



EPRO LIMITED

易寶有限公司*

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

(股票代碼：8086)

(Stock Code: 8086)

二零零五至二零零六年中期報告

2005/2006 INTERIM REPORT

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板乃為帶有高投資風險之公司提供一個上市之市場。尤其在創業板上市之公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他資深投資者。

由於創業板上市公司之新興性質，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。

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本報告乃遵照聯交所《創業板證券上市規則》之規定而提供有關易寶有限公司之資料。易寶有限公司之董事願就本報告共同及個別承擔全部責任。易寶有限公司各董事於作出一切合理查詢後，確認彼等所知及所信：(i)本報告內所載之資料在各重要方面均屬準確及並無誤導成份；(ii)本報告並無遺漏任何事實致使本報告之任何內容有所誤導；及(iii)本報告內所發表之一切意見乃經審慎周詳之考慮後作出，並按公平合理之準則與假設為依據。

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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.

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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 of EPRO LIMITED collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to EPRO LIMITED. The directors of EPRO LIMITED, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) 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.

* 僅供識別

* For identification purposes only

摘要

- 截至二零零五年十二月三十一日止六個月，本集團之營業額約為37,600,000港元，較二零零四年同期增長約31.1%。
- 截至二零零五年十二月三十一日止六個月，本集團錄得期間虧損約3,400,000港元。
- 董事不建議派付截至二零零五年十二月三十一日止六個月之中期股息。

HIGHLIGHTS

- The Group achieved a turnover of approximately HK\$37.6 million for the six months ended 31 December 2005, representing an approximately 31.1% increase as compared with corresponding period in 2004.
- The Group recorded a loss for the period of approximately HK\$3.4 million for the six months ended 31 December 2005.
- The Directors do not recommend the payment of an interim dividend for the six months ended 31 December 2005.

未經審核業績

易寶有限公司(「本公司」)董事會(「董事會」)宣佈本公司及其附屬公司(「本集團」)於截至二零零五年十二月三十一日止六個月之未經審核中期業績，連同二零零四年同期之未經審核比較數字如下：

未經審核綜合收益表

		截至十二月三十一日 止三個月 For the three months ended 31 December		截至十二月三十一日 止六個月 For the six months ended 31 December	
		二零零五年 2005 (未經審核) (Unaudited) 附註 Notes 千港元 HK\$'000	二零零四年 2004 (未經審核) (Unaudited) 千港元 HK\$'000 (經重列) (Restated)	二零零五年 2005 (未經審核) (Unaudited) 千港元 HK\$'000	二零零四年 2004 (未經審核) (Unaudited) 千港元 HK\$'000 (經重列) (Restated)
營業額	TURNOVER	(2)	15,291	16,000	37,553
銷售成本	Cost of sales		(7,689)	(11,857)	(24,935)
			7,602	4,143	12,618
其他收入及收益	Other revenue and gains		150	489	257
銷售及分銷成本	Selling and distribution costs		(492)	(362)	(863)
行政及其他	Administrative expenses and				
經營開支	other operating expenses		(8,193)	(7,803)	(14,995)
分佔聯營公司業績	Share of results of associates		-	(124)	-
融資成本	Finance costs		(154)	(265)	(457)
除稅前虧損	Loss before taxation		(1,087)	(3,922)	(3,440)
所得稅	Income tax	(4)	-	(98)	-
本期間虧損	Loss for the period		(1,087)	(4,020)	(3,440)
由下列人士應佔：	Attributable to:				
本公司股權持有人	EQUITY HOLDERS OF THE COMPANY		(1,087)	(3,953)	(3,440)
少數股東權益	MINORITIES INTERESTS		-	(67)	-
中期股息	INTERIM DIVIDEND		-	-	-
每股虧損(港仙)	LOSS PER SHARE (HK cents)				
— 基本	— Basic	(5)	0.7	2.5	2.1
— 攤薄	— Diluted	(5)	不適用N/A	不適用N/A	不適用N/A

UNAUDITED RESULTS

The Board of Directors (the "Board") of Epro Limited (the "Company") announced the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2005 together with the comparative unaudited figures for the corresponding period in 2004 as follows:

UNAUDITED CONSOLIDATED INCOME STATEMENT

	截至十二月三十一日 止三個月 For the three months ended 31 December	截至十二月三十一日 止六個月 For the six months ended 31 December		
	二零零五年 2005 (未經審核) (Unaudited) 千港元 HK\$'000	二零零四年 2004 (未經審核) (Unaudited) 千港元 HK\$'000 (經重列) (Restated)	二零零五年 2005 (未經審核) (Unaudited) 千港元 HK\$'000	二零零四年 2004 (未經審核) (Unaudited) 千港元 HK\$'000 (經重列) (Restated)
2)	15,291 (7,689)	16,000 (11,857)	37,553 (24,935)	28,640 (17,775)
	7,602	4,143	12,618	10,865
	150 (492)	489 (362)	257 (863)	697 (962)
	(8,193)	(7,803)	(14,995)	(15,720)
	-	(124)	-	(251)
	(154)	(265)	(457)	(519)
	(1,087)	(3,922)	(3,440)	(5,890)
4)	-	(98)	-	(186)
	(1,087)	(4,020)	(3,440)	(6,076)
	(1,087)	(3,953)	(3,440)	(5,927)
	-	(67)	-	(149)
	-	-	-	-
5)	0.7	2.5	2.1	3.7
5)	不適用N/A	不適用N/A	不適用N/A	不適用N/A

簡明綜合資產負債表

CONDENSED CONSOLIDATED BALANCE SHEET

			(未經審核) (Unaudited) 於二零零五年 十二月三十一日 31 December 2005	(經審核) (Audited) 於二零零五年 六月三十日 30 June 2005 (經重列) (Restated) 千港元 HK'000
	附註 Notes		千港元 HK'000	千港元 HK'000
非流動資產		NON-CURRENT ASSETS		
物業、廠房及設備		Property, plant and equipment	1,218	1,362
於聯營公司中之權益		Interests in associates	120	682
其他資產		Others Assets	317	317
			1,655	2,361
流動資產		CURRENT ASSETS		
存貨	(6)	Inventories	1,048	7,501
應收貿易賬項	(7)	Trade receivables	14,054	15,583
其他應收款項、預付款項及按金		Sundry debtors, prepayments and deposits	6,006	4,463
可收回稅項		Tax recoverable	—	281
有抵押銀行存款		Pledged bank deposits	18,596	11,868
現金及銀行結餘		Cash and bank balances	5,130	16,446
			44,834	56,142
流動負債		CURRENT LIABILITIES		
應付貿易賬項及應付票據	(8)	Trade and bills payable	4,333	12,073
其他應付款項及應計負債		Other payables and accruals	16,451	17,530
已收按金		Deposits received	751	1,258
遞延收益		Deferred revenue	802	1,730
應付稅項		Tax payable	5,907	5,907
附帶利息之銀行及其他借款		Interest-bearing bank and other borrowings	6,888	6,566
			35,132	45,421
流動資產淨值		NET CURRENT ASSETS	9,702	10,721
資產總值減流動負債		TOTAL ASSETS LESS CURRENT LIABILITIES	11,357	13,082
非流動負債		NON-CURRENT LIABILITIES		
附帶利息之銀行及其他借款		Interest-bearing bank and other borrowings	7,169	5,169
			4,188	7,913
股本及儲備		CAPITAL AND RESERVES		
已發行股本	(10)	Issued capital	16,008	16,008
儲備		Reserves	(11,820)	(8,095)
由本公司股權持有人應佔之權益		Equity attributable to equity holders of the Company	4,188	7,913
少數股東權益		Minority interests	—	—
權益總額		Total equity	4,188	7,913

未經審核簡明綜合現金流量報表

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		截至十二月三十一日 止六個月 For the six months ended 31 December	
		二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
經營業務之現金流出淨額	NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(7,317)	(13,093)
投資活動之現金流量	CASH FLOWS FROM INVESTING ACTIVITIES	(5,864)	(9,740)
融資活動之現金流量	CASH FLOWS FROM FINANCING ACTIVITIES	1,543	(1,490)
現金及現金等值項目增加淨額	NET INCREASE IN CASH AND CASH EQUIVALENTS	(11,638)	(24,323)
期初之現金及現金等值項目	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	9,880	22,729
期終之現金及現金等值項目	CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(1,758)	(1,594)
現金及現金等值項目之分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
現金及銀行結餘	Cash and bank balances	5,130	6,033
銀行透支，有抵押	Bank overdrafts, secured	(6,888)	(7,627)
		(1,758)	(1,594)

