

**Thiz**  
**Technology Group Limited**

**即時科研集團有限公司**

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

(於開曼群島註冊成立之有限公司)

(Stock Code: 8119)

(股份代號：8119)

**Annual Report 2005/06 年報**



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## Corporate Information

## 企業資料

### EXECUTIVE DIRECTORS

Mr. Lin Chien Hsin (Chairman)  
Mr. Wong Hoi Wong (Chief Executive Officer)  
Mr. Yuan Luke Tsu

### NON-EXECUTIVE DIRECTORS

Ms. Hsieh Yi Chen  
Ms. Wu Chiao Ru

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Li Zhe  
Mr. Chu Meng Chi  
Mr. Chu Wei Jen

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 1004, 10/F, Tower B, Hunghom Commercial Centre  
37 Ma Tau Wai Road  
To Kwa Wan  
Kowloon  
Hong Kong

### REGISTERED OFFICE

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

### 執行董事

林建新先生(主席)  
王凱煌先生(行政總裁)  
袁祖平先生

### 非執行董事

謝宜蓁女士  
巫巧如女士

### 獨立非執行董事

黎哲女士  
朱孟祺先生  
朱威任先生

### 總辦事處及主要營業地點

香港  
九龍  
土瓜灣  
馬頭圍道37號  
紅磡商業中心B座10樓1004室

### 註冊辦事處

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

## Corporate Information

## 企業資料

### PRINCIPAL SHARE REGISTRAR

Bank of Butterfield International (Cayman) Limited  
Butterfield House  
68 Fort Street P. O. Box 705  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### HONG KONG BRANCH SHARE REGISTRAR

Tengis Limited  
26/F, Tesbury Centre  
28 Queen's Road East  
Hong Kong

### PRINCIPAL BANKER

The Hong Kong and Shanghai Banking Corporation Limited  
Tsim Sha Tsui Branch  
82-84 Nathan Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

### AUDITORS

Horwath Hong Kong CPA Limited  
2001 Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

### COMPLIANCE OFFICER

Mr. Lin Chien Hsin

### 主要股份過戶登記處

Bank of Butterfield International (Cayman) Limited  
Butterfield House  
68 Fort Street P. O. Box 705  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### 股份過戶登記處香港分處

登捷時有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

### 主要往來銀行

香港上海滙豐銀行有限公司  
尖沙咀分行  
香港  
九龍  
尖沙咀  
彌敦道82-84號

### 核數師

浩華會計師事務所  
香港  
灣仔  
港灣道18號  
中環廣場2001室

### 監控主任

林建新先生

## Corporate Information

## 企業資料

## AUDIT COMMITTEE

Ms. Li Zhe  
Mr. Chu Meng Chi  
Mr. Chu Wei Jen

## 審核委員會

黎哲女士  
朱孟祺先生  
朱威任先生

## COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Mr. Ho Yee Kee

## 公司秘書及合資格會計師

何宜璣先生

## AUTHORIZED REPRESENTATIVES

Mr. Wong Hoi Wong  
Mr. Ho Yee Kee

## 法定代表

王凱煌先生  
何宜璣先生

## COMPANY WEBSITE

www.thizgroup.com

## 公司網站

www.thizgroup.com

## GENERAL INFORMATION

Listing : Growth Enterprise Market of The Stock  
Exchange of Hong Kong Limited  
Listing Date : 27th July 2001  
Nominal Value : HK\$0.1 per share

## 一般資料

上市地點 : 香港聯合交易所有限公司  
創業板  
上市日期 : 二零零一年七月  
二十七日  
面值 : 每股0.1 港元

## STOCK CODE

Hong Kong Stock Exchange : 8119  
Reuters : 8119.HK  
Bloomberg : 8119 HK

## 股份代號

香港聯交所 : 8119  
路透社 : 8119.HK  
彭博通訊社 : 8119 HK

## Corporate Profile

## 企業簡介

Based in Hong Kong, Thiz Technology Group Limited ("Thiz", the "Company" or the "Group") is the first and a leading developer of Linux solutions for PC and provider of internet application technology users. Thiz was also the first Linux software solution provider listed in the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong in July 2001 (Stock Code: 8119). Thiz is a provider of various computing solutions and related services targeting individuals, small to medium size enterprises and educational institutions. The products and services provided by the Group include ThizLinux (desktop operating system and server), applications and other related services, such as software installation, training and education. Thiz launches high quality products that are flexible to customise for SMEs, government and educational institutions.

Thiz is devoted to developing Linux systems, internet application technology and related applications, and promote the Group's brandname to the global market. ThizLinux is the Group's R&D backbone on Linux operating systems and applications. The Group has introduced a wide range of products including ThizLinux desktop systems, office suites, server applications, Internet trading systems, diskless solution, intranet collaborative software, anti-virus software and firewall.

To promote Linux general education, Thiz provides various solutions on Linux education for primary and secondary schools, tertiary institutions and training centres. The solutions include course management, training materials, teaching plans, training certifications, examination system and other related services. Currently, the Group is actively promoting learning and usage of ThizLinux products in China and Hong Kong.

即時科研集團有限公司(「即時科研」、「本公司」或「本集團」)以香港為基地，是首家為個人電腦用戶開發Linux 解決方案及互聯網應用技術的供應商，並穩居業內領導位置。即時科研亦是首間於香港聯合交易所創業板(「創業板」)上市的Linux軟件及解決方案供應商，於二零零一年七月上市(股票編號：8119)。即時科研專門為個人用戶、中小型企業及教育機構供應各種電腦解決方案及相關服務。本集團所提供的產品及服務包括ThizLinux(包括桌面操作系統及伺服器)、應用程式及其他相關服務，例如軟件安裝、培訓及教學。即時科研所提供的優質產品具備靈活彈性，可為各中小企、政府及教育機構所需而度身訂造。

即時科研一直致力開發Linux 系統、互聯網應用技術及相關應用軟件，及將集團品牌推廣至國際市場。ThizLinux是集團技術研發隊伍在Linux 操作系統及應用軟件研發方面的核心。本集團已先後推出ThizLinux 桌面系統、全能辦公室軟件、多功能伺服器、互聯網貿易系統、無盤式工作站、內聯網群組軟件、防毒軟件以及防火牆等產品。

為實現Linux 普及教育的理想，即時科研為中小學、大專院校和各類培訓中心提供多元化之Linux 教育方案，包括課程管理、教材、教案、培訓認證、考試系統及其他相關服務。目前，本集團正積極於中國及香港推廣學習和使用集團研發之ThizLinux 產品。

## 企業簡介

地區發展方面，本集團於香港、台灣及中國均設有辦事處。本集團透過軟件綑綁、OEM 合作夥伴、教育及ThizLinux 企業方案，為大中華區內政府、私營企業、教育機構以及個人用戶提供全面支援及服務。

## Corporate Milestone

## 企業里程碑

## 2006

## March 2006

Designated by SSIA (Shenzhen Software Industry Association) as "LINUX Software Engineer Training Base"

## January 2006

Accredited by Beijing Youth Daily Newspaper Agency and Beijing Media Corporation Limited as the "2005 Public Satisfied Vocational Education Institute in Beijing"

Chief Executive Officer of Thiz Technology Group Mr. Wong Hoi Wong, was accredited as the "Global 100 Best Brand Figures of Chinese Tradesmen" in the first committee meeting of the Chinese Tradesmen Leaders Annual Meeting

## 二零零六年

## 二零零六年三月

獲SSIA深圳軟件行業協會授予為指定「LINUX軟件工程師培訓基地」

## 二零零六年一月

榮獲北京青年報社、北青傳媒股份有限公司頒發「2005北京公眾滿意的IT職業教育機構」稱號

即時科研集團行政總裁王凱煌先生榮獲首屆華商領袖年會組委會頒發「全球100位華商品牌人物」榮譽稱號

## 企業里程碑

二零零五年

二零零五年十二月 榮獲《新京報》聯合全國  
十大主流媒體頒發的首  
屆媒體信賴的教育品牌  
評鑑IT培訓機構類「品牌  
教育最具創新獎」榮譽

榮獲2005年度《開放系統世界》編輯選擇獎之  
「最佳Linux培訓項目獎」

榮獲《深圳特區報》社頒  
發「2005深圳品牌培訓  
機構評比最具特色獎」

二零零五年十一月 即時利尼克斯軟件(昆山)有限公司正式成立

二零零五年十月 參與2005年中國、青島嵌入式系統產業發展國際論壇暨中國嵌入式系統年會

二零零五年八月 榮獲廣東軟件行業協會  
頒發「2005年度最具潛  
力企業獎」

上海即時利尼克斯軟件  
有限公司正式成立

## Corporate Milestone

## 企業里程碑

## June 2005

Signing "Sponsoring Agreement for 2005 Linux and High Quality-cost Ratio Application Promotion and Development Forum in Six Prefectures (Cities) in Guangdong" with Guangdong Software Industry Association

Chief Executive Officer of Thiz Technology Group Mr. Wong Hoi Wong, was accredited by CCID with the "2005 Open-Source Leading Figures Award"

## May 2005

"Thiz Easy Shop" was accredited by CCID with the "Open-Source Customers Satisfaction Award" in 2005 China Linux and Open-Source Application Achievements Investigation

## 二零零五年六月

與廣東軟件行業協會簽訂《2005年廣東六地市Linux及高性價應用推進發展論壇贊助協議》

即時科研集團行政總裁王凱煌先生榮獲中國電子信息產業發展研究院頒授「2005年度開源領軍人物獎」

## 二零零五年五月

即時「網絡開店機」榮獲中國電子信息產業發展研究院頒發2005中國Linux及開源應用成果調查「開源用戶滿意獎」

## Business Development Strategies and Plans 業務發展策略及計劃

Since its establishment in 2001, Thiz Technology Group has specified “七重天計劃” as its fundamental strategy and future developing direction. The Group has been heading forward upholding this objective and focusing on R&D of the Linux operating system and network application software. Following the establishment of three software R&D bases in Beijing, Dalian and Shenzhen, the Group has established two new research institutes in Shanghai and Kunshan in 2005. The Group started to plan for introducing project development of application software and R&D of new products, such as finance management software, training management software, desktop application software, network application software, server operating systems and enterprise application solutions. In addition, the Group has also developed “diskless work station” and large-sized super hub systems, all these are fruit from accumulation of our Group’s own developing technologies. As the Linux system becomes more and more widely adopted in market, the Group is well prepared to introduce a series of application softwares used on the Linux platform immediately. It is believed that the Group will become a top open-source software developer in China in the foreseeable future.

On the other hand, the PRC government has always been providing great support to the R&D of Linux operating system and locally developed softwares. The Ministry of Information Industry of China, NCAC, the Ministry of Commerce and the Ministry of Finance have recently jointly issued the notice on “the Relating Matters of Preloading Computers with Official Edition of Operating System Softwares” and the notice on “Office Computer Equipment” Government Departments must be preloaded with Official Edition of Operating System Softwares. All computer equipments made by Chinese PCs manufacturers must be preloaded with official edition operating system software before leaving the factories. This notice founded a development platform for Thiz Technology Group’s products of Linux desktop operating system and desktop office softwares. The Group

即時科研集團自2001年成立開始，已把「七重天計劃」定義為集團的基本方針及集團未來發展方向。集團至今仍然秉持着這個概念一往直前，研發Linux操作系統及網絡應用軟件。繼北京、大連、深圳三個軟件研發基地之後，2005年新成立了上海及昆山研究院，並且開始規劃引進應用軟件的項目開發，不斷的開拓研發新產品，如金融管理軟件、培訓管理軟件、桌面應用軟件、網絡應用軟件、伺服器操作系統及企業應用解決方案。除此之外，還有無盤工作站及大型集群組合的超級系統，這都是集團擁有的研發技術積累的成果，一旦市場對Linux的認受程度提高，集團立刻可以推出一系列在Linux平台上使用的應用軟件，相信在不久的將來，集團將會成為中國首屈一指的開源軟件公司。

另一方面，中國政府一直對Linux操作系統及民族軟件的大力支持，最近，中國信產部、國家版權局、商務部、財政部等分別聯合下發了《關於計算機預裝正版操作系統軟件有關問題的通知》、《關於政府部門購置計算機辦公設備必須採購已預裝正版操作系統軟件產品的通知》，所有電腦廠商在中國製造的電腦生產出廠時，必須預裝正版操作系統軟件。這通知條文推使即時科研集團在Linux桌面操作系統及桌面辦公軟件的产品得到揮灑自如的舞台，集團將會藉此千載難逢的商機與大中華區各大電腦廠商合作，一起推出「雙系

## Business Development Strategies and Plans 業務發展策略及計劃

will take this golden opportunity to cooperate with PCs manufacturers in the Greater China region to promote the marketing strategy of “double systems, double enjoyment” and to achieve its goal that the Linux operating system with the advantages of high safety, cheap and high quality to become “widely used, widely accepted” in the market.

