



Jian ePayment Systems Limited

華普智通系統有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)



A **Leading JIAN Nationwide**



ANNUAL REPORT

年 2004 報

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板為帶有高投資風險之公司提供上市之市場。尤其在創業板上市之公司毋須有過往溢利和記錄。亦毋須預測未來溢利。

此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。

有意投資之人士應瞭解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高險及其他特色表示創業板較適合專業及其他經驗豐富投資者。

由於創業板上市之公司屬於新興性質。在創業板買賣之證券可能會較於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。

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

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

本報告(華普智通系統有限公司(「本公司」)各董事(「董事」)願共同及個別對此負全責)乃遵照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」)之規定而提供有關本公司之資料。各董事經作出一切合理查詢後，確認就彼等所知及所信：(1)本報告所載資料在各重大方面均屬準確及完整，且無誤導成分；(2)並無遺漏任何其他事實致使本報告所載任何聲明產生誤導；及(3)本報告內表達之一切意見乃經審慎周詳考慮後方始作出，並以公平合理之基準和假設為依據。

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

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability.

Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate.

Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

The principal means of information dissemination on GEM is publication on the Internet website operated by the 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.

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

This report, for which the directors (the “Directors”) of Jian ePayment Systems Limited (the “Company”) collectively and individually accept responsibility includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock 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.

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本人謹代表華普智通系統有限公司(本公司)，連同其附屬公司(統稱本集團)之董事會公佈截至二零零四年十二月三十一日止年度(本年度)之經審核業績。

本集團本年度與上年度相比營業收入取得大幅度增長。本集團截至二零零四年十二月三十一日止錄得營業額約為人民幣8,173,000元，比上年度增長140%；本年度股東應佔虧損約為人民幣35,601,000元，比上年度減少30%。

本集團始終致力於將華普智通系統建設成為通行中國之大型電子支付系統。二零零四年度本集團在大力提高技術設備銷售增加營業收入的基礎上，著力於武漢、北京一卡多用之推廣，並尋求通過購併方式，實現業務擴張。

本集團前幾年投放市場的電子泊車設備和系統技術，經受了市場的考驗，逐步成為中國市場的主導技術產品。本集團原有客戶陸續增加了設備訂購的數量，交易征費收入也恢復增長。預期二零零五年設備銷售和交易征費還會有較快的增長，市場份額將進一步擴大。

I would like to announce the audited operating results for the year ended 31 December 2004 (this year) on behalf of the Board of Directors of Jian ePayment Systems Limited (the Company) and its subsidiaries (together referred to as the "Group").

In this year, the Group had a sharp increase in its operating income as compared with the preceding year. For the year ended 31 December 2004, its turnover was RMB8,173,000, representing an amazing increase of 140% over last year, while the loss attributable to shareholders amounted to approximately RMB35,601,000, decreasing by 30% as compared with that of last year.

The Group has been committed to developing the Jian ePayment System into a large electronic payment system widely adopted in China. In 2004, on top of boosting the sale of technological equipment for more operating income, the Group put great effort into the marketing activities of "One Card Multiple Uses" in Wuhan and Beijing, and sought to expand its business by way of acquisition and merger.

The electronic parking equipment and system technology launched to the market by the Group a few years ago have gradually become the leading technological products in the PRC market after the harsh market competition. The existing customers of the Group increased their orders of equipment progressively while revenue from the transaction levies regained its growth momentum. The sale of equipment and the transaction levies are expected to grow faster in 2005, which will result in a greater market share.

本集團不斷尋求合作開發中國電子支付市場的機會，由於本集團在武漢市一卡多用推廣進展取得良好的效果，在武漢市政府有關部門支援推動下，本集團與武漢市公交票務公司就以華普智通卡之推廣模式，以武漢已發行超過100多萬張公交IC卡為基礎展開合作，在武漢市建立類似香港“八達通”之一卡通體系，於二零零四年三月二十二日，本集團與武漢市公共交通集團有限公司簽署了以增資擴股方式控股武漢市公共交通票務管理有限公司70%之重組協定。（本集團於二零零五年二月二十四日與武漢市公共交通集團有限公司簽署重組武漢市公共交通票務管理有限公司正式合同及合資公司章程，公司設立正在按中國法律規程辦理審批手續。）

展望未來，本集團董事堅信，本集團二零零五年營業收入將陸續取得大幅增長，足以支援公司各項費用開支和正常經營，並有信心完成武漢公共交通票務管理有限公司併購及其它合作專案的推進，為公司帶來新的收入增長點和業務發展空間。最終使華普智通卡成為中國若干城市居民普遍擁有、經常使用之便民卡。

本人藉此機會，謹代表董事會向本集團之管理層及員工致謝；亦感謝列位股東、投資者、業務夥伴、各位客戶及供應商在過往一年來對本集團之支援及鼓勵；亦感謝律師、會計師、顧問及其所在企業的幫助與支援。

主席
翽英海
謹啟

中國北京二零零五年三月二十九日

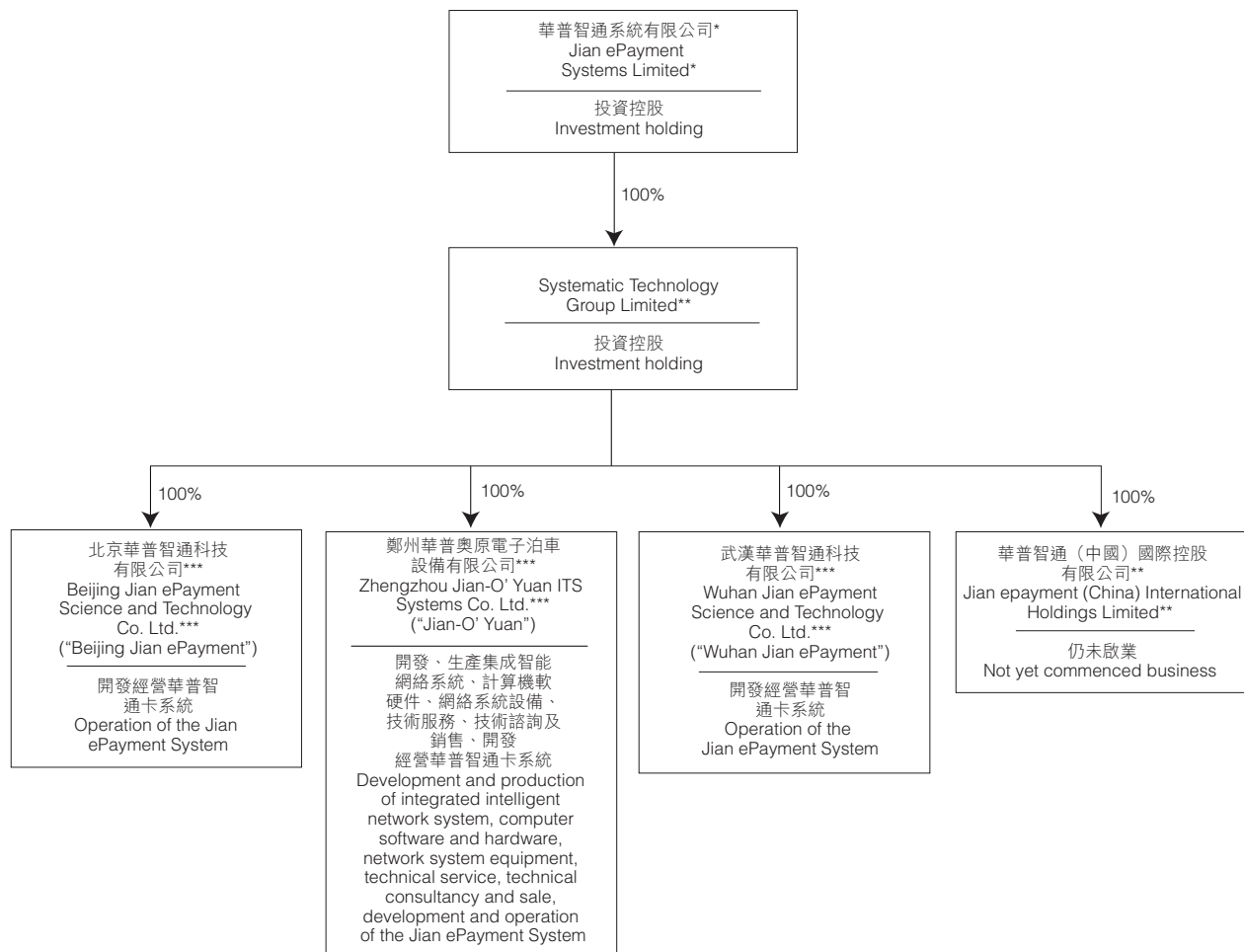
The Group has been seeking opportunities of joint development of the electronic payment market in China. Based on the satisfactory results of the promotion of “One Card Multiple Uses” system in Wuhan, the Group and Wuhan Traffic IC Card Management Limited, under the guidance and motivation from the relevant departments of Wuhan Municipal Government, cooperated to establish a “One Card Multiple Uses” system, which was similar to the Octopus Cards of Hong Kong. The project was conducted in accordance with the promotion mode of Jian ePayment smart card system and on the basis of more than 1,000,000 Traffic IC Cards being issued in Wuhan. As at 22 March 2004, the Group and Wuhan Transportation Group Company Limited entered into an agreement to subscribe for 70% of the enlarged registered capital in Wuhan Traffic IC Card Management Limited. (On 24 February 2005, the Group and Wuhan Transportation Group Company Limited entered into the formal contract and articles of association of the joint venture to restructure Wuhan Transportation Group Company Limited. We are now going through the procedures for approving the establishment of the company in accordance with the provisions of the PRC laws.)

Turning to 2005, the Board of Directors has no doubt that the Group will continuously record substantive growth in operating income to an extent that the Company may have sufficient funds for various expenses and ordinary operation. It is also confident that the merger and acquisition of Wuhan Transportation Group Company Limited can be completed and there will be a satisfactory progress on other cooperation projects, which will bring about new income growth and rooms for business development to the Company. Ultimately, these will make Jian Smart Pass the convenient card generally owned and frequently used by the citizens of a number of cities in China.

I would like to take this occasion to present thanks to the management and staff members of the Group on behalf of the Board of Directors. Besides, I would like to thank shareholders, investors, business partners, customers and vendors for their support and encouragement given to the Group in the previous year. My thanks are also extended to lawyers, auditors, consultants and relevant enterprises for their help and support.

Chairman
CHIN YING HOI

Beijing, the PRC, 29 March 2005



- * 於開曼群島註冊成立
- ** 於英屬處女群島註冊成立
- *** 於中國成立

- * incorporated in the Cayman Islands
- ** incorporated in the British Virgin Islands
- *** established in the PRC

財務回顧

FINANCIAL REVIEW

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000	變動 Change
營業額	Turnover	8,173	3,407	140%
毛利額	Gross profit	4,177	2,742	52%
股東應佔虧損	Loss attributable to shareholders	(35,601)	(51,128)	-30%
每股基本虧損	Basic loss per share	(0.09)	(0.13)	-31%

本集團截至二零零四年十二月三十一日止全年之營業額約為人民幣8,173,000元，比二零零三年同期上升140%。本年度內股東應佔虧損約為人民幣35,601,000元，每股基本虧損為約人民幣0.09元。

For the year ended 31 December 2004, the Group recorded a turnover of approximately RMB8,173,000, representing an increase of 140% over that of 2003. Loss attributable to shareholders for the year was approximately RMB35,601,000, while basic loss per share was RMB0.09.

按產品劃分之營業額

TURNOVER BY PRODUCT

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000	變動 Change
銷售軟件及硬件收入	Sales of hardware and software	6,694	1,300	415%
交易征費	Transaction levies	1,479	2,107	-30%
總計	Total	8,173	3,407	140%

本集團2004年度之收入來源於華普智通軟硬體銷售收入大約人民幣6,694,000元，交易徵費大約人民幣1,479,000元。本年度第二季度起泊車系統軟硬體銷售開始增加，進入上升軌道，銷售收入的增長主要來自原有電子泊車收費系統運營城市新增路邊讀卡器銷售。系統交易征費比去年同期減少是由於部分電子泊車收費系統運營城市受市政工程建設影響，使部分路段路邊停車收費短期停止，導致泊車刷卡收入減少，本集團系統交易徵費下降。

The Group's revenue for 2004 came from sales revenue of Jian ePayment software and hardware sales of approximately RMB6,694,000 and transaction levies of approximately RMB1,479,000. The sales of electronic parking hardware and software increased from second quarter this year. The increase in the sales revenue was a result of the launch of roadside parking smart card readers in the existing cities where the electronic parking fee collection system was installed. The decrease in transaction levies over the corresponding period last year was mainly due to Governmental construction and redevelopment work on roads in some cities that has already installed electronic parking collection system. This made part of the collection transaction levies temporarily suspended and the Group's turnover in transaction levies decreased accordingly.

股東應佔虧損

本年度的股東應佔虧損約為人民幣35,601,000元，較去年同期減少約30%。淨虧損較去年同期減少主要是由於營業額大幅度增加，而導致毛利增長，及本集團加強費用控制而使費用總額比去年同期減少22%。

財政狀況

		截至 二零零四年 十二月三十一日 As at 31 December 2004 人民幣千元 RMB'000	截至 二零零三年 十二月三十一日 As at 31 December 2003 人民幣千元 <i>RMB'000</i>	變動 Change
現金及現金等價物	Cash and cash equivalents	6,428	11,721	-45%
總資產	Total assets	21,209	61,154	-65%
股東權益	Shareholders' funds	(9,504)	26,095	-136%
非流動負債	Non-current liabilities	5,305	—	100%
流動比率(倍)	Current ratio (Times)	0.51	0.63	-19%

總資產

本年度本集團的總資產較上年同期減少65%，約人民幣21,209,000元，其中固定資產約為人民幣8,130,000元，流動資產（包括現金）約人民幣13,079,000元。

流動資金及財政資源

目前本集團之現金及現金等價物合計共人民幣6,428,000元，並流動比率亦由二零零三年之0.63改變為本年度之0.51。本年度大股東翦英海先生提供財務援助予本集團，金額為港幣5,000,000元，進一步改善本集團運營資金要求。該等借款資金為無抵押、免息及非於十二月內到期。

LOSS ATTRIBUTABLE TO SHAREHOLDERS

Loss attributable to shareholders for the year was approximately RMB35,601,000, a fall of about 30% over the corresponding period last year. The decrease in the net loss over the corresponding period last year was mainly due to the significant increase in turnover and, as such the increase in gross profit. In addition, the Group's strengthened cost-control had also reduced the total expenses by 22% over the corresponding period last year.

FINANCIAL CONDITION

	截至 二零零四年 十二月三十一日 As at 31 December 2004 人民幣千元 RMB'000	截至 二零零三年 十二月三十一日 As at 31 December 2003 人民幣千元 <i>RMB'000</i>	變動 Change
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非流動負債	5,305	—	100%
流動比率(倍)	0.51	0.63	-19%

Total assets

The Group's total assets in the Year decreased by 65% to RMB21,209,000, mainly comprising fixed assets of approximately RMB8,130,000 and current assets (including cash) of approximately RMB13,079,000.

LIQUIDITY AND FINANCIAL RESOURCES

The Group currently has cash and cash equivalents of RMB6,428,000 in total, while the current ratio has changed from 0.63 times for 2003 to 0.51 times this year. The Group's working capital requirement has been further improved with the financial support as much as HK\$5,000,000 granted by Mr. Chin Ying Hoi. Such funds are unsecured, interest-free and not repayable within twelve months.

資產抵押

於二零零四年十二月三十一日，本集團並無抵押其資產。

匯兌風險

本集團所有資產、負債及交易均以港元、美元或人民幣計算，由於年內港元、美元及人民幣之匯率維持穩定，故此本集團亦無任何重大之外匯匯兌風險。

人力資源

管理

銷售及市場推廣

採購及供應

生產

研究及開發

財務及行政

總計

Management

Sales and Marketing

Purchasing and Supplies

Production

Research and Development

Finance and Administration

Total

16

12

3

41

10

9

91

26

21

4

6

18

18

93

二零零四年根據本集團的業務需要調整了人力資源結構，進行了較大幅度的增減整合。管理人員減少約38%；增加生產人員約6倍；整合研發專案，削減多餘人員。使研發和財務及行政人員分別精簡44%和50%。其次，人員結構的裁編使本集團支付僱員工資薪酬下降55%至人民幣約380.9萬元（二零零三年：人民幣850.3萬元）。

本集團按工作表現、經驗及現行行業慣例而制定僱員酬金。本集團亦提供強積金福利予香港僱員及法定公積金予中國僱員。

本集團深知僱員培訓之重要性。除在職培訓外，本集團亦定期為僱員提供內部及外間培訓，以加強其技術或產品知識。

Charges on Assets

As at 31 December 2004, the Group did not have any charge on its assets.

Exchange Rate Exposure

All the Group's assets, liabilities and transactions are denominated either in Hong Kong dollar, US dollar or Renminbi. As the exchange rates of Hong Kong dollar, US dollar and Renminbi were relatively stable during the Year, the Group was not exposed to material foreign exchange risk.

Human Resources

	As at 31 December 2004	As at 31 December 2003
	Total number of staff	Total number of staff
	於二零零四年 十二月三十一日	於二零零三年 十二月三十一日
	員工數目	員工數目
Management	16	26
Sales and Marketing	12	21
Purchasing and Supplies	3	4
Production	41	6
Research and Development	10	18
Finance and Administration	9	18
Total	91	93

In 2004, the Group had adjusted the human resources structure according to its business needs by conducting rather large-scale increase/decrease integration. As a result, the number of management staff reduced by about 38%, and that of production staff increased by about 6 times. With the integration of R&D projects and the cut-down of redundant labour, the number of R&D, finance and administration personnel had been streamlined and slashed by 44% and 50% respectively. Besides, with the headcount decrease, the Group's salaries and wages had also dropped by 55% to approximately RMB3,809,000 (2003: RMB8,503,000).

The Group remunerates its employees based on their performance, experience and the prevailing industry practice. The Group also provides Mandatory Provident Fund benefits for its employees in Hong Kong and the Statutory Retirement Scheme for its employees in China.

The Group recognises the importance of staff training. Apart from on-the-job training, during the Year, the Group had regularly provided internal and external training for its staff to enhance their technical skills or product knowledge.

或然負債

於二零零四年十二月三十一日，本集團亦無未償還或然負債。

重大投資

除本公司對其附屬公司之投資外，本集團年內並無持有任何重大投資。

業務發展

本集團本年度與上年度相比營業收入取得大幅度增長，設備軟硬體生產銷售呈現良好的勢頭；本集團原有客戶陸續增加了設備訂購的數量，並預期二零零五年設備銷售、華普智通卡發行和交易征費都將會有較快的增長，市場份額也將進一步擴大。

本集團截止二零零四年十二月三十一日，咪表軟硬體銷售金額約為人民幣6,694,000元，與二零零三年度相比增加約4倍。

由於本集團原有客戶陸續增加了設備訂購的數量，相應也加大了華普智通卡的發行量：本年度華普智通卡增發約為14.7萬張，比上年度增長47%；華普智通卡累計流通量約為65萬張，比二零零三年底增長約30%。

本集團原有客戶增加了設備訂購的數量，並陸續投入運營，本集團收入恢復增長。銷售收入的增長的主要來自原有之電子泊車收費系統運營城市新增路邊停車讀卡器銷售；交易征費比去年同期減少是由於部分電子泊車收費系統運營城市（武漢、北京、南寧等）受市政工程及地鐵施工影響，使部分路段停車收費短期停止，導致泊車刷卡收入減少。

CONTINGENT LIABILITY

As at 31 December 2004, the Group had no outstanding contingent liabilities.

SIGNIFICANT INVESTMENTS

Save for the Company's investments in its subsidiaries, the Group did not have any significant investment.

BUSINESS DEVELOPMENT

In this year, the Group had a sharp increase in its operating income as compared with the preceding year. Both the production and sale of equipment software and hardware showed good performance. The existing customers of the Group have increased their orders of equipment progressively. The sale of equipment, the number of Jian Smart Pass in issue and the transaction levies are expected to grow faster in 2005 which will result in a greater market share.

As at 31 December 2004, software and hardware sales amounts approximately RMB6,694,000, approximately increasing by four times over the year 2003.

With the increasing orders of equipment placed by the existing customers of the Group, the number of Jian Smart Pass in issue had a growth accordingly. The number increased by about 147,000, a 47% growth from the preceding year. The accumulated number of Jian Smart Pass in issue was about 650,000, representing an increase by approximately 30% from the end of 2003.