未經審核簡明綜合權益變動表

UNAUDITED CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY

本集團		Group					
		已發行 股本 Issued share capital 千港元 HK\$'000	股份 溢價賬 Share premium account 千港元 HK\$'000	股本儲備 Capital reserve 千港元 HK\$'000	累積虧損 Accumulated loss 千港元 HK\$'000	匯兌 浮動儲備 Exchange fluctuation reserve 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零四年六月三十日 及七月一日之結餘	Balance at 30 June and 1 July 2004	16,008	6,120	335	(10,483)	378	12,358
本期間虧損淨額	Net loss for the period	—	—	—	(5,927)	—	(5,927)
於二零零四年十二月三十一日	At 31 December 2004	<u>16,008</u>	<u>6,120</u>	<u>335</u>	<u>(16,410)</u>	<u>378</u>	<u>6,431</u>
於二零零五年六月三十日 及七月一日之結餘	Balance at 30 June and 1 July 2005	16,008	6,120	335	(14,880)	330	7,913
匯兌調整	Foreign exchange adjustments	—	—	—	—	(285)	(285)
本期間虧損淨額	Net loss for the period	—	—	—	(3,440)	—	(3,440)
於二零零五年十二月三十一日	At 31 December 2005	<u>16,008</u>	<u>6,120</u>	<u>335</u>	<u>(18,320)</u>	<u>45</u>	<u>4,188</u>

中期股息

董事會不建議派付截至二零零五年十二月三十一日止六個月之中期股息（二零零四年：無）。

財務回顧

截至二零零五年十二月三十一日止六個月，本集團錄得未經審核綜合營業額約為37,600,000港元，較二零零四年同期增長約31.1%。於回顧期間之虧損約為3,400,000港元，而於上個期間內則錄得虧損約6,000,000港元。營業額上升主要是由於擴闊了現有客戶之收入來源。於截至二零零五年十二月三十一日止六個月內，雖然本集團一直採取嚴謹成本控制措施，但本期間仍錄得虧損。虧損主要是由於營商環境不明朗及業內價格持續受壓所致。

業務回顧

於過去二十年，本集團主要從事提供專業資訊科技業務應用服務。透過本集團在中國及該地區之強大實力，本集團已在該地區及美國建立了良好的客戶基礎。

董事認為，不斷改善科技產品及服務可刺激本集團資訊科技用戶之需求，因此，本集團於該行業之能力及知識是吾等能成功立足於此激烈競爭市場之關鍵因素。本集團於過去數年一直專注於系統整合及資訊科技應用開發外判業務。本集團已擴闊了其創新解決方案及服務之產品組合，並開始在美國市場尋求新的潛在商機。

本集團相信，該關鍵因素將可繼續擴闊本集團優質科技技能之開發外判服務組合。全球資訊科技開發外判正日益成為主流交付模式，其可令各公司以較低成本提供高水平服務。本集團之資訊科技開發外判服務乃繼續成為支援本集團於該地區業務拓展之基礎。儘管於過去數年業內市場競爭激烈，但吾等一直維持穩定的外判業務。除在日本及新加坡市場已取得良好的外判業務外，本集團亦開始在美國及英國市場尋求新的潛在增長業務，以及與印度各公司一道探求成功合作機會。為加速吾等的市場拓展計劃，本集團正積極尋求與各類優秀夥伴建立策略聯盟及在各目標市場建立聯盟，而此舉必將令本集團之業務得到進一步發展。

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 31 December 2005 (2004: Nil).

FINANCIAL REVIEW

For the six months ended 31 December 2005, the Group recorded an unaudited consolidated turnover of approximately HK\$37.6 million representing an approximately 31.1% increase as compared to the corresponding period in 2004. The loss for the period under review was of approximately HK\$3.4 million while a loss for the period of approximately HK\$6.0 million recorded during last period. The increase in turnover was mainly attributable to enlarging income stream from existing customers. During the six months ended 31 December 2005, a loss was recorded though the Group was adopting tightening cost control measure. The loss was mainly attributable to uncertain business environment and persistent price pressure on the industry.

BUSINESS REVIEW

Over the past 20 years, the Group principally engages in the provision of professional information technology business application services. Leverage on its strong presences in China and the region, the Group have established good customer foundation in the region as well as in the United States.

The Directors believe that the continuous evolution of technology products and services is an impetus for the Group's information technology consumers, so its competence and knowledge in the industry are the key success factors in this fierce competitive market place. The Group has over the past years continued to focus on the systems integration and information technology application development outsourcing businesses. The Group has expanded its product portfolio with innovative solutions and services, as well as started seeking new business potentials in the US market.

The Group believes that the key success factor is to continuously expand our development outsourcing service portfolios with quality technological skills. Global information technology development outsourcing is becoming a mainstream delivery model, which enables companies to deliver higher levels of services at less cost. The Group's information technology application development outsourcing services has continued to be the infrastructure supporting our business expansion in the region. In the past years with a fierce competitive market place, we have maintained a steady outsourcing business. In addition to the well-established outsourcing business in the Japan and Singapore market, the Group start to seek new business growth potentials in the United States and the United Kingdom markets, as well as looking for successful synergy with Indian companies. To speed up our market expansion plans, the Group is proactively seeking strategic alliance with various quality partners and alliance in the target markets, and the result is encouraging.

在各優秀專才的領導下，本集團對追求及實現吾等之業務持續不斷增長充滿信心。除可利用管理層團隊於地區及國際市場所獲取的豐富經驗及行業知識外，彼等亦具有如精通軟體成熟度模型整合(CMMI)項目管理能力、提供眾多產品種類、敏銳的研究及市場洞察力等優勢。鑑於有此強大基礎，易寶乃繼續堅定不移地立足於競爭激烈的資訊科技市場。

前景

展望未來，為能捕捉最近經濟反彈所衍生之市場趨勢及商機，本集團將一如既往繼續向其客戶提供優質服務。本集團將透過不斷發展行業專才團隊、提供最好的各類技術及強大的策略夥伴聯盟，以促進吾等專注發展之業務(即資訊科技開發外判服務系、統整合服務及專業資訊科技服務)能夠實現持續增長，本集團對此感到樂觀。

資本架構

本集團一般以內部所得現金流量、銀行融資及股東貸款／資金為其業務撥資。本集團繼續對庫務政策實施嚴格控制。本公司擬以現有銀行融資為本集團之未來業務、資本支出及資本需求撥資。

於二零零五年十二月三十一日，銀行融資之利率按香港最優惠利率加1.5厘／減1厘收取(二零零五年六月三十日：加1.5厘／減1厘)。

於二零零五年十二月三十一日，須於一年內償還之本集團短期銀行及其他借款約為6,900,000港元(二零零五年六月三十日：約6,600,000港元)，而須於一年後償還之本集團長期銀行及其他借款則約為7,200,000港元(二零零五年六月三十日：約5,200,000港元)。

本公司於二零零五年十二月三十日舉行股東特別大會，以考慮將每10股於本公司已發行及未發行股本中每股面值0.01港元之普通股(「股份」)合併為一股於本公司已發行及未發行股本中每股面值0.10港元之股份(「合併股份」)(「股份合併」)，而有關股份合併之決議案已獲於二零零五年十二月三十日(星期五)名列本公司股東名冊之股東批准。除此之外，本公司之股本架構並無任何重大變動。

Under the leadership of competent professionals, the Group confidently pursues and realizes our mission on continuous business growth. In addition to being able to draw on their extensive experience and domain knowledge gained from exposure to regional and international markets, the management team's strengths are coupled with proficient Capability Maturity Model Integration (CMMI) project management capabilities, sophisticated product offerings, incisive research and market insights. With such a strong foundation, EPRO is poised to remain steadfast in an intensely competitive information technology market.

PROSPECT

Moving forward, the Group will keep its strategic mission to provide quality services to its customers in order to grasp market trends and business opportunities emerged from the latest economic rebound. The Group is optimistic about continuous growth in its focus areas, namely IT development outsourcing services, systems integration services and professional IT services, which will be achieved through continuous development of a team of professionals with industry domain expertise, best in class technology, and strong strategic partner alliances.

CAPITAL STRUCTURE

The Group generally finances its operation with internally generated cashflows, banking facilities and loan/funding from a shareholder. The Group continued to exert stringent control over treasury policies. The Company intends to finance the Group's future operations, capital expenditure and the capital requirement with the existing banking facilities.

As at 31 December 2005, the interest rate of banking facilities was charged at the range of Hong Kong prime rate +1.5%/-1% (as at 30 June 2005: +1.5%/-1%).

As at 31 December 2005, the amount of short term bank and other borrowings of the Group which were repayable within a year was of approximately HK\$6.9 million (as at 30 June 2005: of approximately HK\$6.6 million), and the amount of long term bank and other borrowings of the Group which will be repayable more than a year was of approximately HK\$7.2 million (as at 30 June 2005: of approximately HK\$5.2 million).

An Extraordinary General Meeting held on 30 December 2005 for the purpose of considering the consolidation of every ten ordinary shares of HK\$0.01 each in the issued and the unissued share capital of the Company (the "Shares") into one share of HK\$0.10 each in the issued and the unissued share capital of the Company (the "Consolidated Shares") (the "Share Consolidation") and the resolutions of the Share Consolidation were approved by the shareholders whose names appears on the register of members of the Company on Friday, 30 December 2005. Save as this, the capital structure of the Company had no material change.