The strength of network applications development lies in the concept of designated software for computers and ultimately to become the software manufacturers for PCs factories. Softwares should be developed at the direction of providing applicable, practical, useful and user-friendly desktop operating system to users with the use of hardwares, achieving the new concept of “people-oriented” and play down the role of operating systems on desktops. Operating system will become a wardrobe on the desktop. Users can put most of the application softwares that are not needed immediately into the wardrobe and can open them conveniently when needed. The advantage of this concept is that it will not occupy space on the desktop.

For the Group’s training business, we will continue to focus on training centres, so as to ensure the popularity of Linux system and the supply of Linux software professionals will not be disrupted, and provide the Group with sufficient software experts. In addition, this can achieve the training objectives of “training for profit” and “training for popularity”, so that training of software professionals will provide the Group with software experts and profits at the same time.

統、享受加倍」的行銷策略，讓Linux操作系統能真正的實現「用起來，普及起來」及兼備安全、價廉物美的優勢持續發揮。

網絡應用的強項是往電腦專用機的概念發展，並最終成為電腦工廠的軟件生產工廠。在軟件與硬件的搭配下成為以應用、實用、好用、易用，這四方向的桌面操作系統，實現「以人為本」的新概念，從而淡化操作系統的存在用途。操作系統日後將視為抽屜，用戶可讓大量而非馬上用的應用軟件放在抽屜中，方便隨時可以打開使用，好處是不佔據桌面空間。

至於集團在培訓業務方面，仍會全力發展培訓中心，以確保Linux和軟件人才的普及不被間斷，並且可以為集團內部提供大量的精英軟件專才。除此之外，亦可以實現「因利潤而培訓」和「因普及而培訓」的培訓概念，因此精英培訓能夠同時為集團帶來人才精英及利潤。

## 業務發展策略及計劃



本集團榮獲二零零五／零六年度「商界展關懷」獎項



本集團參與「Intel Solutions Summit 2005」

## Business Development Strategies and Plans 業務發展策略及計劃



The Group participated in the "International Cultural Industry Fair" together with Shenzhen Book City  
本集團與深圳書城攜手參加「文博會」

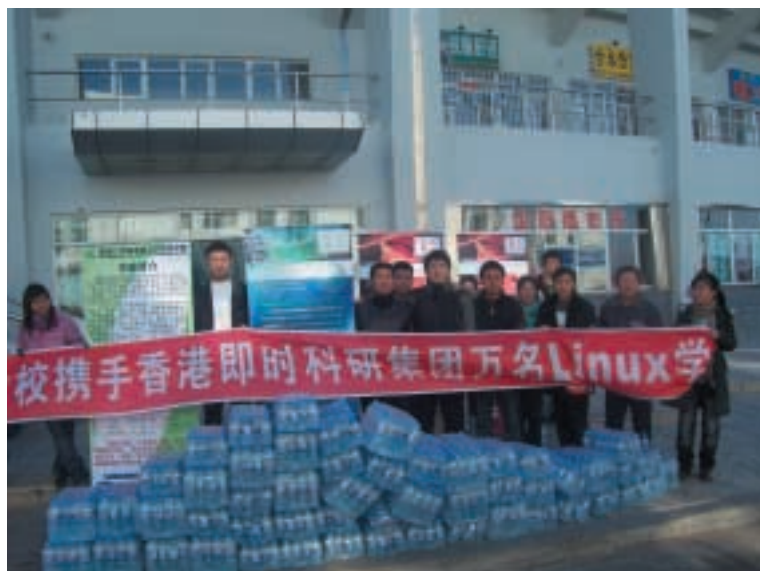


The Group held a product launch conference in Beijing  
本集團在北京舉行產品發佈會



The Group held the "Bai Cheng Qian Xiao Wan Xue Hong Kong Thiz Technology Group Linux Technology Seminar (百城千校萬學香港即時科研集團Linux大型技術講座)" in Harbin  
本集團在哈爾濱舉辦「百城千校萬學香港即時科研集團Linux大型技術講座」

## 業務發展策略及計劃



The Group provided support to Harbin City during the water pollution event in 2005.  
二零零五年哈爾濱水質受污染時，本集團進行送水救災大行動



Employees and trainees took photos during the official establishment of the “Kunshan Research Institute” (昆山研究院) in November 2005.  
 二零零五年十一月「昆山研究院」正式成立，員工及實習學員大合照

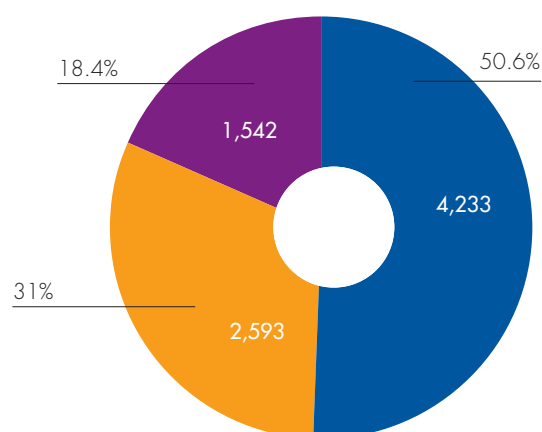
## Financial Highlights

## 財務摘要

## Turnover Analysis

2006 (HK\$'000)

二零零六年 (千港元)



● Sales of computer products  
銷售電腦產品

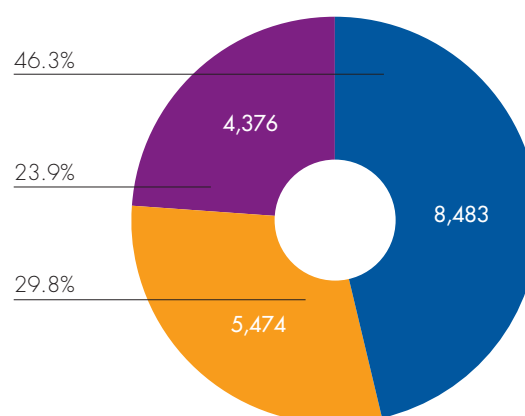
● Distribution of Group's Linux based software and hardware products  
分銷本集團Linux軟件和硬件產品

● Training income  
培訓收入

## 營業額分析

2005 (HK\$'000)

二零零五年 (千港元)



		2006 二零零六年	2005 二零零五年 (Restated) (經重列)
		HK\$'000 千港元	HK\$'000 千港元
<b>Financial Position</b>	<b>財務狀況</b>		
– Total assets	– 資產總值	<b>68,685</b>	59,864
– Net current assets	– 流動資產淨值	<b>13,745</b>	13,454
<b>Financial Ratios</b>	<b>財務比率</b>		
– Current ratio	– 流動比率	<b>1.5</b>	1.4
– Gross profit margin	– 毛利率	<b>37%</b>	42%

## Chairman's Statement

## 主席報告

## OVERVIEW

After the Group has terminated its “1+1+1 Project” training programme in August 2005, it introduced “Thizlinux IT Professionals Training Programme”. We have designed a new set of training materials and a new curriculum for training of Linux network engineers. The new curriculum included desktop system, office system, network, safety, router and enterprise application softwares. For the training of Linux software engineers, we have added LAMP, JSP, inter-platform application development, games embedded in mobile phones and project management (PMP and CMM) to the old curriculum. As new training programs, we also provided Linux system engineers training program and fieldwork development projects. As of March 2006, many training centers in Changchun, Dailian, Shenyang, Harbin, Qingdao, Beijing, Xian, Shanghai, Guangzhou and Shenzhen have been opened to train up “Thizlinux IT Professionals” for the society. As our training programs are targeted at training of manager level IT professionals, these programs have gained wide attention in the society. The Group has been awarded many recognitions from different media and highly appraised by them.

Our research institutes were committed to develop software during the year, such developments included Linux desktop and office software, finance management software, multi-media player, server and application softwares. Since the Linux application software has its own insufficiencies, the Group has to involve many trainees to participate in the development of the software, and in fact the Group can only make it a "three-win" situation for Thiz Technology Group, enterprises and trainees by inputting such resources.

回顧

集團在2005年8月結束了「1+1+1工程」培訓課程後，正式推出了「即時科研IT精英培訓項目」計劃。一套全新的教材，我們重新定義了培養Linux網絡工程師的課程體系。新課程包括桌面系統、辦公系統、網絡、安全、路由及企業應用軟件；Linux軟件工程師方面，也從過去的課程中增加了LAMP、JSP、跨平台的應用開發、嵌入式手機遊戲開發及項目管理(PMP & CMM)。另外，再加上Linux系統開發工程師項目及實訓的項目開發。直到2006年3月底為止，已經先後有長春、大連、瀋陽、哈爾濱、青島、北京、西安、上海、廣州、深圳等多個培訓中心，展開面向社會培育「即時科研IT精英」人材培訓。由於目標定位是IT職業層面上的經理人才培訓，所以獲得社會上廣泛的重視，集團並於2005年得到許多媒體的認可，及頒予多項獎項及高度評級。

研究院部分也努力不懈地進行軟件開發，諸如Linux桌面及辦公軟件、金融管理軟件、多媒體播放器、服務器及應用軟件等等。由於Linux在應用軟件上本身存在不足的因素，導致集團必須投入大量的學員參與軟件開發，事實上，只有這樣的資源投入，集團才能從而達到即時科研集團、企業、及學生三贏的局面。

## Chairman's Statement

## 主席報告

### PROSPECT

Since the joint announcement by the Ministry of Information Industry, NCAC and the Ministry of Commerce (the Three Ministries) in March 2006 that computers must be preloaded with official edition of operating system softwares, not only the level of awareness of intellectual property rights in the PRC has been enhanced but also brought about a huge opportunity for the development of Linux operating system in the PRC. This means that all PCs will be preloaded with either Microsoft operating system or Linux operating system before leaving the factories. Thiz Technology Group has been carrying out research and development activities and improving Thiz Linux desktop operating system for the past seven years, with an aim to enter into the PCs market in the PRC and capture for a market share in the market, founding PCs manufacturers to choose Linux operating system as their designated preload software in the future. It is believed that this will be a huge business opportunity for Thiz Technology. Among the PCs manufacturers, for example Lenovo, Tsinghua Tongfang, Beijing Founder, Tsinghua Unisplendour, Haier, Hisense, TCL, Hasee, Hedy and Golden Greatwall, etc., the Group aims to capture over 50% of market share. The research teams of the research institutes will also be committed to take this business opportunity to develop into a software factory adopted by the PCs manufacturers and apply their professional technologies in different software applications such as network application, multi-media application, desktop office application, family digital entertainment center. As such, PCs will be developed to be designated to specific operating system and make best of the advantages of the Linux operating system, while Thiz Technology Group will become a real Linux software company and a model enterprise in the PRC.

### Lin Chien Hsin

*Chairman*

Hong Kong, 28 June 2006

### 展望

隨着2006年3月底由信息產業部、國家版權局、商務部(三部委)聯合發佈計算機必須預裝正版操作系統軟件的具體要求和通知後，中國社會對知識產權價值觀上的認識不但可以提高，而且使得Linux操作系統在中國得到一個非常大的契機。這意味着所有電腦生產出廠時，若不是預裝了微軟的操作系統，就是預裝了Linux的操作系統。即時科研集團在過去七年來一直不斷進行研發業務及改進即時利尼克斯操作系統，目的是打入中國的電腦市場及佔據其龐大市場分享其中一部分，奠定日後電腦生產商必然預裝Linux操作系統。相信即時科研將在這裏會得到很大的商機。中國各大電腦廠商，如聯想、清華同方、北大方正、清華紫光、海爾、海信、TCL、神舟、七喜、金長城等企業中，集團勢必要完成超過一半以上的市場佔有率。研究院的研發團隊，也會全力以赴，抓住這個商機，真正成為電腦廠商採用的軟件生產工廠，並且把專業技術發揮在網絡應用、多媒體應用及桌面辦公應用、家庭數字娛樂中心等各種軟件應用上，使電腦漸漸導入專用電腦而完全發揮出Linux操作系統的特有長項，使得即時科研集團真正成為Linux軟件公司及在中國成為標竿企業。

### 林建新

*主席*

香港，二零零六年六月二十八日

## Management Discussion and Analysis

## 管理層討論與分析

In 2005, as Linux operating system was still not that widely accepted and the image of a free operating system was still deeply rooted in the mind of people, it was not easy to create business opportunity and profit. On the other hand, large amount of marketing resources was need for e-commerce to attain a successful operating environment, thus such opportunities were still waiting for by the market. Effectiveness of development of the VOIP business was restricted by external operating environment factors like rules and regulations and broadband required by VOIP, this business was yet to achieve its best results. However, the Group has accumulated lots of technologies, and we will keep going to put our efforts to realize the inherent potential effectively.

Although the Group has a leading position among other Linux manufacturers in the area of multi-media technology developed on Linux operating platform, since the concept of application of hardware for 3C was just at a early stage of development, the price advantage of Linux over Windows was not fully recognized. It was believed that starting from 2007 as high resolution LCD TV becomes more and more popular, PCs will be developed into a family digital entertainment center. This will help to eliminate the concept of “use whose” operating system. In contrast, the concept of cheap, efficient, people-oriented designated operating system that provides the advantages of “applicable, practical, easy and convenient to use” will become dominate. For the development of training business, with expansion of our training centers, it is expected to bring high revenue and profit to the Group. For the development of PC bundling business, sales of products are expected to bring the advantages of products popularity and high profit to the Group. For the development of large scale software projects, it not only helps to enhance technology strength but also brings about substantial income for the Group.