The existing customers of the Group increased their orders of equipment and put them into operation gradually. The revenue of the Group regained its growth momentum. The increase in sales revenue was mainly due to the launch of roadside parking smart card readers in the existing cities where the electronic parking fee collection systems were installed. The fall in transaction levies as compared with the corresponding period of last year was attributed to the effect of municipal construction activities and subway works in certain cities (Wuhan, Beijing, Nanning, etc.) where the electronic parking fee collection systems were installed, resulting in the temporary suspension of several roadside parking fee collection systems and the fall in the revenue from using smart cards.

預期二零零五年新市場拓展步伐將加快，新客戶將增加，設備銷售還會有較大的增長，市場份額也將進一步擴大；泊車刷卡所受市政工程施工影響將會逐漸減少，本集團預計今年系統交易征費將會逐步回升。

本集團在武漢推廣一卡多用的基礎上，在武漢市政府有關部門支援推動下，本集團與武漢市公交票務公司就以華普智通卡之推廣模式，以武漢已發行超過100多萬張公交IC卡為基礎展開合作，在武漢市建立類似香港“八達通”之一卡通體系，於二零零四年三月二十二日，本集團與武漢市公共交通集團有限公司簽署了以增資擴股方式控股武漢市公共交通票務管理有限公司70%之重組協定。（本集團於二零零五年二月二十四日與武漢市公共交通集團有限公司簽署重組武漢市公共交通票務管理有限公司正式合同及合資公司章程，公司設立正在按中國法律規程辦理審批手續。）

本集團在北京持續推廣商用讀卡系統，並已經發揮出經濟效益，刷卡消費額為人民幣約630萬元，比去年同期增長約5倍，交易征費也相應同比增加。由於本集團在北京推廣一卡多用體系初步形成，二零零四年十二月三十日本集團與北京市政交通一卡通有限公司簽定《合作協議書》，將與北京市政府直屬專營企業聯合拓展北京一卡多用市場。

It is expected that the year 2005 will see a faster development in the new market. All the number of new customers, the sale of equipment and the market share will increase further. With the declining effect of municipal construction works on the parking card business, the Group expects that the transaction levies by the system will rally steadily.

Based on the promotion of “One Card Multiple Uses” system in Wuhan, the Group and Wuhan Traffic IC Card Management Limited, under the guidance and motivation from the relevant departments of Wuhan Municipal Government, cooperated to establish a “One Card Multiple Uses” system, which was similar to the Octopus Cards of Hong Kong. The project was conducted in accordance with the promotion mode of Jian ePayment smart card system and on the basis of more than 1,000,000 Traffic IC Cards being issued in Wuhan. As at 22 March 2004, the Group and Wuhan Transportation Group Company Limited entered into an agreement to subscribe for 70% of the enlarged registered capital in Wuhan Traffic IC Card Management Limited. (On 24 February 2005, the Group and Wuhan Transportation Group Company Limited entered into the formal contract and articles of association of the joint venture to restructure Wuhan Transportation Group Company Limited. We are now going through the procedures for approving the establishment of the company in accordance with the provisions of the PRC laws.)

The Group has been extending the use of the commercial smart card reader system to Beijing and has it made economic contribution. The consumption by using the smart card had an increase of approximately five times as compared with the corresponding period of last year and amounted to approximately RMB6,300,000. Correspondingly, the transaction levies also rose up. With a preliminary result of the Group's promotion of “One Card Multiple Uses” system in Beijing, the Group and Beijing Municipal Administration & Communications Card Co., Ltd. (北京市政交通一卡通有限公司) signed a cooperation agreement on 30 December 2004 whereby the Group will develop the “One Card Multiple Uses” market in Beijing hand in hand with an enterprise directly under Beijing Municipal Government specializing in this business.

研發工作

本集團根據不斷變化之市場需求，相對加大研發投入，努力不懈地對華普智通系統之商業應用和增值開發進行廣泛之推廣和縱深之發展，取得了顯著的進展。

本年度，本集團研發支出約人民幣77.9萬元，佔銷售收入的10%。

本集團繼續保持支付終端設備於國內領先之基礎上，本年度已經完成手持採集器P130和紅外線手持採集器P115的研發工作，並投入使用，用戶反應良好。有關知識產權申報工作正在進行中。

本集團已開發出相容廣州羊城通卡的J2000-2型電池型咪表，已完成內部測試，進入潛在用戶—“廣州羊城通有限公司”正式測試階段，處於準備試投產階段。

本集團亦已研發出相容上海公共交通一卡通的J2002-3型電池型咪表，目前已經完成內部測試，並通過上海公共交通卡股份有限公司的資料測試和產品定型，已具備生產條件。

本集團已與北京市政交通一卡通公司聯合開發相容北京市政交通一卡通卡的核心讀寫模組，已進入內部調試階段。

RESEARCH AND DEVELOPMENT

In response to the ever-changing market demands, the Group strengthened the research and development and made sustained efforts in the extensive promotion and development of commercial applications as well as value-added development of “One Card Multiple Uses” system. The measures already made a substantial progress.

During this year, the research and development costs was approximately RMB779,000, representing 10% of the sales revenue.

To maintain the position as one of the leaders in the production of payment terminal equipment in China, the Group finished the research and development of hand-held collector P130 and infra-red hand-held collector P115 in this year and the products have already been in use with positive feedback widely came from the users. The registration of the related intellectual property is in progress.

The Group has developed J2000-2 meter which is compatible with Guangzhou ITS Systems and the internal test was completed. The product is undergoing the formal test in the potential customer, Guangzhou Yangchengtong Co., Ltd. (廣州羊城通有限公司), in preparation for trial production.

The research and development of J2000-3 meter which is compatible with Shanghai All-in-one Public Transportation Card (上海公共交通一卡通) has also been completed. The product has already passed the internal test as well as the informational test and process of product finalization conducted by Shanghai Public Transportation Card Company Limited (上海公共交通卡股份有限公司). Now it is ready for production.

The core read-write module, which is compatible with the “All-in-one” card of Beijing Municipal Administration & Communications, jointly developed by the Group and Beijing Municipal Administration & Communications Card Co., Ltd. (北京市政交通一卡通公司) has been at the stage of internal test.

本集團根據各地對後臺系統的新增功能要求，結合各地已開展“一卡多用”的具體情況，研發部門已經著手對後臺系統軟體進行升級，增加了與“上海市公共交通卡”等在用系統之間的資料交流、清分及結算功能，改進了資料存儲、查詢、列印及安全功能，該項工作已取得階段性成果。

本集團將繼續支援武漢及北京一卡多用資料中心的正常運營，確保交易資料正確無誤。

In line with the demands for new functions of the back office system as well as the actual progress of “One Card Multiple Uses” project in various districts, the Research and Development Department of the Group has been engaged in the development of an upgraded back office system software which will include new functions such as information exchange, separation and settlement between the system and “Shanghai All-in-one Public Transportation Card” and other systems in use, and improve the existing functions such as data storage, inquiry, printing and security. The project has already achieved preliminary result.

The Group will provide continual support to “One Card Multiple Uses” Information Centres in Wuhan and Beijing for their normal operations to ensure that information on transactions is correct and accurate.

執行董事

翦英海先生 (主席)
楊國偉先生 (首席執行官)
劉德富先生
李隨洋先生

獨立非執行董事

曲嘯國先生
張曉京先生
董芳女士

註冊辦事處

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George Town
Grand Cayman
British West Indies

總辦事處及主要營業地點

中國北京
朝陽門外大街19號
華普國際大廈17層

香港辦事處

香港
中環
干諾道中50號
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主要往來銀行

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中國
河南
鄭州市
航海東路1096號

香港上海滙豐銀行
香港
皇后大道中1號

EXECUTIVE DIRECTORS

Mr. Chin Ying Hoi (*Chairman*)
Mr. Yang Guo Wei (*Chief Executive Officer*)
Mr. Liu De Fu
Mr. Li Sui Yang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Qu Xiao Guo
Mr. Zhang Xiao Jing
Ms. Tung Fong

REGISTERED OFFICE

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British West Indies

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Beijing
The PRC

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Henan Province
The PRC

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

監察主任

李隨洋先生

合資格會計師及公司秘書

陳永忠先生

授權代表

翦英海先生

劉德富先生

審核委員會成員

曲嘯國先生

張曉京先生

董芳女士

主要股份過戶登記處

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Cayman Islands

British West Indies

香港股份過戶登記處

香港證券登記有限公司

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核數師

羅申美會計師行

執業會計師

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中國

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COMPLIANCE OFFICER

Mr. Li Sui Yang

QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

Mr. Chan Wing Chung

AUTHORISED REPRESENTATIVES

Mr. Chin Ying Hoi

Mr. Liu De Fu

MEMBERS OF THE AUDIT COMMITTEE

Mr. Qu Xiao Guo

Mr. Zhang Xiao Jing

Ms. Tung Fong

PRINCIPAL SHARE REGISTRAR

Bank of Butterfield International (Cayman) Ltd

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Hong Kong Registrars Limited

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Wan Chai

Hong Kong

AUDITORS

RSM Nelson Wheeler

Certified Public Accountants

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Hong Kong

LEGAL ADVISERS TO THE COMPANY

Commerce and Finance Law Offices

714, Huapu International Plaza

19 Chaoyangmen Wai Dajie

Beijing

The PRC

董事

執行董事

翦英海先生，43歲，本集團主席兼總經理兼創辦人。翦先生負責本集團之整體策略規劃。彼為北京大學現代化進程研究中心之研究員，於策略規劃方面積逾15年經驗，為中國人民政治協商會議全國委員會委員，亦為北京市工商業聯合會執行委員會委員及中華海外聯誼會理事。

楊國偉先生，51歲，本集團執行董事兼首席執行官。楊先生于二零零四年四月加入本集團，擁有超過二十一年經營管理多家公司之經驗，並在此等企業擔任高級職位。楊先生曾于中國、日本及美國接受高等教育。楊先生于過去三年並無擔任任何上市公司之董事職務。

劉德富先生，73歲，為本集團副總經理。劉先生於一九九四年八月加入本集團，負責本集團之財政管理。彼在一九八二年畢業於中國中央財政金融學院，為高級經濟師及中國金融學會會員，於中國之銀行業及企業融資方面擁有逾十年經驗。

李隨洋先生，48歲，本集團副總經理。李先生於一九九六年十月加入本集團，負責本集團之整體市場發展。彼持有中國西北大學經濟管理碩士學位，曾於西安統計學院任講師，於中國零售、房地產及電子業之市場發展方面擁有逾十年經驗。

獨立非執行董事

曲嘯國先生，34歲，持有清華大學工商管理碩士學位，現為北京隆安信財務諮詢有限公司之總經理，于2004年9月28日獲委任為獨立非執行董事。

DIRECTORS

Executive Directors

Mr. Chin Ying Hoi (翦英海), aged 43, is the chairman, the general manager and the founder of the Group. Mr. Chin is responsible for the overall strategic planning of the Group. He is a researcher of 現代化進程研究中心 (Research Centre of the Development and Modernization of the PRC) at Peking University. He has over 15 years' experience in strategic planning. He is a member of Chinese People's Political Consultative Conference. He is also an executive member of Beijing Federation of Industry and Commerce and a member of All-China Overseas Federation.

Mr. Yang Guo Wei (楊國偉), aged 51, is an executive director and the chief executive officer of the Group. Mr. Yang joined the Company in April 2004 and has more than 21 years experience in operation and management of various companies and held senior position in these companies. Mr. Yang had been tertiary educated in the PRC, Japan and the USA. Mr. Yang has not held any directorship in any listed companies in the last 3 years.

Mr. Liu De Fu (劉德富), aged 73, is a deputy general manager of the Group. Mr. Liu joined the Group in August 1994 and is responsible for the financial management of the Group. He graduated from China Central Financial and Monetary Institute in 1982. He is a Senior Economist and a member of Chinese Monetary Society. He has over 10 years' experience in the field of banking and corporate finance in the PRC.

Mr. Li Sui Yang (李隨洋), aged 48, is a deputy general manager of the Group. Mr. Li joined the Group in October 1996 and is responsible for overall market development of the Group. He holds a master's degree of economic administration from North-west China University. He was a lecturer at Xian Statistics College. He has over ten years' experience in market development in retail, real estate and electronics industry in the PRC.

Independent non-executive Directors

Mr. Qu Xiao Guo (曲嘯國), aged 34, holder of a master degree in business administration from The Tsinghua University, is the General Manager of Beijing Long An Xin Finance Consulting Company Limited. He was appointed as independent non-executive director on 28 September 2004.

DIRECTORS AND SENIOR MANAGEMENT PROFILES

張曉京先生，50歲，持有北京科技大學工程學士學位，現為北京萬泰北海大廈有限公司之董事總經理，於二零零一年十月二十六日獲委任為獨立非執行董事。

董芳女士，58歲，持有北京對外貿易學院國際貿易學士學位，現為Grand Rise Investment Ltd.之主席，於二零零一年十月二十六日獲委任為獨立非執行董事。

審核委員會

審核委員會有三名成員，分別為曲嘯國、張曉京及董芳，均為獨立非執行董事。

高層管理人員

陳勝先生，36歲，本集團副總經理，主管本集團研發工作。陳先生二零零一年十一月加入本集團，負責本集團之整體技術研究開發工作。彼持有西安電子科技大學學士學位，高級工程師職稱。曾任資訊產業部電子第27研究所主任工程師。中智交通電子系統產業集團總工程師。在中國電子業研究開發方面擁有逾十三年經驗。

楊繼東先生，55歲，為本集團行政總監，主管本集團董事局秘書處及人力資源部工作。楊先生于二零零一年十一月加入本集團，畢業於北京廣播電視大學，在中國企業管理方面擁有逾二十年經驗。

常翔女士，50歲，負責本集團資本及財務工作。常女士于二零零四年九月加入本集團，畢業于瀋陽工業大學。在中國企業財務管理方面擁有逾二十二年經驗。

Mr. Zhang Xiao Jing (張曉京), aged 50, holds a bachelor's degree of engineering from Beijing Science and Technology University. He is the managing director of Beijing CNT Manhattan Building Co. Ltd.. He was appointed as independent non-executive director on 26th October, 2001.

Ms. Tung Fong (董芳), aged 58, holds a bachelor's degree of international trade from Beijing Foreign Trade Institute. She is the chairman of Grand Rise Investment Ltd. She was appointed as independent non-executive director on 26 October 2001.

AUDIT COMMITTEE

The audit committee have three members, namely, Qu Xiao Guo, Zhang Xiao Jing and Tung Fong, both being independent non-executive Directors.

SENIOR MANAGEMENT

Mr. Chen Sheng (陳勝), aged 36, is the Deputy General Manager of the Group responsible for overall technical research and development. Mr. Chen joined the Group in November 2001. He holds a bachelor's degree of Xian University, with professional title as senior engineer. He was engineer-in-charge of the 27th Institute of Electronics of Ministry of Information Industry and Chief Engineer of Zhongzhi Transport Electronics Group. He has over thirteen years' experience in the R&D of electronics industry of China.

Mr. Yang Ji Dong (楊繼東), aged 55, is the Chief Operation Officer of the Group responsible for the Board's Secretariat and Human Resources Department. Mr. Yang joined the Group in November 2001. He graduated from Beijing Radio & Television University, and has over 20 years' experience in the corporate management of China.

Ms. Chang Xiang (常翔), aged 50, is responsible for the equity and finance function of the Group. Ms. Chang joined the Group in September 2004. She graduated from Shenyang Industry University, and has over 22 years' experience in the corporate financial management of China.

孫昌成先生，33歲，本集團總工程師，負責研發工作。孫先生于二零零二年九月加入本集團，彼持有北方工業大學工學學士學位。曾任新加坡STOVAL科技有限公司研發工程師。德國Amatech新加坡分公司研發高級工程師。山東魯能智慧技術有限公司硬體部經理。於中國之電子工程業方面擁有逾七年的經驗。

Mr. Sun Chang Cheng (孫昌成), aged 33, responsible for research and development of the Group. Mr. Sun joined the Group in September 2002. He holds a bachelor's degree of North China University of Technology. He was the research and development engineer of STOVAL Technology Pte. Ltd., Singapore, Amatech Singapore Pte. Ltd., German, and the manager of hardware department of Shan Dong Lu Neng Intelligence Technology Pte. Ltd. He has over 7 years' experience in the electronic engineering industry of China.

陳永忠先生，29歲，本集團財務總監兼公司秘書。陳先生于二零零四年八月加入本集團，彼為香港會計師公會及英國公認會計師公會會員。

Mr. Chan Wing Chung (陳永忠), aged 29, is the Chief Financial Officer and Company Secretary of the Group. Mr. Chan joined the Group in August 2004. He is a member of Hong Kong Institute of Certified Public Accountants and an associate member of the Association of Chartered Certified Accountants.

董事會同寅謹將華普智通系統有限公司(「本公司」)及其附屬公司(以下統稱「本集團」)截至二零零四年十二月三十一日止年度報告連同經已審核之帳目呈覽。

主要業務及營運地區之分析

本公司為一間投資控股公司。各子公司主要從事一種後臺電子支付及資料記錄與處理的軟體系統(「華普智通系統」)之開發與運行，以及相關商業應用的製造與營銷。

本集團截至二零零四年十二月三十一日止年度的營業額按產品種類分析列示如下：

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
軟硬體銷售收入	Sales of hardware and software	6,694	1,300
交易征費	Transaction levies	1,479	2,107
總計	Total	8,173	3,407

截至二零零四年十二月三十一日止年度，本集團之營業額及收益主要來自於中華人民共和國(「中國」)從事軟硬體銷售、交易征費之業務。

業績及分派

集團本年度之業績載於第32頁之綜合損益表內。

董事會建議不派發股息。

儲備

集團及本公司在本年度之儲備變動載於財務報表附註22。

固定資產

集團之固定資產變動詳情載於財務報表附註12。

The directors submit their annual report together with the audited accounts of Jian ePayment Systems Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company is an investment holding company. Its subsidiaries are principally engaged in the development and operation of a back end electronic receipt/payment and data recording and processing software system ("Jian ePayment System") and manufacturing and distribution of the associated commercial applications.

An analysis of the Group's turnover by product category for the year ended 31 December 2004 is as follows:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
軟硬體銷售收入	Sales of hardware and software	6,694	1,300
交易征費	Transaction levies	1,479	2,107
總計	Total	8,173	3,407

For the year ended 31 December 2004, substantially all the turnover and revenue of the Group were attributable to the sales of hardware and software and transaction levies in the People's Republic of China (the "PRC").

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated profit and loss account on page 32.

The directors do not recommend the payment of a dividend.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in Note 22 to the financial statements.

FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in Note 12 to the financial statements.

股本

本公司之股本變動詳情載於財務報表附註21。

可供分派儲備

於二零零四年十二月三十一日，本公司可供分派之儲備無(二零零三年：人民幣4,887,000元)。

優先購股權

根據本公司章程中並未對優先購股權進行預提，根據開曼群島法律並無對預提作限制。

財務概要

集團上五個財政年度之業績及資產負債概要載於第81頁。

購買、出售或購回股份

本公司於年內並無購回本身之股份。本公司及各子公司於年內亦無購買或出售任何本公司之股份。

可轉換債券

二零零二年十一月三十日，本公司向獨立第三方(認購人)發行價值港幣10,000,000元(相當於等值人民幣約10,611,000元)之可轉換債券。該可轉換債券可轉換為4,000,000股公司股份，每股初步換購價港幣2.50元(可予調整)。認購人亦可選擇於二零零二年十一月十八日(可轉換債券認購日)起計之六個月內以港幣10,000,000元認購每股換購價為3.00元之第二張可轉換債券。截至二零零三年五月十八日認購人並未行使其選擇權，認購第二張可轉換債券。

以上可轉換債券均於發行兩年後到期。債券持有人可於可轉換債券發行日期起十二個月後行使股權。每次換股須以港幣2,000,000元之完整倍數為單位。

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in Note 21 to the financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2004, the Company's reserves of approximately nil (2003: RMB4,887,000) were available for distribution to its shareholders.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of the Cayman Islands.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 81.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

CONVERTIBLE NOTES

The Company issued a convertible note of HK\$10,000,000 (equivalent to RMB10,611,000) to an independent third party (the "Subscriber") on 30 November 2002. The convertible note is convertible into 4,000,000 shares of the Company at an initial conversion price of HK\$2.50 per share (subject to adjustment). The Subscriber also has an option to subscribe for a second convertible note of HK\$10,000,000 at an initial conversion price of HK\$3.00 per share within 6 months after 18 November 2002, the date of subscription agreement. The Subscriber has not exercised its option to subscribe for the second convertible note as at 18 May 2003.

