minimum number of shareholders.

## 附註：

- (1) 該等股份由Greenford Company Limited、Century Technology Holding Limited及Bakersfield Global Corporation分別以The Greenford Unit Trust、The Century Unit Trust及The Bakersfield Unit Trust之受託人身份持有，該等信託之所有單位均由Cititrust (Cayman) Limited以The New Millennium Trust之受託人身份持有，而The New Millennium Trust乃當時以葉向平先生為其中一名全權託管對象而設之全權家族信託。

其中，Greenford Company Limited(如上文所述作為受託人)持有155,931,035股股份。Greenford Company Limited之全部已發行股本由葉向平先生實益擁有。

- (2) 根據證券及期貨條例，葉醒民先生(身為財產授予人以及被視為The New Millennium Trust之創辦人)被視為於本公司404,280,619股股份中擁有權益。

其中，Century Technology Holding Limited及Bakersfield Global Corporation(如上文所述均作為受託人)分別持有155,931,035股股份及92,418,549股股份。Century Technology Holding Limited及Bakersfield Global Corporation各自之全部已發行股本由葉醒民先生實益擁有。

## 於本公司相關股份之好倉

### 購股權

董事於本公司購股權之權益於下文「購股權計劃」一節另行披露。

除上述者外，若干董事乃純為遵照最低股東數目規定而為本公司利益持有若干附屬公司之非實益個人股本權益。

Save as disclosed above, as at 30 September 2005, none of the Directors or chief executive of the Company had, any interests or short positions in the shares, underlying shares and debentures 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 Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Exchange pursuant to the Code of Conduct.

## SHARE OPTION SCHEMES

The Company's share option scheme which was adopted on 7 March 2000 (the "Old Scheme") was terminated and replaced by a new share option scheme approved by the shareholders at the extraordinary general meeting of the Company held on 9 April 2002 (the "New Scheme"). The options granted under the Old Scheme remain exercisable within their respective exercise periods.

A summary of the Old Scheme and the New Scheme is set out below:

### (a) Old Scheme

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants include the Company's Directors and employees of the Group. Under the Old Scheme, the Board was authorised, at its absolute discretion, to grant options to the Company's Directors and employees of the Group, to take up options to subscribe for ordinary shares of the Company. The Old Scheme became effective for a period of 10 years commencing on the listing of the Company's shares on GEM of the Exchange on 28 March 2000.

除上文所披露者外，於二零零五年九月三十日，本公司董事或主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券及期貨條例第352條須置存之登記冊內之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

## 購股權計劃

於二零零零年三月七日採納之本公司購股權計劃（「舊計劃」）已於二零零二年四月九日舉行之本公司股東特別大會上終止及以股東批准之新購股權計劃（「新計劃」）取代。根據舊計劃授出之購股權仍可於有關之行使期內行使。

舊計劃及新計劃之概要載列如下：

### (a) 舊計劃

本公司設有一項購股權計劃，旨在鼓勵及獎勵對本集團之成功經營作出貢獻之合資格參與者。合資格參與者包括本公司董事及本集團僱員。根據舊計劃，董事會獲授權全權酌情決定向本公司董事及本集團僱員授出購股權，以接納購股權認購本公司之普通股。舊計劃於本公司股份於二零零零年三月二十八日在聯交所創業板上市時開始生效，為期10年。

## (b) New Scheme

The New Scheme became effective for a period of 10 years commencing on 23 April 2002. Under the New Scheme, the Directors may, at their sole discretion, grant to any eligible participants options to subscribe for ordinary shares of the Company at the higher of (i) the closing price of shares of the Company on GEM as stated in the Exchange's daily quotation sheet on the date of the offer of grant; or (ii) the average closing price of the shares of the Company on GEM as stated in the Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the share. The offer of a grant of options may be accepted within 21 days from the date of the offer. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. The exercise period of the options granted is determinable by the Directors, and commences after certain vesting period and ends in any event not later than 10 years from the date of the offer on which the offer for grant of the option is made, subject to the provisions for early termination thereof.