在2005年，由於Linux操作系統雖未被有效地普及認同，以及Linux操作系統免費使用的概念已深入人心，故並不容易產生商業機制和利潤。電子商務如果要成功的運營必需投入大量的市場費用，故仍然期待有關商機。VOIP事業，基於法制與寬頻的外在環境因素問題影響而未能完全有效地發揮成效，因此在業績上也未能充份體現最佳成績。然而，本集團積累了大量的技術實力，我們依然會努力而有效地發揮全面的內在潛力。

集團在多媒體的技術雖然已在Linux平台上領先其他Linux廠商，但基於硬件在3C的概念剛剛啟動的情況下，Linux廉價並優於Windows的特長無法充份突出。相信隨着2007年開始，LCD TV的高清電視普及使用，電腦走入家庭將成為家庭數字娛樂中心的專用機。這情況擺脫操作系統「用誰」的概念。相反，突顯廉價、高效、以人為本的「應用、實用、好用、易用」的專用機新概念。培訓業務發展方面，透過不斷拓張培訓中心的數量，肯定為集團帶來豐厚的收入和利潤。電腦綑綁發展業務方面，產品的銷售將可以為集團帶來數量普及和利潤的好處。大型應用軟件項目開發方面，不但可以發揮技術力量，而且，亦可為集團帶來可觀收入。

## Management Discussion and Analysis

## 管理層討論與分析

The Group has assessed the results of its subsidiaries and used this as a base for its policy of revenue expansion and cost saving. The Group has adopted an elitist system for human resources, and strengthened its development on business and human deployment through the continuous alignment of personnel structure and focus on the development of high-profit business. In addition, by introducing a management team with extensive experience and expanding the source of distributors and training centers under its principle of commercialization of technology products and diversification of training products, the Group aims to create revenue and profit.

針對各子公司進行考核並評出績效來作開源節流的依據，集團在人事制度上採用精英制度透過不斷調整人事結構及發展高利潤業務，加強鞏固集團在業務上的發展及人員編製。此外，透過不斷引進豐富經驗的管理團隊，從技術產品商品化模式及培訓產品多元化原則着手，拓展經銷商及培訓中心渠道，達致創造營收及利潤為目的的信念。

## Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW

#### Financial highlights

The Group's consolidated turnover amounted to HK\$8,368,000 (2005: HK\$18,333,000). During the period under review, loss from operation for the period was HK\$29,002,000, compared to HK\$16,327,000 in the corresponding period of last year. Further, loss attributable to shareholders for the period was HK\$31,700,000 while the corresponding period of last year was HK\$23,152,000 (Restated).

In line with the significant decrease in turnover, gross profit for the Group decreased from HK\$7,703,000 in 2005 to HK\$3,147,000 in 2006, while the gross profit margin dropped from 42% to 37%. The major reason for the decreases in gross profitability was due to decrease in the distribution of the Group's Linux based software products that had much higher profit margins and the amounts of trading in computer products and training income have decreased during the year.

During the year, provision for doubtful debts of HK\$7,605,000 (2005: HK\$1,757,000) had been made for outstanding debtors balance. Details are set out in note 18 to the financial statements. The Group had actively taken procedures to demand settlements.

Total operating costs were approximately HK\$24,921,000 (2005: HK\$22,707,000). Compare to last year, the operating costs have increased by 10%.

Loss attributable to shareholders and loss per share for the year were HK\$31,700,000 (2005: HK\$23,152,000 (Restated)) and HK10.4 cents (2005: HK9.9 cents (Restated)) respectively.

### 財務回顧

#### 財務摘要

本集團之綜合營業額8,368,000港元(二零零五年：18,333,000港元)。於回顧期間，期內之經營虧損為29,002,000港元，去年同期則為16,327,000港元。此外，期內之股東應佔虧損為31,700,000港元，去年同期則為23,152,000港元(經重列)。

由於營業額大幅下降，本集團之毛利由二零零五年之7,703,000港元下降至二零零六年之3,147,000港元，而毛利率則由42%下降至37%。毛利能力下降主要由於分銷邊際利潤較高之本集團Linux 軟件產品之數量減少所致，以及電腦產品貿易及培訓收入金額於年內減少。

年內，本集團就未償還應收賬款餘額作出為數7,605,000港元(二零零五年：1,757,000港元)之呆賬撥備，詳情見財務報表附註18。本集團已積極追討還款。

總經營開支約為24,921,000港元(二零零五年：22,707,000港元)。與去年相比，經營成本上升10%。

年內，股東應佔虧損及每股虧損分別為31,700,000港元(二零零五年：23,152,000港元(經重列))及10.4港仙(二零零五年：9.9港仙(經重列))。

## Management Discussion and Analysis

## 管理層討論與分析

### FINANCIAL REVIEW *(continued)*

#### Capitalization

During the year, the Group had capitalized operating costs of approximately HK\$11,022,000 (2005: HK\$9,359,000) in respect of development of the Group's Linux based products, proprietary training materials and e-commerce application systems.

#### Financial resources and liquidity

As at 31 March 2006, total assets of the Group amounted to HK\$68,685,000 (2005: HK\$59,864,000). Current assets amounted to HK\$43,234,000 (2005: HK\$43,756,000), of which HK\$10,338,000 (2005: HK\$3,657,000) were cash and bank deposits. Current liabilities of HK\$29,489,000 (2005: HK\$30,302,000) mainly comprised of trade payables, other payables and accruals, convertible notes, and amounts due to directors and his spouse. There was no significant provision for tax payable during the year. Current ratio of the Group was 1.5 (2005: 1.4).

As at 31 March 2006, the Group had net current assets of approximately HK\$13,745,000 (2005: HK\$13,454,000). The Directors considered the Group's liquidity position was generally healthy.

### 財務回顧 (續)

#### 資本化

年內，本集團把就開發本集團之Linux產品、專有培訓教材及電子商貿應用系統約11,022,000港元(二零零五年：9,359,000港元)之營運成本資本化。

#### 財務資源及流動資金

於二零零六年三月三十一日，本集團之資產總額達68,685,000港元(二零零五年：59,864,000港元)。流動資產合共43,234,000港元(二零零五年：43,756,000港元)，當中10,338,000港元(二零零五年：3,657,000港元)為現金及銀行存款。流動負債29,489,000港元(二零零五年：30,302,000港元)主要為應付賬款、其他應付款項及應計費用、可換股票據以及應付董事及其配偶之款項。年內，應付稅項撥備並不重大。本集團流動比率為1.5(二零零五年：1.4)。

於二零零六年三月三十一日，本集團之流動資產淨值約為13,745,000港元(二零零五年：13,454,000港元)。董事認為本集團整體上之流動資產狀況尚算穩健。

## Management Discussion and Analysis

## 管理層討論與分析

## FINANCIAL REVIEW (continued)

## Foreign Currency Exposure

Except for the operations in the Mainland where the transactions are denominated in Renminbi, the sales and purchases of the Group are denominated in Taiwan dollars and Hong Kong dollars. In view of the relative stability of the exchange rates between Hong Kong dollars, Taiwan dollars and Renminbi the Board considers that the Group is not exposed to any significant exchange risk.

## Charges on assets and contingent liabilities

As at 31 March 2006, the Group had no charge or pledge of assets and contingent liabilities are set out in note 30 to the financial statements.

## Capital commitments

At the balance sheet date, the Group had no material capital commitment.

## Management and Employees

As at 31 March 2006, the Group had about 250 employees, including the Directors of the Company. Salaries of employees are primarily based on prevailing market salary levels and year end bonuses are granted at the end of each calendar year. Other employees' benefits include provident fund, medical cover and other insurance.

## 財務回顧 (續)

## 外匯風險

除以人民幣列值之內地業務交易外，本集團之銷售及採購均以新台幣及港元列值。由於港元、新台幣及人民幣間之滙率較為穩定，董事會認為本集團並無面臨任何重大外滙風險。

## 資產抵押及或然負債

本集團於二零零六年三月三十一日並無抵押或質押資產，及或然負債載於財務報表附註30。

## 資本承擔

於結算日，本集團並無重大資本承擔。

## 管理層及僱員

於二零零六年三月三十一日，本集團有約250名僱員(包括本公司之董事)。僱員之薪金主要依據現行市場薪金水平而釐定，而年終花紅則於每年末授予。其他僱員福利包括強積金、醫療保險及其他保險。

## Biographical Details of Directors

## 董事簡介

## EXECUTIVE DIRECTORS

## Mr. Lin Chien Hsin

*Chairman*

Mr. Lin Chien Hsin, aged 52, graduated from the Economic Faculty of Taiwan University and had been involved in research studies in Harvard and Stanford Business Schools. He was the Vice President of Holtek Semiconductor Manufacturing Co., Ltd in 1999. Besides, he was also the Chief Financial Officer of United Microelectronics Corporation from 1983 to 2001, a semi-conductor manufacturer whose shares are listed in the Stock Exchange of Taiwan, and had been working there for about 18 years. Mr. Lin has in-depth knowledge in financial management. He was appointed as Executive Director and Chairman of the Group on 24 December 2002.

## Mr. Wong Hoi Wong

*Chief Executive Officer*

Mr. Wong Hoi Wong, aged 51, is an Executive Director and a founder of the Group. Mr. Wong has over 27 years' experience in sales and marketing, in particular in electronics and computer industries. Mr. Wong was the Chairman of Association of Electronic Components Industry of Taipei from 1990 to 1993. He oversees the sales and marketing strategies of the Group. Mr. Wong graduated from the Department of Industrial Management of Tamsui Oxford College in Taiwan with a diploma.

## Mr. Yuan Luke Tsu

Mr. Yuan Luke Tsu, aged 32, has been elected as an Executive Director during the year. Mr. Yuan graduated from a Business Administration department of the California State University. He was the President of F.T. Data Management Inc. since 1997 to date. Mr. Yuan has substantial experience in the field of corporate administration and management.

## 執行董事

## 林建新先生

*主席*

林建新先生，52歲，畢業於台灣大學經濟學院，並曾於哈佛及史丹福商學院從事研究。彼於一九九九年曾任合泰半導體股份有限公司副總裁。此外，彼亦曾於一九八三年至二零零一年擔任聯華電子股份有限公司之財務總監，彼在該公司任職約十八年之久。該公司為半導體製造公司，其股份在台灣證券交易所上市。林先生熟悉財務管理，於二零零二年十二月二十四日獲委任為本集團執行董事兼主席。

## 王凱煌先生

*行政總裁*

王凱煌先生，51歲，本公司執行董事兼集團創辦人。王先生積逾二十七年營銷經驗，尤其專注電子及電腦業方面。王先生於一九九零年至一九九三年間出任台北市電子零件商業同業公會主席。彼專責監督本集團之營銷策略。王先生持有台灣淡水工商管理專業學校工業管理系頒授之文憑。

## 袁祖平先生

袁祖平先生，32歲，已於年內獲推選為執行董事，袁先生畢業於美國加州州立大學工商管理系。彼由一九九七年至今為F.T. Data Management Inc.之總裁。袁先生對企業行政及管理具有資深經驗。

## 董事簡介

### 非執行董事

謝宜蓁女士

謝宜蓁女士，現年41歲，於年內被選舉為非執行董事。謝女士畢業於台灣世新大學播音系。彼為Franklin Advisors Inc.之行政秘書及後續為Le Kao Co., Ltd.之副總裁。謝女士擁有行政及管理領域的豐富經驗。

巫巧如女士

巫巧如女士，現年38歲，於年內被選舉為非執行董事。巫女士畢業於台灣元智大學，獲管理學碩士學位。彼由二零零二年至二零零三年任職Lung Hwa Electronics Co., Ltd.之總裁助理，及後續任Chi Fu Jong Hua Co., Ltd.之副總裁。巫女士在公共關係和諮詢領域擁有豐富經驗。

### 獨立非執行董事

黎哲女士

黎哲女士，36歲，合資格中國律師。黎女士畢業於中國中山大學，獲頒授經濟法學士學位，並持有澳洲Murdoch University頒授之工商管理碩士學位及英國Manchester Metropolitan University頒授之法律深造文憑。黎女士曾任職於中國及香港多間律師行。彼於二零零一年七月獲委任為獨立非執行董事。

## Biographical Details of Directors

## 董事簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS

(continued)

#### Mr. Chu Meng Chi

Mr. Chu Meng Chi, aged 41, has been appointed as independent non-executive director during the year. He obtained a bachelor degree in business administration from the Taiwan National Sun Yatsen University. Mr. Chu has over 15 years' experience in the field of corporate administration and financial investments.