外匯風險

本集團之所得收入及所致成本主要以港元及人民幣結算。

於二零零五年十二月三十一日，本集團之未償還外匯遠期合約賣出18,810,900日圓（相當於1,358,000港元）及買入182,453美元（相當於1,423,000港元）。此外匯遠期合約於結算日之變現溢利約為119,000港元，並將該筆款額計入期內之收益表內。餘下外匯遠期合約已賣出3,841,400日圓及買入36,860美元。董事認為，本集團之外匯風險影響極微。

人力資源安排

於二零零五年十二月三十一日，本集團有153名員工（二零零四年十二月三十一日：172名）。員工酬金乃於每年或管理層認為合適時作出調整。酬金乃因應一連串因素而變動，包括本集團年內之業績表現、酬金於外部市場之競爭力，以及個別僱員之表現。僱員乃獲付固定酬金，以及獲發酌情花紅及各項福利（包括醫療保險、強制性公積金、購股權及所需培訓）。

或然負債

於二零零五年十二月三十一日，本公司就若干附屬公司所獲授之銀行融資合共約28,300,000港元（二零零五年六月三十日：約28,300,000港元）提供公司擔保而有或然負債。於結算日，有關附屬公司已動用該等融資額中合共約19,800,000港元（二零零五年六月三十日：約4,700,000港元）。

本集團已就本集團所提供之若干服務而簽署履約保證及預付保證約13,400,000港元（二零零五年六月三十日：約8,900,000港元）。

資產抵押

本集團之銀行融資乃以下列各項作抵押：

- (i) 本公司作出之公司擔保合共約28,300,000港元（二零零五年六月三十日：約28,300,000港元）；及
- (ii) 本集團若干定期存款為數18,600,000港元（二零零五年六月三十日：約11,700,000港元）之抵押。

FOREIGN EXCHANGE RISK

The Group mainly generated revenue and incurred costs in Hong Kong dollars and Renminbi.

At 31 December 2005, the Group had outstanding foreign exchange forward contract to sell JPY18,810,900 (equivalent to HK\$1,358,000) and buy US\$ 182,453 (equivalent to HK\$1,423,000). The realized profit of this foreign exchange forward contract at the balance sheet date approximately to HK\$119,000 and the amount was credited to the income statement during the period. The remaining exchange forward contract was to sell JPY3,841,400 and buy US\$36,860. The Directors consider the impact on foreign exchange exposure of the Group is minimal.

DEPLOYMENT OF HUMAN RESOURCES

As at 31 December 2005, the number of staff of the Group was 153 (as at 31 December 2004: 172). Staff remuneration is reviewed once a year or as the management deems appropriate. Changes in remuneration are based on a range of factors including the Group's performance, the competitiveness of remuneration with the external market, and individual employee's performance during the year. Employees were paid at fixed remuneration with discretionary bonus and benefits of medical insurance, mandatory provident fund, share options and necessary training.

CONTINGENT LIABILITIES

As at 31 December 2005, the Company had contingent liabilities in respect of corporate guarantees for banking facilities granted to certain subsidiaries in the aggregate amount of approximately HK\$28.3 million (as at 30 June 2005: approximately HK\$28.3 million). At the balance sheet date, such facilities were utilized by the subsidiaries to the extent of the aggregate amount of approximately HK\$19.8 million (as at 30 June 2005, approximately HK\$4.7 million)

The Group had executed performance bonds and advance payment bonds of about HK\$13.4 million (as at 30 June 2005: approximately HK\$8.9 million) in respect of certain services provided by the Group.

CHARGES ON ASSETS

The banking facilities of the Group are secured by

- (i) corporate guarantees of amounting to an aggregate of approximately HK\$28.3 million executed by the Company (as at 30 June 2005: approximately HK\$28.3 million); and
- (ii) pledge of certain of the Group's time deposits amounting to approximately HK\$18.6 million (as at 30 June 2005: approximately HK\$11.7 million).

重大收購、出售事項及重大投資

截至二零零五年十二月三十一日止六個月，本公司並無作出任何重大投資及重大收購或出售事項。

公開發售

誠如本公司日期為二零零五年十一月八日之公佈所詳述，本公司建議藉公開發售方式，按每股發售股份0.13港元之認購價，向本公司之合資格股東發行不少於80,040,000股於本公司股本中每股面值0.10港元之新合併股份（「發售股份」），集資約10,400,000港元（扣除開支前），基準為每持有本公司兩股合併股份獲發一股發售股份（「公開發售」）。公開發售所得款項淨額（扣除開支後）估計約為9,200,000港元，而本公司擬將該筆款項撥作本公司之一般營運資金。

本公司已於二零零五年十二月八日向本公司股東寄發一份通函，其載有（其中包括）公開發售、申請清洗豁免、獨立董事委員會有關公開發售及清洗豁免之推薦意見及獨立財務顧問有關公開發售及清洗豁免之建議之進一步資料。

在本公司於二零零五年十二月三十日舉行之股東特別大會上，有關公開發售及清洗豁免之普通決議案已獲本公司之獨立股東批准。

公開發售經已完成，且發售股份於二零零六年一月二十六日上午九時三十分開始在創業板買賣。本公司董事黃少康先生（「黃先生」）及黃先生所控制之公司China Dynamic Enterprises Limited（「China Dynamic」）已根據本公司、包銷商及黃先生所訂立日期為二零零五年十一月十七日之包銷協議，包銷51,613,824股發售股份（「認購不足發售股份」）。本公司已於二零零六年一月二十四日收取認購不足發售股份之所有認購款額。

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

The Company had made no significant investments and material acquisitions or disposals for the six months ended 31 December 2005.

OPEN OFFER

As detailed in the Company's announcement dated 8 November 2005, the Company proposed to raise approximately HK\$10.4 million before expenses, by issuing not less than 80,040,000 new Consolidated Shares of HK\$0.10 each in the capital of the Company (the "Offer Shares") by way of open offer to the qualifying shareholders of the Company on the basis of one Offer Share for every two Consolidated Shares of the Company at the subscription price of HK\$0.13 per Offer Share ("Open Offer"). The net proceeds of the Open Offer, after deduction of expenses, are estimated to be approximately HK\$9.2 million and the Company intends apply for the general working capital of the Company.

A circular containing, inter alia, further information of the Open Offer, application for Whitewash Waiver, the recommendation of the independent board committee and the advice from the independent financial adviser in relation to the Open Offer and the Whitewash Waiver was despatched to the Company's shareholders on 8 December 2005.

At the extraordinary general meeting of the Company held on 30 December 2005, ordinary resolutions in relation to the Open Offer and the Whitewash Waiver were approved by the independent shareholders of the Company.

The Open Offer has been completed and dealing of the Offer Shares on GEM commenced at 9:30 a.m. on 26 January 2006. Mr. Huang Shaokang ("Mr. Huang"), a director of the Company, and China Dynamic Enterprises Limited ("China Dynamic"), a Company controlled by Mr. Huang, has underwritten 51,613,824 Offer Shares (the "Shortfall Offer Shares") pursuant to the underwriting agreement dated 17 November 2005 entered into between the Company, the Underwriter and Mr. Huang. All subscription monies for the Shortfall Offer Shares have been received by the Company on 24 January 2006.

未經審核綜合財務報表附註

1. 編製基準及會計政策

本中期報告已根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」及香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）證券上市規則（「創業板上市規則」）附錄十八編製。

編製本中期報告所使用之會計政策及計算方法與編製截至二零零五年六月三十日止年度之年度經審核財務報表所採用者相同，惟本集團於採用於二零零五年一月一日或之後之會計期間生效之新訂／經修訂香港財務報告準則（「香港財務報告準則」）、香港會計準則及詮釋（此後統稱「新香港財務報告準則」）後，已改變其若干會計政策。採納新香港財務報告準則並無對本公司之經營業績及財務狀況產生任何重大影響，惟財務報表之若干呈列及披露將會出現變動。

2. 營業額及分類資料

營業額指出售貨物之發票淨值（扣除退貨及折扣）以及所提供之專業資訊科技合約服務之價值。

董事認為本集團主要分類呈報基準為按業務分類劃分。於本期間及過往期間，本集團之業務僅與提供專業資訊科技合約服務有關，因此，並無進一步呈列其他業務分類資料。

地區分類

下表顯示本集團按地區分類之營業額資料。

本集團

分類收入：

向外界客戶之銷售	Sales to external Customer
香港	Hong Kong
中國大陸	Mainland China
新加坡	Singapore
撇銷	Eliminations
綜合	Consolidated

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This interim report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 18 of the Rules Governing the Listing of Securities on The Growth Enterprise Market (the "GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules").