The maturity date for each convertible note is the second anniversary date of its issue. The conversion rights could be exercised by the convertible note-holders after a period of 12 months from the respective dates of issue of the convertible notes and each conversion shall be in the integral multiples of HK\$2,000,000.

可轉換債券均按香港上海滙豐銀行有限公司于有關計息期之最後營業日向客戶所報之港元最優惠貸款利率加1%之年利率計息。

二零零四年十一月十八日本集團與債券持有人達成協定，歸還債券計港幣本金及利息約530萬元，剩餘本金港幣500萬元延期至二零零五年。

購股權

根據二零零一年十一月十九日本公司採納的股權計劃（「購股權計劃」），本公司將授權該購股權計劃的參與者預購本公司股票。參加者包括雇員（包括董事），以及本集團之經由董事會或有權之委員會授權、為本集團發展做出貢獻的諮詢顧問供應商和客戶。

因根據購股權計劃及其它認股計劃將售出而尚未實施之所有購股權因獲實施而可予發行之整體股份數目限額，總共不超過已發行股份之30%（「計劃限額」）。

該購股權計劃中任何被授權的購股全的實施自被授權之日起致董事會所確定之期限或自被授權日起不得超過十年。

預售價格由董事會決定，但不得超過以下最高者 (i) 授權日創業板該股票報價的收市價格；(ii) 授權日之後五個工作日創業板報價的平均收市價格；(iii) 授權日該股票之名義價值。

The interest of the convertible note is at a rate per annum equal to one per cent over the prime lending rate for Hong Kong Dollars as quoted by The Hongkong and Shanghai Banking Corporation Limited to its customers on the last business day of the relevant interest period on the principle amount of the note outstanding.

On 18 November 2004, the Group entered into an agreement with the convertible note-holders to redeem note principal and accrued interest of approximately HK\$5,300,000, while the maturity date for the remaining principal of HK\$5,000,000 be extended to 2005.

SHARE OPTIONS

Pursuant to the share option scheme of the Company adopted on 19 November 2001 (the "Share Option Scheme"), the Company may grant options to the participants of the Share Option Scheme to subscribe for shares of the Company. The participants include any employees (including directors) and certain consultants, suppliers or customers of the Group who, in the sole discretion of the board of directors or a duly authorised committee thereof (the "Board"), have contributed to the Group.

The overall limit on the number of shares which may be issued upon exercise of all options to be granted and yet to be exercised under the Share Option Scheme and other share option schemes must not, in aggregate, exceed 30% of the shares in issue from time to time ("Scheme Limit").

Any option granted under the Share Option Scheme may be exercised at any time during a period which shall not be more than ten years after the date on which the option is granted.

The subscription price will be determined by the Board and will not be less than the highest of (i) the closing price of the shares quoted on the Growth Enterprise Market ("GEM") on the grant date, (ii) the average closing price of the shares quoted on the GEM for the five business days immediately preceding the grant date and (iii) the nominal value of the shares on the date of grant.

於二零零四年十二月三十一日，根據計劃已授出但仍未行使之購股權詳情如下：

Details of the share options outstanding as at 31 December 2004 which have been granted under the scheme are as follows:

		於二零零四年 一月一日	年內授出	年內行使	年內失效	於二零零四年 十二月 三十一日	行使期前 行使價	授出日期	行使期由	行使期至	行使期前 公司股價 Closing price of the Company's share before date of grant
		At 1 January 2004	Granted during the year	Exercise during the year	Lapsed during the year	At 31 December 2004 during the year	Exercise price	Grant date	Exercisable from	Exercisable until	
董事	Directors	4,600,000	-	-	900,000	3,700,000	2.35港元 HK\$2.35	31/05/2002	31/05/2002	31/05/2007	2.35港元 HK\$2.35
員工	Employee	13,900,000	-	-	1,700,000	12,200,000	2.35港元 HK\$2.35	31/05/2002	31/05/2002	31/05/2007	2.35港元 HK\$2.35
本集團的諮詢顧問， 供應商和客戶	The Group's consultants, suppliers and customers	13,200,000	-	-	-	13,200,000	2.35港元 HK\$2.35	31/05/2002	31/05/2002	31/05/2007	2.35港元 HK\$2.35
本集團的諮詢顧問， 供應商和客戶	The Group's consultants, suppliers and customers	3,000,000	-	-	-	3,000,000	2.03港元 HK\$2.35	16/08/2002	16/08/2002	16/08/2007	2.025港元 HK\$2.35
		34,700,000	-	-	2,600,000	32,100,000					

在本年內以上購股權並未行使或贖回。

None of the above options were exercised or repurchased during the year.

由於計算該項購股權的一些關鍵性變數不能決定，董事認為對於確定於本年度根據所購新股協定所授出的購股權價格並不恰當。決定該購股權中的一些關鍵性變數，包括于行使該項購股權時之認購價，在某些情況下可能調整，與及不肯定乘授人是否將會行使該項購股權。鑒於購股權的時限長度以及認購價和可能認購股權可能在行使該項購股權之前有所調整，董事認為購股權價值是基於為多變數既難於確定或僅能在理論性或按推測性基礎上設定。因此，董事認為任何關於購股權價格之計算在此情況下，將無意義或誤導股東。

The directors consider that it is not appropriate to state the value of all the share options that were granted during the year under the new share options scheme given that the variable which are critical for the calculation of the value of such share options cannot be determined. The variables which are critical for the determination of the value of such share options included, the subscription price for the shares upon the exercise of the subscription rights attaching to the share options which may be adjusted under certain circumstances and whether or not such share options will be exercised by the grantees. In view of the length of the option period and the possibility that the subscription price and the number of shares that may be subscribed thereunder may be adjusted prior to the exercise of the subscription rights attaching to such share options, the Directors are of the view that the value of the share options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the options will not be meaningful and may be misleading to shareholders in the circumstances.

董事

本年度內在任之董事如下：

執行董事：

翦英海先生 (主席)
楊國偉先生 (首席執行官)
劉德富先生
李隨洋先生

獨立非執行董事：

曲嘯國先生
張曉京先生
董芳女士

根據本公司組織章程，三分之一董事均輪值告退，彼等符合資格並願意在將至之股東周年大會應選連任。

董事服務合約

郭彥洪於二零零四年九月二十八日董事服務和約屆滿後提出辭任，本年度公司新增加聘用分別一位執行董事楊國偉先生和一位獨立非執行董事曲嘯國先生，概無董事及于即將召開之股東周年大會上提呈股東批准應選之董事與本公司或其他任何子公司簽訂除支付法定賠償外不能於一年內終止之服務和約。

董事及控股股東之和約權益

除於財務報表附註26所示關聯方交易除外，於年終或本年度任何時間，概無任何由本公司或其他附屬公司就本集團之業務而訂立，且本公司之董事、控股股東或管理層) 成員在其中擁有直接或間接重大權益之重大和約。

董事及高級管理人員之個人簡歷

董事及高級管理人員之個人簡歷載於第14頁。

DIRECTORS

The directors during the year were:

Executive Directors:

Mr. Chin Ying Hoi (*Chairman*)
Mr. Yang Guo Wei (*Chief Executive officer*)
Mr. Liu De Fu
Mr. Li Sui Yang

Independent Non-executive Directors:

Mr. Qu Xiao Guo
Mr. Zhang Xiao Jing
Ms. Tung Fong

In accordance with the Company's Articles of Association, one-third of directors will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

DIRECTORS' SERVICE CONTRACTS

Mr. Guo Yan Hong tendered his resignation after the expiry of his service contract for directorate on 28 September 2004. The Company had newly employed and appointed an executive director, namely Mr. Yang Guo Wei and an independent non-executive director, namely Mr. Qu Xiao Guo. Other than the above, none of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save for the related party transactions set out in Note 26 to the financial statements, no contracts of significance in relation to the Group's business to which the Company or its fellow subsidiaries was a party and in which a director, controlling shareholder or management staff of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out on pages 14.

董事權益披露

於二零零四年十二月三十一日，董事或本公司主要行政人員于本公司或其他相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部而須知會本公司及聯交所，或根據證券及期貨條例第352條或根據創業板上市規則第5.40條有關董事進行證券買賣而須於該條例所述登記冊之權益(包括根據證券及期貨條例之有關條款當作或視作擁有之權益或淡倉)：

DISCLOSURE OF DIRECTORS' INTERESTS

As at 31 December 2004, the interest of the Directors and the chief executive of the Company in the shares and underlying shares 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 Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.40 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

股份及相關股份好倉盤總額**Aggregate long positions in shares and underlying shares**

董事	公司名稱	股份類別	持有股數			好倉盤總計 百分比 Aggregate percentage of long position
			個人權益	家屬權益	公司權益	
Director	Name of company	Class of shares	Personal interests	Family interests	Corporate interests	
翦英海先生	本公司	普通股	2,000,000股相關普通股，相當於當時已發行股份之0.5%(附註1)	—	286,800,000股股份，佔當時已發行股份71.7%(附註2)	72.2% (附註3)
Mr. Chin Ying Hoi	The Company	ordinary	2,000,000 underlying shares representing 0.5% of the shares then in issue (Note1)	—	286,800,000 shares representing 71.7% of the shares then issued (Note 2)	72.2% (Note 3)
翦英海先生	Union Perfect Interational Limited	普通股	84股每股面值1.00美元之普通股，佔當時已發行股份80%	—	—	
Mr. Chin Ying Hoi	Union Perfect Interational Limited	ordinary	84 shares of US\$1.00 each representing 80% of the shares then in issue	—	—	

附註1：此乃本公司授予翦英海先生一份購股權所涉及之相關股份。該百分比乃按二零零四年十二月三十一日已發行之400,000,000股股份計算。

Note 1: These are the underlying shares of the Company in respect of which an option was granted to Mr. Chin Ying Hoi (details of which are set out below). The percentage was calculated on the basis of 400,000,000 shares in issue as at 31 December 2004.

附註2：該等股份透過由翦英海先生及其母親亞振全女士分別擁有80%及20%之Union Perfect International Limited所持有。

Note 2: These shares were held through Union Perfect International Limited, which is beneficially owned as to 80% by Mr. Chin Ying Hoi and as to 20% by Ms. Ya Zhen Quan, who is Mr. Chin Ying Hoi's mother.

附註3：按二零零四年十二月三十一日已發行之400,000,000股股份計算。

Note 3: Based on 400,000,000 shares in issue on 31 December 2004.

相關股份好倉盤總額
非上市實物交收股本衍生工具

根據本公司於二零零一年十一月十九日採納的購股權計劃，下列本公司董事以支付代價港幣1元之形式獲授可認購本公司每股面值0.05港元之購股權：

AGGREGATE LONG POSITIONS IN UNDERLYING SHARES
Unlisted physically settled equity derivatives

Pursuant to the Company's Share Option Scheme adopted by the Company on 19 November 2001, the following directors of the Company have personal interests in options to subscribe for ordinary shares in the Company of HK\$0.05 each which have been granted to them for a consideration of HK\$1 as follows:

董事姓名	歸屬期及 已歸屬購 股權的 授出日期	百分比(附註1)	每股股份行使價	於二零零四年 十二月三十一日 根據購股權 尚未行使之 股份數目
	Date of grant and the vesting period of vested options			Outstanding number of share under option as at 31 December 2004
翦英海先生 Mr Chin Ying Hoi	二零零二年五月三十一日 31 May 2002	75%	2.35港元 HK\$2.35	2,000,000
劉德富先生 Mr.Liu De Fu	二零零二年五月三十一日 31 May 2002	75%	2.35港元 HK\$2.35	700,000
李隨洋先生 Mr Li Sui Yang	二零零二年五月三十一日 31 May 2002	75%	2.35港元 HK\$2.35	1,000,000
				3,700,000

附註1： 全部購股權在授出日起，每整年開始時可行使多25%，於授出要約後第五年內可全數行使。該等購股權由在授出日期起計五年內有效。

Note 1: All options are exercisable to the extent of an additional 25 per cent at the beginning of every full year after the offer of the grant and they are exercisable in full until the forth year after the offer of the grant. All options have a duration of 5 years from the date on which the offer of grant was made.

截止二零零四年十二月三十一日，以上之購股權並無已行使、登出或作廢。

None of the above options were exercised, cancelled or lapsed during the year ended 31 December 2004.

除本文所批露外，於本期間任何時間內，本公司、其任何附屬公司或控股公司並無簽訂任何安排，致令本公司之董事可藉購買本公司之股份或債務證券(包括債券)而獲益。

Save as disclosed herein, at no time during the period was the Company, its subsidiaries or holding company a party to any arrangements to enable any of the Company's directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company.

相關股份淡倉盤總額

非上市實物交收股本衍生工具

董事姓名
Name of Director

AGGREGATE SHORT POSITIONS IN UNDERLYING SHARES

Unlisted physically settled equity derivatives

公司名稱
Name of Company

淡倉盤股份數目
Number of shares in short position

翦英海先生	本公司	39,000,000股股份，佔當時已發行股份之9.75% (附註)
Mr.Chin Ying Hoi	The Company	39,000,000 shares representing 9.75% of shares then issued. (Note)

附注：此等淡倉盤股份乃指本公司所授出之35,000,000份購股權（詳見上文「已授出購股權」一節）以及本公司所發行之10,000,000港元可換股票據項下可按初步換股價每股2.50港元兌換之4,000,000股股份。

Note: These shares in short position were represented by 35,000,000 options granted by the Company, with details shown in the section of "Share Option Granted" above and 4,000,000 shares which are convertible at an initial conversion price of HK\$2.50 per share under a HK\$10,000,000 convertible note issued by the Company.

除本文所批露者外，概無董事及主要行政人員或彼等聯繫人士擁有根據證券及期貨條例第352條須予置存之名冊或根據創業板上市規則第5.40條須知會本公司及聯交所之股份、相關股份及債券之權益或淡倉。

Save as disclosed herein, none of the directors and chief executives or their associates has any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of the SFO) as recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.40 of the GEM Listing Rules.

主要股東

於二零零四年十二月三十一日，根據證券及期貨條例第336條規定而設立的名冊資料顯示，下列主要股東及人士（不包括董事或本公司主要行政人員）持有本公司股份或淡倉之權益：

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2004, the following substantial shareholder and person (other than a director or chief executive of the Company) who have interests or short positions in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

股份好倉盤總額

Aggregate long positions in shares

股東名稱 Name of Shareholder	所持股數 Number of shares held	持股百分比 Percentage of shareholding
Union Perfect International Limited	286,800,000	71.7%

相關股份淡倉盤總額

Aggregate short position in underlying shares

非上市實物交收股本衍生工具

Unlisted physically settled equity derivatives

股東名稱	公司名稱	淡倉盤股份數目
Name of shareholder	Name of Company	Number of shares in short position
Union Perfect International Limited	本公司	39,000,000股，相當於當時已發行股份之9.75%(附註)
Union Perfect International Limited	The Company	39,000,000 shares representing 9.75% of shares then issued. (Note)

附註：此等淡倉盤股份乃指本公司所授出之35,000,000份購股權(詳見下文「已授出購股權」一節)以及本公司所發行之10,000,000港元可換股票據項下可按初步換股價每股2.50港元兌換之4,000,000股股份。

Note: These shares in short position were represented by 35,000,000 options granted by the Company, with details shown in the section of "Share option granted" below and 4,000,000 shares which are convertible at an initial conversion price of HK\$2.50 per share under a HK\$10,000,000 convertible note issued by the Company.

除以上批露外，並無其他人士(不包括董事或本公司主要行政人員)及主要股東擁有本公司根據證券及期貨條例第336條規定須予記錄之任何股份及相關股份之權益或淡倉盤。

Save as disclosed herein, no other person (other than a director or chief executive of the Company) and substantial shareholder has an interest or a short position in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

管理和約

本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何和約。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

主要客戶及供應商

集團之主要供應商及客戶佔集團是年度之採購額及銷售額百分比如下：

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

採購額

- 最大供應商
- 五位最大供應商合計

Purchases

- the largest supplier 23%
- five largest suppliers combined 48%

銷售額

- 最大客戶
- 五位最大客戶合計

Sales

- the largest customer 45%
- five largest customers combined 97%

於二零零四年十二月三十一日，本公司的一位董事對以下本集團的客戶擁有權益：

As at 31 December 2004, a director of the Company had interests in the following customers of the Group:

董事 Director	客戶 Name of customers	擁有權益 Interests held
翦英海先生 Mr. Chin Ying Hoi	海口華普立得泊車管理有限公司 Haikou Huapu Lide Parking Management Co. Ltd.	49%
翦英海先生 Mr. Chin Ying Hoi	廣州電子泊車管理有限公司 Guangzhou Electronic Parking Management Co., Ltd.	於二零零四年七月七日前擁有49%權益 49% interest held was disposed on 7 July 2004
翦英海先生 Mr. Chin Ying Hoi	威海天創電子智慧系統有限公司 Weihai TianChuang Electronic System Co., Ltd.	20%
翦英海先生 Mr. Chin Ying Hoi	宜昌武華電子泊車管理有限公司 Yichang Wuhua Electronic Parking Management Co., Ltd.	20%
翦英海先生 Mr. Chin Ying Hoi	北京華普道路泊車建設管理有限公司 Beijing Huapu Roadside Parking Facilities Construction And Management Co., Ltd.	100%
翦英海先生 Mr. Chin Ying Hoi	武漢市停車經營管理有限公司 Wuhan Parking Operation Management Co., Ltd.	49%
翦英海先生 Mr. Chin Ying Hoi	華普超市有限公司 Huapu Supermarket Co., Ltd.	64%
翦英海先生 Mr. Chin Ying Hoi	南寧華普正方泊車建設管理有限公司 Nanning Huapu Zheng Fang Parking Construction and Management Co., Ltd.	於二零零四年二月十八日前擁有30%權益 30% interest held was disposed on 18 February 2004
翦英海先生 Mr. Chin Ying Hoi	鄭州道康電子泊車管理有限公司 Zhengzhou Daokang Electronics Parking Management Co., Ltd.	20%
翦英海先生 Mr. Chin Ying Hoi	華普超市(武漢)有限公司 Huapu Supermarket (Wuhan) Co., Ltd.	64%

除以上披露以外，本公司的董事、披露之聯繫人士和任何股東，指據董事所知擁有本公司百分之五以上股本權益之股東並關於本公司的最大五名客戶及最大五名供應商中擁有任何權益。

Other than those disclosed above, none of the directors, their associates, or any shareholders, which to the knowledge of the director owns more than 5% of the Company's share capital, had an interest in the Company's five largest customers and five largest suppliers.

關聯交易

本集團於截至二零零四年十二月三十一日止年度進行之重大有關聯人士交易(即根據香港聯合交易所有限公司創業板證券上市規則(「上市規則」)構成關聯交易者),乃載於財務報表附註26。

公司管制

本公司於年內一直遵守上市規則第5.28至5.39條所載「董事會常規及程式」之規定。

原保薦人權益

東英亞洲有限公司(「東英」),其董事、員工或聯營公司(據創業板上市規則6.35之附註三)於二零零四年十二月三十一日對本公司的13,200,000股股份擁有權益及擁有尚未被行使以支付代價之形式於二零零二年八月十六日獲授的合共3,000,000股以每股2.03港元認購本公司每股面值0.05港元之購股權。

審核委員會

本公司已參照香港會計師公會發出之「成立審核委員會指引」編制及採納列明審核委員會之職權及責任之職權範圍書。

審核委員會就集團審計範圍內的事項擔任董事會與公司核數師之間的重要橋樑、審核委員會亦負責檢討公司內部與外部審核工作,以及內部監控與風險評估等方面的效能。委員會由三位獨立非執行董事曲嘯國先生、張曉京先生及董芳女士組成。審核委員會已審閱本集團截至二零零四年十二月三十一日止之已審核財務報表。

CONNECTED TRANSACTIONS

The significant related party transactions entered by the Group during the year ended 31 December 2004, which constitute connected transactions under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), are disclosed in Note 26 to the financial statements.

CORPORATE GOVERNANCE

Throughout the year, the Company was in compliance with the Board Practices and Procedures as set out in Rules 5.28 to 5.39 of the GEM Listing Rules.

EX-SPONSOR'S INTEREST

As at 31 December 2004, Oriental Patron Asia Limited ("Oriental Patron"), its directors, employees or associates (as referred in note 3 of Rule 6.35 of the GEM Listing Rules) are interested in 13,200,000 shares of the Company and outstanding options granted on 16 August 2002 at consideration. The holders of the options are entitled to subscribe for 3,000,000 shares of the Company of HK\$0.05 each at an exercise price of HK\$2.03 per share.

AUDIT COMMITTEE

An Audit Committee was established with written terms of reference in compliance with the requirements as set out in the GEM Listing Rules.