#### Mr. Chu Wei Jen

Mr. Chu Wei Jen, aged 55, graduated with a Master Degree in Accountancy from National Chengchi University of Taiwan and is under doctorate studies in Accountancy in JiNan University, Guangzhou, the PRC. He is an experienced public accountant practising for about 20 years and has extensive experience in finance and accounting. Mr. Chu is currently a partner and the head of T.C. International CPAs in Taiwan. In the past, he had also served the civil and education sectors as an executive supervisor of Taipei Certified Public Accountants Association and a member of Compliance Committee of Taiwan Provincial Certified Public Accountants Association, and a part-time lecturer in Fu Jen Catholic University and Chinese Culture University of Taiwan for over 10 years.

### 獨立非執行董事 (續)

#### 朱孟祺先生

朱孟祺先生，41歲，已於年內獲委任為獨立非執行董事。彼獲得台灣國立中山大學企業管理學士學位。朱先生在公司行政及金融投資方面積累逾十五年經驗。

#### 朱威任先生

朱威任先生，55歲，台灣國立政治大學會計碩士及中國廣州暨南大學會計專業博士班研究生，是資深的會計師，執業近二十年之久，具豐富的財務及會計經驗。朱先生現為台灣德昌聯合會計師事務所合夥人兼所長。彼在過去亦有擔任公職及教學工作，包括台北市會計師公會常務監事及台灣省會計師公會紀律委員會委員，並曾於台灣私立輔仁大學及私立文化大學兼任講師超過十年之久。

## Corporate Governance Report

企業管治報告

## INTRODUCTION

The Company endeavours to comply with all the code provisions on Corporate Governance Practices as set out in the GEM Listing Rules by establishing a formal and transparent procedure to protect and maximize the interests of shareholders during the year ended 31 March 2006.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standard of dealings and its code of conduct regarding securities transactions by the Directors throughout the year ended 31 March 2006.

## BOARD OF DIRECTORS

The Board is responsible for managing the Company on behalf of shareholders. The Board is of the view that it is the Directors' responsibility to create value for shareholders as a whole and safeguard the best interests of the Company and the shareholders by discharging its duties in a dedicated, diligent and prudent manner on the principle of good faith.

The Board comprises a total of 8 Directors, with three Executive Directors, namely, Mr. Lin Chien Hsin (Chairman), Mr. Wong Hoi Wong (CEO) and Mr. Yuan Luke Tsu; two Non-executive Directors, namely, Ms. Hsieh Yi Chen and Ms. Wu Chiao Ru and three Independent Non-executive Directors, namely, Ms. Li Zhe, Mr. Chu Meng Chi and Mr. Chu Wei Jen.

## 緒言

於截至二零零六年三月三十一日止年度，本公司透過制定正式及具透明度之程序，致力遵守創業板上市規則所載有關企業管治常規之所有守則條文，以保障及使股東獲取最大利益。

## 董事之證券交易

本公司已採納一項董事進行證券交易之操守守則，其條款不遜於創業板上市規則第5.48條至第5.67條載之交易標準。經向全體董事作出特定查詢後，各董事於截至二零零六年三月三十一日止年度已一直遵守該等操守守則及所規定之交易標準以及其有關董事進行證券交易之操守守則。

**董事會**

董事會負責代表股東管理本公司。董事會認為董事之責任是透過以專注、勤勉及謹慎之方式及遵照誠信原則履行其職責，為股東整體創造價值並維護本公司及股東之最佳利益。

董事會共有八名董事，三名為執行董事，林建新先生(主席)、王凱煌先生(行政總裁)及袁祖平先生；兩名為非執行董事，謝宜蓁女士及巫巧如女士；以及三名為獨立非執行董事，黎哲女士、朱孟祺先生及朱威任先生。

## Corporate Governance Report

## 企業管治報告

**BOARD OF DIRECTORS** (continued)

Ms. Wanzi Huang resigned from the office as Executive Director of the Company with effect from 30 September 2005.

Mr. Yuan Luke Tsu was appointed as the Company's new Executive Director, Ms. Hsieh Yi Chen and Ms. Wu Chiao Ru were also appointed as the Company's new Non-executive Directors with effect from 1 October 2005.

Mr. Ko Ming Tung, Edward resigned as an Independent Non-executive Director of the Company with effect from 2 May 2006 and Mr. Chu Meng Chi was appointed as the Company's new Independent Non-executive Director with effect from 2 May 2006.

Each of the Independent Non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and are independent in accordance with the terms of the guidelines.

**The primary functions of the Board include:**

- (i) deciding on the overall strategies, overseeing operational and financial performance and formulating appropriate policies to manage risk exposure associated with realizing the strategies and goals of the Group;
- (ii) being held accountable for the internal control system of the Company and responsible for reviewing its effectiveness;

**董事會 (續)**

黃琬瑜女士已辭任本公司執行董事一職，由二零零五年九月三十日起生效。

袁祖平先生已獲委任為本公司新任執行董事，謝宜蓁女士及巫巧如女士亦已獲委任為本公司新任非執行董事，由二零零五年十月一日起生效。

高明東先生由二零零六年五月二日起辭任本公司獨立非執行董事，而朱孟祺先生已獲委任為本公司之新獨立非執行董事，由二零零六年五月二日起生效。

各獨立非執行董事已根據創業板上市規則第5.09條發出有關其獨立性之年度確認書。本公司認為所有獨立非執行董事均符合創業板上市規則第5.09條所載之獨立性指引，並根據該等指引之條文屬獨立人士。

**董事會之主要職能包括：**

- (i) 決定整體策略、監督經營和財務表現、制定適當政策以管理與實現本集團策略及目標有關之風險；
- (ii) 須對本公司之內部監控制度負責，以及負責檢討其效益；

## Corporate Governance Report

## 企業管治報告

**BOARD OF DIRECTORS** (continued)**The primary functions of the Board include:** (continued)

- (iii) being ultimately responsible for preparing financial accounts and discussing the performance, financial conditions and prospects of the Company in a balanced, clear and comprehensible manner. These responsibilities are applicable to quarterly, interim and annual reports of the Company, other price sensitive announcements published according to the GEM Listing Rules and disclosure of other financial information, reports submitted to regulatory bodies and information disclosable under statutory requirements; and regularly reviewing its own functions and the powers conferred upon Executive Directors to ensure appropriate arrangements are in place.
- (iv) Whilst Executive Directors, who oversee the overall business of the Company, are responsible for the daily operations of the Company, the Board is responsible for affairs involving the overall policies, finance and shareholders of the Company, namely financial statements, dividend policy, significant changes to accounting policies, annual operating budgets, material contracts, major financing arrangements, principal investment and risk management strategy.
- (v) The management is well informed of its powers and duties with clear guidelines and instructions, in particular regarding situations under which reporting to the Board is necessary and matters that require the approval of the Board before any decisions or commitments can be made on behalf of the Company.

**董事會 (續)****董事會之主要職能包括：** (續)

- (iii) 最終負責編製財務賬目及以平衡、清晰及全面之方式討論本公司表現、財務狀況及前景。該等職責適用於本公司之季度、中期及年度報告、根據創業板上市規則刊發之其他股價敏感公佈及其他財務資料披露、提交予監管機構之報告及法定之須予披露資料；及定期檢討其本身之職能及賦予執行董事之權力，以確保實施適當之安排。
- (iv) 負責監督本公司整體業務之執行董事須對本公司之日常營運負責，而董事會則負責涉及本公司整體政策、財務及股東之事務，即財務報表、股息政策、重大會計政策變更、年度經營預算、重大合約、主要融資安排、資本投資及風險管理策略。
- (v) 管理層獲充分告知其權力及職責並獲提供清晰指引及指示，特別是有關須向董事會報告之情況及於代表本公司作出任何決策或承諾前須獲董事會批准之事項。

## Corporate Governance Report

## 企業管治報告

**BOARD OF DIRECTORS** (continued)**The primary functions of the Board include:** (continued)

- (vi) The full Board meets at least four times a year, at approximately quarterly intervals, to review the financial performance, results of each period, material investments and other matters of the Group that require the resolution of the Board. Simultaneous conference call may be used to improve attendance when Individual Director cannot attend the meeting in person. Opinions of the Independent Non-executive Directors are actively sought by the Company if they are unable to attend the meeting in person.

During the year ended 31 March 2006, the Board held six full board meetings. The attendance record of each member of the Board is set out below:

Attendance		出席率	
<b>Executive Directors</b>		<b>執行董事</b>	
Mr. Lin Chien Hsin (Chairman)	6/6	林建新先生 (主席)	6/6
Mr. Wong Hoi Wong (CEO)	6/6	王凱煌先生 (行政總裁)	6/6
Mr. Yuan Luke Tsu	4/4	袁祖平先生	4/4
Ms. Wanzi Huang	2/2	黃琬瑜女士	2/2
<b>Non-executive Directors</b>		<b>非執行董事</b>	
Ms. Hsieh Yi Chen	4/4	謝宜蓁女士	4/4
Ms. Wu Chiao Ru	4/4	巫巧如女士	4/4
<b>Independent Non-executive Directors</b>		<b>獨立非執行董事</b>	
Ms. Li Zhe	6/6	黎哲女士	6/6
Mr. Chu Wei Jen	6/6	朱威任先生	6/6
Mr. Chu Meng Chi	N/A	朱孟祺先生	不適用
Mr. Ko Ming Tung, Edward	5/5	高明東先生	5/5

All directors attended all board meetings during their terms of appointment in the year. The number of total meetings of each director shown above indicates the number of meetings held during their terms of appointment and take into account the effect of resignation or appointment during the year.

**董事會 (續)****董事會之主要職能包括：** (續)

- (vi) 董事會每年至少舉行四次 (大約每季一次) 全體會議，以檢討財務表現、各期間之業績、重大投資及需要董事會決議之本集團其他事項。若個別董事無法親身出席會議，則或會採用即時電話會議以提高出席率。倘獨立非執行董事不能親身出席會議，本公司會積極徵求其意見。

於截至二零零六年三月三十一日止年度，董事會曾舉行六次全體董事會會議。董事會各成員之出席記錄載列如下：

<b>執行董事</b>		<b>出席率</b>	
林建新先生 (主席)	6/6	6/6	
王凱煌先生 (行政總裁)	6/6	6/6	
袁祖平先生	4/4	4/4	
黃琬瑜女士	2/2	2/2	
<b>非執行董事</b>		<b>出席率</b>	
謝宜蓁女士	4/4	4/4	
巫巧如女士	4/4	4/4	
<b>獨立非執行董事</b>		<b>出席率</b>	
黎哲女士	6/6	6/6	
朱威任先生	6/6	6/6	
朱孟祺先生	N/A	不適用	
高明東先生	5/5	5/5	

全體董事已出席於年度委任期內之所有董事會會議。各董事上示之會議總數顯示於彼等之委任期內所舉行之會議數目，並已計入於年內辭任或委任之影響。

## Corporate Governance Report

## 企業管治報告

## CORPORATE GOVERNANCE PRACTICES

The Group has adopted a set of Code on Corporate Governance ("Company Code") which sets out the corporate standards and practices used by the Group to direct and manage its business affairs. It is prepared by referencing to the principles, code provisions and recommended best practices set out in the Code on Corporate Governance Practices ("GEM Code") contained in Appendix 15 of the GEM Listing Rules, which came into effect on 1st January 2005. The Board will continue to monitor and revise the Company Code and assess the effectiveness of our corporate governance practices in tandem with changes in the environment and requirements under the GEM Code, to ensure the Company Code is in line with the expectations and interests of shareholders and comply with the GEM Code.

Subject to the deviations as disclosed hereof, the Company has complied with all the GEM Code during the period under review.

Under provision B.1.1 of the GEM Code, a listed issuer should establish a remuneration committee with specific written terms of reference which deal clearly with its authorities and duties. It was not until March 2006 that the Company established a remuneration committee as required under provision B.1.1 of the GEM Code.

## 企業管治實務

本集團已採納一套企業管治守則(「公司守則」)，載列本集團在業務方向和管理其業務時所採用之企業守則及常規。公司守則乃參照由二零零五年一月一日起生效之創業板上規規則附錄十五內企業管治常規守則(「創業板守則」)所載之原則、守則條文及建議最佳常規而編製。董事會將繼續監控公司守則，並因應環境及創業板守則規定之變動對公司守則作出修訂和評估其企業管治常規之效益，以確保公司守則符合股東之預期及利益，與及遵守創業板守則。

除本報告所披露之偏離外，本公司於回顧期內一直遵守所有創業板守則。

根據創業板守則條文第B.1.1條，上市發行人須成立薪酬委員會，並以書面列明其具體職權範圍，清晰界定權力及職責。本公司直至二零零六年三月才根據創業板守則條文第B.1.1條之規定成立薪酬委員會。

## Corporate Governance Report

## 企業管治報告

### REMUNERATION OF DIRECTORS

The remuneration committee was established in March 2006. The chairman of the committee is Mr. Chu Wei Jen, an Independent Non-executive Director, and other members include Ms. Li Zhe being Independent Non-executive Directors and Mr. Ho Yee Kee as an qualified accountant.