The accounting policies and methods of computation used in the preparation of this interim report are the same as those adopted in preparing the annual audited financial statements for the year ended 30 June 2005, except that the Group has changed certain of its accounting policies following its adoption of the new/revised Hong Kong Financial Reporting Standards ("HKFRSs"), HKAS and Interpretations (hereafter collectively referred to as the "new HKFRSs") which are effective for accounting periods on or after 1 January 2005. The adoption of the new HKFRSs had no material impact on the Company's results of operations and financial position except certain presentation and disclosure of financial statements would be changed.

2. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net invoiced value of goods sold, net of returns and allowances, and the value of professional IT contract services rendered.

The directors consider that the Group's primary segment reporting basis is by business segment. During the current and prior period, the Group's operations related solely to the provision of professional IT contract services and accordingly, no further business segment information is presented.

Geographical segments

The following table presents turnover information for the Group's geographical segments.

Group

Segment revenue:

截至十二月三十一日 止三個月 For the three months ended 31 December		截至十二月三十一日 止六個月 For the six months ended 31 December	
二零零五年 2005 (未經審核) (Unaudited) 千港元 HK\$'000	二零零四年 2004 (未經審核) (Unaudited) 千港元 HK\$'000	二零零五年 2005 (未經審核) (Unaudited) 千港元 HK\$'000	二零零四年 2004 (未經審核) (Unaudited) 千港元 HK\$'000
5,172	2,916	10,303	7,395
9,106	11,625	29,615	18,665
1,444	1,459	2,556	2,580
(431)	—	(4,921)	—
15,291	16,000	37,553	28,640

3. 除稅前虧損

除稅前虧損乃計入及(扣除)下列各項後得出：

- (a) 融資成本：
融資成本包括：

下列各項之利息支出：

於五年內須悉數償還
之銀行貸款及透支
於五年內須悉數償還
之其他貸款

總融資成本

- (b) 其他賬項：

折舊
員工成本
(包括董事酬金)
工資及薪金
退休金供款淨額
銀行利息收入

Interest expenses on:

Banks loans and overdrafts wholly
repayable within five years
Other loans wholly repayable
five years

Total finance costs

Depreciation
Staff costs
(including directors' remuneration)
Wages and salaries
Net pension contribution
Bank interest income

3. LOSS BEFORE TAXATION

Loss before taxation is arrived at after crediting and (charging):

- (a) Finance Costs:
The finance costs comprise:

截至十二月三十一日 止三個月 For the three months ended 31 December		截至十二月三十一日 止六個月 For the six months ended 31 December	
二零零五年	二零零四年	二零零五年	二零零四年
2005	2004	2005	2004
(未經審核)	(未經審核)	(未經審核)	(未經審核)
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000

91	174	222	325
133	91	235	194
224	265	457	519
141	268	293	576
5,285	5,249	9,807	10,538
426	267	785	655
92	30	19	45

4. 所得稅

由於本集團於本期間並無在香港產生任何應課稅溢利，或擁有可動用之承前稅務虧損以抵銷本期間產生之應課稅溢利，因此並無作出香港利得稅撥備。

本集團於其他地區經營有關之利得稅已根據其各自業務所屬稅務司法權區現有之法例、詮釋及慣例，按區內現行稅率計算。

本集團：
本期間撥備－其他地區

The Group:
Provision for the period – elsewhere

本集團於截至二零零五年十二月三十一日止六個月並無任何重大未撥備之遞延稅項負債（二零零四年：無）。

5. 每股虧損

截至二零零五年十二月三十一日止三個月及六個月之每股基本虧損，乃根據上述期間本公司股權持有人應佔虧損分別約1,087,000港元及3,440,000港元，以及截至二零零五年十二月三十一日止三個月及六個月已發行普通股之加權平均數160,080,000股計算。

截至二零零四年十二月三十一日止三個月及六個月之每股基本虧損，乃根據上述期間本公司股權持有人應佔虧損分別約3,953,000港元及5,927,000港元，以及截至二零零四年十二月三十一日止三個月及六個月已發行普通股之加權平均數1,600,800,000股計算。

由於本公司購股權之行使價較截至二零零五年及二零零四年十二月三十一日止三個月及六個月之平均市價高，期內並無尚未行使之具潛在攤薄影響之普通股，故並無呈列每股攤薄虧損。

4. INCOME TAX

Hong Kong profits tax has not been provided for as the Group did not generate any assessable profits arising in Hong Kong during the period, or had available tax losses brought forward to offset the assessable profits generated during the period.

Tax on profits in respect of Group operating elsewhere have been calculated at the rates of tax prevailing in the respective tax jurisdiction in which they operate, based on existing legislation, interpretations and practices in respect thereof.

截至十二月三十一日 止三個月		截至十二月三十一日 止六個月	
For the three months ended 31 December		For the six months ended 31 December	
二零零五年	二零零四年	二零零五年	二零零四年
2005	2004	2005	2004
(未經審核)	(未經審核)	(未經審核)	(未經審核)
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000

-	98	-	186
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The Group did not have any significant unprovided deferred tax liabilities for the six months ended 31 December 2005 (2004: Nil).

5. LOSS PER SHARE

The calculation of basic loss per share for the three months and the six months ended 31 December 2005 is based on the loss for the period attributable to equity holders of the Company of approximately HK\$1,087,000 and HK\$3,440,000 respectively and the weighted average number of 160,080,000 ordinary shares in issue during the three months and the six months ended 31 December 2005 respectively.

The calculation of basic loss per share for the three months and the six months ended 31 December 2004 is based on the loss for the period attributable to equity holders of the Company of approximately HK\$3,953,000 and HK\$5,927,000 respectively and the weighted average number of 1,600,800,000 ordinary shares in issue during the three months and the six months ended 31 December 2004 respectively.

Since the exercise price of the Company's share options was higher than the average market price of the Company's shares during the three months and the six months ended 31 December 2005 and 2004 respectively, there were no dilutive potential ordinary shares outstanding during the period and accordingly, no diluted loss per share amount was presented.

6. 存貨

6. INVENTORIES

		(未經審核) (Unaudited) 於二零零五年 十二月三十一日 31 December 2005 千港元 HK\$'000	(經審核) (Audited) 於二零零五年 六月三十日 30 June 2005 千港元 HK\$'000
在建合約工程	Contract Work in Progress	815	1,888
運輸中貨品	Goods in Transit	88	4,843
供銷售之商品	Merchandise for Sale	145	770
		1,048	7,501

7. 應收貿易賬項

根據發票日期及付款到期日，應收貿易賬項及應收票據之賬齡分析如下：

7. TRADE RECEIVABLES

An aged analysis of trade and bills receivables as at the balance sheet, based on invoice date and payment due date, respectively, is as follows:

		(未經審核) (Unaudited) 於二零零五年 十二月三十一日 31 December 2005 千港元 HK\$'000	(經審核) (Audited) 於二零零五年 六月三十日 30 June 2005 千港元 HK\$'000
即期至3個月	Current to 3 months	6,915	10,901
4至6個月	4 to 6 months	643	4,270
7至9個月	7 to 9 months	6,291	674
10至12個月	10 to 12 months	677	260
1年以上	Over 1 year	7,997	8,717
		22,523	24,822
減：呆賬撥備	Less: Provision for doubtful debts	(8,469)	(9,239)
		14,054	15,583

給予客戶之信貸期各異，一般約為三個月，並根據各個客戶之財政實力授出。為有效地管理與貿易應收賬款有關之信貸風險，管理層定期對客戶進行信貸評估。

The credit terms given to the customers vary, and are generally around three months and granted based on the financial strength of the individual customers. In order to effectively manage the credit risks associated with trade debtors, credit evaluations of customers are performed periodically by management.

8. 應付貿易賬項

根據發票日期及付款到期日，應付貿易賬項及應付票據之賬齡分析如下：

3個月內	Within 3 months
4至6個月	4 to 6 months
7至12個月	7 to 12 months
1年以上	Over 1 year

8. TRADE PAYABLES

An aged analysis of trade and bills payables as at the balance sheet date, based on invoice date and payment due date, respectively, is as follows:

(未經審核) (Unaudited) 於二零零五年 十二月三十一日 31 December 2005 千港元 HK\$'000	(經審核) (Audited) 於二零零五年 六月三十日 30 June 2005 千港元 HK\$'000
2,068	10,666
434	9
16	7
1,815	1,391
4,333	12,073

9. 經營租約承擔

於二零零五年十二月三十一日，有關土地及樓宇之不可撤回經營租約之日後最低租約付款總額如下：

不遲於1年	Not later than 1 year
遲於1年但不遲於5年	Later than 1 year and not later than 5 years

9. OPERATING LEASE COMMITMENTS

As at 31 December 2005, the total future minimum lease payments in respect of non-cancelable operating leases for land and buildings are as follows:

未經審核 Unaudited 於十二月三十一日 As at 31 December 二零零五年 2005 千港元 HK\$'000	二零零四年 2004 千港元 HK\$'000
900	1,655
395	747
1,295	2,402