The primary duties of the audit committee are to review and provide supervision over the financial reporting process and internal control system of the Group. The audit committee comprises three independent non-executive directors, Mr. Qu Xiao Guo, Mr. Zhang Xiao Jing and Ms. Tung Fong. The Group's audited financial statement for the year ended 31 December 2004 have been reviewed by the audit committee.

董事于競爭性業務之權益

各董事及管理層股東(定義見創業板證券上市規則(「創業板上市規則」))概無擁有任何與本集團業務構成競爭或可能構成競爭之業務權益。

核數師

董事會於二零零四年八月十三日委聘羅申美會計師行接替羅兵咸永道會計師事務所為本公司截至二零零四年十二月三十一日止年度之核數師。核數師於過去三年內並無任何其他變動。

羅申美會計師行任滿告退，惟願膺選連任。本公司將於股東週年大會上提呈委聘羅申美會計師行續任本公司核數師之決議案。

董事會代表
華普智通系統有限公司
翦英海
主席

中國北京，二零零五年三月二十九日

COMPETING INTERESTS

None of the directors or the management shareholders of the Company (as defined in the GEM Listing Rules) had an interest in a business, which competes or may compete with the business of the Group, or has any other conflict of interests with the Group.

AUDITOR

On 13 August 2004, Messrs RSM Nelson Wheeler were appointed as auditors of the Company for the year ended 31 December 2004 in succession to Messrs PricewaterhouseCoopers. There have been no other changes of auditors in the past three years.

Messrs RSM Nelson Wheeler retire, and being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs RSM Nelson Wheeler as auditors of the Company will be proposed at the forthcoming annual general meeting.

By Order of the Board
Jian ePayment Systems Limited
Chin Ying Hoi
Chairman

Beijing, the PRC, 29 March 2005

RSM! Nelson Wheeler

羅申美會計師行

Certified Public Accountants

致華普智通系統有限公司
(於開曼群島註冊成立之有限公司)
全體股東

本核數師已完成審核第32至第80頁之財務報表，該等財務報表乃按照香港普遍採納之會計原則編製。

董事及核數師各自之責任

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

本核數師之責任是根據審核之結果，對該等財務報表出具獨立意見，並僅向整體股東報告，除此之外本報告別無其它目的。本核數師不會就本報告的內容向任何其它人士負上或承擔任何責任。

意見之基礎

除下文所解釋本核數師之工作所面對之局限者外，本核數師已按照香港會計師公會所頒布之核數準則進行審核工作。

審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評審董事於編製財務報表時所作之重大估計和判斷，所採用之會計政策是否適合貴公司與貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。

TO THE SHAREHOLDERS OF JIAN ePAYMENT SYSTEMS LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 32 to 80 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

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

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants, except that the scope of our work was limited as explained below.

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 the Group, consistently applied and adequately disclosed.

本核數師在策劃審核工作時，均以取得所有本核數師認為必需之資料及解釋為目標，以便獲得充分憑證，就該等財務報表是否存在有重大錯誤陳述，作出合理之確定。然而，本核數師所取得有關約人民幣2,757,000元（已包括於 貴集團之綜合資產負債表中貿易及其他應付款一項中）之憑證有限。本核數師並無收到直接確認書或其他有關上述應付款之財務資料。因此，本核數師未能就上述數目是否適當地記入財務報表及公允地列賬作出確定。上述數目之任何調整將影響 貴集團於二零零四年十二月三十一日之負資產淨值及其截至該日止年度之業績。

在作出意見時，本核數師亦已評估該等財務報表所載之資料在整體上是否足夠。本核數師相信我們之審核工作已為我們意見提供合理之基礎。

有關持續經營基準之基本不明朗因素

在作出意見時，本核數師已考慮到於財務報表附註2(a)中有關採用持續經營基準來編製財務報表的披露是否足夠。誠如財務報表附註2(a)中所作更詳細的解釋，該財務報表為根據持續經營基準而編製，其有效性取決於貴集團籌集到新資金以撥付現有營運並獲得盈利性及能產生正現金流量業務的能力。該財務報表並不包括貴集團需就無法取得新資金及無法獲得盈利性及能產生正現金流量業務而應作出的調整。

本核數師認為已作出適當披露，然而環繞 貴集團繼續成功採用持續經營基準之環境之潛在不明朗因素過於極端，因此我們作出保留意見。

We planned 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. However, the evidence available to us in relation to trade payables of approximately RMB2,757,000 included in trade and other payables of the Group as stated in the consolidated balance sheet was limited. We have not received the direct confirmations and have not been provided with other relevant financial information for the aforesaid payables. As a result, we are unable to ascertain whether these amounts have been properly accounted for in the financial statements and are fairly stated. Any adjustments to the above figure would affect the net liabilities of the Group as at 31 December 2004 and its results for the year then ended.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

FUNDAMENTAL UNCERTAINTY RELATING TO THE GOING CONCERN BASIS

In forming our opinion, we have considered the adequacy of the disclosures made in Note 2(a) to the financial statements concerning the adoption of the going concern basis in preparing the financial statements. As more fully explained in Note 2(a) to the financial statements, the financial statements have been prepared on a going concern basis, the validity of which depends upon the ability of the Group to raise new funds to finance its current operation and to attain profitable and positive cash flow operations. The financial statements do not include any adjustments that would result from a failure to raise new funds and to attain profitable and positive cash flow operations by the Group.

We consider that appropriate disclosures have been made but the inherent uncertainties surrounding the circumstances under which the Group might successfully continue to adopt the going concern basis are so extreme that we have disclaimed our opinion.

保留意見

鑒於有關持續經營基準之基本不明朗因素的重大影響，以及本核數師有關約人民幣2,757,000元貿易應付款之工作所面對之限制。本核數師未能就該財務報表是否真實兼公平地顯示貴公司及貴集團於二零零四年十二月三十一日之財務狀況及貴集團截至該日止年度之虧損和現金流量發表意見。在其他重大方面，本核數師認為財務報表已按照香港公司條例的披露要求妥為編製。

僅就本核數師有關貿易應付款之工作(已於本報告「意見之基礎」部份列出)所面對之限制而言，本核數師未能獲取吾等認為就我們之審核所須之所有資料及解釋。

羅申美會計師行
香港執業會計師

香港，二零零五年三月二十九日

DISCLAIMER OF OPINION

Due to the significance of the fundamental uncertainty relating to the going concern basis and the limitation on our work in relation to trade payables of approximately RMB2,757,000, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the affairs of the Company and the Group as at 31 December 2004 or of the loss and cash flows of the Group for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitation on our work in relation to trade payables as set out in the basis of opinion section of this report, we have not obtained all the information and explanations we considered necessary for the purpose of our audit.

RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

Hong Kong, 29 March 2005

綜合損益表

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2004

			二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
		附註 Note		
營業額	Turnover	4	8,173	3,407
銷售成本	Cost of sales		(3,996)	(665)
毛利	Gross profit		4,177	2,742
其他利益	Other revenue	4	3,337	1,436
分銷成本	Distribution costs		(1,083)	(1,669)
行政開支	Administrative expenses		(41,417)	(52,648)
經營虧損	Operating loss	5	(34,986)	(50,139)
財務費用，淨額	Finance costs, net	6	(615)	(989)
除稅前虧損	Loss before taxation		(35,601)	(51,128)
稅項	Taxation	7	-	-
股東應佔虧損	Loss attributable to shareholders	8	(35,601)	(51,128)
股息	Dividend	9	-	-
每股基本虧損	Basic loss per share	10	(RMB0.09)	(RMB0.13)
每股攤薄虧損	Diluted loss per share	10	N/A	N/A

於37頁至80頁之財務報表附註為本財務報表的一部份。

The notes on pages 37 to 80 form an integral part of these financial statements.

綜合資產負債表

CONSOLIDATED BALANCE SHEET

33

AT 31 DECEMBER 2004

			二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
非流動資產	Non-current asset			
固定資產	Fixed assets	12	8,130	38,906
流動資產	Current assets			
存貨	Inventories	14	412	5
貿易及其他應收款	Trade and other receivables	15	5,981	4,593
應收關聯公司	Due from related companies	26	20	391
其他流動資產	Other current assets	16	238	238
銀行結餘及現金	Bank and cash balances		6,428	17,021
			13,079	22,248
減：流動負債	Less: Current liabilities			
貿易及其他應付款	Trade and other payables	17	17,466	22,224
應付關聯公司	Due to related companies	26	509	-
應付最終控股公司	Due to the ultimate holding company	26	1,099	818
預收賬款	Deposits from customers		1,028	1,406
可換股債券	Convertible notes	18	5,306	10,611
			25,408	35,059
流動負債淨額	Net current liabilities		(12,329)	(12,811)
總資產減流動負債	Total assets less current liabilities		(4,199)	26,095
資金來源：	Financed by:			
股本	Share capital	21	21,208	21,208
儲備	Reserves	22	(30,712)	4,887
資本虧絀／ 股東權益	Capital deficiency/ Shareholders' funds		(9,504)	26,095
非流動負債	Non-current liabilities			
應付一位董事	Due to a director	19	5,305	-
			(4,199)	26,095

董事會於二零零五年三月二十九日批准

Approved by the Board of Directors on 29 March 2005

翦英海
Chin Ying Hoi
董事
Director

楊國偉
Yang Guo Wei
董事
Director

於37頁至80頁之財務報表附註為本財務報表的一部份。

The notes on pages 37 to 80 form an integral part of these financial statements.

資產負債表

BALANCE SHEET

AT 31 DECEMBER 2004

		附註 Note	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
非流動資產	Non-current assets			
於子公司之投資	Investments in subsidiaries	13	4,992	39,707
流動資產	Current assets			
貿易及其他應收款	Trade and other receivables	15	139	318
銀行結餘及現金	Bank and cash balance		14	—
			153	318
減：流動負債	Less: Current liabilities			
貿易及其他應付款	Trade and other payables	17	4,038	3,319
可換股債券	Convertible notes	18	5,306	10,611
			9,344	13,930
流動負債淨值	Net current liabilities		(9,191)	(13,612)
總資產減流動負債	Total assets less current liabilities		(4,199)	26,095
資金來源：	Financed by:			
股本	Share capital	21	21,208	21,208
儲備	Reserves	22	(30,712)	4,887
資本虧絀／ 股東權益	Capital deficiency/ Shareholders' funds		(9,504)	26,095
非流動負債	Non-current liabilities			
應付一位董事	Due to a director	19	5,305	—
			(4,199)	26,095

董事會於二零零五年三月二十九日批准

Approved by the Board of Directors on 29 March 2005

翦英海
Chin Ying Hoi
董事
Director

楊國偉
Yang Guo Wei
董事
Director

於37頁至80頁之財務報表附註為本財務報表的一部份。

The notes on pages 37 to 80 form an integral part of these financial statements.

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

35

FOR THE YEAR ENDED 31 DECEMBER 2004

			二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
於一月一日之總權益	Total equity as at 1 January		26,095	77,224
未於損益賬確認 之收益／(虧損)淨額 換算海外附屬公司 財務報表之 匯兌差額	Net gain/(loss) not recognised in the profit and loss account Exchange differences arising on translation of the financial statements of foreign subsidiaries	22	2	(1)
股東應佔虧損	Loss attributable to shareholders	22	26,097 (35,601)	77,223 (51,128)
於十二月三十一日 之總權益	Total equity as at 31 December		(9,504)	26,095

於37頁至80頁之財務報表附註為本財務報表的一部份。

The notes on pages 37 to 80 form an integral part of these financial statements.

綜合現金流量表

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2004

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
經營活動之現金(流出)／流入額	CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	24(a) (10,240)	15,794
已付利息	Interest paid	(622)	(1,105)
經營活動之現金(流出)／流入淨額	Net cash (outflow)/inflow from operating activities	(10,862)	14,689
來自投資活動之現金流	Cash flows from investing activities		
購置固定資產	Purchases of fixed assets	(21)	(1,661)
三個月以上之定期存款之減少／(增加)	Decrease/(increase) in time deposits with original maturity of more than 3 months	5,300	(5,300)
收取利息	Interest received	7	116
來自／(用於)投資活動之現金淨額	Net cash generated from/(used in) investing activities	5,286	(6,845)
來自融資活動之現金流	Cash flows from financing activities		
可轉換債券償付	Repayment of convertible notes	(5,305)	-
償還短期借款	Repayment of short-term borrowings	-	(9,306)
應付一位董事增加	Increase in due to a director	5,305	-
應付最終控股公司款項的增加／(減少)	Increase/(decrease) in due to the ultimate holding Company	281	(88)
來自／(用於)融資活動之現金淨額	Net cash generated from/(used in) financing activities	281	(9,394)
現金及現金等價物餘額之減少	DECREASE IN CASH AND CASH EQUIVALENTS	(5,295)	(1,550)
一月一日之現金及現金等價物餘額	CASH AND CASH EQUIVALENTS AT 1 JANUARY	11,721	13,272
匯兌差額	Effect of foreign exchange difference	2	(1)
十二月三十一日之現金及現金等價物餘額	CASH AND CASH EQUIVALENTS AT 31 DECEMBER	24(b) 6,428	11,721

於37頁至80頁之財務報表附註為本財務報表的一部份。

The notes on pages 37 to 80 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. 一般事項

本公司是根據開曼群島公司法於開曼群島注冊成立為受豁免股份有限公司，其子公司從事一種後台電子收付及資料計錄與處理的軟件系統(華普智通系統)之開發與營運，以及相關商業應用的製造與營銷。

2. 會計報表的編製基礎

(a) 於截至二零零四年十二月三十一日止年度，本集團錄得巨額淨虧損人民幣35,601,000元，並於二零零四年十二月三十一日之流動負債淨額為人民幣12,329,000元，其中包括將於二零零五年兌付的可轉換債券人民幣5,306,000元(附註18)。另外，本集團於二零零四年三月簽訂了以人民幣28,200,000元款項收購一間公司70%權益的協議，該款項並將支付(附註25a)。

儘管存在上述情況，本公司董事基於以下原因，仍採用持續經營基準編製本帳目，因為本公司董事相信，本集團的公共交通及零售行業的電子付款業務將為本集團的盈利能力及現金流量帶來巨大貢獻，從而在將來改善本集團的經營業績及現金流量狀況。另外，本公司董事預期將能籌集大量的新資金。所以，董事仍採用持續經營基準編製本帳目。

倘若本集團未能繼續以持續經營基準經營業務，屆時將需要作出調整以將資產之價值按可收回金額重列，就可能產生之任何進一步負債作出撥備以及將非流動資產及負債分別重列為流動資產及負債。

(b) 賬目依據歷史成本常規法編製。

1. GENERAL

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its subsidiaries were engaged in the development and operation of a back and electronic receipt/payment and data recording and processing software system ("Jian ePayment System") and manufacturing and distribution of the associated commercial applications.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) The Group incurred a significant loss of RMB35,601,000 for the year ended 31 December 2004, and as at 31 December 2004 had net current liabilities of RMB12,329,000 including convertible notes payable of RMB5,306,000 which is due for payment in 2005 (Note 18). In addition, the Group entered into an agreement in March 2004 to acquire 70% equity interest in a company at a consideration of RMB28,200,000 which will be due for settlement (Note 25a).

Notwithstanding the above situation, the directors have prepared the financial statements on a going concern basis as the directors are confident that the electronic payment business of the Group in the public transportation and retails store industries in the PRC will improve and provide contributions to the Group's profitability and cash flows and as a result will improve the operating results and cash flow position of the Group in the future. Moreover, the directors expect that new funds will be raised in the near future to finance the Group's current operation. Accordingly, the directors have prepared the financial statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

(b) The financial statements are prepared under the historical cost convention.

3. 主要會計政策

本賬目乃按照香港公認會計原則及香港會計師公會頒佈之會計標準編製。

(a) 集團會計**(i) 綜合賬目**

綜合賬目包括本公司及各子公司截至十二月三十一日止之賬目。

附屬公司指本公司直接或間接控制過半數投票權；有權控制財政及營運決策；委任或撤換董事會大多數成員；或在董事會會議上有大多數投票權之公司。

所有集團內公司間之重大交易及結餘已於綜合賬目時抵銷。

出售子公司之收益或虧損指出售所得之收入與集團應佔該公司資產淨值之差額，連同之前並未在綜合損益賬內支銷或入賬之任何未攤銷商譽或負商譽，或已在儲備記賬之商譽。

少數股東權益指外界股東在子公司之經營業績及資產淨值中擁有之權益。

在本公司之資產負債表內，於子公司之投資以成本值扣除減值虧損準備入賬。本公司將子公司之業績按已收及應收股息入賬。

(ii) 外幣換算

以外幣進行之交易，均按交易當日之匯率折算。於結算日以外幣顯示之貨幣資產與負債則按結算日之匯率折算。由此產生之匯兌盈虧均計入利潤表。

3. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles in Hong Kong and with accounting standards issued by the Hong Kong Institute of Certified Public Accountants.

(a) Group accounting**(i) Consolidation**

The consolidated accounts include the financial statements of the Company and its subsidiaries made up to 31 December.

Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors; or to cast majority of votes at the meetings of the board of directors.

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

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or negative goodwill or goodwill/negative goodwill taken to reserves and which was not previously charged or recognised in the consolidated profit and loss account and any related accumulated foreign currency translation reserve.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

In the Company's balance sheet, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(ii) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS

3. 主要會計政策(續)

(a) 集團會計(續)

(ii) 外幣換算(續)

子公司以外幣顯示之資產負債表均按結算日之匯率折算，而損益賬則按平均匯率折算。由此產生之匯兌盈虧作為儲備變動入賬。

(b) 無形資產

(i) 商譽

商譽指收購成本超出於收購日集團應佔所收購子公司之淨資產之數額。

因收購產生之收購商譽計入無形資產，並以直線法於其估計可使用年期10年攤銷。商譽以成本減累計攤銷及累計減值列帳。每一財政年度結算日對攤銷期限和攤銷方法進行審查。

(ii) 研究及開發成本

研究成本在發生時作為費用支銷。當能夠證明開發中產品技術之可行性及有意完成該產品，而亦有資源協助、成本可予識別，及有能力出售或使用該資產而能賺取盈利，則將新產品或改良產品之設計及測試之開發所涉及之成本確認為無形資產，並以直線法按不超過5年之期間攤銷，以反映將相關經濟效益確認之模式。不符合上述條件之開發成本在發生時作為費用支銷。已入賬為支出之開發成本不會在往後期間確認為資產。

於截止二零零四年十二月三十一日年度，無開發成本符合資本化要求而被確認為資產。

(iii) 無形資產耗減值

如有跡象顯示出現減值，則無形資產之賬面值，均需評估及即時撇減至可收回價值。

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(a) Group accounting (Continued)

(ii) Translation of foreign currencies (Continued)

The balance sheet of subsidiaries expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss items are translated at an average rate. Exchange differences are dealt with as a movement in reserves.

(b) Intangibles

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition.

Goodwill on acquisitions is included in intangible assets and is amortised using the straight-line method over its estimated useful life of 10 years. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation period and the amortisation method are reviewed annually at each financial year end.

(ii) Research and development costs

Research costs are expensed as incurred. Costs incurred on development projects relating to the design and testing of new or improved products are recognised as an intangible asset where the technical feasibility and intention of completing the product under development has been demonstrated and the resources are available to do so, costs are identifiable and there is an ability to sell or use the asset that will generate probable future economic benefits. Such development costs are recognised as an asset and amortised on a straight-line basis over a period of not more than 5 years to reflect the pattern in which the related economic benefits are recognised. Development costs that do not meet the above criteria are expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

During the year ended 31 December 2004, no development costs were capitalised as they did not meet the criteria for capitalisation.

(iii) Impairment of intangible assets

Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount.

3. 主要會計政策 (續)

(c) 固定資產

固定資產(即租約物業裝修、機器及辦公設備)以成本值減累計折舊及累計減值虧損列賬。

(i) 折舊

固定資產以直線法於其估計可用年限內將其成本值減累積減值虧損減預計殘值撇銷。主要之殘值率及年率折舊如下：

租賃物業裝修
機器設備
辦公設備

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Fixed assets

Fixed assets comprising leasehold improvements, machinery and office equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(i) Depreciation

Fixed assets are depreciated at rates sufficient to write off their cost less accumulated impairment losses, after taking into account of the estimated residual values of each asset over its estimated useful life on a straight-line basis. The principal residual value and annual depreciation rates are as follows:

		殘值率 Residual value	年折舊率 Annual depreciation rate
租賃物業裝修	Leasehold improvements	–	20%
機器設備	Machinery	0%-5%	14% – 20%
辦公設備	Office equipment	0%-10%	14% – 19%

(ii) 減值

在每年結算日，皆透過集團內部及外界所獲得的資訊來評核包括固定資產在內的資產有否減值的象。如有跡象顯示該等資產出現減值，則估算其可收回價值，及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在損益表入賬，但假若某資產乃按估值列賬，而減值虧損不超過該資產之重估盈餘，此等虧損則當作重估減值。

(ii) Impairment

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included under fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease.