During the period, the remuneration committee of the Company convened two meetings, in which duties of the remuneration committee were identified, all matters concerning the determination of remuneration of the Directors and senior management were discussed. In addition, the remuneration policies and incentive mechanism applicable to the Directors and senior management and the overall remuneration system of the Group were further refined and reasonable recommendations were made to the Board in the meetings. The remuneration committee of the Company has considered and reviewed the existing terms of employment contracts of the Executive Directors and appointment letters of the Independent Non-executive Directors.

### NOMINATION OF DIRECTORS

The Board is responsible for considering the suitability of a candidate to act as a director and approving and terminating the appointment of a director. The Company has not set up any nomination committee in the period.

The Chairman is mainly responsible for identifying suitable candidates for members of the Board when there is a vacancy or an additional director is considered necessary. The Chairman will propose the appointment of such candidates to each member of the Board for consideration and each member of the Board will review the qualifications of the relevant candidates for determining the suitability to the Group on the basis of his qualifications, experience and background. The decision of appointing a director must be approved unanimously by the members of the Board.

### 董事之薪酬

薪酬委員會於二零零六年三月成立。委員會主席為獨立非執行董事朱威任先生，而其他成員包括黎哲女士為獨立非執行董事及何宜璣先生為合資格會計師。

期內，本公司之薪酬委員會召開兩次會議，會上確認薪酬委員會之職責，並討論所有有關釐定董事及高級管理層薪酬之事項。此外，薪酬委員會進一步完善適用於董事及高級管理層之薪酬政策及獎勵機制，以及本集團之整體薪酬制度，並於該等會議上向董事會作出合理建議。本公司之薪酬委員會已考慮及審閱執行董事之現有僱傭合約條款及獨立非執行董事之委任函。

### 董事之提名

董事會負責審議董事候選人之合適性，以及批准及終止董事之委任。本公司於期內並未成立任何提名委員會。

主席主要負責於有空缺或有必要增加額外董事時物色合適之董事會成員候選人。主席將建議該等候選人之委任，以供董事會每名成員審議，而每名董事會成員將審閱有關候選人之資歷，根據其資歷、經驗及背景決定是否適合本集團。委任董事之決定必須經董事會成員一致批准通過。

## 企業管治報告

## 董事對財務報表之責任

董事知悉彼等編製本集團財務報表之責任，並確保財務報表乃根據法定規定及適用會計準則編製。董事亦須確保本集團之財務報表能如期刊發。

本公司外聘核數師浩華會計師事務所就其對本集團財務報表申報責任之聲明載於本年報第47至48頁之核數師報告。

**審核委員會**

- (a) 本公司審核委員會於二零零一年八月成立，現時由三名獨立非執行董事組成，即黎哲女士、朱孟祺先生及朱威任先生。審核委員會擁有會計專業資格、以及香港、台灣及中國內地規管之豐富經驗及專長。

高明東先生已於二零零六年五月二日辭任獨立非執行董事時亦辭任審核委員會成員。同時間，朱孟祺先生被委任為本公司之新獨立非執行董事。

- (b) 年內，董事會已審閱審核委員會之職權範圍，並作出適當修訂，以符合創業板守則之規定。

## Corporate Governance Report

## 企業管治報告

**AUDIT COMMITTEE** *(continued)*

- (c) The primary function of the Audit Committee is to review and supervise the Group's financial reporting system, internal control procedures and to maintain good and independent communications with the management as well as auditors of the Company.
- (d) In discharging its responsibility, the Audit Committee has performed the following work:
- (i) reviewed the draft annual and quarterly financial statements and draft results announcements during the year;
  - (ii) reviewed, in conjunction with the auditors, the development of accounting standards and assessed their potential impacts on the Group's financial statements;
  - (iii) made recommendation with respect to the change of the auditors during the year.
- (e) The Audit Committee met four times during the year to review the results of the Group.

**審核委員會 (續)**

- (c) 審核委員會主要職責為審閱及監督本公司財務報告體系、內部監控程序，並與本公司管理層及核數師保持良好及獨立之溝通。
- (d) 於履行其職責時，審核委員會已進行下列工作：
- (i) 審閱年內之年度及季度財務報表草稿及業績公佈草稿；
  - (ii) 與核數師審閱會計準則之發展並評估準則對本集團財務報表之潛在影響；
  - (iii) 就年內更換核數師作出意見。
- (e) 審核委員會於年內舉行四次會議，審閱本集團業績。

## 企業管治報告

## 核數師

- (a) 本公司截至二零零五年三月三十一日止年度之核數師梁學濂會計師事務所已於二零零六年三月二十四日辭任，皆因本公司與梁學濂會計師事務所無法就截至二零零六年三月三十一日止年度之核數費用達成共識。梁學濂會計師事務所及董事會均確認，本集團與梁學濂會計師事務所並無意見分歧。根據於二零零六年四月十三日所舉行之股東特別大會上所通過之決議案，浩華會計師事務所已獲委任為本公司核數師，以填補臨時空缺。

- (b) 截至二零零六年三月三十一日止年度，應付核數師之核數費用及非核數服務費用分別為港幣250,000元(二零零五年：港幣252,000元)，及港幣35,000元(二零零五年：港幣9,000元)。

## 內部監控

本公司定期檢討其內部監控制度，以確保內部監控制度有效及足夠。本公司定期召開會議以討論財務、經營及風險管理監控。

## Report of the Directors

## 董事會報告

The directors submit their report together with the audited financial statements for the year ended 31 March 2006.

董事提呈其報告連同截至二零零六年三月三十一日止年度之經審核財務報表。

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in note 14 to the financial statements.

### 主要業務

本公司之主要業務為投資控股。附屬公司之業務載於財務報表附註14。

### SEGMENT INFORMATION

An analysis of the Group's performance for the year by business and geographical segments is set out in note 5 to the financial statements.

### 分部資料

本年度本集團按業務及經營地區分部劃分之表現分析載於財務報表附註5。

### RESULTS

The loss of the Group for the year ended 31 March 2006 and the state of affairs of the Company and of the Group at that date are set out on pages 49 to 145.

### 業績

本集團截至二零零六年三月三十一日止年度之虧損及本公司及本集團於該日之狀況載於第49頁至第145頁。

The directors do not recommend the payment of a dividend.

董事不建議派付股息。

### RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 55 and in note 25 to the financial statements, respectively.

### 儲備

本集團及本公司於年內之儲備變動分別載於年報第55頁之綜合權益變動表及財務報表附註25。

### FIXED ASSETS

Movements in fixed assets during the year are set out in note 13 to the financial statements.

### 固定資產

年內固定資產之變動載於財務報表附註13。

### SHARE CAPITAL

Details of movements in share capital during the year are set out in note 23 to the financial statements.

### 股本

年內股本變動詳情載於財務報表附註23。

## 董事會報告

## Report of the Directors

## 董事會報告

### DIRECTORS (continued)

#### Independent Non-executive Directors:

Ms. Li Zhe

Mr. Ko Ming Tung, Edward (resigned on 2 May 2006)

Mr. Chu Wei Jen

Mr. Chu Meng Chi (appointed on 2 May 2006)

In accordance with article 116 of the Company's articles of association, Mr. Wong Hoi Wong shall retire from the board by rotation and, being eligible, offer himself for re-election.

Ms. Hsieh Yi Chen and Ms. Wu Chiao Ru, both Non-executive Directors, were both appointed for a term expiring on the closing of the forthcoming Annual General Meeting of the Company. Ms. Li Zhe and Mr. Chu Wei Jen, both Independent Non-executive Directors, were not appointed for a specific term as they are subject to retirement and re-election at the Company's Annual General Meeting in accordance with the Company's Articles of Association.

Mr. Chu Meng Chi, an Independent Non-executive Director, was appointed on 2 May 2006 by the Board pursuant to Article 99 of the Company's Articles of Association and accordingly shall hold office until the forthcoming Annual General Meeting of the Company. He shall retire and being eligible, offer himself for re-election at the forthcoming Annual General Meeting.

### 董事 (續)

#### 獨立非執行董事：

黎哲女士

高明東先生 (於二零零六年五月二日辭任)

朱威任先生

朱孟祺先生 (於二零零六年五月二日獲委任)

根據本公司之公司組織章程細則第116條，王凱煌先生須輪席告退董事，惟合資格並願膺選連任。

非執行董事謝宜蓁女士及巫巧如女士之任期均於本公司下屆股東週年大會結束時屆滿。獨立非執行董事黎哲女士及朱威任先生並無特定任期，惟須根據本公司之公司組織章程細則於本公司股東週年大會告退，並膺選連任。

獨立非執行董事朱孟祺先生獲董事會於二零零六年五月二日根據本公司之組織章程細則第99條委任，因此其任期將直至本公司下屆股東週年大會。彼將於下屆股東週年大會上告退，惟符合資格並願意膺選連任。

## Report of the Directors

## 董事會報告

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

No director has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Each of the Independent Non-executive Directors has confirmed his/her independence to the Company pursuant to Rule 5.09 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM") (the "GEM Listing Rules") for the year ended 31 March 2006 and the Company considers the independent non-executive directors to be independent.

## DIRECTORS' INTERESTS IN CONTRACTS

Apart from the transactions as disclosed in note 32 to the financial statements, no other contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of the year or at any time during the year.

## SHARE OPTION SCHEME

Pursuant to ordinary resolutions passed on 5 August 2004, the share option scheme adopted on 6 July 2001 (the “Old Scheme”) was terminated with immediate effect provided that options which have been granted under the Old Scheme and remain outstanding shall continue to be exercisable in accordance with their terms of issue and the provisions of Chapter 23 of GEM Listing Rules. The Company has adopted a new share option scheme (the “New Scheme”) pursuant to a resolution passed on the same date.

Details of the New Scheme are set out in note 24 to the financial statements. No share option was granted under the New Scheme.

## 董事及董事之服務合約

董事並無與本公司訂有任何本公司不得在未作出補償(法定補償除外)的情況下於一年內終止之服務合約。

各獨立非執行董事已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」）第5.09條向本公司確認彼等於截至二零零六年三月三十一日止年度之獨立性，而本公司認為各獨立非執行董事具備獨立性。

## 董事於合約之權益

除財務報表附註32所披露之交易外，於年底或年內任何時間，概無任何由本公司或其任何附屬公司訂立且本公司董事在其中擁有重大權益之其他重大合約。

## 購股權計劃

根據於二零零四年八月五日通過之普通決議案，於二零零一年七月六日採納之購股權計劃（「舊計劃」）已被即時終止，惟已根據舊計劃授出但尚未行使之購股權將可根據發行條款及創業板上市規則第23章之條文繼續行使。本公司已根據於同日通過之決議案採納新購股權計劃（「新計劃」）。

新計劃之詳情載於財務報表附註24。概無根據新計劃授出任何購股權。

## Report of the Directors

## 董事會報告

## SHARE OPTION SCHEME (continued)

A summary of the movements of the outstanding share options granted under the Old Scheme during the year, which continue to be exercisable, is as follows:—

## 購股權計劃 (續)

年內根據舊計劃授出之尚未行使購股權(可繼續行使)變動概述如下：

Name of director	Number of share options			Outstanding as at 31.3.2006	Date of grant	Exercise price per share	Exercise period
	Outstanding as at 1.4.2005	Adjustment for share consolidation as at 3.10.2005	Lapsed during the year				
董事姓名	於二零零五年四月一日尚未行使	就二零零五年十月三日之股份合併作出調整	年內已失效	於二零零六年三月三十一日尚未行使	授出日期	每股行使價	行使期
						HK\$	
						港元	
		(Note 2)				(Note 2)	(Note 1)
		(附註2)				(附註2)	(附註1)
Mr. Wong Hoi Wong	1,942,105	(1,747,894)	—	194,211	21 November 2001	2.66	30 June 2002
王凱煌先生					二零零一年十一月二十一日		to 29 June 2012
							二零零二年六月三十日至二零一二年六月二十九日
Ms. Wanzi Huang	19,586,843	—	(19,586,843)	—	—	—	—
黃琬瑜女士	21,528,948	(1,747,894)	(19,586,843)	194,211			

## Report of the Directors

## 董事會報告

**SHARE OPTION SCHEME** *(continued)*

Notes:

1. The share options are fully vested on 30 June 2002.
2. The exercise price and the outstanding number of options have been adjusted for the share consolidation of the Company's shares on 3 October 2005.
3. The consideration of the grant of an option is HK\$1 each payable by the grantee.

At 31 March 2006, the number of shares to be issued under share options granted under the Old Scheme was 194,211, representing 0.06% of the issued share capital of the Company.

Other than the lapse of share options held by Ms. Wanzi Huang as a result of her resignation, no share option was granted and lapsed during the year under the Old Scheme and New Scheme.