10. 股本

法定：	Authorized:
於七月一日之每股面值 0.01港元之普通股	Ordinary shares of HK\$0.01 each as at 1 July
每股面值0.10港元之普通股 股份面值從每股0.01港元 增加至每股0.10港元之影響	Ordinary shares of HK\$0.10 each Effect of increase in nominal value of shares from HK\$0.01 each to to HK\$0.10 each
於十二月三十一日	as at 31 December
已發行及繳足：	Issued and fully paid:
於七月一日之每股面值 0.01港元之普通股	Ordinary shares of HK\$0.01 each as at 1 July
每股面值0.10港元之普通股 股份面值從每股0.01港元 增加至每股0.10港元之影響	Ordinary shares of HK\$0.10 each Effect of increase in nominal value of shares from HK\$0.01 each to to HK\$0.10 each
於十二月三十一日	as at 31 December

根據在本公司於二零零五年十二月三十日舉行之股東特別大會上通過之普通決議案，每十股每股面值0.01港元之已發行及未發行股份合併為一股每股面值0.10港元之新股，自二零零五年十二月三十日起生效。於股份合併於二零零五年十二月三十日生效後，本公司之發行股本為1,000,000,000港元，分為10,000,000,000股每股面值0.10港元之股份，其中160,080,000股股份為已發行及繳足。於股份合併後之股份彼此於所有方面享有同等權益。

10. CAPITAL

二零零五年 2005		二零零四年 2004	
股份數目 Number of Shares	面值 Nominal Value 千港元 HK\$'000	股份數目 Number of Shares	面值 Nominal Value 千港元 HK\$'000
100,000,000,000	1,000,000	100,000,000,000	1,000,000
(90,000,000,000)	-	-	-
10,000,000,000	1,000,000	100,000,000,000	1,000,000
1,600,800,000	16,008	1,600,800,000	16,008
(1,440,720,000)	-	-	-
160,080,000	16,008	1,600,800,000	16,008

Pursuant to an ordinary resolution passed at an extraordinary general meeting of the Company held on 30 December 2005, every ten issued and unissued shares of HK\$0.01 each were consolidated into one new share of HK\$0.10 with effect from 30 December 2005. Following the share consolidation becoming effective on 30 December 2005, the authorized share capital of the Company is HK\$1,000,000,000 divided in 10,000,000,000 shares of HK\$0.10 each, of which 160,080,000 shares were in issued and fully paid. The shares after the share consolidation rank pari passu in all respects with each other.

11. 關連人士交易

11. RELATED PARTY TRANSACTIONS

		截至十二月三十一日 止三個月 For the three months ended 31 December 二零零五年 二零零四年 2005 2004 (未經審核) (Unaudited) 千港元 千港元 HK\$'000 HK\$'000		截至十二月三十一日 止六個月 For the six months ended 31 December 二零零五年 二零零四年 2005 2004 (未經審核) (Unaudited) 千港元 千港元 HK\$'000 HK\$'000	
已付關連公司及一名董事 之利息	Interest paid to related companies and a director	133	92	235	195
已收一名聯繫人士之利息	Interest received from an associate	1	—	3	—
向一名聯繫人士之銷售額	Sales to an associate	49	18	69	36
		(未經審核) (Unaudited) 於二零零五年 十二月三十一日 31 December 2005 千港元 HK\$'000		(經審核) (Audited) 於二零零五年 六月三十日 30 June 2005 千港元 HK\$'000	
一名董事之尚未償還結餘	Outstanding balances with a director	8,114		5,879	

12. 比較數字

由於本年度採納新訂／經修訂香港財務報告準則及香港會計準則，財務報表之若干賬項之會計處理方法及呈列已修訂，以符合新規定。因此，過往年度之若干數字已重列。此外，若干比較數字亦已重列，以符合本年度之呈列方式。

12. COMPARATIVE FIGURES

Due to adoption of new/revised HKFRSs and HKASs for the current year, the accounting treatment and presentation of certain items on the financial statements have been revised to comply with the new requirements. Accordingly, certain figures have been adjusted in prior year. Also, certain comparative figures have been reclassified to conform with the current year's presentation.

**根據證券及期貨條例（「證券及期貨條例」）
第 XV 部披露權益**

A. 董事及行政總裁

於二零零五年十二月三十一日，本公司董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例第 XV 部）之股份、相關股份及債券中擁有須(a)根據證券及期貨條例第 XV 部第 7 及 8 分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之有關條文被當作或視為擁有之權益及淡倉）；或(b)須列入本公司根據證券及期貨條例第 352 條予以存置之登記冊內之權益及淡倉；或(c)根據創業板上市規則第 5.46 至第 5.67 條之規定知會本公司及聯交所之權益及淡倉如下：

(1). 董事

1. 於本公司及其相聯法團之股份（就根據股本衍生工具持有之倉盤而言）、相關股份及債券中之好倉總額
 - a. 於股份之權益（根據股本衍生工具（例如購股權、可認購之認股權證或可換股債券）者除外）
 - (i) 本公司

DISCLOSURE OF INTERESTS UNDER PART XV OF THE SECURITIES AND FUTURES ORDINANCE (THE "SFO")

A. DIRECTORS AND CHIEF EXECUTIVES

At the 31 December 2005, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provision of the SFO); or (b) pursuant to section 352 of the SFO to be entered into the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange as follows:

(1). DIRECTORS

1. Aggregate long position in shares (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)
 - a. Interests in shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds)
 - (i) the Company

董事姓名 Name of Director	附註 Notes	身份 Capacity	擁有權益之 普通股概約數目 Number of and approximate of ordinary shares interested	佔已發行 股本百分比 Percentage of issued share capital
葉三閻先生 Mr. Yip Sam Lo	a	全權信託之創辦人 Founder of a discretionary trust	26,257,720	16.4%
黃少康先生 Mr. Huang Shaokang	b	受控制公司權益 Interest of a controlled corporation	26,680,000 (及根據China Dynamic之承諾 (定義見下文附註(b))及包銷 協議(定義見下文附註(b)) 合共擁有71,985,830股發售 股份之權益) (and interest in an aggregate 71,985,830 Offer Shares under the China Dynamic's Undertaking (as defined in note (b) below) and the Underwriting Agreement (as defined in note (b) below))	16.67%
		實益擁有人 Beneficial owner	16,108,340 (及根據黃先生之承諾 (定義見下文附註(b))擁有 8,054,170股發售股份之權益) (and interest in 8,054,170 Offer Shares under Mr. Huang's Undertaking (as defined in note (b) below))	10.06%
柳林先生 Mr. Liu Lin	c	受控制公司權益 Interest of a controlled corporation	9,609,489	6%

附註：

- a. 於二零零五年十二月三十一日，26,257,720股股份由Araucarea Holdings Limited (「Araucarea」) 持有，Araucarea 是 TUYF Company Limited 以 The TUYF Unit Trust 信託人身份全資擁有之公司，而 The TUYF Unit Trust 為一項單位信託，其全部已發行單位由 HSBC International Trustee Limited (「HSBC Trustee」) 以 The TUYF Family Trust 之信託人身份擁有，The TUYF Family Trust 則為一項全權家族信託，其受益人包括葉三閻先生之家族成員。

因此，葉先生作為 The TUYF Family Trust 之創辦人，被視為於 Araucarea 持有之 26,257,720 股股份中擁有權益。

- b. 於二零零五年十二月三十一日，China Dynamic Enterprise Limited (「China Dynamic」) 擁有 26,680,000 股普通股。根據 China Dynamic 於二零零五年十一月十七日向本公司作出之承諾 (「China Dynamic 之承諾」)，China Dynamic 承諾根據按 0.13 港元之價格發行 80,040,000 股新普通股 (基準為於二零零五年十二月三十日每持有兩股已發行普通股獲配發及發行一股新普通股)，認購 13,340,000 股新普通股。根據本公司、China Dynamic 及黃少康先生於二零零五年十一月十七日訂立之包銷協議 (「包銷協議」)，China Dynamic 承諾包銷 58,645,830 股發售股份。於二零零五年十二月三十一日，黃少康為 China Dynamic 之唯一實益股東，被視為於 China Dynamic 所持有之普通股中擁有權益。

於二零零五年十二月三十一日，黃少康個人擁有 16,108,340 股普通股。根據黃少康先生於二零零五年十一月十七日向本公司作出之承諾 (「黃先生之承諾」)，黃先生之承諾根據公開發售認購 8,054,170 股發售股份。

根據黃少康先生於二零零五年十一月二十一日存檔之董事／行政總裁通知，黃先生合共擁有 122,828,340 股普通股之權益，即 (i) China Dynamic 於 98,665,830 股普通股中之權益 (根據 China Dynamic 之承諾及包銷協議，相當於 26,680,000 股普通股及合共 71,985,830 股發售股份) 及 (ii) 黃少康先生於 24,162,510 股普通股中之個人權益 (根據黃先生之承諾，相當於 16,108,340 股及 8,054,170 股發售股份)。

- c. 於二零零五年十二月三十一日，柳林先生為 Kingston View International Limited (「Kingston View」) 之唯一實益股東，而 Kingston View (被視為 China Dynamic 及黃少康先生之一致方及於二零零三年八月八日在英屬處女群島註冊成立之有限公司，由執行董事柳林先生所全資擁有) 被視為於 Kingston View 所持有之 9,609,489 股普通股中擁有權益。

Notes:

- a. As at 31 December 2005, 26,257,720 shares were held by Araucarea Holdings Limited ("Araucarea"), a corporation wholly owned by TUYF Company Limited as trustee of The TUYF Unit Trust, a unit trust of which all of the units in issue were owned by HSBC International Trustee Limited ("HSBC Trustee") in its capacity as the trustee of The TUYF Family Trust, a discretionary family trust of which the objects include the family members of Mr. Yip Sam Lo.