3. 主要會計政策(續)

(d) 政府補助金

當可合理確定本集團將可符合政府補助金附帶之條件及將可獲得補助金時，則確認政府補助金。有關收入之補助金乃予遞延及按所補助之費用產生期間在損益賬中確認。

有關購買固定資產之政府補助金乃按該固定資產之預計可使用年期以直線法列入非流動資產作為遞延收入並計入損益賬。

(e) 經營租賃

經營租賃是指擁有資產之風險及回報實質上由出租公司保留之租賃。租賃款額在扣除自出租公司收取之任何獎勵金後，於租賃期內以直線法在損益賬中支銷。

(f) 存貨

存貨包括製成品及在製品，按成本值與可變現淨值二者之較低者入賬。成本值以先進先出法計算，並包括原材料、直接人工及所有生產經常開支之應佔部份。可變現淨值乃按預計銷售所得款項扣除估計營銷費用計算。

(g) 應收帳戶

凡被視為呆賬之應收帳戶，均提撥準備。在資產負債表內列賬之應收帳戶已扣除有關之準備金。

(h) 現金及現金等價物

現金及現金等價物按成本在資產負債表內列賬。在現金流量表中，現金及現金等價物包括庫存現金、銀行通知存款，三個月內到期之現金投資及銀行透支。

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Government grants

A government grant is recognised when there is a reasonable assurance that the Group will comply with the conditions attaching with it and that the grant will be received. Grants relating to income are deferred and recognised in the profit and loss account over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchases of fixed assets are included in non-current liabilities as deferred income and are credited to the profit and loss account on a straight-line basis over the expected lives of the fixed assets.

(e) 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. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

(f) Inventories

Inventories comprise stocks and work in progress and are stated at the lower of cost and net realisable value. Cost, calculated on the first-in, first-out basis, comprises materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(g) Accounts receivable

Provision is made against accounts receivable to the extent they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

(h) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, cash investments with a maturity of three months or less from date of investment and bank overdrafts.

3. 主要會計政策 (續)

(i) 撥備

當集團因已發生的事件須承擔現有之法律性或推定性的責任，而解除責任時有可能導致資源流出，並在責任金額能夠可靠地作出估算的情況下，需確立撥備。當集團預計撥備款可獲償付，例如有保險合約作保障，則將償付款確認為一項獨立資產，惟只能在償付款可實質地確定時確認。

(j) 僱員福利

(i) 退休金責任

本集團安排香港僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃屬於定額供款計劃，由獨立受托人管理。根據中國有關規定，本集團在中國成立之子公司按月為本集團所有中國職員工繳納基本養老保險費。

集團之供款於供款相關期內在損益表支銷。

(ii) 權益補償福利

本集團向董事及僱員授出購股權。假若該等購股權按授出日期股份之市價授出並按該價格行使，則不會確認補償成本。若購股權按市價之折讓價授出，則在損益賬中按該折讓確認為補償成本，並在資產負債表中列作權益增加。購股權被行使時，所得款項扣除任何交易成本後撥入股本(面值)及股份溢價。

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(i) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(j) Employee benefits

(i) Pension obligations

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. The Group's subsidiaries incorporated in Mainland China make contributions to a state-sponsored defined contribution scheme for the Group's local staff on a monthly basis pursuant to laws and regulations in The People's Republic of China (the "PRC") to a government agency.

The Group's contributions to the defined contribution retirement scheme are expensed as incurred.

(ii) Equity compensation benefits

Share options are granted to directors and to employees. If the options are granted at the market price of the shares on the date of the grant and are exercisable at that price, no compensation cost is recognised. If the options are granted at a discount on the market price, the discount is recognised in the profit and loss account as a compensation cost and recognised in the balance sheet as an increase to equity. When the options are exercised, the proceeds received net of any transaction costs are credited to share capital (nominal value) and share premium.

3. 主要會計政策 (續)

(k) 遞延所得稅

遞延所得稅採用負債法就資產負債之稅基與它們在財務報表之賬面值兩者之短暫時差作全數撥備。遞延所得稅採用在結算日前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產乃就有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。

遞延所得稅乃就附屬公司、聯營公司及合營企業之短暫時差而撥備，但假若可以控制時差之撥回，並有可能在可預見未來不會撥回則除外。

(l) 或然負債

或然負債指因已發生的事件而可能引起之責任，此等責任需就某一宗或多宗事件會否發生才能確認，而集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致之現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。

或然負債不會被確認，但會在賬目附註中披露。假若消耗資源之可能性改變導致可能出現資源消耗，此等負債將被確立為撥備。

(m) 收益確認

(i) 銷售硬件、軟件及系統整合的收入

銷售硬件、軟件及系統整合的收入於貨物已交付及被接納、賣方費用已予確定或可予確定，存在確定的交易證據，應收賬款可以收回且無重大的售後責任時予以確認。

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(k) Deferred taxation

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. 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.

(l) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

(m) Revenue recognition

(i) Sales of hardware, software and systems integration

Revenue from sales of hardware, software and systems integration is recognised when delivery and acceptance have occurred, the fee is fixed and determinable, persuasive evidence of an arrangement exists, collection of the receivable is probable and no significant post-delivery obligations remain.

3. 主要會計政策 (續)

(m) 收益確認 (續)

(ii) 交易征費

交易征費按使用華普智通系統營運所得收入的一定比例確認，該比例由公司與逐個客戶單獨確定並每月根據該比例計提相應之交易征費。

(iii) 利息收入

銀行存款利息收入按存款餘額及相應利息率以時間比例基準計算。

(n) 借貸成本

凡直接與購置、興建或生產某項資產(該資產必須經過頗長時間籌備以作預定用途或出售)有關之借貸成本，均資本化為資產之部分成本。

所有其他借貸成本均於發生年度內在損益賬支銷。

(o) 分部報告

按照本集團之內部財務報告，本集團已決定將地區分部分布資料作為主要分部報告呈列。本集團進行單項業務之經營。

未分配成本指集團整體性開支。分部資產主要包括固定資產、存貨、應收款項及經營現金。分部負債指經營負債，而不包括例如稅項及若干集團整體性之借款等項目。資本性開支包括購入無形資產及固定資產的費用，當中包括因收購子公司而添置之資產。

至於地區分部報告，銷售額乃按照客戶所在地計算。總資產及資本性開支按資產所在地計算。

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Revenue recognition (Continued)

(ii) Transaction levies

Transaction levies are recognised on an accrual basis based on certain percentages of revenue generated from the operations of Jian ePayment System as individually determined between the Company and the customers.

(iii) Interest income

Interest income from bank deposits is recognised on a time proportion basis on the principal amounts outstanding and at the rates applicable.

(n) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

(o) Segment reporting

In accordance with the Group's internal financial reporting the Group has determined that geographical segment be presented as the primary reporting format. The Group operates in one business segment.

Unallocated costs represent corporate expenses. Segment assets consist primarily of fixed assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings. Capital expenditure comprises additions to intangible assets and fixed assets.

In respect of geographical segment reporting, sales are based on the areas in which the customer is located. Total assets and capital expenditure are where the assets are located.

NOTES TO THE FINANCIAL STATEMENTS

4. 營業額、收益及分部資料

(a) 營業額及其他收益

本集團於本年度的營業額如下：

4. TURNOVER, REVENUE AND SEGMENT INFORMATION

(a) Turnover and other revenue

Revenues recognised during the year are as follows:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
營業額	Turnover		
銷售硬件及軟件收入	Sales of hardware and software	6,694	1,300
征費收入	Transaction levies	1,479	2,107
		8,173	3,407
其他收益	Other revenue		
出售華普智通卡收入	Profit on sales of smart cards	223	–
補貼收入	Subsidy income		
– 增值稅返還 (附註(i))	– Value added tax (“VAT”) refund (Note (i))	2,950	1,416
其他	Others	164	20
		3,337	1,436
總收益	Total revenues	11,510	4,843

- (i) 對於鄭州華普奧原電子泊車設備有限公司(「華普奧原」)在中國的銷售收入需要徵收增值稅。該增值稅率定於其銷售收入的17%(銷項稅)，在買進原材料，半成品等時所支付的進項增值稅會在徵收增值稅中予以抵扣，以此來確定應預付或支付的淨增值稅。

根據國家稅務總局在二零零零年六月二十二日發布的財稅[2000]第25號文規定，給予軟件企業優惠稅率，對其銷售自行開發生產之軟件產品徵收的增值稅超過收入3%的部分給予返還。截至二零零四年十二月三十一日止年度，該集團取得該等增值稅返還約人民幣2,950,000元(二零零三年：人民幣1,416,000元)，並且該返還被確認為補貼收入計入綜合損益表中。

- (i) Zhengzhou Jian-O'Yuan ITS Systems Co. Ltd. (“Jian-O'Yuan”) is subject to output VAT on its sales in PRC, which is levied at the general rate of 17% on the gross selling price upon sales of goods. Input VAT paid on purchases of raw materials, work in progress and other assets would be used to offset the output VAT payable on sales to determine the net VAT prepayment or VAT payable.

Pursuant to Cai Shui [2000] No. 25 issued by the State Tax Bureau on 22 June 2000, software enterprises are entitled to a preferential tax treatment and any actual VAT paid related to the sales of self-developed and produced software exceeding 3% of the revenue from the sales of software will be refunded. For the year ended 31 December 2004, the Group obtained a refund amounted to RMB2,950,000 (2003: RMB1,416,000) which was recognised as subsidy income in the consolidated profit and loss account.

4. 營業額、收益及分部資料 (續)

(b) 按客戶類別之營業額分析如下：

對關聯公司之銷售收入
(附註26(b)(i))

對華普產業集團提供融資之
非關聯公司之銷售收入*
(附註26(d))

對獨立第三方之銷售收入

* 華普產業集團指由翦英海先生及亞振全女士最終全資擁有之集團公司(不包括本集團及其最終控股公司)。翦英海先生及亞振全女士為本公司最終控股公司之股東(見附註26(d))。

(c) 分部資料

本集團進行單項業務的經營，在中國發展運作華普智通系統及製造、銷售相應的設備。

本集團的業務主要在以下五大地理區域：

華南地區
華北地區
華中地區
華東地區
東北地區

4. TURNOVER, REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Turnover analysed by categories of customers are as follows:

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
Sales to related companies (Note 26(b)(i))	4,025	585
Sales to unrelated parties financed by Jian Enterprise Group* (Note 26(d))	-	1,330
Sales of independent third parties	4,148	1,492
	8,173	3,407

* The Jian Enterprise Group represents a group of companies ultimately owned by Mr. Chin Ying Hoi and Ms. Ya Zhen Quan (excluding the Group and its ultimate holding company), Mr. Chin Ying Hoi and Ms. Ya Zhen Quan are the shareholders of the ultimate holding company of the Company (see Note 26(d)).

(c) Segment information

The Group conducts its business within one business segment – the development and operation of Jian ePayment System and manufacturing and distribution of the associated commercial applications in the PRC.

The Group's businesses operate in five main geographical areas:

Southern China
Northern China
Central China
Eastern China
North-eastern China

NOTES TO THE FINANCIAL STATEMENTS

4. 營業額、收益及分部資料(續)

(c) 分部資料(續)

地區分部之間只有極少量買賣活動。

4. TURNOVER, REVENUE AND SEGMENT INFORMATION
(Continued)

(c) Segment information (Continued)

There are minimal sales between the geographical segments.

		華南地區	華北地區	華中地區	華東地區	東北地區	集團
		Southern China	Northern China	Central China	Eastern China	North- eastern China	Group
		二零零四年 2004	二零零四年 2004	二零零四年 2004	二零零四年 2004	二零零四年 2004	二零零四年 2004
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
營業額	Turnover	2,059	139	3,481	24	2,470	8,173
分部業績	Segment results	1,466	89	2,085	23	514	4,177
未分配成本	Unallocated costs						(39,163)
經營虧損	Operating loss						(34,986)
財務費用，淨額	Finance costs, net						(615)
除稅前虧損	Loss before taxation						(35,601)
稅項	Taxation						-
股東應佔虧損	Loss attributable to shareholders						(35,601)
分部資產	Segment assets	-	3,694	17,515	-	-	21,209
未分配資產	Unallocated assets						-
總資產	Total assets						21,209
分部負債	Segment liabilities	-	610	30,103	-	-	30,713
未分配負債	Unallocated liabilities						-
總負債	Total liabilities						30,713
資本性開支	Capital expenditure	-	-	21	-	-	21
折舊	Depreciation	-	3,226	6,386	-	-	9,612
固定資產減值虧損	Impairment loss of fixed assets	-	7,404	13,031	-	-	20,435
商譽攤銷	Amortisation of goodwill	-	-	-	-	-	-
商譽減值	Impairment of goodwill	-	-	-	-	-	-

4. 營業額、收益及分部資料 (續)

(C) 分部資料 (續)

地區分部之間只有極少量買賣活動。

4. TURNOVER, REVENUE AND SEGMENT INFORMATION
(Continued)

(c) Segment information (Continued)

There are minimal sales between the geographical segments.

		華南地區	華北地區	華中地區	華東地區	東北地區	集團
		Southern China	Northern China	Central China	Eastern China	North- eastern China	Group
		二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年
		2003	2003	2003	2003	2003	2003
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
營業額	Turnover	476	43	2,714	19	155	3,407
分部業績	Segment results	404	(50)	2,247	1	140	2,742
未分配成本	Unallocated costs						(52,881)
經營虧損	Operating loss						(50,139)
財務費用，淨額	Finance costs, net						(989)
除稅前虧損	Loss before taxation						(51,128)
稅項	Taxation						-
股東應佔虧損	Loss attributable to shareholders						(51,128)
分部資產	Segment assets	-	21,607	30,964	-	-	52,571
未分配資產	Unallocated assets						8,583
總資產	Total assets						61,154
分部負債	Segment liabilities	-	175	19,235	-	-	19,410
未分配負債	Unallocated liabilities						15,649
總負債	Total liabilities						35,059
資本性開支	Capital expenditure	-	-	1,661	-	-	1,661
折舊	Depreciation	-	5,166	4,281	-	-	9,447
固定資產減值虧損	Impairment loss of fixed assets	-	7,760	3,014	-	-	10,774
商譽攤銷	Amortisation of goodwill	-	-	209	-	-	209
商譽減值	Impairment of goodwill	-	-	1,359	-	-	1,359

NOTES TO THE FINANCIAL STATEMENTS

5. 經營虧損

經營虧損已扣除／(計入)下列項目：

5. OPERATING LOSS

Operating loss is stated after charging/(crediting) the following:

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
存貨撥備沖回		
	Reversal of provision for inventories	(1,812) -
固定資產折舊(附註12)	Depreciation of fixed assets (Note 12)	9,612 9,447
固定資產減值(附註12)	Impairment of fixed assets (Note 12)	20,435 10,774
商譽攤銷	Amortisation of goodwill	- 209
商譽減值	Impairment of goodwill	- 1,359
壞賬準備	Provision for doubtful debts	2,413 8,394
存貨撥備	Provision for inventories	- 3,739
員工成本(包括董事袍金)(附註11)	Staff costs including directors' emoluments (Note 11)	
工資	Salaries and wages	3,809 8,503
退休金計劃繳納款項(附註20)	Contributions to retirement schemes (Note 20)	575 473
存貨成本	Cost of inventories	3,920 665
經營租賃	Operating lease rental	1,499 2,720
核數師酬金	Auditors' remuneration	477 1,242
研究及開發成本	Research and development costs	779 3,345

6. 財務費用，淨額

6. FINANCE COSTS, NET

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
五年內全數償還：	Wholly repayable within five years:	
銀行貸款之利息費用	Interest expenses on bank borrowings	- 149
其他貸款之利息費用	Interest expenses on other borrowings	- 319
可轉換債券之利息費用	Interest expenses on convertible notes	622 637
		622 1,105
減：利息收入	Less: Interest income	(7) (116)
		615 989

7. 稅項

本集團各公司須就於其經營之稅務司法管轄權區產生或所得收入按實體基準繳納所得稅。

二零零四年度本集團並無產生自或源於開曼群島、英屬處女群島及香港之應計提所得稅之盈利，故並無就該三個司法管轄區之所得計提準備。(二零零三年：無)

本集團之子公司一華普奧原為於一九九九年四月二十六日在中國註冊成立的私營有限責任公司。華普奧原於二零零一年七月取得外商投資企業稅務登記，根據中華人民共和國外商投資企業及外國企業所得稅法，作為外商投資的生產性公司，華普奧原自第一個獲利年度起享有兩免三減半的稅收優惠。於二零零四年，華普奧原並無提撥企業所得稅準備。

武漢華普智通科技有限公司及北京華普智通科技有限公司於二零零四年十二月三十一日止年度並無產生自或源於該等子公司之應計提所得稅之盈利，故並無就所得計提準備。

7. TAXATION

The companies comprising the Group are subject to income taxes on an entity basis on income arising in or derived from the tax jurisdiction in which they operate.

No provision for profits tax in the Cayman Islands, the British Virgin Islands or Hong Kong has been provided for as the Group has no assessable profit arising in or derived from those jurisdictions for the year ended 31 December 2004 (2003: Nil).

The Group's subsidiary, Jian-O'Yuan, was incorporated in the PRC as a privately owned limited liability company on 26 April 1999. In July 2001, Jian-O'Yuan obtained the tax registration as an enterprise with foreign investment. Pursuant to the PRC laws of Enterprise Income Tax ("EIT") for Enterprises with Foreign Investment and Foreign Enterprises, as a manufacturing enterprise with foreign investment, Jian-O'Yuan is entitled to full exemption from EIT for two years and a 50% reduction in the next three years. In year 2004, no EIT provision was provided for Jian-O'Yuan.

No EIT provision was required for the other subsidiaries incorporated in the PRC, Beijing Jian ePayment Science and Technology Co. Ltd. and Wuhan Jian ePayment Science and Technology Co. Ltd. as they have no assessable profit for the year ended 31 December 2004.

NOTES TO THE FINANCIAL STATEMENTS

7. 稅項 (續)

本集團的主要業務及收入均位於中國，於本年度適用於本集團的中國法定稅率為33%。以適用稅率計算之稅項開支及會計虧損對賬如下：

7. TAXATION (Continued)

As the Group's major operation and income were located in the PRC, the applicable tax rate to the Group was the PRC statutory tax rate of 33% during the year. Reconciliation between tax expense and accounting loss at applicable tax rate is as follows:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
除稅前虧損	Loss before taxation	(35,601)	(51,128)
按中國法定稅率33%計算	Calculated at the PRC statutory tax rate of 33%	(11,748)	(16,872)
稅率差異影響	Effect of different tax rate	865	2,533
稅收優惠期影響	Effect of tax preferential period	(116)	-
不獲扣稅開支之稅務影響	Expenses not deductible for taxation purpose	183	-
未確認遞延稅項資產	Unrecognised deferred tax assets	10,816	14,339
		-	-

於二零零四年十二月三十一日之未撥備遞延稅項詳情見附註23。

The details of unprovided deferred taxation as at 31 December 2004 were stated in Note 23.

8. 股東應佔虧損

在本公司財務報表上反映的股東應佔虧損達人民幣35,599,000元(二零零三年：虧損人民幣15,708,000元)。

8. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The loss attributable to shareholders is dealt with in the accounts of the Company to the extent of a loss of RMB35,599,000 (2003: RMB15,708,000).

9. 股息

本集團本年度未派並未宣佈派發股息(二零零三年：無)。

9. DIVIDEND

No dividend had been paid or declared by the Company during the year (2003: Nil).

10. 每股虧損

每股基本虧損是根據股東應佔虧損人民幣35,601,000元(二零零三年：人民幣51,128,000元)及期內已發行普通股加權平均數400,000,000股(二零零三年：400,000,000股)計算。

10. LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss attributable to shareholders of RMB35,601,000 (2003: RMB51,128,000) and on the weighted average of 400,000,000 (2003: 400,000,000) ordinary shares in issue during the year.

由於本公司的購股權及可換股債券之行使價高於本公司股份在授予購股權後的平均市價，因此本公司未有列出二零零三年及二零零四年之每股攤薄盈利。

No diluted earnings per share for 2003 and 2004 is presented because the exercise prices of the Company's options and convertible notes were higher than the average market prices of the Company's shares for the year.