The maximum number of securities to be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the relevant class of securities of the Company in issue from time to time.

The total number of shares which may be allotted and issued upon exercise of all options to be granted under the New Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of the extraordinary general meeting held on 9 April 2002.

## (b) 新計劃

新計劃自二零零二年四月二十三日開始生效，為期10年。根據新計劃，董事可全權酌情決定向合資格參與者授出購股權，以按(i)於要約發出日期聯交所每日報價表上所列本公司股份在創業板之收市價；或(ii)緊接要約授出日期前五個交易日聯交所每日報價表上所列本公司股份在創業板之平均收市價；及(iii)股份面值(以較高者為準)之價格，認購本公司之普通股。接納購股權之要約之期限為要約日期起21日內。接納購股權時須支付象徵式代價1港元。所授出購股權之行使期限由董事釐定，並於某個歸屬期後開始，及在任何情況下於授出購股權要約之要約日期起計10年內屆滿，惟須受提前終止之條文規限。

因根據新計劃及本集團之任何其他購股權計劃所授出及未獲行使之所有尚未行使之購股權獲行使而將予配發及發行之最高證券數目，合共不得超過不時已發行之本公司有關類別證券之30%。

因根據新計劃將授出之所有購股權獲行使而可配發及發行之股份總數，其數目相等於截至股東特別大會舉行日期二零零二年四月九日之本公司已發行股份之10%。

### Options to subscribe for shares of the Company under the Old Scheme

根據舊計劃認購本公司股份之購股權

Details of the outstanding share options during the six-month period are as follows:

在六個月期間內尚未行使購股權之詳情如下：

| Name or category of participant<br>參與者<br>姓名或類別 | Number of share options<br>購股權數目  |                                      |   | Date of share options re-granted*<br>購股權<br>重授日期* | Exercise period of share options re-granted<br>重授購股權<br>之行使期限              | Exercise price of share options re-granted**<br>重授購股權<br>之行使價<br>HK\$<br>港元 |
|---|-----------------------------------|--------------------------------------|---|---|--|---|
|   | At 1 April 2005<br>於二零零五年<br>四月一日 | Lapsed during the period<br>期內<br>失效 | At 30 September 2005<br>於二零零五年<br>九月三十日 |   |  |   |
| <b>Directors</b><br>董事                          |                                   |                                      |   |   |  |   |
| Mr. Yip Seng Mun<br>葉醒民先生                       | 6,000,000                         | -                                    | 6,000,000                               | 22 August 2001<br>二零零一年<br>八月二十二日                 | 22 August 2001 to<br>21 August 2011<br>二零零一年<br>八月二十二日至<br>二零零一年<br>八月三十一日 | 0.40  |
| Mr. Yip Heon Ping<br>葉向平先生                      | 6,300,000                         | -                                    | 6,300,000                               | 22 August 2001<br>二零零一年<br>八月二十二日                 | 22 August 2001 to<br>21 August 2011<br>二零零一年<br>八月二十二日至<br>二零零一年<br>八月三十一日 | 0.40  |
| Mr. Yip Heon Wai†<br>葉向維先生†                     | 5,300,000                         | -                                    | 5,300,000                               | 22 August 2001<br>二零零一年<br>八月二十二日                 | 22 August 2001 to<br>21 August 2011<br>二零零一年<br>八月二十二日至<br>二零零一年<br>八月三十一日 | 0.40  |
| Mr. Yip Heon Keung<br>葉向強先生                     | 5,300,000                         | -                                    | 5,300,000                               | 22 August 2001<br>二零零一年<br>八月二十二日                 | 22 August 2001 to<br>21 August 2011<br>二零零一年<br>八月二十二日至<br>二零零一年<br>八月三十一日 | 0.40  |
|   | <u>22,900,000</u>                 | <u>-</u>                             | <u>22,900,000</u>                       |   |  |   |
| <b>Other employees of the Group</b><br>本集團其他僱員  |                                   |                                      |   |   |  |   |
| In aggregate<br>合計                              | 4,585,000                         | (120,000)                            | 4,465,000                               | 22 August 2001<br>二零零一年<br>八月二十二日                 | 22 August 2001 to<br>21 August 2011<br>二零零一年<br>八月二十二日至<br>二零零一年<br>八月三十一日 | 0.40  |
|   | <u>27,485,000</u>                 | <u>(120,000)</u>                     | <u>27,365,000</u>                       |   |  |   |