Accordingly, Mr. Yip Sam Lo, as founder of The TUYF Family Trust was deemed to be interested in 26,257,720 Shares held by Araucarea.

- b. As at 31 December 2005, China Dynamic Enterprise Limited (the "China Dynamic") owned 26,680,000 ordinary shares. Pursuant to an undertaking given by the China Dynamic to the Company (the "China Dynamic's Undertaking") dated 17 November 2005, China Dynamic undertook to subscribe for 13,340,000 new ordinary shares under the issue of 80,040,000 new ordinary shares at a price of HK\$0.13 on the basis of one new ordinary shares to be allotted and issued for every two ordinary shares in issue on 30 December 2005. Pursuant to the underwriting agreement dated 17 November 2005 entered into between the Company, China Dynamic and Mr. Huang Shaokang (the "Underwriting Agreement"), China Dynamic undertook to underwrite 58,645,830 Offer Shares. As at 31 December 2005, Mr. Huang Shaokang was the sole beneficial shareholder of China Dynamic, and was deemed to be interested in ordinary shares held by China Dynamic.

As at 31 December 2005, Mr. Huang Shaokang personally owned 16,108,340 ordinary shares. Pursuant to an undertaking given by Mr. Huang Shaokang to the Company dated 17 November 2005 ("Mr. Huang's Undertaking"), Mr. Huang undertook to subscribe 8,054,170 Offer Shares under the Open Offer.

Pursuant to the director's/chief executive's notice filed by Mr. Huang Shaokang on 21 November 2005, Mr. Huang was interested in an aggregate of 122,828,340 ordinary shares, being (i) China Dynamic's interest in 98,665,830 ordinary shares (representing 26,680,000 ordinary shares and an aggregate of 71,985,830 Offer Shares under the China Dynamic's Undertaking and the Underwriting Agreement) and (ii) Mr. Huang Shaokang personal interest in 24,162,510 ordinary shares (representing 16,108,340 and 8,054,170 Offer Shares under Mr. Huang's Undertaking).

- c. As at 31 December 2005, Mr. Liu Lin was the sole beneficial shareholder of Kingston View International Limited ("Kingston View"), a deemed concert party to China Dynamic and Mr. Huang Shaokang and a company incorporated in the British Virgin Islands with limited liability on 8 August 2003 and wholly-owned by Mr. Liu Lin, an executive Director, Mr. Liu Lin was deemed to be interested in 9,609,489 ordinary shares held by Kingston View.

(ii) 相聯法團－EPRO Systems Limited(本公司之間接全資附屬公司)

(ii) Associated corporations – EPRO Systems Limited (an indirect wholly-owned subsidiary of the Company)

董事姓名
Name of Director

附註
Note

身份
Capacity

葉三閻先生
Mr. Yip Sam Lo

1

全權信託之創辦人
Founder of a discretionary trust

於相聯
法團擁有權益
之無投票權
遞延股份數目
Number of
non-voting
deferred shares
interested in
associated
corporation
佔已發行
無投票權
遞延股份
總數百分比
Percentage of
total issued
non-voting
deferred
shares

5,112,991

33.86%

附註：

1. 於二零零五年十二月三十一日，該等股份由Araucarea持有，Araucarea 是一間由 TUYF Company Limited 作為The TUYF Unit Trust之信託人全資擁有之公司，而The TUYF Unit Trust為一項單位信託，其全部已發行單位由HSBC International Trustee Limited(「HSBC Trustee」)以The TUYF Family Trust 之信託人身份擁有，The TUYF Family Trust則為一項全權家族信託，其受益人包括葉三閻先生之家族成員。

因此，葉先生作為The TUYF Family Trust 之創辦人，被視為擁有由Araucarea 所持有之5,112,991股無投票權遞延股份之權益。

Note:

1. As at 31 December 2005, these shares were held by Araucarea, a corporation wholly owned by TUYF Company Limited as trustee of The TUYF Unit Trust, a unit trust of which all of the units in issue were owned by HSBC International Trustee Limited ("HSBC Trustee") in its capacity as the trustee of The TUYF Family Trust, a discretionary family trust of which the objects include the family members of Mr. Yip Sam Lo.

Accordingly, Mr. Yip Sam Lo, as founder of The TUYF Family Trust was deemed to be interested in 5,112,991 non-voting deferred shares held by Araucarea.

b. 於債券中之權益

本公司或其相聯法團並無發行任何債券。

b. Interests in debentures

The Company or its associated corporations had not issued any debentures.

c. 於相關股份中之權益(就根據股本衍生工具持有之倉盤而言)

根據本公司於二零零零年二月二十四日採納之首次公開招股前購股權計劃(「首次公開招股前購股權計劃」)之條款，可認購股份之購股權已無償授予董事(因本公司於二零零四年進行之供股及將本公司已發行及未發行之股本中之每十股本公司股本中每股面值0.01港元之股份合併為本公司已發行及未發行之股本中之一股本公司股份中每股面值0.10港元之普通股(於二零零五年十二月三十日(星期五)下午四時正生效)(「股份合併」)作出調整)，有關情況如下：

c. Interests in underlying shares (in respect of position held pursuant to equity derivatives)

Pursuant to the terms of Pre-IPO Share Option Plan, adopted by the Company on 24 February 2000 (the "Pre-IPO Share Option Plan") options for subscribing the Shares had been granted to the Directors without consideration (as adjusted as a result of a right issue of shares of the Company in 2004 and the consolidation of every ten shares of HK\$0.01 each in the share capital of the Company in the issued and unissued share capital of the Company into one ordinary share of HK\$0.10 each in the share capital of the Company in the issued and unissued share capital of the Company which took effect at 4:00 p.m. on Friday, 30 December 2005 ("Share Consolidation") as follows:

(i) 本公司(實物交付股本衍生工具)

(i) the Company (physically settled equity derivatives)

董事姓名 Name of Director	身份 Capacity	擁有權益之 相關普通股數目 Number of underlying ordinary shares interested	佔已發行股本 百分比 Percentage of issued share capital
葉三閻先生 Mr. Yip Sam Lo	實益擁有人 Beneficial owner	1,986,367	1.24%

下列有關按照創業板上市規則第23章根據購股權計劃授予董事之購股權之資料，須根據創業板上市規則第18.58(A)(1)條作出披露：

The following information of share options granted to the Director, pursuant to the share option schemes under Chapter 23 of the GEM Listing Rules is required to be disclosed pursuant to Rule 18.58 (A) (1) of the GEM Listing Rules:

承授人姓名 Name of grantee	授出日期 Date of grant	已授出之 購股權數目 Number of options granted	行使期 Exercise period	每股行使價 Exercise price per share 港元 HK\$	於二零零五年 十二月三十一日 尚未行使之 購股權數目 Number of outstanding share options as at 31 December 2005
葉三閻先生 Mr. Yip Sam Lo	二零零零年 七月二十六日 26 July 2000	1,986,367	二零零一年 二月二日 至二零零一年 七月二十三日 2 February 2001 to 23 July 2010	5.57	1,986,367

自各自授出日期起至二零零五年十二月三十一日止，並無購股權根據首次公開招股前購股權計劃或本公司於二零零零年七月二十四日採納之購股權計劃(「購股權計劃」)獲行使或註銷。於二零零五年十二月三十一日，並無根據購股權計劃尚未授出之任何購股權。

No options was exercised or cancelled under the Pre-IPO Share Option Plan or the Share Option Scheme adopted by the Company on 24 July 2000 (the "Share Option Scheme") since their respective date of grant and up to 31 December 2005. As at 31 December 2005, there were no options outstanding under the Share Option Scheme.

(ii) 相聯法團

(ii) Associated corporation

董事並無呈報該權益。

No such interest was reported by the Directors.

2. 於本公司及其相聯法團之股份及(就根據股本衍生工具持有之倉盤而言)相關股份及債券中之淡倉總額

2. Aggregate short position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)

董事並無呈報該淡倉。

No such short position was reported by the Directors.