11. 董事及高級管理人員酬金

年內本公司向董事支付之酬金總額如下：

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
袍金	280	120
其他酬金		
基本薪金、房屋津貼、 購股權、其他津貼 及實物利益	1,208	1,496
退休福利	52	74
	1,540	1,690

上述披露之袍金包括向獨立非執行董事支付之款項人民幣159,000元(二零零三年：人民幣120,000元)。

於截至二零零四年十二月三十一日止年度，併無根據本公司二零零一年十一月十九日採納之購股權計劃(見附註21(b))向董事授出購股權。

支付予董事之酬金組別如下：

酬金組別

執行董事	零至人民幣1,061,000元 (相當於1,000,000港元)
非執行董事	零至人民幣1,061,000元 (相當於1,000,000港元)

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

The aggregate amounts of emoluments payable to directors of the Company during the year are as follows:

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
Fees	280	120
Other emoluments:		
Basic salaries, housing allowances, share options, other allowances and benefits in kind	1,208	1,496
Contributions to pensions schemes for directors	52	74
	1,540	1,690

Directors' fee disclosed above include RMB159,000 (2003: RMB120,000) paid to independent non-executive directors.

During the year ended 31 December 2004, no options were granted to the directors under the Executive Share Option Scheme adopted by the Company on 19 November 2001 (see Note 21(b)).

The emoluments of the directors fell within the following bands:

Emolument bands

	董事數目 Number of directors	
	二零零四年 2004 港幣 HK\$	二零零三年 2003 港幣 HK\$
執行董事 RMB0-RMB1,061,000 (equivalent to HK\$1,000,000)	5	5
非執行董事 RMB0-RMB1,061,000 (equivalent to HK\$1,000,000)	3	2

11. 董事及高級管理人員酬金 (續)

截至二零零四年十二月三十一日本年度五位執行董事領取的酬金分別大約為人民幣672,000元(二零零三年：人民幣663,000元)，人民幣234,000元(二零零三年：人民幣234,000元)，人民幣358,000元(二零零三年：人民幣350,000元)，人民幣25,000元(二零零三年：人民幣115,000元)，人民幣91,000元(二零零三年：無)；三位非執行董事的酬金分別為人民幣72,000元(二零零三年：人民幣60,000元)，人民幣72,000元(二零零三年：人民幣60,000)及人民幣16,000元(二零零三年：無)。

根據二零零一年十一月十九日及二零零四年九月二十八日執行董事及非執行董事與本公司簽訂的服務協定，全體董事將有權獲得每年總額固定之薪金或袍金，而其他業績獎金將由本公司考慮本集團之經營業績後決定。

概無董事免收截至二零零三年及二零零四年十二月三十一日止兩年各年之酬金。

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

The five executive directors received individual emoluments for the year ended 31 December 2004 of approximately RMB672,000 (2003: RMB663,000), RMB234,000 (2003: RMB234,000), RMB358,000 (2003: RMB350,000), RMB25,000 (2003: RMB115,000) and RMB91,000 (2003: Nil) respectively and the three non-executive directors received individual emoluments for the year ended 31 December 2004 of approximately RMB72,000 (2003: RMB60,000), RMB72,000 (2003: RMB60,000) and RMB16,000 (2003: Nil) respectively.

Pursuant to service contracts entered between the executive and non-executive directors and the Company dated 19 November 2001 and 28 September 2004, the director together will be entitled to a fixed salary or fees which will be subject to review by the Board of Directors on a yearly basis and any further performance related bonus shall be determined by the Company having taken into consideration the operating results of the Group.

No directors waived or agreed to waive any of their emoluments in respect of the years ended 31 December 2004 and 2003.

11. 董事及高級管理人員酬金 (續)

本年度集團內五名最高薪酬人士包括三名(二零零三年: 三名)董事, 其酬金已載於上文分析。其餘兩名(二零零三年: 兩名)最高薪人士之酬金分析如下:

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

The five individuals whose emoluments were the highest in the Group for the year include three (2003: three) directors whose emoluments were reflected in the analysis presented above. The emoluments payable to the remaining two (2003: two) individuals during the year are as follows:

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
其他薪酬		
基本薪金、房屋津貼、 購股權、其他津貼及 實物利益	338	721
退休福利	12	16
	350	737

最高薪酬五名人士之酬金組別如下:

The emoluments of the five highest individuals fell within the following bands:

	人數 Number of individuals	
	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
酬金組別: 零至人民幣1,061,000元 (相當於1,000,000港元)	5	5

12. 固定資產

12. FIXED ASSETS

		集團 Group			總額 Total
		租賃物業裝修 Leasehold improvements	機器設備 Machinery	辦公設備 Office equipment	
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
成本值：	Cost:				
二零零四年一月一日	At 1 January 2004	92	58,542	1,141	59,775
添置	Additions	-	13	8	21
轉撥	Reclassification to inventories	-	(750)	-	(750)
二零零四年十二月三十一日	At 31 December 2004	92	57,805	1,149	59,046
累計折舊及減值：	Accumulated depreciation and impairment:				
二零零四年一月一日	At 1 January 2004	92	20,354	423	20,869
本年度折舊	Charge for the year	-	9,409	203	9,612
減值支銷	Impairment charge	-	20,435	-	20,435
二零零四年十二月三十一日	At 31 December 2004	92	50,198	626	50,916
賬面淨值：	Net book value:				
二零零四年十二月三十一日	At 31 December 2004	-	7,607	523	8,130
二零零三年十二月三十一日	At 31 December 2003	-	38,188	718	38,906

13. 於子公司之投資

13. INVESTMENTS IN SUBSIDIARIES

		公司 Company	
		二零零四年 2004	二零零三年 2003
		人民幣千元 RMB'000	人民幣千元 RMB'000
於子公司之投資成本 (附註(a))	Investments in subsidiaries at cost (Note (a))	24,208	24,208
應收子公司(附註(b))	Amounts due from subsidiaries (Note (b))	25,371	26,568
		49,579	50,776
投資減值	Impairment of investments	(44,587)	(11,069)
		4,992	39,707

13. 於子公司之投資 (續)

(a) 投資

於二零零四年十二月三十一日之子公司如下：

名稱	成立地點及 公司性質 Place of incorporation/ establishment and kind of legal entity	成立日期 Date of incorporation/ establishment	主要業務 及營運地 Principal activities and place of operation	註冊/ 已發行資本 Particulars of registered/ issued capital (附註(i)) (Note (i))	本公司應佔 股權百分比	
					直接	間接
Name					Directly	Indirectly
Systematic Technology Group Limited (「Systematic」)	英屬處女 群島，有限責任公司	二零零零年 六月二十七日	投資控股 香港	5股普通股 每股1美元	100%	—
Systematic Technology Group Limited (“Systematic”)	British Virgin Islands, limited liability company	27 June 2000	Investment holding in Hong Kong	5 ordinary shares of USD1 each	100%	—
華普奧原 (附註(ii))	中國， 有限責任公司	一九九九年 四月二十六日	華普智通系統 的開發與運作以 及相關商業應用 的製造與推廣 中國	2,950,000美元	—	100%
Jian-O'Yuan (Note (ii))	PRC, limited liability company	26 April 1999	Development and operation of Jian ePayment System and manufacturing and distribution of the associated commercial applications in PRC	USD2,950,000	—	100%
武漢華普智通科技 有限公司 (「武漢華普」) (附註(iii))	中國， 有限責任公司	二零零二年 八月二十日	華普智通系統的運作 中國	846,000美元	—	100%
Wuhan Jian ePayment Science and Technology Co. Ltd. (“Wuhan Jian ePayment”) (Note (iii))	PRC, limited liability company	20 August 2002	Operation of Jian ePayment System in PRC	USD846,000	—	100%

13. INVESTMENTS IN SUBSIDIARIES (Continued)

(a) Investment

The following is a list of subsidiaries at 31 December 2004:

13. 於子公司之投資 (續)

(a) 投資 (續)

13. INVESTMENTS IN SUBSIDIARIES (Continued)

(a) Investment (Continued)

名稱 Name	成立地點及 公司性質 Place of incorporation/ establishment and kind of legal entity	成立日期 Date of incorporation/ establishment	主要業務 及營運地 Principal activities and place of operation	註冊/ 已發行資本 Particulars of registered/ issued capital (附註(i)) (Note (i))	本公司應佔 股權百分比 Interest held	
					直接 Directly	間接 Indirectly
北京華普智通科技 有限公司 (「北京華普」)** (附註(iii))	中國， 有限責任公司	二零零二年 五月二十二日	華普智通系統的運作 中國	150,000美元	—	100%
Beijing Jian ePayment Science and Technology Co. Ltd. ("Beijing Jian ePayment") (Note (iii))	PRC, limited liability company	22 May 2002	Operation of Jian ePayment System in PRC	USD150,000	—	100%
華普智通 (中國)國際控股 有限公司	英屬處女群島， 有限責任公司	二零零四年 二月三日	仍未啟業 香港	1美元	—	100%
Jian epayment (China) International Holdings Ltd.	British Virgin Islands, limited liability company	3 February 2004	Not yet commenced business	USD1	—	100%

13. 於子公司之投資 (續)

(a) 投資 (續)

- (i) 於二零零四年十二月三十一日，本公司的所有子公司之資本已全部繳足。隨着中國政府機構之批准，於二零零四年，武漢華普之註冊資本由1,500,000美元改為846,000美元。
- (ii) 華普奧原為於一九九九年四月二十六日在中國註冊成立的私營有限責任公司。於註冊成立時，華普奧原的82%權益由北京華普科技有限公司（「華普科技」）持有。華普奧原的18%股權則由獨立第三方鄭州奧原電子技術有限公司（「鄭州奧原」）持有。於二零零零年四月十八日，鄭州奧原所持華普奧原的18%股權由北京華普產業集團有限公司（「北京華普產業」）所收購。華普奧原其後成為一間中外合資企業。根據華普科技、北京華普產業及Systematic於二零零零年七月十八日訂立的協議，Systematic向華普科技及北京華普產業收購華普奧原的99%股權其餘1%股權由華普科技持有。根據於二零零二年五月十八日訂立的協定，Systematic購入原由華普科技有限公司擁有之華普奧原之1%股權，華普奧原成為Systematic之全資子公司。
- (iii) 武漢華普及北京華普為分別於二零零二年八月二十日及五月二十二日在中國註冊成立的私營有限責任公司。該兩家公司均為Systematic全資子公司。

(b) 應收子公司之款項為不計息且未確定償付日期。

13. INVESTMENTS IN SUBSIDIARIES (Continued)

(a) Investment (Continued)

- (i) As at 31 December 2004, all issued capital of the subsidiaries of the Company had been paid up. Following the approval of PRC government authority, the registered capital of Wuhan Jian ePayment was revised from USD1,500,000 to USD846,000 in 2004.
- (ii) Jian-O'Yuan was incorporated in the PRC as a privately owned limited liability company on 26 April 1999. Upon incorporation, 82% equity interests of Jian-O'Yuan were held by Beijing Jian-Tech Co., Ltd. ("Jian-Tech") and 18% equity interests of Jian-O'Yuan were held by Zhengzhou-O'Yuan Electronics Technology Limited ("Zhengzhou-O'Yuan"), an independent third party. On 18 April 2000, the 18% equity interests of Jian-O'Yuan held by Zhengzhou-O'Yuan were acquired by Beijing Jian Enterprises (Group) Co., Ltd. ("Beijing Jian Enterprise"). Jian-O'Yuan was then converted into a sino-foreign equity joint venture. According to an agreement between Jian-Tech, Beijing Jian Enterprise and Systematic dated 18 July 2000, Systematic acquired 99% of the equity interests of Jian-O'Yuan. The remaining 1% of equity interests was held by Jian-Tech. According to the agreement dated 18 May 2002, the 1% equity interests of Jian-O'Yuan held by Jian-Tech was acquired by Systematic. Since then, Jian-O'Yuan became a wholly owned subsidiary of the Systematic.
- (iii) Wuhan Jian ePayment and Beijing Jian ePayment were incorporated in the PRC as privately owned limited liability companies on 20 August 2002 and 22 May 2002 respectively. These two subsidiaries are wholly owned by Systematic.

(b) The amounts due from subsidiaries were non-interest bearing and with no fixed repayment terms.

14. 存貨

14. INVENTORIES

		集團 Group	
		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
原材料	Raw materials	1,162	959
在製品	Work in progress	175	976
製成品	Finished goods	1,002	1,809
		2,339	3,744
存貨撥備	Provision for inventories	(1,927)	(3,739)
		412	5

於二零零四年十二月三十一日，沒有存貨以可變現價值入賬（二零零三年：無）。

As at 31 December 2004, no inventories were carried at net realisable value (2003: Nil).

15. 貿易及其他應收款

15. TRADE AND OTHER RECEIVABLES

		集團 Group		公司 Company	
		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
附註 Note					
貿易應收款	Trade receivables (a)	909	272	-	-
預付款及保證金	Prepayments and deposits (b)	2,777	3,645	106	-
其他應收款	Other receivables (c)	2,295	676	33	318
		5,981	4,593	139	318

15. 貿易及其他應收款 (續)

- (a) 貿易應收款的信用期介於120天到180天之間，於二零零三年十二月三十一日，貿易應收款之賬齡分析如下：

30天以內	0-30 days
31至60天	31-60 days
61至90天	61-90 days
91至120天	91-120 days
121至180天	121-180 days
181至365天	181-365 days
365天以上	Over 365 days

壞賬準備

15. TRADE AND OTHER RECEIVABLES (Continued)

- (a) The credit term of the trade receivables of the Group ranges from 120 to 180 days. The ageing analysis of the trade receivables was as follows:

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

157	37
59	26
50	31
-	30
-	46
26	1,323
12,784	9,173
13,076	10,666
(12,167)	(10,394)
909	272

(b) 預付款及保證金

(b) Prepayments and deposits

		集團		公司	
		Group		Company	
		二零零四年	二零零三年	二零零四年	二零零三年
		2004	2003	2004	2003
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Note		RMB'000	RMB'000	RMB'000	RMB'000
預繳之企業所得稅	Payment of enterprises income tax ("EIT")	(i) 2,118	2,621	-	-
預付供應商之款項	Prepayments to suppliers	425	1,024	-	-
其他	Others	234	-	106	-
		2,777	3,645	106	-

- (i) 在華普奧原與當地稅局落實附註7所述之稅收優惠政策前，被要求先就二零零零年及二零零一年之潛在企業所得稅負債繳納保證金。該保證金在二零零一年華普奧原取得稅局批准後退回。

- (i) Before Jian-O'Yuan obtained the confirmation from the local tax bureau for the preferential tax treatment as stated in Note 7, Jian-O'Yuan was required to place deposits against the potential EIT liabilities for the years 2000 and 2001. Such deposits for EIT were refunded/refundable after Jian-O'Yuan obtained the approval of the preferential tax treatment from the tax bureau in 2001.

NOTES TO THE FINANCIAL STATEMENTS

15. 貿易及其他應收款(續)

(c) 其他應收款

		集團		公司	
		Group		Company	
		二零零四年	二零零三年	二零零四年	二零零三年
		2004	2003	2004	2003
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
職工備用金	Advances to staff	273	97	-	-
可轉換債券利息 保證金	Deposits for interests of convertible notes	-	318	-	318
其他	Others	2,022	261	33	-
		2,295	676	33	318

16. 其他流動資產

於年末，集團的其他流動資產為本集團向客戶提供之用於華普智通系統運作之智能卡。

16. OTHER CURRENT ASSETS

Other current assets at Group level represented the cost of smart cards provided by the Group to customers for the operations of Jian ePayment System as at year end.

17. 貿易及其他應付款

17. TRADE AND OTHER PAYABLES

		集團		公司	
		Group		Company	
		二零零四年	二零零三年	二零零四年	二零零三年
		2004	2003	2004	2003
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
貿易應付款	Trade payables	(a) 8,512	8,354	-	-
其他應付款	Other payables	(b) 8,954	13,870	4,038	3,319
		17,466	22,224	4,038	3,319

17. 貿易及其他應付款 (續)

(a) 於二零零四年十二月三十一日，貿易應付款之賬齡分析如下：

30天以內	0-30 days
31至60天	31-60 days
61至90天	61-90 days
91至120天	91-120 days
121至180天	121-180 days
181至365天	181-365 days
365天以上	Over 365 days

17. TRADE AND OTHER PAYABLES (Continued)

(a) As at 31 December 2004, the ageing analysis of the trade payables were as follows:

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

		254	127
		95	201
		-	15
		23	461
		-	380
		-	190
		8,140	6,980
		8,512	8,354

(b) 其他應付款

(b) Other payables

		集團		公司	
		Group		Company	
		二零零四年	二零零三年	二零零四年	二零零三年
		2004	2003	2004	2003
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
應付增值稅款	VAT payable	136	5,831	-	-
職工獎勵及福利基金	Provision for staff and workers' bonus and welfare fund	834	817	-	-
預提經營費用	Accruals for operating expenses	5,287	4,519	4,015	2,821
應付工資及福利	Salary and welfare payable	810	1,089	14	11
其他	Others	1,887	1,614	9	487
		8,954	13,870	4,038	3,319

18. 可轉換債券

二零零二年十一月三十日，本公司向獨立第三方（認購人）發行價值港幣10,000,000元（相當於等值人民幣約10,611,000元）之可轉換債券。該可轉換債券可轉換為4,000,000股公司股份，每股初步換購價港幣2.50元（可予調整）。認購人亦可選擇於二零零二年十一月十八日（可轉換債券認購日）起計之六個月內以港幣10,000,000元認購每股換購價為港幣3.00元之第二張可轉換債券。於二零零三年五月十八日到期前認購人並未行使其選擇權，認購第二張可轉換債券。

可轉換債券均按香港上海匯豐銀行有限公司於有關計息期之最後營業日向客戶所報之港元最優惠貸款利率加1%之年利率計息。

以上可轉換債券均於發行兩年後到期。債券持有人可於可轉換債券發行日期起十二個月後行使換股權。每次換股須以港幣2,000,000元之完整倍數為單位。

本公司已於二零零四年十一月十八日與認購人簽署補充協議，延長可換股債券之到期日及重新制定償付金額之償付時間表。

根據補充協議以及票據持有人按該可換股票據的未償付本金行使換股權（見公佈之定義），本公司將需於二零零四年十一月三十日，即第一到期日（「第一到期日」）支付該可換股票據的部份款項（金額為本金2,000,000港元及截至第一期日止之利息250,000港元），該可換股票據的其餘未償付本金分四期支付（「分期付款」）：二零零四年十二月三十一日之前支付本金3,000,000港元（「第二到期日」），二零零五年二月二十八日之前支付本金2,000,000港元（「第三到期日」），二零零五年三月三十一日之前支付本金2,000,000港元，二零零五年四月三十日之前支付本金1,000,000港元。支付方式為遠期銀行支票（「期票」）方式，並於第一到期日交付予票據持有人。

18. CONVERTIBLE NOTES

The Company issued a convertible note of HK\$10,000,000 (equivalent of RMB10,611,000) to an independent third party (the "Subscriber") on 30 November 2002. The convertible note is convertible into 4,000,000 shares of the Company at an initial conversion price of HK\$2.50 per share (subject to adjustment). The Subscriber also has an option to subscribe for a second convertible note of HK\$10,000,000 with an initial conversion price of HK\$3.00 per share within 6 months after 18 November 2002, the date of subscription agreement. The Subscriber has not exercised its option to subscribe for the second convertible note before the expiry date, 18 May 2003.

The interest of the convertible note is at a rate per annum equal to one per cent over the prime lending rate for Hong Kong Dollars as quoted by the Hong Kong and Shanghai Banking Corporation Limited to its customers on the last business day of the relevant interest period on the principle amount of the note outstanding.

The maturity date for each convertible note is the second anniversary date of its issue. The conversion rights could be exercised after a period 12 months from the respective dates of issue of the convertible notes and each conversion shall be in the integral multiples of HK\$2,000,000.

On 18 November 2004, the Company and the Subscriber entered into a supplemental agreement pursuant to which the maturity date of the convertible note was extended and the repayment of the outstanding amount was re-scheduled.

Pursuant to the supplemental agreement, subject to the exercise of the conversion rights by the Subscriber on any principal outstanding amount of the convertible note, the Company should on 30 November 2004 ("First Maturity Date") repay part of the principal outstanding amount of the convertible note in the sum of HK\$2,000,000 and HK\$250,000 on the account of the interest accrued on the convertible note up to the First Maturity Date. The remaining principal outstanding amount of the convertible note shall then be repaid by four instalments by way of four post-dated cheques ("Cheques") dated 31 December 2004 ("Second Maturity Date"), 28 February 2005 ("Third Maturity Date"), 31 March 2005 and 30 April 2005 in the sum of HK\$3,000,000, HK\$2,000,000, HK\$2,000,000 and HK\$1,000,000 respectively which were delivered to the Subscriber on the First Maturity Date.