### Options to subscribe for shares of the Company under the New Scheme

根據新計劃認購本公司股份之購股權

Details of the outstanding share options during the six-month period are as follows:

在六個月期間內尚未行使購股權之詳情如下：

| Name or category of participant<br>參與者<br>姓名或類別 | Number of share options<br>購股權數目  |                                       |                                      | At 30 September 2005<br>於二零零五年<br>九月三十日 | Date of share options granted*<br>購股權<br>重授日期* | Exercise period of share options granted<br>所授出購股權<br>之行使期限              | Exercise price of share options granted**<br>所授出購股權<br>之行使價<br>HK\$<br>港元 |
|---|-----------------------------------|---------------------------------------|--------------------------------------|---|--|--|---|
|   | At 1 April 2005<br>於二零零五年<br>四月一日 | Granted during the period<br>期內<br>授予 | Lapsed during the period<br>期內<br>失效 |   |  |  |   |
| <b>Director</b><br>董事                           |                                   |                                       |                                      |   |  |  |   |
| Mr. Au Shing Kwok**<br>區承國先生**                  | 500,000                           | -                                     | (500,000)                            | -                                       | 22 May 2002<br>二零零二年<br>五月二十二日                 | 22 May 2002 to<br>21 May 2012<br>二零零二年<br>五月二十二日至<br>二零零二年<br>五月三十一日     | 0.26  |
| <b>Other employees of the Group</b><br>本集團其他僱員  |                                   |                                       |                                      |   |  |  |   |
| In aggregate<br>合計                              | 1,490,000                         | -                                     | (650,000)                            | 840,000                                 | 22 May 2002<br>二零零二年<br>五月二十二日                 | 22 May 2002 to<br>21 May 2012<br>二零零二年<br>五月二十二日至<br>二零零二年<br>五月三十一日     | 0.26  |
| In aggregate<br>合計                              | 5,090,000                         | -                                     | (720,000)                            | 4,370,000                               | 26 March 2004<br>二零零四年<br>三月二十六日               | 26 March 2004 to<br>25 March 2014<br>二零零四年<br>三月二十六日至<br>二零零四年<br>三月二十五日 | 0.10  |
| <b>Others</b><br>其他                             |                                   |                                       |                                      |   |  |  |   |
| In aggregate<br>合計                              | 1,200,000                         | -                                     | -                                    | 1,200,000                               | 26 March 2004<br>二零零四年<br>三月二十六日               | 26 March 2004 to<br>25 March 2014<br>二零零四年<br>三月二十六日至<br>二零零四年<br>三月二十五日 | 0.10  |
| In aggregate<br>合計                              | -                                 | 3,000,000                             | -                                    | 3,000,000                               | 24 June 2005<br>二零零五年<br>六月二十四日                | 24 June 2005 to<br>23 June 2015<br>二零零五年<br>六月二十四日至<br>二零零五年<br>六月二十三日   | 0.10  |
|   | <u>8,280,000</u>                  | <u>3,000,000</u>                      | <u>(1,870,000)</u>                   | <u>9,410,000</u>                        |  |  |   |