**購股權計劃 (續)**

附註：

1. 購股權於二零零二年六月三十日全數授出。
2. 購股權之行使價及未行使購股權之數目已就本公司於二零零五年十月三日進行股份之股份合併而作出調整。
3. 授出購股權之代價每股1港元由獲授人支付。

於二零零六年三月三十一日，根據舊計劃授出之購股權將予發行股份數目為194,211股，佔本公司已發行股本0.06%。

除因黃琬瑜女士辭職而導致彼持有之購股權失效外，年內並無任何舊計劃及新計劃之購股權獲授出或失效。

## Report of the Directors

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES OF THE COMPANY

As at 31 March 2006, the interests or short positions of the directors and chief executives in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), Chapter 571 under the Laws of Hong Kong), which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.61 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows: –

### 董事及主要行政人員於本公司證券之權益

於二零零六年三月三十一日，各董事及主要行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券持有任何根據證券及期貨條例第XV部第7及8分部已知會本公司及香港聯合交易所有限公司（「聯交所」）之權益或短倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或短倉），或根據證券及期貨條例第352條須登記於該條文所述之登記冊之權益或短倉，或根據創業板上市規則第5.61條須知會本公司及聯交所之權益或短倉如下：

## 董事會報告

**董事及主要行政人員於本公司證券之權益 (續)**

(a) 本公司普通股及相關股份之長倉

Name of director	Type of interests and number of shares held		Number of share options held	Total	Percentage of the Company's issued share capital
	Personal interest	Other interest			
董事姓名	個人權益	其他權益	所持購股權數目	總計	百分比
		(Note)			
		(附註)			
Mr. Lin Chien Hsin 林建新先生	52,950,000	—	—	52,950,000	17.29%
Mr. Wong Hoi Wong ("Mr. Albert Wong") 王凱煌先生(「王先生」)	—	44,970,000	194,211	45,164,211	14.75%

附註：該批股份乃以Eaglemax International Investment Limited（「EIL」）之名義登記持有。該公司由Intelligent Management Limited（「IML」）以家族全權信託Intelligent Management Discretionary Trust 之受託人身份擁有；該項信託受益人包括王凱煌先生及其家屬以及全球任何慈善團體。於二零零六年三月三十一日，王凱煌先生持有IML全部已發行股本。依據證券及期貨條例，王凱煌先生擁有該等股份之權益。

## Report of the Directors

## 董事會報告

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 March 2006, the following persons (not being the directors and chief executives of the Company) had interests or short positions in the shares, underlying shares or debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO as follows: –

## 主要股東之權益

於二零零六年三月三十一日，擁有證券及期貨條例第XV部第2及3分部條文項下或證券及期貨條例第336條規定須存置之登記冊所記錄之本公司股份、相關股份或債券之權益或短倉之人士（非本公司董事及主要行政人員）如下：

Name of shareholders	Ordinary shares	Preference shares	Percentage of holding of the ordinary shares	Percentage of holding of the preference shares
股東名稱	普通股	優先股	所持普通股百分比	所持優先股百分比
Eaglemax International Investment Limited (Note 1)	44,970,000	–	14.7%	–
Eaglemax International Investment Limited (附註1)				
United Fu Shen Chen Technology Corporation (Note 2)	32,434,000	–	10.6%	–
聯福生科技有限公司 (附註2)				
Richagain International Limited	6,658,000	32,307,692	2.2%	33.0%
Maxbase Holdings Limited	–	111,500,000	–	32.8%
Extra Bright Trading Limited	–	95,000,000	–	27.9%

## Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS (continued)

*Note 1:* These 44,970,000 ordinary shares are registered in the name of Eaglemax International Investment Limited, a company wholly owned by Intelligent Management Limited as the trustee of Intelligent Management Discretionary Trust, a family discretionary trust, the objects of which include Mr. Albert Wong and his family and any charity in the world. As at 31 March 2006, Mr. Albert Wong held the entire issued share capital of Intelligent Management Limited. By virtue of the SFO, Mr. Albert Wong is deemed to have interest in such shares. The shares held in the name of Eaglemax International Investment Limited are duplication of the shares held by the director, Mr. Albert Wong.

Note 2: Formerly known as Applied Component Technology Corporation.

Save as disclosed above, as at 31 March 2006, there was no person (not being the directors and chief executives of the Company) who had any interests or short positions in the shares, underlying shares and debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.

## MANAGEMENT SHAREHOLDERS' INTERESTS

Save as disclosed under the sections headed "Directors' and Chief Executives' Interests in Securities of the Company" and "Substantial Shareholders' Interests" above, as at 31 March 2006, no other person was individually and/or collectively entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and was able, as a practical matter, to direct or influence the management of the Company.

### 主要股東之權益 (續)

附註1：上述44,970,000股普通股以Eaglemax International Investment Limited名義註冊持有。Eaglemax International Investment Limited乃Intelligent Management Limited（為一項家族全權信託Intelligent Management Discretionary Trust之受託人）全資擁有之公司，該項信託受益人包括王先生及其家族以及全球任何慈善團體。於二零零六年三月三十一日，王先生持有Intelligent Management Limited全部已發行股本。根據證券及期貨條例，王先生被視為持有該等股份之權益。以Eaglemax International Investment Limited名義持有之股份與董事王先生所持有之股份重複。

附註2：前稱聯瞻科技股份有限公司。

除上文披露者外，於二零零六年三月三十一日，概無任何人士(非本公司董事及主要行政人員)擁有證券及期貨條例第XV部第2及3分部條文項下或證券及期貨條例第336條規定須存置之登記冊所記錄之本公司股份、相關股份或債券之權益或短倉。

## 管理層股東之權益

除上文「董事及主要行政人員於本公司證券之權益」及「主要股東之權益」兩節所披露者外，於二零零六年三月三十一日，概無其他人士有權個別及／或共同於本公司任何股東大會行使5%或以上之投票權及實際上可就本公司管理作出指示或發揮影響力。

## Report of the Directors

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the purchases from the five largest suppliers of the Group accounted for approximately 45.2% of the total purchases of the Group and the purchases from the largest supplier included therein accounted for approximately 15.4%.

The sales to the five largest customers of the Group accounted for approximately 44.0% of the total sales for the year and the sales to the largest customer included therein accounted for approximately 32.2%.

None of the directors, their respective associates and shareholders of the Company (which to the knowledge of the directors own more than 5% of the issued share capital of the Company) had any interest in any of the five largest customers and suppliers of the Group for the year.

### CONNECTED TRANSACTIONS

Details of connected transactions under the GEM Listing Rules during the year are set out in note 32 to the financial statements.

### COMPETING INTERESTS

None of the directors, the substantial shareholders or the management shareholders (as defined in the GEM Listing Rules) had any interests in any business which competed with or might compete with the business of the Group.

### COMPLIANCE WITH RULES 5.34 TO 5.45 OF THE GEM LISTING RULES

The Company has complied with Rules 5.34 to 5.45 of the GEM Listing Rules concerning board practices and procedures during the year ended 31 March 2006.

### 主要客戶及供應商

年內，向本集團五大供應商所作採購佔本集團採購總額約45.2%，而向最大供應商所作採購則佔約15.4%。

本集團向五大客戶的銷售佔年度銷售總額約44.0%，而最大客戶的銷售則佔約32.2%。

據董事所知，擁有本公司已發行股本5%以上之董事、彼等各自之聯繫人士及本公司股東，於年內概無在本集團任何五大客戶及供應商中擁有任何權益。

### 關連交易

年內進行之創業板上市規則所述關連交易詳情載於財務報表附註32。

### 競爭權益

概無任何董事、主要股東或管理層股東(定義見創業板上市規則)在任何與本集團有競爭或可能出現競爭之業務中擁有任何權益。

### 遵守創業板上市規則第5.34至5.45條

本公司於截至二零零六年三月三十一日止年度內一直遵守創業板上市規則第5.34至5.45條有關董事會常規及議事程序之規定。

## Report of the Directors

## 董事會報告

## AUDIT COMMITTEE

The Company established an Audit Committee in August 2001 with written terms of reference in compliance with Rules 5.29 to 5.32 of the GEM Listing Rules. The duties of the Audit Committee are to review and to provide supervision over the financial reporting process and internal control system of the Group. The Audit Committee comprises three Independent Non-executive Directors, namely Ms. Li Zhe, Mr. Chu Meng Chi and Mr. Chu Wei len.

During the year, the Audit Committee has met four times to review the results of the Group.

## AUDITORS

On 13 April 2006, Messrs. Horwath Hong Kong CPA Limited were appointed as auditors of the Company for the year ended 31 March 2006 to fill the casual vacancy caused by the resignation of Messrs. PKF. There has been no other change of auditors in the past years.

Messrs. Horwath Hong Kong CPA Limited retire and, being eligible, offer themselves for re-appointment. A resolution will be submitted to the Annual General Meeting of the Company to re-appoint Messrs. Horwath Hong Kong CPA Limited as auditors of the Company.

### By Order of the Board

## Lin Chien Hsin

Chairman

Hong Kong, 28 June 2006

**審核委員會**

本公司於二零零一年八月根據創業板上市規則第5.29至5.32條成立審核委員會，並書面訂明其職權範圍。審核委員會之職責包括審閱及監管本集團之財務申報程序及內部監控制度。審核委員會由三名獨立非執行董事黎哲女士、朱孟祺先生及朱威任先生組成。

審核委員會於年內召開過四次會議，以審閱本集團之業績。

## 核數師

於二零零六年四月十三日，浩華會計師事務所獲委任為本公司截至二零零六年三月三十一日止年度之核數師，以填補梁學濂會計師事務所辭任之臨時空缺。本公司於過往年度並無發生其他核數師變動。

浩華會計師事務所任期屆滿，惟符合資格並願意應聘連任。本公司將於股東週年大會上提呈決議案，續聘浩華會計師事務所為本公司核數師。

承董事會命

主席

林建新

香港，二零零六年六月二十八日

## Report of the Auditors

## 核數師報告

**HORWATH HONG KONG CPA LIMITED**

Certified Public Accountants

A member of Horwath International

2001 Central Plaza

18 Harbour Road

Wanchai Hong Kong

Telephone : (852) 2526 2191

Facsimile : (852) 2810 0502

horwath@horwath.com.hk

www.horwath.com.hk

**浩華會計師事務所**

執業會計師

浩華國際成員

香港灣仔

港灣道18號

中環廣場2001室

電話 : (852) 2526 2191

傳真 : (852) 2810 0502

horwath@horwath.com.hk

www.horwath.com.hk

**TO THE SHAREHOLDERS OF  
THIZ TECHNOLOGY GROUP LIMITED**

(即時科研集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

**致即時科研集團有限公司****全體股東**

(於開曼群島註冊成立之有限公司)

We have audited the financial statements on pages 49 to 145 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

本核數師已完成審核第49至145頁之財務報表，該等賬目乃按照香港普遍採納之會計原則編製。

**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.

**董事及核數師各自之責任**

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

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

本核數師之責任是根據審核之結果，對該等報表作出獨立意見，並僅向全體股東報告。除此以外，本核數師之報告不可作其他用途。本核數師概不就本報告之內容，對任何其他人士負上或承擔任何責任。

## 核數師報告

## 意見之基礎

本核數師已按照香港會計師公會頒布之香港核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評審董事於編製財務報表時所作之重大估計和判斷、所採用之會計政策是否適合 貴公司與 貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。

本核數師在策劃和進行審核工作時，均以取得所有本核數師認為必需之資料及解釋為目標，以便獲得充分憑證，就財務報表是否存在重大錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已評估財務報表所載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下列意見提供合理基礎。

## 意見

本核數師認為財務報表足以真實兼公平地顯示 貴公司與 貴集團於二零零六年三月三十一日結算時之財務狀況，及 貴集團截至該日止年度之虧損及現金流量，並按照香港公司條例之披露規定妥為編製。

## 浩華會計師事務所

執業會計師

二零零六年六月二十八日

李柏基

執業證書號碼P01330

## Consolidated Income Statement

## 綜合收益表

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

			2006 二零零六年	2005 二零零五年 (Restated) (經重列)
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Turnover</b>	<b>營業額</b>	4	<b>8,368</b>	18,333
<b>Cost of sales</b>	<b>銷售成本</b>		<b>(5,221)</b>	(10,630)
<b>Gross profit</b>	<b>毛利</b>		<b>3,147</b>	7,703
<b>Other revenue</b>	<b>其他收入</b>	4	<b>377</b>	434
<b>Impairment loss for bad and doubtful debts</b>	<b>呆壞賬減值虧損</b>		<b>(7,605)</b>	(1,757)
<b>Selling and distribution expenses</b>	<b>銷售及分銷費用</b>		<b>(4,227)</b>	(5,052)
<b>General and administrative expenses</b>	<b>一般及行政費用</b>		<b>(20,694)</b>	(17,655)
<b>Loss from operation</b>	<b>經營虧損</b>		<b>(29,002)</b>	(16,327)
<b>Finance costs</b>	<b>融資成本</b>		<b>(2,845)</b>	(883)
<b>Loss before taxation</b>	<b>除稅前虧損</b>	6	<b>(31,847)</b>	(17,210)
<b>Taxation</b>	<b>稅項</b>	9(a)	<b>-</b>	(6,172)
<b>Loss for the year</b>	<b>本年度虧損</b>		<b>(31,847)</b>	(23,382)
<b>Attributable to:</b>	<b>以下應佔：</b>			
Equity holders of the Company	本公司權益持有人		<b>(31,700)</b>	(23,152)
Minority interests	少數股東權益		<b>(147)</b>	(230)
			<b>(31,847)</b>	(23,382)
<b>Dividend</b>	<b>股息</b>	11	<b>-</b>	-
<b>Loss per share – Basic (in cents)</b>	<b>每股虧損 – 基本 (仙)</b>	12	<b>(10.4)</b>	(9.9)

The notes on pages 56 to 145 form part of these financial statements.