18. 可轉換債券 (續)

本公司已於第一到期日及第二期到期日分別償付2,250,000港元及3,000,000港元。但是，本公司於第三到期日並未支付2,000,000港元。根據補充協議，如本公司未能履行償付責任或任何期票於相應到期日未能兌現，該可換股票據之本金及其它款項需全數即時歸還，該等本金及其它款項並即時加收年利率十五厘之罰息直至全部清還為止。

19. 應付一位董事

該金額為無抵押，免息及非於十二月內到期。

20. 退休金

本集團安排香港僱員參與強制性公積金計劃（「強積金計劃」）。強積金計劃屬於定額供款計劃，由獨立受托人管理。根據強積金計劃，本集團及僱員每月均按有關僱員5%收入作出供款。僱員及僱員之供款以每月1,000港元為限，其後之供款則屬自願性質。於二零零四年度，並無喪失權利之供款。

按國家有關規定，本集團在中國成立之子公司按月為本集團所有中國職工繳納基本養老保險費。保險費系按地方標準工資25—26%計提，其中本公司負責19—20%，餘下的由職工負責，交由中國政府有關部門統籌安排，退休職工的退休金由該部門統籌支付。本集團按權責發生制核算該等繳費。

18. CONVERTIBLE NOTES (Continued)

The Company has repaid in the sum of HK\$2,250,000 and HK\$3,000,000 on the First Maturity Date and Second Maturity Date respectively. However, the Company has failed to repay the sum of HK\$2,000,000 on the Third Maturity Date. Pursuant to the supplemental agreement, if the Company fails to fulfil any of its obligations to repay or if any of the Cheques is dishonoured on its first presentation on the respective maturity dates, all the outstanding principal amount of the convertible note and all other sums payable hereunder will become immediately due and payable, and such outstanding principal amount of the convertible note and such other sums shall be charged default interest at the rate of 15% per annum from the date of the same being demanded until full payment thereof by the Company.

19. DUE TO A DIRECTOR

The amount due is unsecured, interest free and not repayable within twelve months.

20. RETIREMENT BENEFIT COSTS

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group (the employer) and its employees makes monthly contributions to the scheme at 5% of the employees' earning as defined under the Mandatory Provident Fund legislation. The contributions from each of the employer and employees are subject to a cap of HK\$1,000 per month and thereafter contributions are voluntary. For the year ended 31 December 2004, no contribution was forfeited.

The Group's subsidiaries incorporated in the PRC make contributions to the basic old age insurance for the Group's local staff on a monthly basis pursuant to PRC laws and regulations to a government agency based on 25% to 26% of the standard salary set by the provincial government, of which 19% to 20% is borne by the Group and the remainder is borne by the staff. The government agency is responsible for the pension liabilities relating to such staff upon their retirement. The Group accounts for these contributions on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

20. 退休金 (續)

集團繳納之退休金詳情如下：

20. RETIREMENT BENEFIT COSTS (Continued)

The details of the pension contributions made by the Group were as follows:

	二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
退休金計劃繳納款項	575	473

21. 股本及購股權

(a) 股本

21. SHARE CAPITAL AND SHARE OPTIONS

(a) Share capital

	股數 Number of shares	面值 Nominal value 港元 HK\$	面值 Nominal value 人民幣 RMB
授權股本 (每股0.05港元) 二零零三及二零零四年 十二月三十一日餘額	As at 31 December 2003 and 2004	1,200,000,000	60,000,000
已發行並繳足之股本 (每股0.05港元) 二零零三及二零零四年 十二月三十一日餘額	Issued and fully paid (HK\$0.05 each) As at 31 December 2003 and 2004	400,000,000	21,208,000

21. 股本及購股權 (續)

(b) 購股權計劃

根據二零零一年十一月十九日本公司採納的購股權計劃(「購股權計劃」)，本公司將授權該購股權計劃的參與者預購本公司股票。參加者包括僱員(包括董事)，以及本集團之經由董事會或有權之委員會授權、為本集團發展做出貢獻的其他人士。因根據購股權計劃及其他股份認購計劃將售出而尚未實施之所有購股權因獲實施而可予發行之整體股份數目限額，總共不得超過已發行股份之30%(「計劃限額」)。該購股權計劃中任何被授權的購股權的實施自被授權之日起不得超過十年。預售價格由董事會決定，但不得超過以下最高者(i)授權日創業板該股票報價的收市價格；(ii)授權日之後五個工作日創業板報價的平均收市價格；(iii)授權日該股票之名義價值。

已授出之購股權如下：

受讓人	受讓人數 Total number of grantee	二零零四年	授出	行使	取消	失效	二零零四年
		一月一日					十二月三十一日
Categories of grantees		As at 1 January 2004	Granted	Exercised	Cancelled	Lapsed	As at 31 December 2004
董事	3	4,600,000	-	-	-	900,000	3,700,000
Directors							
員工	16	13,900,000	-	-	-	1,700,000	12,200,000
Employees							
其他人士	13	16,200,000	-	-	-	-	16,200,000
Others							
		34,700,000	-	-	-	2,600,000	32,100,000

21. SHARE CAPITAL AND SHARE OPTIONS (Continued)

(b) Share option scheme

Pursuant to the share option scheme of the Company adopted on 19 November 2001 (the "Share Option Scheme"), the Company may grant options to the participants of the Share Option Scheme to subscribe for shares of the Company. The participants include any employees (including directors) and certain other persons who, in the sole discretion of the board of directors or a duly authorised committee thereof (the "Board"), have contributed to the Group. The overall limit on the number of shares which may be issued upon exercise of all options to be granted and yet to be exercised under the Share Option Scheme and other share option schemes must not, in aggregate, exceed 30% of the shares in issue from time to time. Any option granted under the Share Option Scheme may be exercised at any time during a period which shall not be more than ten years after the date on which the option is granted. The subscription price will be determined by the Board and will not be less than the highest of (i) the closing price of the shares quoted on the GEM on the grant date, (ii) the average closing price of the shares quoted on the GEM for the five business days immediately preceding the date of grant and (iii) the nominal value of the shares on the date of grant.

The number of share options granted are as follows:

NOTES TO THE FINANCIAL STATEMENTS

21. 股本及購股權(續)

(b) 購股權計劃(續)

已授出之購股權包括於二零零二年五月三十一日及二零零二年八月十六日分別授出的29,100,000股及3,000,000股。

於二零零二年五月三十一日授出之29,100,000購股權行使價為每股港幣2.35元。全部購股權在售出日起五年內有效，每年可行使25%。於二零零二年八月十六日授出之3,000,000股購股權每股港幣2.03元。可即時行使。

根據本公司二零零一年十一月十九日採納之購股權計劃，下列本公司董事可以認購本公司每股面值0.05港元之購股權(列作個人權益)。

21. SHARE CAPITAL AND SHARE OPTIONS (Continued)

(b) Share option scheme (Continued)

The above options comprising 29,100,000 and 3,000,000 underlying shares were granted at consideration on 31 May 2002 and 16 August 2002 respectively.

The exercise price of 29,100,000 share options granted on 31 May 2002 is HK\$2.35 per share. Such options are exercisable to the extent of 25% of the options granted to each grantee every year after the date of grant, and have a duration of 5 years from the date on which the option was granted. The exercise price of 3,000,000 share options granted on 16 August 2002 is HK\$2.03 per share and such options can be exercised since granted.

Pursuant to the Company's Share Option Scheme adopted by the Company on 19 November 2001, the following directors of the Company have personal interests in options to subscribe for ordinary shares in the Company of HK\$0.05 each which have been granted to them at consideration as follows:

董事	授出日期	每股行使價	於二零零四年十二月三十一日根據購股權尚未行使之股份數目
Name of director	Date of grant	Exercise price per share	Outstanding number of share under option as at 31 December 2004
翦英海先生	二零零二年五月三十一日	2.35港元	2,000,000
Mr. Chin Ying Hoi	31 May 2002	HK\$2.35	
劉德富先生	二零零二年五月三十一日	2.35港元	700,000
Mr. Liu De Fu	31 May 2002	HK\$2.35	
李隨洋先生	二零零二年五月三十一日	2.35港元	1,000,000
Mr. Li Sui Yang	31 May 2002	HK\$2.35	
			3,700,000

22. 儲備

22. RESERVES

		集團 Group						
		股本溢餘	資本公積	一般儲備 基金	企業發展 基金	累計外匯 調整	(累計虧損)/ 累計未分配 利潤	合計
		Share premium	Capital reserve	General reserve fund	Enterprise expansion fund	Cumulative exchange difference	(Accumulated loss)/ retained earnings	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
二零零三年一月一日餘額	At 1 January 2003	1,476	6,304	2,870	1,435	(8)	43,939	56,016
外匯調整	Foreign exchange adjustment	-	-	-	-	(1)	-	(1)
股東應佔虧損	Loss attributable to shareholders	-	-	-	-	-	(51,128)	(51,128)
二零零三年十二月三十一日 餘額	At 31 December 2003	1,476	6,304	2,870	1,435	(9)	(7,189)	4,887
外匯調整	Foreign exchange adjustment	-	-	-	-	2	-	2
股東應佔虧損	Loss attributable to shareholders	-	-	-	-	-	(35,601)	(35,601)
二零零四年十二月三十一日 餘額	At 31 December 2004	1,476	6,304	2,870	1,435	(7)	(42,790)	(30,712)
		公司 Company						
		股本溢餘 Share premium	合併儲備 Merger reserve	累計虧損 Accumulated losses	合計 Total			
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000			
二零零三年一月一日餘額	At 1 January 2003	1,476	23,996	(4,877)	20,595			
股東應佔虧損	Loss attributable to shareholders	-	-	(15,708)	(15,708)			
二零零三年十二月三十一日餘額	At 31 December 2003	1,476	23,996	(20,585)	4,887			
股東應佔虧損	Loss attributable to shareholders	-	-	(35,599)	(35,599)			
二零零四年十二月三十一日餘額	At 31 December 2004	1,476	23,996	(56,184)	(30,712)			

22. 儲備 (續)

華普奧原，北京華普智通及武漢華普智通於中華人民共和國境內成立之子公司，應遵從中國有關法律及法規及其公司章程。華普奧原，北京華普智通及武漢華普智通應從根據適用於中國成立企業的會計準則及有關財務規則（「中國會計準則」）編製的法定賬目中、除稅後但未計股息分派前的淨利潤中提取若干法定儲備，即儲備基金、企業發展基金和職工獎勵及福利基金。該等儲備需用於指定用途，其中儲備基金的引提不得低於除稅後利潤10%。儲備基金、企業發展基金和職工獎勵及福利基金的提取是根據各公司董事會的決定進行。儲備基金經有關當局批准後，可用於彌補累計虧損或轉增資本。企業發展基金經有關當局批准後，可用於轉增資本。職工獎勵及福利基金僅應當用於職工的非經常性獎勵或集體福利，而通過該項基金獲取的資產不視為企業資產。職工獎勵及福利基金香港會計準則下於發生時計入當期損益，並於記為負債。

當該等公司的法定儲備基金不足以彌補以前年度虧損時，當年度淨利潤在提取儲備基金、企業發展基金和職工獎勵及福利前須先用作彌補虧損。

本集團之合併儲備乃指於以前年度集團重組時，本公司發行新股用以收購附屬公司之股份之面值以及其附屬公司於當時之淨資產之差額。

22. RESERVES (Continued)

Jian-O'Yuan, Beijing Jian ePayment and Wuhan Jian ePayment are subsidiaries incorporated in the PRC. These subsidiaries have to follow the laws and regulations of the PRC and its Articles of Association in setting up certain reserve funds. They are required to provide for certain statutory funds, namely, general reserve fund, enterprise expansion fund, staff and workers' bonus and welfare fund which are appropriated from net profit after taxation but before dividend distribution based on their statutory accounts prepared in accordance with the accounting principles and relevant financial regulations applicable to enterprises established in the PRC (the "PRC GAAP"). These funds are created for specific purposes. The appropriation of the general fund reserve is no less than 10% of the net profit after taxation and appropriations to enterprise expansion fund and staff and workers' bonus and welfare fund are at the discretion of the directors of the respective subsidiaries. The general reserve fund can only be used, upon approval by the relevant authority, to offset accumulated losses or increase capital. The enterprise expansion fund can only be used to increase capital upon approval by the relevant authority. The staff and workers' bonus and welfare fund can only be used for special bonus or collective welfare of its employees, and assets acquired through this fund shall not be treated as assets of the Group. Staff and workers' bonus and welfare fund are charged to expenses as incurred and recorded as a liability in the balance sheet under HK GAAP.

When the statutory reserve fund is not sufficient to compensate for any losses of the above subsidiaries from previous years, current year net profit shall be used to make good for the losses before allocations are set aside for the general reserve fund, enterprise expansion fund or staff and worker's bonus and welfare fund.

Merger reserve of the Company represents the difference between the nominal value of the ordinary shares issued by the Company and the net asset value of subsidiaries acquired through an exchange of shares pursuant to the Group Reorganisation in previous year.

22. 儲備 (續)

根據開曼群島公司法，股份溢價及合併儲備可供分派予股東，惟倘(i)現時或於分派後無法償還到期負債，或(ii)其資產之可變現價值因而減至低於其負債與已發行股本之總和，則本公司不得宣派或派付股息，或以股份溢價、資本儲備及合併儲備作出分派。

23. 遞延稅項

遞延稅項全數採用負債法就短暫時差按本集團旗下公司適用之稅率計算所得。

短暫時差主要來自：

22. RESERVES (Continued)

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

23. DEFERRED TAXATION

Deferred taxation is calculated in full on temporary difference under the liability method using taxation rates applicable to the companies comprising the Group.

Temporary differences are mainly arising from:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
部份附屬公司之累計虧損	Accumulated losses of some of its subsidiaries	17,655	22,149
存貨撥備	Provision for inventory obsolescence	5,666	3,739
壞賬準備	Provision for doubtful accounts	15,851	10,394
固定資產減值	Provision for fixed assets	32,639	10,774
其他	Others	136	—
		71,947	47,056

23. 遞延稅項 (續)

未在賬目中撥備之潛在遞延稅項資產金額如下：

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
部份附屬公司之累計虧損	Accumulated losses of some of its subsidiaries	5,826	7,309
存貨撥備	Provision for inventory obsolescence	1,870	1,234
壞賬準備	Provision for doubtful accounts	5,231	3,430
固定資產減值	Provision for fixed assets	10,771	3,555
其他	Others	45	—
		23,743	15,528

於資產負債表日，並無重大的未撥備遞延稅項負債。由於不確定將來是否可獲應稅利得，而該利得為使用短暫時差之前提，所以從上述短暫時差中產生的遞延稅項資產未被確認。

At the balance sheet date, there were no material unprovided deferred tax liabilities. Deferred tax assets arising from above temporary differences have not been recognised as it is uncertain that future taxable profit will be available against which the temporary differences can be utilised.

於二零零四年十二月三十一日未撥備之遞延稅項資產到期日如下：

The expiry date of the deferred tax assets not provided as at 31 December 2004 is as follows:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
二至三年到期	Expire in 2-3 years	306	—
三至四年到期	Expire in 3-4 years	1,506	529
四至五年到期	Expire in 4-5 years	4,014	6,780
無到期日	No expire date	17,917	8,219
		23,743	15,528

根據中華人民共和國企業所得稅暫行條例第十一條，本集團設立於中華人民共和國內的附屬公司之虧損可結轉用以抵扣未來五年之應課稅利得。

According to Provisional Regulations on PRC Enterprise Income Tax No. 11, tax losses of the PRC subsidiaries of the Group can be carried forward to offset future assessable profit for a period of 5 years.

24. 綜合現金流量表

(a) 經營虧損與經營活動之現金(流出)／
流入淨額對賬

24. CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of operating loss to cash (outflow)/
inflow from operating activities

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
經營虧損	Operating loss	(34,986)	(50,139)
折舊	Depreciation	9,612	9,447
固定資產減值	Impairment of fixed assets	20,435	10,774
商譽攤銷	Amortisation of goodwill	-	209
商譽減值	Impairment of goodwill	-	1,359
壞賬撥備	Provision for doubtful debts	2,413	8,394
存貨撥備	Provision for inventories	-	3,739
存貨撥備沖回	Reversal of provision for inventories	(1,812)	-
營運資金變動前之經營虧損	Operating loss before working capital changes	(4,338)	(16,217)
應收關聯公司減少／(增加)	Decrease/(increase) in due from related companies	371	(346)
其他流動資產減少	Decrease in other current assets	-	1,784
應付關聯公司(增加)／減少	Increase/(decrease) in due to related companies	509	(14)
預收賬款減少／(增加)	(Decrease)/increase in deposits from customers	(378)	1,106
存貨減少	Decrease in inventories	2,155	777
貿易及其他應收款 (增加)／減少	(Increase)/decrease in trade and other receivables	(3,801)	34,311
貿易及其他應付款減少	Decrease in trade and other payables	(4,758)	(5,607)
經營活動產生之現金淨 (流出)／流入	Cash (outflow)/inflow from operating activities	(10,240)	15,794

NOTES TO THE FINANCIAL STATEMENTS

24. 綜合現金流量表(續)

(b) 現金及現金等價物分析

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
現金	Cash on hand	930	33
銀行存款	Cash at banks	5,498	16,988
		6,428	17,021
減：三個月以上之定期存款	Less: Time deposits with original maturity of more than 3 months	-	(5,300)
		6,428	11,721

25. 承擔

(a) 有關投資於一間中國公司之資本承擔：

已簽約但未撥備

於二零零四年三月二十二日，本公司與武漢市公共交通集團有限公司(「武漢公交集團」)訂立了協議。據此，本公司的全資附屬公司華普智通(中國)國際控股有限公司將認購武漢公交集團之全資子公司武漢市公共交通票務管理有限公司的70%權益，代價為人民幣28,200,000元，直至資產負債表日，代價仍未支付。

24. CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Analysis of cash and cash equivalents

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
Cash on hand		930	33
Cash at banks		5,498	16,988
		6,428	17,021
Less: Time deposits with original maturity of more than 3 months		-	(5,300)
		6,428	11,721

25. COMMITMENTS

(a) Capital commitments in relation to investment in a PRC company:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
Contracted but not provided for		28,200	-

On 22 March 2004, the Company entered into an agreement ("the Agreement") with Wuhan Transportation Group Company Limited ("Wuhan Transportation Group"). Pursuant to the Agreement, Jian ePayment (China) International Holdings Limited, a wholly owned subsidiary of the Company, will acquire 70% equity interest in Wuhan Traffic IC Card Management Limited, a wholly owned subsidiary of Wuhan Transportation Group, at a consideration of RMB28,200,000. At the balance sheet date, the consideration has not been paid by the Group.

25. 承擔 (續)

(b) 經營租賃承擔

於二零零四年十二月三十一日，集團根據不可撤銷之經營租賃而於未來需支付之最低租賃付款總額如下：

一年以內
二至五年以內

本集團以經營租賃廠房及辦公樓，該等租賃通常初始為期一至三年，並可在充分協商所有條件後續約。該等租賃並無包括或有租金。

25. COMMITMENTS (Continued)

(b) Commitments under operating leases

At 31 December 2004, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	辦公樓宇	
	Land and buildings	
	二零零四年	二零零三年
	2004	2003
	人民幣千元	人民幣千元
	RMB'000	RMB'000
一年以內	168	1,090
二至五年以內	103	963
	271	2,053

The Group leases plant and office premises under operating leases. The leases typically run for an initial period of one to three years, with an option to renew the lease when all terms are renegotiated. None of the leases included contingent rentals.

NOTES TO THE FINANCIAL STATEMENTS

26. 有關聯人士交易

若一方有能力直接或間接控制另一方，或在進行財務及經營決策時能對另一方行使重大影響力，即被視為關聯方。倘若各方均受制於同一控制或同一重大影響，則亦被視為相互關聯。

(a) 關聯方名稱及關係

關聯方名稱

Name

北京華普產業集團有限公司
(「北京華普產業」)
Beijing Jian Enterprise (Group) Co. Ltd.
("Beijing Jian Enterprise")

北京華普科技企業有限公司(「華普科技」)
Beijing Jian-Tech Co. Ltd. ("Jian-Tech")

北京華普國際大廈有限公司(「北京華普」)
Beijing Huapu International Plaza
Co. Ltd ("Beijing Huapu")

青島華普商務會館有限公司
Qingdao Huapu Business Union Building
Co. Ltd. ("Qingdao Huapu")

海口華普立得泊車管理有限公司
(「海口項目公司」)
Haikou Huapu Lide Parking
Management Co. Ltd.
("Haikou Project Company")

威海天創電子智能系統有限公司
(「威海項目公司」)
Weihai TianChuang Electronic
System Co., Ltd.
("Weihai Project Company")

26. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to controls the other or exercise significant influence over the other in making financial and operating decision. Parties are also considered to be related if they are subject to common control or common significant influence.