- # In addition to the 5,300,000 share options personally held by Mr. Yip Heon Wai, he is also deemed to be interested in the share options held by his spouse (in her capacity as an employee of the Company) to subscribe for 4,300,000 ordinary shares of the Company at an exercise price of HK\$0.40 within the meaning of Part XV of the SFO, and whose exercise period is from 22 August 2001 to 22 August 2011.
- # 除葉向維先生個人持有之5,300,000份購股權外，根據證券及期貨條例第XV部，其亦被視為擁有其配偶(以本公司僱員身份)所持有之購股權(可按行使價0.40港元認購本公司4,300,000股普通股)之權益，而其行使期由二零零一年八月二十二日開始至二零一一年八月二十二日。
- ## 500,000 share options lapsed following the passing away of Mr. Au on 8 August 2005.
- ## 區先生於二零零五年八月八日辭世後，500,000份購股權已失效。
- \* The time of acceptance of the share options was within 21 days from the options offer date. The share options granted are subject to certain vesting period and vary for each category of participant as specified under the respective share option schemes.
- \* 購股權之接納時間為自購股權要約日起21日內。根據有關購股權計劃之規定，所授出之購股權因應不同參與者類別而受不同之歸屬期所規限。
- \*\* The exercise price of the share options was subject to an adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- \*\* 購股權之行使價在供股或紅股發行或本公司股本發生類似變動時可予調整。

As at 30 September 2005, the Company had 27,365,000 and 9,410,000 share options outstanding under the Old Scheme and the New Scheme, respectively.

於二零零五年九月三十日，根據舊計劃及新計劃，本公司分別有27,365,000份及9,410,000份尚未行使之購股權。

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the share options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Share options which are cancelled prior to their exercise date are deleted from the register of outstanding share options.

所授購股權之財務影響須在購股權獲行使時才列入本公司或本集團之資產負債表，且損益賬或資產負債表中概無就該等費用作任何扣減。於購股權獲行使時，本公司將由此發行之股份按股份面值列作額外股本，而本公司將每股行使價高於股份面值之部分列入股份溢價賬。在購股權行使日期前已註銷之購股權已於尚未行使購股權登記冊中刪除。

The Directors do not consider it appropriate to disclose a theoretical value of the share options granted during the reporting period to the Directors and employees, because in the absence of a readily available market value for share options on the ordinary shares of the Company, the Directors were unable to arrive at an accurate assessment of the value of the share options.

董事認為不宜披露報告期間已授予董事及僱員之購股權之理論價值，因為現時並無關於涉及本公司普通股之購股權之現行市價，董事未能就該等購股權之價值作出準確評估。

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

## 主要股東之權益及淡倉

As at 30 September 2005, shareholders (other than the Directors or chief executive of the Company) who had interests of short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

於二零零五年九月三十日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或記載於本公司按證券及期貨條例第336條置存之登記冊內之權益或淡倉之股東（本公司董事或主要行政人員除外）如下：

| Name of Shareholder<br>股東名稱   | Notes<br>附註 | Capacity and<br>nature of interest<br>權益類別及性質   | Number of<br>ordinary shares<br>普通股股份數目 | Percentage of<br>the Company's<br>issued share<br>capital<br>佔本公司已發行股本百分比 |
|---|-------------|---|---|---|
| Greenford Company Limited   | (1)         | Directly beneficially owned<br>直接實益擁有   | 155,931,035                             | 30.50%  |
| Century Technology Holding Limited  | (2)         | Directly beneficially owned<br>直接實益擁有   | 155,931,035                             | 30.50%  |
| Bakersfield Global Corporation  | (3)         | Directly beneficially owned<br>直接實益擁有   | 92,418,549                              | 18.08%  |
| Cititrust (Cayman) Limited<br>(as trustee of The New<br>Millennium Trust)<br>(以The New Millennium<br>Trust之受託人身份) | (4)         | Trustee of a discretionary<br>family trust & through<br>controlled corporations<br>全權家族信託之受託人<br>及透過受控制公司 | 404,280,619                             | 79.08%  |