刊載於第56頁至第145頁之附註為此等財務報表之組成部分。

## Consolidated Balance Sheet

## 綜合資產負債表

As at 31 March 2006

於二零零六年三月三十一日

			2006 二零零六年	2005 二零零五年 (Restated) (經重列)
	Note 附註		HK\$'000 千港元	HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>		<b>資產及負債</b>		
<b>Non-current assets</b>		<b>非流動資產</b>		
Fixed assets	13	固定資產	2,855	2,193
Product development costs	15	產品開發成本	22,596	13,915
			<b>25,451</b>	16,108
<b>Current assets</b>		<b>流動資產</b>		
Inventories	17	存貨	2,599	2,529
Trade receivables	18	應收賬項	25,556	33,321
Other receivables, deposits and prepayments		其他應收款項、按金及 預付款項	4,741	4,249
Cash and bank balances	19	現金及銀行結存	10,338	3,657
			<b>43,234</b>	43,756
<b>Current liabilities</b>		<b>流動負債</b>		
Trade payables	20	應付賬項	920	2,064
Other payables, accruals and deposits received		其他應付款項、應計 款項及已收按金	16,762	6,542
Amounts due to directors	21	應付董事款項	4,309	6,652
Amount due to a spouse of a director	22	應付董事配偶款項	1,840	4,998
Convertible notes	27	可換股票據	-	3,862
Tax payable		應繳稅項	5,658	6,184
			<b>29,489</b>	30,302
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>13,745</b>	13,454
<b>Total assets less current liabilities</b>		<b>總資產減流動負債</b>	<b>39,196</b>	29,562

**Consolidated Balance Sheet (Continued)****綜合資產負債表(續)**

As at 31 March 2006

於二零零六年三月三十一日

			<b>2006</b>	2005
			<b>二零零六年</b>	二零零五年
				(Restated)
				(經重列)
		Note	<b>HK\$'000</b>	HK\$'000
		附註	<b>千港元</b>	千港元
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	23	<b>30,617</b>	30,617
Reserves	儲備	25	<b>(39,033)</b>	(14,584)
Equity attributable to equity holders of the Company	本公司權益持有人應佔股權		<b>(8,416)</b>	16,033
Minority interest	少數股東權益		–	147
Total equity	權益總額		<b>(8,416)</b>	16,180
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax	遞延稅項	9(b)	–	–
Proceeds of convertible preference shares received in advance	提前收取之可換股優先股所得款項	26	–	4,200
Convertible notes	可換股票據	27	<b>17,957</b>	9,182
Convertible preference shares	可換股優先股	23(b)	<b>29,655</b>	–
			<b>47,612</b>	13,382
			<b>39,196</b>	29,562

These financial statements were approved and authorised for issue by the board of directors on 28 June 2006.

**Lin Chien Hsin**  
Director

**Wong Hoi Wong**  
Director

The notes on pages 56 to 145 form part of these financial statements.

此等財務報表於二零零六年六月二十八日經董事會批准及授權發行。

**林建新**  
董事

**王凱煌**  
董事

刊載於第56頁至第145頁之附註為此等財務報表之組成部分。

## 資產負債表

於二零零六年三月三十一日

刊載於第56頁至第145頁之附註為此等財務報表之組成部分。

## Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

		2006 二零零六年	2005 二零零五年 (Restated) (經重列)
		HK\$'000 千港元	HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營業務之現金流量</b>		
Loss before taxation	除稅前虧損	(31,847)	(17,210)
Adjustment for:	調整：		
Interest income	利息收入	(7)	(5)
Interest expenses	利息開支	2,845	883
Impairment loss for bad and doubtful debts	呆壞賬減值虧損	7,605	1,757
Bad debts written off	已撤銷壞賬	-	66
Loss on disposal of fixed assets	出售固定資產虧損	-	135
Depreciation	折舊	571	456
Amortisation	攤銷	2,341	1,306
Operating loss before working capital changes	營運資金變動前之經營虧損	(18,492)	(12,612)
Increase in inventories	存貨增加	(70)	(1,884)
Decrease/(increase) in trade receivables	應收賬項減少／(增加)	160	(252)
Increase in other receivables, deposits and prepayments	其他應收款項、按金及預付款項增加	(492)	(1,331)
(Decrease)/increase in trade payables	應付賬項(減少)／增加	(1,144)	1,500
Increase in other payables, accruals and deposits received	其他應付款項、應計款項及已收按金增加	9,804	1,840
Effect on foreign exchange rate changes	外幣匯率變動之影響	(338)	(228)
Cash used in operations	經營業務所用現金	(10,572)	(12,967)
Interest received	已收利息	7	5
Interest paid	已付利息	(722)	-
Tax paid	已繳稅款	(526)	-
<b>Net cash outflow from operating activities</b>	<b>經營業務之現金流出淨額</b>	<b>(11,813)</b>	<b>(12,962)</b>
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Payments to acquire fixed assets	添置固定資產之付款	(1,576)	(1,608)
Sales proceeds of fixed assets	出售固定資產所得款項	-	57
Product development expenditure incurred	產品開發開支	(10,679)	(8,979)
<b>Net cash used in investing activities carried forward</b>	<b>投資活動所用現金淨額結轉</b>	<b>(12,255)</b>	<b>(10,530)</b>

## 截至二零零六年三月三十一日止年度

# Consolidated Statement of Changes in Equity 綜合股本變動表

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

		Share Capital	Share premium	Capital redemption reserve	Capital reserve	Special reserve	Trans-lation reserve	Accumulated losses	Attributable to equity holders of the Company	Minority interest	Total
		股本	股份溢價	贖回儲備	資本儲備	特別儲備	匯兌儲備	累計虧損	本公司權益持有人應佔	少數股東權益	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (note 25)(i) 附註25(i)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 April 2004	於二零零四年四月一日之結餘										
– as originally stated	– 原先呈列	20,411	22,006	84	–	360	15	(17,447)	25,429	–	25,429
– effects of changes in accounting policies (note 2)	– 會計政策變動之影響(附註2)	–	–	–	1,692	–	–	(179)	1,513	–	1,513
– as restated	– 重列	20,411	22,006	84	1,692	360	15	(17,626)	26,942	–	26,942
Rights issue of shares	供股事項	10,206	3,061	–	–	–	–	–	13,267	–	13,267
Share issue expenses	股份發行開支	–	(796)	–	–	–	–	–	(796)	–	(796)
Capital contribution from a minority shareholder	少數股東出資	–	–	–	–	–	–	–	–	377	377
Exchange adjustment on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表之匯兌調整	–	–	–	–	–	(228)	–	(228)	–	(228)
Loss for the year (restated)	本年度虧損(經重列)	–	–	–	–	–	–	(23,152)	(23,152)	(230)	(23,382)
Balance at 31 March 2005 (restated)	於二零零五年三月三十一日之結餘(經重列)	30,617	24,271	84	1,692	360	(213)	(40,778)	16,033	147	16,180
Balance at 1 April 2005	於二零零五年四月一日之結餘										
– as originally stated	– 原先呈列	30,617	24,271	84	–	360	(213)	(40,042)	15,077	147	15,224
– effects of changes in accounting policies (note 2)	– 會計政策變動之影響(附註2)	–	–	–	1,692	–	–	(736)	956	–	956
– as restated	– 重列	30,617	24,271	84	1,692	360	(213)	(40,778)	16,033	147	16,180
Issue of convertible preference shares	發行可換股優先股	–	–	–	6,541	–	–	–	6,541	–	6,541
Issue of convertible notes	發行可換股票據	–	–	–	1,798	–	–	–	1,798	–	1,798
Share issue expenses	股份發行開支	–	(750)	–	–	–	–	–	(750)	–	(750)
Redemption of convertible notes	贖回可換股票據	–	–	–	(484)	–	–	484	–	–	–
Exchange adjustment on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表之匯兌調整	–	–	–	–	–	(338)	–	(338)	–	(338)
Loss for the year	本年度虧損	–	–	–	–	–	–	(31,700)	(31,700)	(147)	(31,847)
<b>Balance at 31 March 2006</b>	<b>於二零零六年三月三十一日之結餘</b>	<b>30,617</b>	<b>23,521</b>	<b>84</b>	<b>9,547</b>	<b>360</b>	<b>(551)</b>	<b>(71,994)</b>	<b>(8,416)</b>	<b>–</b>	<b>(8,416)</b>

The notes on pages 56 to 145 form part of these financial statements. 刊載於第56頁至第145頁之附註為此等財務報表之組成部分。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 1. 一般資料

本公司於二零零零年十二月六日根據開曼群島公司法(一九六一年第3號法例第22章,經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處及主要營業地點之地址分別位於Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Grand Cayman, Cayman Islands, British West Indies及香港九龍土瓜灣馬頭圍道37號紅磡商業中心B座10樓1004室。

本公司股份於二零零一年七月二十七日在香港聯合交易所有限公司創業板（「創業板」）上市。

二零零二年十月十一日，美國證券交易委員會批准就本公司股份於美國設立第一級美國證券存托憑證計劃。

本集團於資訊科技業從事開發及提供一系列Linux解決方案，包括Linux作業系統、Linux應用系統及相關服務，例如軟件安裝、培訓及教育，並以Thizlinux品牌經營業務。各附屬公司之業務載於財務報表附註14。

該些綜合財務報表乃以港元呈列，除非另有載明。董事會（「董事會」）已於二零零六年六月二十八日批准及授權發行本綜合財務報表。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all of the new and revised Hong Kong Financial Reporting Standards ("HKFRS") and Hong Kong Accounting Standards ("HKAS") (collectively "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants which are relevant to its operations and effective for accounting periods beginning on or after 1 January 2005. The applicable HKFRSs are set out below and the 2005 comparatives have been restated in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets

## 2. 採納新訂及經修訂香港財務報告準則

於本年度，本集團採納香港會計師公會頒佈之所有與其業務有關並於二零零五年一月一日或之後開始之會計期間生效之新訂及經修訂香港財務報告準則及香港會計準則（統稱「香港財務報告準則」）。下文載述適用之香港財務報告準則，並已根據相關規定重列二零零五年之比較數字。

香港會計準則第1號	財務報表呈報
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計變更及錯誤更正
香港會計準則第10號	結算日後事項
香港會計準則第12號	所得稅
香港會計準則第14號	分部報告
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第18號	收益
香港會計準則第19號	僱員福利
香港會計準則第21號	匯率變動之影響
香港會計準則第23號	借貸成本
香港會計準則第24號	有關連人士披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第32號	金融工具：披露及呈報
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值

## 財務報表附註

截至二零零六年三月三十一日止年度

## 2. 採納新訂及經修訂香港財務報告準則 (續)

香港會計準則第37號	撥備、或然負債及或然資產
香港會計準則第38號	無形資產
香港會計準則第39號	金融工具：確認及計量
香港財務報告準則第2號	以股份為基礎之付款
香港財務報告準則第3號	業務合併

概括而言，採納：

- (a) 香港會計準則第1、2、7、8、10、12、14、16、17、18、19、21、23、27、33、36、37及38號並無導致本集團之會計政策發生重大變動，且對其經營業績及財務狀況並無構成重大影響。
- (b) 香港會計準則第21號對本集團政策並無重大影響。各綜合實體之功能貨幣已按經修訂準則之指引重新評估。本集團所有實體以相同功能貨幣作為各實體財務報表之呈報貨幣。
- (c) 香港會計準則第24號影響有關連人士之識別、呈報及披露。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

The major effects on adoption of the other HKFRSs are summarised as follows:

**(a) Financial instruments (HKAS 32 Financial Instruments: Disclosure and Presentation and HKAS 39 Financial Instruments: Recognition and Measurement)**

HKAS 32 Financial Instruments: Disclosure and Presentation requires retrospective application and primarily addresses the classification of a financial instrument issued by an entity and prescribes disclosure requirements of financial instruments. HKAS 39 Financial Instruments: Recognition and Measurement deals with recognition, measurement, derecognition of financial instruments and also prescribes requirements for hedge accounting. HKAS 39, which is effective for annual periods beginning on or after 1 January 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis.