(a) Name and relationship of related parties

與關聯方關係

Relationship with the Company

翦英海先生及亞振全女士最終擁有控制權之公司
A company ultimately owned by Mr. Chin Ying Hoi and Ms. Ya Zhen Quan, the shareholders of the ultimate holding company

北京華普產業之子公司
Subsidiary of Beijing Jian Enterprise

北京華普產業之子公司
Subsidiary of Beijing Jian Enterprise

翦英海先生及亞振全女士最終擁有控制權之公司
A company ultimately owned by Mr. Chin Ying Hoi and Ms. Ya Zhen Quan

北京華普產業持有其49%之權益
Being 49% owned by Beijing Jian Enterprise

華普科技持有其20%之權益
Being 20% owned by Jian-Tech

26. 有關聯人士交易 (續)

(a) 關聯方名稱及關係 (續)

關聯方名稱

Name

南寧華普正方泊車建設管理有限公司
(「南寧項目公司」)
Nanning Huapu Zhengfang Parking
Construction and Management Co., Ltd.
("Nanning Project Company")

鄭州道康電子泊車管理有限公司
(「鄭州項目公司」)
Zhengzhou Daokang Electronic Parking
Management Co., Ltd.
("Zhengzhou Project Company")

宜昌武華電子泊車管理有限公司
(「宜昌項目公司」)
Yichang Wuhua Electronic Parking
Management Co., Ltd.
("Yichang Project Company")

華普超市(武漢)有限公司
(「武漢華普超市」)
Huapu Supermarket (Wuhan) Co. Ltd.
("Wuhan Huapu Supermarket")

北京華普道路泊車建設管理有限公司
(「北京項目公司」)
Beijing Huapu Roadside Parking
Facilities Construction and Management
Co., Ltd. ("Beijing Project Company")

武漢市停車經營管理有限公司
(「武漢項目公司」)
Wuhan Parking Operation Management Co., Ltd.
("Wuhan Project Company")

廣州電子泊車管理有限公司
(「廣州項目公司」)
Guangzhou Electronic Parking
Management Co. Ltd.
("Guangzhou Project Company")

26. RELATED PARTY TRANSACTIONS (Continued)

(a) Name and relationship of related parties
(Continued)

與關聯方關係

Relationship with the Company

於二零零四年二月十八日前
華普科技持有其30%之權益
Being 30% owned by Jian-Tech
up to 18 February 2004

華普科技持有其20%之權益
Being 20% owned by Jian-Tech

北京華普產業持有其20%之權益
Being 20% owned by Beijing Jian Enterprise

北京華普產業持有64%之權益
Being 64% owned by Beijing Jian Enterprise

華普科技持有100%權益
Being 100% owned by Jian-Tech

華普科技持有49%權益

於二零零四年七月七日前
北京華普產業持有49%權益
Being 49% owned by Beijing
Jian Enterprise up to
7 July 2004

26. 有關聯人士交易 (續)

(b) 重大關聯交易

除於此份帳目別處披露外，本集團與關聯方有如下被董事視為以正常商業方式和條件進行的重大交易：

26. RELATED PARTY TRANSACTIONS (Continued)

(b) Significant related party transactions

Save as disclosed elsewhere in this set of financial statement, the Group had the following material transactions with related parties, which the directors considered were in the normal course of businesses:

		二零零四年 2004 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000
(i) 來自關聯方銷售軟硬件， 提供系統整合服務 及交易征費方面的收入：	(i) Sales of hardware and software, provision of systems integration services and transaction levies:		
海口項目公司	Haikou Project Company	136	123
廣州項目公司	Guangzhou Project Company	284	247
威海項目公司	Weihai Project Company	24	19
南寧項目公司	Nanning Project Company	15	106
鄭州項目公司	Zhengzhou Project Company	-	20
宜昌項目公司	Yichang Project Company	28	15
武漢華普超市	Wuhan Huapu Supermarket	19	55
北京項目公司	Beijing Project Company	66	-
武漢項目公司	Wuhan Project Company	3,453	-
		4,025	585
(ii) 銷售智能卡：	(ii) Sales of Smart Cards:		
海口項目公司	Haikou Project Company	154	-
威海項目公司	Weihai Project Company	10	-
北京項目公司	Beijing Project Company	93	-
武漢項目公司	Wuhan Project Company	163	-
武漢華普超市	Wuhan Huapu Supermarket	71	-
		491	-
(iii) 已付或應付關聯方的經營 租賃之租金：	(iii) Operating leases rentals paid/payable to:		
北京華普	Beijing Huapu	620	937
翦英海先生，董事	Mr. Chin Ying Hoi, a director	382	382
		1,002	1,319

26. 有關聯人士交易

(c) 關聯方餘額

26. RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related companies

		集團		公司	
		Group		Company	
		二零零四年	二零零三年	二零零四年	二零零三年
		2004	2003	2004	2003
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
交易活動產生之餘額	Balance from trading activities:				
包括在應收賬款：	Included in trade receivables:				
海口項目公司	Haikou Project Company	46	234	-	-
威海項目公司	Weihai Project Company	2,492	2,473	-	-
鄭州項目公司	Zhengzhou Project Company	-	5	-	-
宜昌項目公司	Yichang Project Company	4,341	4,313	-	-
武漢華普超市	Wuhan Huapu Supermarket	-	54	-	-
北京項目公司	Beijing Project Company	60	-	-	-
武漢項目公司	Wuhan Project Company	51	-	-	-
		6,990	7,079	-	-
壞帳準備	Provision for doubtful accounts	(6,775)	(6,870)	-	-
		215	209	-	-
包括在預收賬款：	Included in deposits from customers:				
廣州項目公司	Guangzhou Project Company	-	277	-	-
南寧項目公司	Nanning Project Company	-	243	-	-
		-	520	-	-
應收關聯公司：	Due from related companies:				
北京華普產業	Beijing Jian Enterprise	20	200	-	-
華普科技	Jian-Tech	-	191	-	-
		20	391	-	-
應付關聯公司：	Due to related companies:				
華普科技	Jian-Tech	209	-	-	-
北京項目公司	Beijing Project Company	300	-	-	-
		509	-	-	-
應付最終控股公司	Due to the ultimate holding company	1,099	818	-	-

於二零零四年十二月三十一日，應收海口、威海、鄭州、宜昌、北京及武漢項目公司，及武漢華普超市款項來源於軟硬件銷售、系統整合及交易征費方面的收入，該款項為不計息，在要求時償還。

As at 31 December 2004, the amounts due from, Haikou, Weihai, Zhengzhou, Yichang, Beijing and Wuhan Project Companies and Wuhan Huapu Supermarket were derived from the sales of software and hardware, provision of systems integration services and transaction levies. The balances were non-interest bearing and were repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

26. 有關聯人士交易 (續)

(c) 關聯方餘額 (續)

由其他活動產生的應付關聯及應付最終控股公司的款項為不計息，在要求時償還。

(d) 華普產業集團與本集團若干客戶之關係

華普產業集團(包括由翦英海先生及亞振全女士最終全資擁有之集團公司，但不包括本集團及其最終控股公司)與本集團之若干客戶訂立合作協定，據此，華普產業集團同意就推行使用智通卡系統向有關客戶作出財務資助。華普產業集團就此可分享與有關客戶經營智通卡系統之收益。上述客戶為獨立第三方，而華普產業集團概無擁有該等客戶之任何股權，亦無權參與經營智通卡系統。對上述客戶之營業額如下：

銷售予該等客戶之金額如下：

26. RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related companies (Continued)

Balance with related companies and the ultimate holding company from other activities were non-interest bearing and repayable on demand.

(d) Relationship between the Jian Enterprise Group and certain customers of the Group

The Jian Enterprise Group, which consists of a group of companies ultimately owned by Mr. Chin Ying Hoi and Ms. Ya Zhen Quan, entered into co-operative arrangements with certain customers of the Group whereby the Jian Enterprise Group agreed to finance such customers for the implementation of Jian ePayment System. In return, Jian Enterprise Group can share the revenue from the operations of Jian ePayment Systems with the customers. Such customers are independent third parties and Jian Enterprise Group does not have any equity interests in these customers and does not involve in the operations of Jian ePayment System.

The amounts of sales made to these customers were as follows:

		集團 Group	
		二零零四年 2004	二零零三年 2003
		人民幣千元 RMB'000	人民幣千元 RMB'000
武漢市停車計時收費表 管理辦公室 (「武漢項目公司」)	Parking Meter Administration Office of Wuhan Municipal Government ("Wuhan Project Company")	-	1,287
北京市朝陽區建築工程公司 (市政工程公司) (「北京項目公司」)	Beijing Municipal Changyang District Construction Engineering Company (Municipal Engineering Company) (“Beijing Project Company”)	-	43
		-	1,330

26. 有關聯人士交易 (續)

(d) 華普產業集團與本集團若干客戶之關係 (續)

於二零零四年十二月三十一日，與該等客戶往來餘額如下：

26. RELATED PARTY TRANSACTIONS (Continued)

(d) Relationship between the Jian Enterprise Group and certain customers of the Group (Continued)

As at 31 December 2004, the balances with these customers were as follows:

		集團	
		二零零四年	二零零三年
		2004	2003
		人民幣千元	人民幣千元
		RMB'000	RMB'000
包括於貿易應收賬款內	Included in trade receivables		
青島項目公司	Qingdao Project Company	167	167
北京項目公司	Beijing Project Company	28	28
		195	195
壞帳準備	Provision for doubtful accounts	(180)	(167)
		15	28
包括於預收賬款內	Included in deposits from customers		
武漢項目公司	Wuhan Project Company	-	202

27. 最終控股公司

董事認為本公司之最終控股公司為在英國處女群島成立的公司 Union Perfect International Limited。

27. ULTIMATE HOLDING COMPANY

The directors of the Company consider Union Perfect International Limited, a company incorporated in the British Virgin Islands, to be the ultimate holding company.

28. 賬目通過

本年度賬目已於二零零五年三月二十九日由董事會通過。

28. APPROVED OF ACCOUNTS

The accounts were approved by the board of directors on 29 March 2005.

綜合利潤表
(以人民幣千元計)

CONSOLIDATED PROFIT AND LOSS ACCOUNTS
(Amounts expressed in thousands of Renminbi)

		截至十二月三十一日止年度 Year ended 31 December				
		二零零零年 2000 人民幣千元 RMB'000	二零零一年 2001 人民幣千元 RMB'000	二零零二年 2002 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
營業額	Turnover	23,818	40,008	60,688	3,407	8,173
經營(虧損)/利潤	Operating (loss)/profit	13,716	15,294	23,957	(51,555)	(37,936)
補貼收入	Subsidy income	—	5,161	1,620	1,416	2,950
利息收入	Interest income	22	106	112	116	7
利息支出	Interest expenses	—	(444)	(1,308)	(1,105)	(622)
除稅前(虧損)/盈利	(Loss)/profit before taxation	13,738	20,117	24,381	(51,128)	(35,601)
稅項	Taxation	—	—	—	—	—
除稅後但未扣除少數 股東損益前(虧損)/ 溢利	(Loss)/profit after taxation but before minority interests	13,738	20,117	24,381	(51,128)	(35,601)
少數股東損益	Minority interests	(56)	(215)	(45)	—	—
股東應佔(虧損)/ 溢利	(Loss)/profit attributable to shareholders	13,682	19,902	24,336	(51,128)	(35,601)

綜合資產負債表
(以人民幣千元計)

CONSOLIDATED BALANCE SHEETS
(Amounts expressed in thousands of Renminbi)

		於十二月三十一日 As at 31 December				
		二零零零年 2000 人民幣千元 RMB'000	二零零一年 2001 人民幣千元 RMB'000	二零零二年 2002 人民幣千元 RMB'000	二零零三年 2003 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
固定資產	Fixed assets	780	891	57,466	38,906	8,130
商譽	Goodwill	1,986	1,777	1,568	—	—
淨流動(負債)資產	Net current (liabilities)/assets	3,078	50,520	28,801	(12,811)	(12,329)
少數股東權益	Minority interests	(72)	(287)	—	—	—
資產/(負債) 淨額	Total assets less current liabilities	5,772	52,901	87,835	26,095	(4,199)
資金來源:	Representing:					
長期負債	Non-current liabilities	—	—	10,611	—	5,305
股本	Share capital	—	21,208	21,208	21,208	21,208
儲備	Reserves	5,772	31,693	56,016	4,887	(30,712)
		5,772	52,901	87,835	26,095	(4,199)

茲通告華普智通系統有限公司(「公司」)定於2005年4月21日上午十一時在香港干諾道中50號鱷魚恤大廈1期1樓102室舉行股東週年大會，議程如下：

1. 收取並省覽截至2004年12月31日止年度的經審計綜合財務報表，以及董事和審計師報告。
2. 續聘行將卸任的董事包括張曉京先生及董芳女士，並授權董事會釐訂所有董事報酬。
3. 續聘公司審計師，並授權董事會釐訂其報酬。
4. 以特別事項形式，考慮並酌情通過下列議案為普通決議，無論有否更改：

「動議：

- (A) 在本議案(C)段的限制下，根據香港聯合交易所有限公司《創業板(「創業板」)證券上市規則》(「創業板上市規則」)，全面無條件批准公司董事在有關期間(定義見下文)內行使公司一切權力，以分配、發行、處理公司股本中之額外股份(但根據供股，或因公司購股權計劃、期票紅利計劃或類似安排，而按公司不時訂定的組織章程分配，藉以代替所有或部份公司股份紅利的股份除外)，並訂立或授與將會或可能須行使該等權力之建議、協議、購股權；
- (B) 本議案(A)段之批准是附加於董事會獲得之任何其他授權，並授權公司董事在有關期間(定義見下文)內訂立或授與在有關期間(定義見下文)或其結束後將會或可能須行使該等權力之建議、協議、購股權；
- (C) 公司董事將根據上文(A)段之批准所分配或有條件或無條件同意分配(不論是根據購股權還是其他方式分配)之股本總面值，不得超過本議案通過當日公司已發行股本總面值之20%，而上述批准須受此數額限制；以及

NOTICE IS HEREBY GIVEN that the annual general meeting of the members of Jian ePayment Systems Limited (the "Company") will be held at Unit 102, 1/F, Crocodile House I, 50 Connaught Road Central, Hong Kong on 21 April 2005 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December, 2004.
2. To re-elect the retiring directors, namely Mr. Zhang Xiao Jing and Ms. Tung Fong and to authorize the board of directors to fix all the directors' remuneration.
3. To re-appoint auditors of the Company and to authorize the board of directors to fix their remuneration.
4. To consider as special business, and if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (A) subject to paragraph (C) of this resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with (otherwise than by way of rights issue or pursuant to the exercise of options granted under any of the Company's share option schemes or any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time) additional shares in the share capital of the Company and to make or grant any offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall be in addition to any other authorization given to the directors and shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant any offers, agreements and options which would or might require the exercise of such powers either during or after the end of the Relevant Period (as hereinafter defined);
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (A) above shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(D) 就本議案而言，「有關期間」指本議案通過之日至下列三者任何一項較早發生之期間：

- (i) 公司下屆股東週年大會結束之日；
- (ii) 公司組織章程或任何適用法例規定公司須舉行下屆股東週年大會之期限屆滿之日；或
- (iii) 公司在股東大會通過普通決議，撤銷或修訂本議案所述授權之日。

「供股」指分配或發行公司股份或其他證券。據此，股份將會或可能須根據公司向全體股東（但就此而言，若股東居留地的法律不允許要約，有關股東就不包括在內），以及（如適用）向有權獲要約的其他股本證券持有人提出的要約，按照其現時持有股份或其他股本證券的數量，按比例分配、發行股份。」

5. 以特別事項形式，考慮並酌情通過下列議案為普通決議，無論有否更改：

「動議：

(A) 在本議案(B)段的限制下，全面而無條件批准公司董事在有關期間（定義見是次大會通告第4項決議(D)段）內行使公司一切權力，按照所有適用法例和創業板上市規則或其他股票交易所的規定（經不時修訂），回購公司在香港聯合交易所有限公司（「聯交所」）或其他交易所（即公司股本中的股份可能掛牌，並獲香港證券及期貨事務監察委員會和聯交所承認者）上市的已發行股份；以及

(B) 公司董事會根據本議案(A)段之批准可在有關期間（定義見是次大會通告第4項決議(D)段）回購之公司股份，總面值不得超過本議案通過之日公司已發行股本總面值之10%，而上述批准須受此數額限制。」

(D) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

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

“rights issue” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the laws of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.

5. To consider as special business, and if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“THAT:

(A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in resolution 4(D) set out in the Notice of this Meeting) of all the powers of the Company to repurchase the issued shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which shares in the capital of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the GEM Listing Rules or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; and

(B) the aggregate nominal amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (A) of this resolution during the Relevant Period (as defined in resolution 4(D) set out in the Notice of this Meeting) shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution, and the said approval shall be limited accordingly.”

6. 以特別事項形式，考慮並酌情通過下列議案為普通決議，無論有否更改：

「**動議**：待股東週年大會通告第4、第5項議案獲得通過後，延展先前授與公司董事，目前仍然有效，以行使公司權力，根據股東週年大會通告第4項議案分配、發行、處理公司股份的無條件授權的效力，方法是加入相當於公司依據股東週年大會通告第5項議案授與之權力而回購之股本總面值之數額，藉此擴大賦與公司董事可能根據股東週年大會通告第4項議案分配或有條件或無條件同意分配公司股本的總面值，但前提是擴幅不得超過本議案通過之日公司已發行股本之總面值之10%。」

7. 以特別事項形式，考慮及酌情通過(不論有否修訂)下列決議案為普通決議案：

「**動議**更新根據本公司於二零零一年十一月十九日採納的購股權計劃(「**購股權計劃**」)授出的購股權的現有計劃授權上限，惟因根據購股權計劃及本公司任何其他購股權計劃行使所有購股權可予發行的本公司股本中每股面值0.05港元的股份總數不得超過批准更新計劃授權上限當日的已發行股份10%。」

承董事會命
華普智通系統有限公司
主席
翦英海

中國北京，2005年3月29日(星期二)

附註：

1. 凡有權出席大會，並在會上表決之股東，皆有權委託另一位人士擔任其代理人出席，並在會上代為表決，凡持有兩股或以上之股東可委託超過一位代理人在本公司大會代為表決。代理人毋須為公司股東。除此以外，代表個人或法人股東的代理人或多位代理人將有權行使其代表股東的相同權力，猶如其個人享有的權力。
2. 委任代理人的文件和授權書，以及(若董事會規定)授權書或其他據之簽署的授權文件(如有)，或經由公証人簽署證明的授權文件副本，須於大會或延會(名列委任代理人文件的人士可於會上投票表決)指定舉行時間前48小時交回公司的分支股份過戶登記處香港證券登記有限公司(地址為香港皇后大道東183號合和中心17樓1712-1716室)，方為有效；或隨大會或延會日期後進行表決的情況下，則須於表決指定時間24小時前送交，違反者其代理人文件將不被視為有效。
3. 凡交付了委任代理文件，但有意與會並在會上表決的股東，都仍可出席有關大會，並在會上表決。屆時委任代理人的文件將視為取消。

6. To consider as special business, and if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions Nos. 4 and 5 (as set out in the Notice of this Meeting), the unconditional general mandate granted to the directors of the Company and for the time being in force to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to resolution No. 4 (as set out in the Notice of this Meeting) be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such unconditional general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 5 (as set out in the Notice of this Meeting), provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution.”

7. As special business, to consider and if thought fit, pass with or without any amendments, the following resolution as an ordinary resolution:

“**THAT** the existing Scheme Mandate Limit in respect of the granting of share options under the share option scheme adopted by the Company on 19 November 2001 (the “**Share Option Scheme**”) be renewed provided that the total number of shares of HK\$0.05 each in the capital of the Company (each a “**Share**”) which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company must not exceed 10% of the Share in issue at the date of approval of such renewal of the Scheme Mandate Limit.”

By Order of the Board of
Jian ePayment Systems Limited
Chin Ying Hoi
Chairman

Beijing, The PRC, Tuesday, 29 March 2005

Notes:

1. Any member entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member. In addition, a proxy or proxies representing a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. The instrument appointing a proxy and (if require by the board of directors) the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, shall be delivered to the Company's branch share registrar, Hong Kong Registrars Limited, Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
3. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting concerned and in such event, the instrument appointing a proxy shall be deemed to be revoked.