## Notes:

- (1) The entire issued share capital of Greenford Company Limited is beneficially owned by Mr. Yip Heon Ping, a Director of the Company.
- (2) The entire issued share capital of Century Technology Holding Limited is beneficially owned by Mr. Yip Seng Mun, a Director of the Company.
- (3) The entire issued share capital of Bakersfield Global Corporation is beneficially owned by Mr. Yip Seng Mun, a Director of the Company.
- (4) An aggregate of 404,280,619 shares were held through Greenford Company Limited, Century Technology Holding Limited and Bakersfield Global Corporation as trustees of The Greenford Unit Trust, The Century Unit Trust and The Bakersfield Unit Trust, respectively, all of the units of which were held by Cititrust (Cayman) Limited as trustee of The New Millennium Trust, a discretionary family trust established with Mr. Yip Seng Mun as the founder and Mr. Yip Heon Ping as the discretionary object for the time being. Cititrust (Cayman) Limited is a wholly-owned subsidiary of Citibank Overseas Investment Corporation which in turn is owned by Citibank N.A.

Save as disclosed above, as at 30 September 2005, the Company has not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## 附註：

- (1) Greenford Company Limited全部已發行股本由本公司董事葉向平先生實益擁有。
- (2) Century Technology Holding Limited全部已發行股本由本公司董事葉醒民先生實益擁有。
- (3) Bakersfield Global Corporation全部已發行股本由本公司董事葉醒民先生實益擁有。
- (4) 合共404,280,619股股份由Greenford Company Limited、Century Technology Holding Limited及Bakersfield Global Corporation分別以The Greenford Unit Trust、The Century Unit Trust及The Bakersfield Unit Trust之受託人身份持有，該等信託中之所有單位均由Cititrust (Cayman) Limited以The New Millennium Trust之受託人身份持有。The New Millennium Trust為一項當時以葉醒民先生為創辦人及以葉向平先生為全權託管對象而設之全權家族信託。Cititrust (Cayman) Limited為Citibank Overseas Investment Corporation之全資附屬公司，而Citibank Overseas Investment Corporation又為Citibank N.A.所擁有。

除上文所披露者外，於二零零五年九月三十日，概無任何人士（本公司董事或主要行政人員除外）曾知會本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司按證券及期貨條例第336條置存之登記冊內之本公司股份或相關股份之權益或淡倉。

## COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) have any interests in a business which competes or may compete with the business of the Group, or has any other conflict of interest with the Group during the period under review.

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

During the six months ended 30 September 2005, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

## COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The company has applied the principles and complied with all the code provisions set out in the Code on Corporate Governance Practices as contained in Appendix 15 of the GEM Listing Rules ("Code on CG Practices") throughout the period under review, except the following deviations:

### Code provisions 守則條文

#### A3.1 & C3

Following the passing away of Mr. Au Shing Kwok on 8 August 2005, the Company currently has only two independent non-executive Directors and two Audit Committee members

緊隨區承國先生於二零零五年八月八日辭世後，本公司目前僅有兩位獨立非執行董事及兩位審核委員會成員

## 競爭權益

於回顧期內，本公司之董事或管理層股東或彼等各自之聯繫人士(定義見創業板上市規則)概無於與本集團業務構成或可能構成競爭或與本集團有任何其他利益衝突之業務中擁有任何權益。

## 購買、出售或贖回本公司上市證券

於截至二零零五年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

## 遵守企業管治常規守則

本公司於整段回顧期間一直採用及遵守創業板上市規則附錄十五所載之企業管治常規守則(「企業管治常規守則」)之原則及所有守則條文，惟以下偏離除外：

### Steps to be taken 擬採取之步驟

The Company is now in the progress of identifying and appointing a suitable candidate to fill such vacancies  
本公司目前正在確定及委任合適人選以填補該等空缺

## Code provisions

## 守則條文

A4.2 Not all Directors are subject to retirement by rotation at least once every three years  
並非全體董事均須最少每三年輪席告退一次

B1.1 Following the passing away of Mr. Au Shing Kwok on 8 August 2005, the majority of the members of the Remuneration Committee are not independent non-executive Directors  
緊隨區承國先生於二零零五年八月八日辭世後，薪酬委員會之大多數成員並非獨立非執行董事

The Board was also in the progress of assessing the effect of the implementation of the Code on CG Practices on the Company's operation. Save as disclosed, the Company has met the code provisions set out in the Code on CG Practices throughout the six months ended 30 September 2005.