(2). 行政總裁

1. 於本公司及其相聯法團之股份及(就根據股本衍生工具持有之倉盤而言)相關股份及債券中之好倉總額

本公司之任何行政總裁並無呈報該權益。

2. 於本公司及其相聯法團之股份及(就根據股本衍生工具持有之倉盤而言)相關股份及債券中之淡倉總額

本公司之任何行政總裁並無呈報該淡倉。

除上文所述者外，於二零零五年十二月三十一日，若干董事以非實益權益於本公司之香港附屬公司中持有股份，以符合當時之最低股東規定。

除上文所披露者外，於二零零五年十二月三十一日，本公司董事或行政總裁概無根據證券及期貨條例第XV部第7及第8分部於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有(或根據證券及期貨條例之有關規定被認為或視作擁有)任何權益或淡倉，或任何必須列入本公司根據證券及期貨條例第352條予以存置之登記冊內之權益，或任何根據創業板上市規則第5.46至第5.67條所載上市發行人董事之規定買賣標準必須向本公司及聯交所申報之權益。

(2). CHIEF EXECUTIVES

1. Aggregate long position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)

No such interest was reported by any chief executive of the Company.

2. Aggregate short position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)

No such short position was reported by any chief executive of the Company.

In addition to the above, as at 31 December 2005, some Directors are holding shares in the Hong Kong subsidiaries of the Company in a non-beneficial interest to meet the then minimum shareholder requirements.

Save as disclosed above, as at 31 December 2005, none of the Directors or the chief executive of the Company had, under Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interest which were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interest which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules.

B. 主要股東

於二零零五年十二月三十一日，根據證券及期貨條例第336條規定本公司存置之登記冊所記錄於本公司股份及相關股份中之權益或淡倉如下：

1. 於本公司股份及(就根據股本衍生工具持有之倉盤而言)相關股份中之好倉總數
 - a. 於股份之權益(根據股本衍生工具(例如購股權、可認購之認股權證或可換股債券)者除外)

B. SUBSTANTIAL SHAREHOLDERS

At the 31 December 2005, the interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

1. Aggregate long position in shares (in respect of positions held pursuant to equity derivatives) underlying shares of the Company
 - a. Interests in shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds)

股東名稱 Name of Shareholder	身份 Capacity	擁有權益之 普通股數目 Number of ordinary shares interested	附註 Notes	已發行股本 百分比 Percentage of issued share capital
China Dynamic	實益擁有人 Beneficial owner	26,680,000 (及根據China Dynamic之承諾及 包銷協議合共擁有71,985,830股 發售股份之權益) (and interest in an aggregate of 71,985,830 Offer Shares under the China Dynamic's Undertaking and the Underwriting Agreement)	1	16.67%
葉志如女士 Ms. Yip Chi Yu	配偶權益 Interest of spouse	42,788,340 (及透過其配偶黃少康先生 合共擁有80,040,000股 發售股份之權益) (and interest in an aggregate of 80,040,000 Offer Shares through the interest of her spouse, Mr. Huang Shaokang)	2	26.73%
Araucarea	實益擁有人 Beneficial owner	26,257,720	3	16.40%
TUYF Company Limited	信託人 Trustee	26,257,720	3	16.40%
HSBC International Trustee Limited	信託人 Trustee	26,257,720	3	16.40%
戴鳳女士 Ms. Tai Fung	全權信託之創辦人 Founder of a discretionary trust	26,257,720	4a	16.40%
	配偶權益 Interest of spouse	1,986,367	4b	1.24%
Kenn & K (BVI) Limited	實益擁有人 Beneficial owner	10,116,848	5	6.32%
廣澤松先生 Mr. Kwong Chak Chung	受控制公司權益 Interest in controlled corporation	10,116,848	5	6.32%
劉競秀女士 Ms. Lau King Sau, Kenzie	配偶權益 Interest of spouse	10,116,848	6	6.32%
Kingston View	實益擁有人 Beneficial owner	9,609,489	7	6.00%
馬力女士 Ms. Ma Li	配偶權益 Interest of spouse	9,609,489	8	6.00%

附註：

1. China Dynamic 之權益亦已於上段「根據證券及期貨條例第XV部披露權益－董事及行政總裁」披露為黃少康先生之權益。
2. 葉志如女士被視為透過其配偶黃少康先生之權益而於合計122,828,340股股份中擁有權益。
3. 於二零零五年十二月三十一日，Araucarea乃26,257,720股股份之實益擁有人。Araucarea 是TUYF Company Limited 以The TUYF Unit Trust 信託人身份全資擁有之公司，而The TUYF Unit Trust 為一項單位信託，其乃由HSBC Trustee所全資擁有。HSBC Trustee為The TUYF Family Trust 之信託人。非執行董事葉三閏亦為Araucarea之董事。
- 4a. 於二零零五年十二月三十一日，該等股份乃由Araucarea所持有，Araucarea之權益詳情載於上文附註3。戴鳳女士作為TUYF Family Trust之創辦人被視為於Araucarea所持有之股份中擁有權益。
- 4b. 於二零零五年十二月三十一日，戴鳳女士為葉三閏先生之配偶，被視為透過其配偶之權益於葉三閏先生所持有之可認購1,986,367股股份之購股權中擁有權益。葉三閏先生於股份中之權益詳情亦已於上文「根據證券及期貨條例第XV部披露」一節「於股份之權益」分節披露。
5. 於二零零五年十二月三十一日，鄭澤松先生被視為於透過其全資公司Kenn & K (BVI) Limited持有之10,116,848股股份中擁有權益。
6. 於二零零五年十二月三十一日，劉競秀女士被視為透過其配偶鄭澤松先生之權益而於10,116,848股股份中擁有權益。
7. Kingston View 之權益亦已於上文「根據證券及期貨條例第XV部披露權益」一節「於股份之權益」分節披露為柳林先生之權益。執行董事柳林先生亦為Kingston View之董事。
8. 於二零零五年十二月三十一日，馬力女士被視為透過其配偶柳林先生之權益而於9,609,489股股份或相關股份中擁有權益，柳林先生之權益亦已於上文「根據證券及期貨條例第XV部披露權益」一節「於股份之權益」分節披露。

Notes:

1. The interest of China Dynamic has also disclosed as interest of Mr. Huang Shaokang in the above paragraph under "Disclosure of interests under Part XV of the Securities and Futures Ordinance – Directors and Chief Executives".
2. Ms. Yip Chi Yu was deemed to be interested in an aggregate of 122,828,340 Shares through interest of her spouse, Ms. Huang Shaokang.
3. As at 31 December 2005, Araucarea was the beneficial owner of 26,257,720 Shares. Araucarea is a wholly owned subsidiary TUYF Company Limited as trustee of The TUYF Unit Trust which is, in turn, wholly owned by HSBC Trustee. HSBC Trustee is the trustee of a discretionary trust called The TUYF Family Trust. Mr. Yip Sam Lo, a non-executive Director, is also a director of Araucarea.
- 4a. As at 31 December 2005, these Shares were held by Araucarea, details of Araucarea's interest is set out in note 3 above. Ms. Tai Fung, as founder of the TUYF Family Trust was deemed to be interested in the Shares held by Araucarea.
- 4b. As at 31 December 2005, Ms. Tai Fung, was the spouse of Mr. Yip Sam Lo, was deemed to be interested in the options to subscribe for 1,986,367 Shares held by Mr. Yip Sam Lo through interests of her spouse. Details of Mr. Yip Sam Lo's interest in Shares have also been disclosed in the sub-section headed "Interest in Shares" and "Interests in underlying shares" under the section headed "Disclosure of Interests Under Part XV Of The SFO" above.
5. As at 31 December 2005, Mr. Kwong Chak Chung was deemed to be interested in 10,116,848 Shares held by Kenn & K (BVI) Limited, a corporation wholly owned by Mr. Kwong.
6. As at 31 December 2005, Ms. Lau King Sau, Kenzie was deemed to be interested in the 10,116,848 Shares through interests of her spouse Mr. Kwong Chak Chung.
7. The above interest of Kingston View has also been disclosed as interest of a controlled corporation of Mr. Liu Lin in the sub-section headed "Interest in Shares" under the section headed "Disclosure of Interests Under Part XV Of The SFO" above. Mr. Liu Lin, an executive Director, is also director of Kingston View.
8. As at 31 December 2005, Ms. Ma Li was deemed to be interested in the 9,609,489 Shares or underlying Shares through interests of her spouse, Mr. Liu Lin, whose interests has also been disclosed in the sub-section headed "Interest in Shares" under the section headed "Disclosure of Interests Under Part XV Of The SFO" above.

b. 於相關股份之權益(就根據股本衍生工具持有之倉盤而言)

(i) 本公司(實物交付股本衍生工具)

主要股東姓名
Name of
substantial
Shareholder

身份
Capacity

戴鳳女士
Ms. Tai Fung

配偶權益
Interest of spouse

附註：

1. 戴鳳女士被視為透過其配偶葉三閻先生之權益而於本公司的1,986,367份購股權中擁有權益。

上述按創業板上市規則規定須披露之購股權詳情已於上文「根據證券及期貨條例第XV部披露權益－董事及行政總裁」一段披露。

2. 於本公司股份及(就根據股本衍生工具持有之倉盤而言)相關股份中之淡倉總數

並無向本公司呈報該權益。

除上文所披露者外，於二零零五年十二月三十一日，除上段「根據證券及期貨條例第XV部披露權益－董事及行政總裁」所載董事之權益外，並無任何人士已登記須根據證券及期貨條例第336條予以記錄的於本公司股份或相關股份中之權益或淡倉。

b. Interests in underlying shares (in respect of positions held pursuant to equity derivatives)

(i) the Company (physically settled equity derivatives)

擁有權益之
相關普通股數目
Number of
underlying
ordinary shares
interested

附註
Note

佔已發行股本
百分比
Percentage
of issued
share capital

1,986,367

1

1.24%

Note:

1. Ms. Tai Fung was deemed to be interested in 1,986,367 share options of the Company through interests of her spouse, Mr. Yip Sam Lo.