## Steps to be taken

## 擬採取之步驟

The Board considered that for stability reasons, the Chairman and the Managing Director of the Company do not need to be subject to retirement by rotation in accordance with the Company's Articles of Association  
董事會認為為求穩定，根據本公司之組織章程，本公司之主席及董事總經理毋須受輪席告退規限

The Company is now in the progress of identifying and appointing a suitable candidate to fill such vacancy  
本公司目前正在確定及委任合適人選以填補該空缺

董事會正在評估實施企業管治常規守則對本公司業務之影響。除所披露者外，本公司於截至二零零五年九月三十日止六個月期間一直遵守企業管治常規守則所載之守則條文。

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the six months ended 30 September 2005, the Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by any of the Directors.

## AUDIT COMMITTEE

The Company established an audit committee (“Audit Committee”) on 7 March 2000 and has formulated its written terms of reference in accordance with the provisions set out in the Code on CG Practices. As mentioned above, following the passing away of Mr. Au Shing Kwok on 8 August 2005, the Company currently has only two independent non-executive Directors and two Audit Committee members, namely Mr. James T. Siano (Chairman of the Audit Committee) and Ms. Tse Yuet Ling, Justine.

The primary duties of the Audit Committee include the review and supervision of the Group’s financial reporting system and internal control procedures, review of the Group’s financial information and review of the relationship with the auditors of the Company.

The Audit Committee has reviewed the draft of this report and has provided advice and comments thereon.

## 有關董事進行證券交易之行為守則

於截至二零零五年九月三十日止六個月，本公司已採納一套關於董事進行證券交易之行為守則，其條款之嚴格程度不遜於創業板上市規則第5.48條至5.67條規定之買賣標準。另外，本公司已特別向所有董事作出查詢，且本公司並不知悉有任何董事不遵守所規定買賣標準及董事進行證券交易之行為守則之情況。

## 審核委員會

本公司已於二零零零年三月七日成立審核委員會（「審核委員會」），並根據企業管治常規守則之條文書面制定其職權範圍。如上文所述，區承國先生於二零零五年八月八日辭世後，本公司現時僅有兩位獨立非執行董事及兩位審核委員會成員，即James T. Siano先生（審核委員會主席）及謝月玲女士。

審核委員會之主要責任包括審核及監督本集團之財務申報制度及內部控制程序，審閱本集團之財務資料及檢討與本公司核數師之關係。

審核委員會已審閱本報告之草稿，並就此提供意見及評論。

## REMUNERATION COMMITTEE

According to the Code on CG Practices, the Company established its remuneration committee (“Remuneration Committee”) on 17 June 2005 with written terms of reference. As mentioned above, the Remuneration Committee since 8 August 2005 has comprised one independent non-executive Director of the Company, Ms. Tse Yuet Ling, Justine (Chairman of the Remuneration Committee) and one executive Director, Mr. Yip Heon Keung.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company’s policy and structure for all remuneration of the Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

By Order of the Board  
**Yip Seng Mun**  
Chairman

Hong Kong, 11 November 2005

## 薪酬委員會

根據企業管治常規守則之規定，本公司已於二零零五年六月十七日成立薪酬委員會（「薪酬委員會」），並書面制定其職權範圍。如上文所述，自二零零五年八月八日以來，薪酬委員會由本公司一名獨立非執行董事謝月玲女士（薪酬委員會主席）及一名執行董事葉向強先生組成。

薪酬委員會之主要職責包括就本公司所有受薪董事和高級管理層之薪酬政策及架構向董事會提供建議，並參考董事會不時釐定之企業宗旨及目標，檢討所有執行董事及高級管理層之特定薪酬待遇。

承董事會命  
主席  
葉醒民

香港，二零零五年十一月十一日



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