Details of the above share options as required to be disclosed by the GEM Listing Rules have been disclosed in the above paragraph under "Disclosure of interests under Part XV of the Securities and Futures Ordinance – Directors and Chief Executives".

2. Aggregate short position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares of the Company

No such interest was reported to the Company.

Saved as disclosed above, as at 31 December 2005, no person, other than the Directors whose interests are set out in the above paragraph under "Disclosure of interests under Part XV of the Securities and Futures Ordinance – Directors and Chief Executives", had registered an interest or a short position in the shares or underlying share of the Company that was required to be recorded under Section 336 of the SFO.

購股權計劃

(1) 首次公開招股前購股權計劃

為認可本公司若干董事對本集團成長及／或本公司股份在聯交所創業板上市之所作出之貢獻，股東採納首次公開招股前購股權計劃。根據首次公開招股前購股權計劃之條款，可認購股份之購股權已無償授予董事（因本公司於二零零四年一月九日進行之供股及股份合併而已調整），其中仍未行使之購股權如下：

參與者之姓名或類別 Name or category of participant	購股權數目 Number of share options		於二零零五年 十二月三十一日 At 31 December 2005	購股權之行使期 Exercisable period of share options	購股權之授出日期 [#] Date of grant of share options [#]	購股權之行使價 Exercise price of share options 港元 HK\$
	於二零零五年 七月一日 At 1 July 2005	於本期間內失效 Lapsed during the period				
董事 Directors						
葉三閻先生 Mr. Yip Sam Lo	1,986,367	—	1,986,367	二零零一年 二月二日至 二零一零年 七月二十三日 2 February 2001 to 23 July 2010	二零零零年 七月二十六日 26 July 2000	5.57

* 購股權之歸屬期為自授出日期起直至行使期開始。

(2) 購股權計劃

於二零零五年十二月三十一日，本公司並無根據購股權計劃尚未行使之購股權。截至二零零五年十二月三十一日止六個月，本公司並無根據購股權計劃授出購股權。

SHARE OPTION SCHEMES

(1) Pre-IPO Share Option Plan

In recognizing the contribution of certain directors of the Company to the growth of the Group and/or the listing of the shares of the Company on the GEM of the Stock Exchange, the shareholders adopted a Pre-IPO Share Option Plan. Pursuant to the terms of the Pre-IPO Share Option Plan, options for subscribing the Shares had been granted to the Directors without consideration (as adjusted as a result of a right issue of 496,800,000 shares of the Company on 9 January 2004 and the Share Consolidation), which were still outstanding, as follows:

(2) Share Option Scheme

As at 31 December 2005, there were no options outstanding under the Share Option Scheme. No options was granted under the Share Option Scheme for the six months ended 31 December 2005.

董事收購股份之權利

除上文「根據證券及期貨條例第XV部披露權益—A.董事及行政總裁」一段所披露者外，於本期間任何時間概無授予任何董事或彼等各自之配偶或未成年滿十八歲之子女透過收購本公司股份或債券以獲得利益之權利，或有該等權利由彼等行使；而本公司或其控股公司、附屬公司或同系附屬公司亦概無訂立任何安排，以致本公司董事可從任何其他公司實體獲得該等權利。

競爭及權益衝突

本公司董事、管理層股東，或任何彼等各自之聯繫人概無參與任何與本集團業務競爭或可能競爭，或與本集團利益有任何其他衝突之業務。

董事進行之證券交易

本集團已遵照創業板上市規則第5.48條至第5.67條之規定採納規管董事進行證券交易之嚴格常規。可能擁有本集團尚未發表之股價敏感資料之相關僱員亦須遵照不遜於該等規則所載者之指引。截至二零零五年十二月三十一日止六個月，並未出現任何未獲遵守之情況。

購買、出售或贖回本公司上市證券

於截至二零零五年十二月三十一日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

企業管治常規守則

於截至二零零五年十二月三十一日止整個六個月內，本公司一直遵守創業板上市規則附錄十五所載之企業管治常規守則（「企業管治守則」）之守則條文，惟下列偏離事項除外：

- (i) 非執行董事應獲委任一個指定任期（可予重選）。
- (ii) 本公司仍未於本公司網站上披露薪酬委員會及審核委員會之職權範圍。

守則條文第A.4.1條

獨立非執行董事並未獲委任一個指定任期。然而，所有獲委任以填補臨時空缺之董事均須經股東於彼等獲委任後之首次股東大會上選舉，方可作實，而每名董事亦須至少每三年輪值告退一次。

守則條文第B.1.4條及第C.3.4條

本公司正採取適當行動，以更新本公司網站，而審核委員會及薪酬委員會之書面職權範圍將於本公司網站上披露。該等職權範圍亦由本公司按要求提供。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from as disclosed in the above paragraph under "Disclosure in interest under Part XV of the Securities and Futures Ordinance – A. Directors and Chief Executives", at no time during the period were the rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective spouse or children under 18 year of age, or were any rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire such rights in any other body corporate.

COMPETITION AND CONFLICT OF INTEREST

None of the Directors, the management shareholders of the Company, or any of their respective associates, have engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted stringent procedures governing director's securities transaction in compliance with Rules 5.48 to 5.67 of the GEM Listing Rules. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with guidelines with no less exacting terms than those set out in the Rules. No incidence of non-compliance was noted for the six months ended 31 December 2005.

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

During the six months ended 31 December 2005, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Code of Corporate Governance Practices (the "CG Code") set out in Appendix 15 of the GEM Listing Rules throughout the six months ended 31 December 2005, except for the following deviations:

- (i) The non-executive Directors should be appointed for a specific terms, subject to re-election.
- (ii) The Company has not yet disclosed the terms of reference of the remuneration committee and audit committee on the website of the Company.

Code Provision A.4.1

The independent non-executive Directors are not appointed for a specific term. However, all Directors appointed to fill a casual vacancy are subject to election by shareholders at the first general meeting after their appointment and every Director is subject to retirement by rotation at least once every three years.

Code Provision B.1.4 and C.3.4

Appropriate actions are being taken to update the website for the Company, whereat the written terms of reference of the audit committee and remuneration committee will be disclosed. These terms of reference are also available from the Company on request.

審核委員會

本公司成立審核委員會（「委員會」），其書面職權範圍乃遵照創業板上市規則釐定。委員會之首要職務為審核及監督本集團之財務呈報過程及內部監控系統。委員會由三名獨立非執行董事魯煒先生、陳燕雲女士及時述蘇女士組成。本集團截至二零零五年十二月三十一日止六個月之中期報告所載之資料並未經審核，但經由委員會審閱，而其認為該報告已遵守適用之會計準則及聯交所規定和法律規定，且已作出足夠披露。

董事

於本報告刊發日期，執行董事為黃少康先生、柳林先生及周兆光先生，非執行董事為葉三閻先生，而獨立非執行董事為魯煒先生及陳燕雲女士及時述蘇女士。

承董事會命

主席

黃少康

香港，二零零六年二月十三日

AUDIT COMMITTEE

The Company set up an audit committee (the “Committee”) with written terms of reference in compliance with the requirements of the GEM Listing Rules. The primary duties of the Committee are to review and provide supervision over the financial reporting process and internal control of the Group. The Committee comprises three independent non-executive directors, Mr. Lu Wei, Ms. Chen Yen Yung and Ms. Shi Shu Su. The information contained in the Group’s interim report for the six months ended 31 December 2005 has not been audited but has been reviewed by the Committee, who was of opinion that such report compiled with the applicable accounting standards, and the Stock Exchange and legal requirements and that adequate disclosures had been made.

DIRECTORS

As at the date of this report, the executive Directors are Mr. Huang Shaokang, Mr. Liu Lin and Mr. Chow Siu Kwong, Daniel, and the non-executive director is Mr. Yip Sam Lo and the independent non-executive Directors are Mr. Lu Wei, Ms. Chen Yen Yung and Ms. Shi Shu Su.

By the order of the Board

HUANG Shaokang

Chairman

Hong Kong, 13 February 2006