**2. 採納新訂及經修訂香港財務報告準則 (續)**

採納其他香港財務報告準則之主要影響概述如下：

**(a) 金融工具 (香港會計準則第32號金融工具：披露及呈報和香港會計準則第39號金融工具：確認及計量)**

香港會計準則第32號金融工具：披露及呈報規定須作追溯性應用，主要針對由某一實體所發出之金融工具之分類，並訂明金融工具之披露要求。香港會計準則第39號金融工具：確認及計量關乎金融工具之確認、計量、取消確認，並訂明對沖會計方式之要求。於二零零五年一月一日或之後開始之年度期間生效之香港會計準則第39號，一般並不允許按追溯性基準確認、取消確認或計量金融資產及負債。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

- (a) Financial instruments (HKAS 32 Financial Instruments: Disclosure and Presentation and HKAS 39 Financial Instruments: Recognition and Measurement) *(continued)*

All changes in the accounting policies have been made in accordance with the transitional provisions in the respective standards, wherever applicable.

The adoption of HKASs 32 and 39 resulted in:

**2. 採納新訂及經修訂香港財務報告準則 (續)**

- (a) 金融工具(香港會計準則第32號金融工具：披露及呈報和香港會計準則第39號金融工具：確認及計量) (續)

會計政策之所有變動已根據過渡條款在各自準則中作出(倘適合)。

採納香港會計準則第32號及第39號導致：

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

- (a) Financial instruments (HKAS 32 Financial Instruments: Disclosure and Presentation and HKAS 39 Financial Instruments: Recognition and Measurement) *(continued)*

*Convertible notes/convertible preference shares*

The principal impact of HKAS 32 on the Group is in relation to convertible notes/convertible preference shares issued by the Company (notes 23 and 27). HKAS 32 requires an issuer of a compound financial instrument that contains both financial liability and equity components to separate the compound financial instrument into the liability and equity components on initial recognition and to account for these components separately. In subsequent periods, the liability component is carried at amortised cost using the effective interest method. The effect of adoption of the requirements of HKAS 32 on the current and prior year's financial statements are set out on pages 67 to 70.

**2. 採納新訂及經修訂香港財務報告準則 (續)**

- (a) 金融工具(香港會計準則第32號金融工具：披露及呈報和香港會計準則第39號金融工具：確認及計量) (續)

*可換股票據／可換股優先股*

香港會計準則第32號對本集團之主要影響乃與本公司所發行之可換股票據／可換股優先股有關(附註23及27)。香港會計準則第32號規定，複合金融工具(包含金融負債及權益成份)之發行人於進行初步確認時須將複合金融工具分為負債及權益成份，並將該等成份分開入賬。於以後期間，負債成份採用實際利率法按攤銷成本列賬。採納香港會計準則第32號對本年度及上年度財務報表之影響載於第67頁至第70頁。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 2. 採納新訂及經修訂香港財務報告準則 (續)

- (a) 金融工具(香港會計準則第32號  
金融工具：披露及呈報和香港會  
計準則第39號金融工具：確認及  
計量)(續)

不包括債務及股本證券之金融資產及金融負債

從二零零五年四月一日起，本集團根據香港會計準則第39號之規定歸類及計量其不包括債務及股本證券之金融資產及金融負債（先前不在會計實務準則第24號範圍內）。香港會計準則第39號項下之金融資產歸類為「以公平值計入損益賬之金融資產」、「可供出售金融資產」、「貸款及應收賬款」或「持至到期金融資產」。金融負債一般歸類為「以公平值計入損益賬之金融負債」或「不包括以公平值計入損益賬之金融負債之金融負債（其他金融負債）」。「其他金融負債」乃採用實際利率法按攤銷成本列賬。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)***(b) Employee share option scheme (HKFRS 2 Share-based Payment)**

The adoption of HKFRS 2 has resulted in a change in the accounting policy for share-based payments. In prior years, no amounts were recognised when employees (which term includes directors) were granted share options over shares in the Company. If the employees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price receivable.

With effect from 1 April 2005, in order to comply with HKFRS 2, the Group recognises the fair value of such share options as an expense in the income statement, or as an asset, if the cost qualifies for recognition as an asset under the Group's accounting policies. A corresponding increase is recognised in a capital reserve within equity.

Where the employees are required to meet vesting conditions before they become entitled to the options, the Group recognises the fair value of the options granted over the vesting period. Otherwise, the Group recognises the fair value in the period in which the options are granted.

**2. 採納新訂及經修訂香港財務報告準則 (續)****(b) 僱員購股權計劃 (香港財務報告準則第2號以股份為基礎之付款)**

採納香港財務報告準則第2號導致有關以股份為基礎之付款之會計政策發生改變。於以往年度，僱員(此詞彙包括董事)獲授出本公司股份之購股權時，不會確認任何款項。倘僱員選擇行使購股權，股本面值及股份溢價將僅以購股權之應收行使價為限入賬。

由二零零五年四月一日起，為遵守香港財務報告準則第2號，本集團在收益表內確認該等購股權之公平值為開支，或倘其成本按本集團之會計政策合資格確認為資產，則確認為資產。相應增加乃於權益內之資本儲備中予以確認。

倘僱員於有權行使購股權前須符合歸屬規定，本集團於歸屬期內確認已授出購股權之公平值。否則，本集團於授出購股權之期間內確認公平值。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)***(b) Employee share option scheme (HKFRS 2 Share-based Payment) (continued)**

If an employee chooses to exercise options, the related capital reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse unexercised the related capital reserve is transferred directly to retained profits.

The new accounting policy has been applied retrospectively with comparatives restated in accordance with HKFRS 2, except that the Group has taken advantage of the transitional provisions set out in paragraph 53 of HKFRS 2 under which the new recognition and measurement policies have not been applied to the following grants of options:

- (a) all options granted to employees on or before 7 November 2002; and
- (b) all options granted to employees after 7 November 2002 but which had vested before 1 January 2005.

**2. 採納新訂及經修訂香港財務報告準則 (續)****(b) 僱員購股權計劃 (香港財務報告準則第2號以股份為基礎之付款) (續)**

倘僱員選擇行使購股權，相關資本儲備連同行使價乃轉撥至股本及股份溢價。倘購股權在未予行使下失效，相關資本儲備乃直接轉撥至保留溢利。

新會計政策已追溯應用，並按照香港財務報告準則第2號重列比較數字，惟本集團利用香港財務報告準則第2號第53段所載之過渡性條文規定，並未對下列授出之購股權採用新確認及計量政策：

- (a) 所有於二零零二年十一月七日或之前向僱員授出之購股權；及
- (b) 所有於二零零二年十一月七日後向僱員授出而於二零零五年一月一日前歸屬之購股權。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)***(b) Employee share option scheme (HKFRS 2 Share-based Payment) (continued)**

As all the options were granted to employees before 7 November 2002, the adoption of HKFRS 2 had no effect on these financial statements.

**(c) Goodwill (HKFRS 3 Business Combinations)**

HKFRS 3 Business Combinations is effective for business combinations for which the agreement date is on or after 1 January 2005. After initial recognition, HKFRS 3 requires goodwill acquired in a business combination to be carried at cost less any accumulated impairment losses. Under HKAS 36 Impairment of Assets, impairment reviews are required annually, or more frequently if there are indications that goodwill might be impaired. HKFRS 3 prohibits the amortisation of goodwill.

**2. 採納新訂及經修訂香港財務報告準則 (續)****(b) 僱員購股權計劃 (香港財務報告準則第2號以股份為基礎之付款) (續)**

由於所有購股權均於二零零二年十一月七日前向僱員授出，故採納香港財務報告準則第2號對此等財務報表並無構成影響。

**(c) 商譽 (香港財務報告準則第3號業務合併)**

香港財務報告準則第3號業務合併適用於協議日期為二零零五年一月一日或之後之業務合併。於首次確認後，香港財務報告準則第3號規定於業務合併中購入之商譽按成本減任何累計減值虧損列賬。香港會計準則第36號資產減值規定須每年審閱是否存在減值，或於有跡象顯示商譽可能存在減值時更頻密進行測試。香港財務報告準則第3號禁止攤銷商譽。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)***(c) Goodwill (HKFRS 3 Business Combinations) *(continued)***

In previous years, in accordance with the predecessor standard, Statement of Standard Accounting Practice 30 Business Combinations (SSAP 30), goodwill arising on acquisitions prior to 1 April 2001 was held in reserves, and goodwill arising on acquisitions on or after 1 April 2001 was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional rules in HKFRS 3. With respect to goodwill previously capitalised on the consolidated balance sheet, the Group will discontinue amortising such goodwill from 1 April 2005 onwards and such goodwill will be tested for impairment in accordance with HKAS 36.

Because the revised accounting policy has been applied prospectively, the change has had no impact on amounts reported for the year ended 31 March 2005. The revised accounting policy also has no impact on the current year's financial statements because the book carrying amount of goodwill as at 1 April 2005 is nil and no goodwill arose during the year.

**2. 採納新訂及經修訂香港財務報告準則 (續)****(c) 商譽(香港財務報告準則第3號業務合併) (續)**

於以往年度，根據前身準則會計實務準則第30號業務合併(會計實務準則第30號)，於二零零一年四月一日前因收購產生之商譽乃於儲備中入賬，而於二零零一年四月一日或之後因收購所產生之商譽乃撥作資本並於其估計可使用年內進行攤銷。本集團已應用香港財務報告準則第3號之相關過渡性規則。就先前於綜合資產負債表撥充資本之商譽而言，本集團由二零零五年四月一日起終止攤銷該等商譽，該等商譽將根據香港會計準則第36號作減值測試。

由於已預先應用經修訂之會計政策，此一變動對截至二零零五年三月三十一日止年度所呈報之金額並無影響。由於商譽於二零零五年四月一日之賬面值為零且本年度並無產生商譽，故經修訂之會計政策亦對本年度之財務報表並無影響。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

The effects of the adoption of HKFRSs on the results for the years ended 31 March 2006 and 2005 are as follows:

**2. 採納新訂及經修訂香港財務報告準則 (續)**

採納香港財務報告準則對截至二零零六年及二零零五年三月三十一日止年度之業績影響如下：

Increase in interest expense on the liability component of the convertible notes/convertible preference shares under finance costs	融資成本項下可換股票據／可換股優先股之負債成分利息開支增加
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Increase in basic loss per share	每股基本虧損增加
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2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
1,707	557
HK0.6 cents 港仙	HK0.2 cents 港仙

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

The cumulative effects of application of HKFRSs as at 31 March 2006 are summarised below:

**2. 採納新訂及經修訂香港財務報告準則 (續)**

應用香港財務報告準則於二零零六年三月三十一日之累計影響簡述如下：

		Before adoption of HKFRSs 採納香港財務 報告準則之前	Applied retrospectively HKAS 32 追溯性應用香港 會計準則第32號	After adoption of HKFRSs 採納香港財務 報告準則之後
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Effect on liabilities:</i>				
對負債之影響：				
Convertible preference shares	可換股優先股	—	29,655	29,655
Convertible notes	可換股票據	20,000	(2,043)	17,957
		20,000	27,612	47,612
<i>Effect on equity:</i>				
對權益之影響：				
Share capital	股本	64,617	(34,000)	30,617
Capital reserve	資本儲備	—	9,547	9,547
Other reserves	其他儲備	24,614	(1,200)	23,414
Accumulated losses	累計虧損	(70,035)	(1,959)	(71,994)
		19,196	(27,612)	(8,416)

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

The cumulative effects of application of HKFRSs as at 31 March 2005 are summarised below:

## 2. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則於二零零五年三月三十一日之累計影響如下：

		Originally stated	Applied retrospectively HKAS 32 追溯性應用香港 會計準則第32號	Restated
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Effect on liabilities:</i>				
對負債之影響：				
Convertible notes	可換股票據	14,000	(956)	13,044
<i>Effect on equity:</i>				
對權益之影響：				
Share capital	股本	30,617	—	30,617
Capital reserve	資本儲備	—	1,692	1,692
Other reserves	其他儲備	24,502	—	24,502
Accumulated losses	累計虧損	(40,042)	(736)	(40,778)
Minority interests	少數股東權益	147	—	147
		15,224	956	16,180

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

The financial effects of the application of HKFRSs as at 1 April 2004 are summarised below:

**2. 採納新訂及經修訂香港財務報告準則 (續)**

應用香港財務報告準則於二零零四年四月一日之財務影響簡述如下：

		Originally stated	Applied retrospectively HKAS 32 追溯性應用香港 會計準則第32號	Restated
		原先呈列 HK\$'000 千港元	HK\$'000 千港元	重列 HK\$'000 千港元
<i>Effect on liabilities:</i>	<i>對負債之影響：</i>			
Convertible notes	可換股票據	14,000	(1,513)	12,487
<i>Effect on equity:</i>	<i>對權益之影響：</i>			
Share capital	股本	20,411	—	20,411
Capital reserve	資本儲備	—	1,692	1,692
Other reserves	其他儲備	22,465	—	22,465
Accumulated losses	累計虧損	(17,447)	(179)	(17,626)
		25,429	1,513	26,942

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS***(continued)*

The Group has not early adopted the following new standards or interpretations that have been issued but are not yet effective.

**2. 採納新訂及經修訂香港財務報告準則 (續)**

本集團並未提早採納以下已頒佈但尚未生效之新訂準則或詮釋。

		<b>Effective for accounting periods beginning on or after 於以下日期或之後開始之會計期間生效</b>	
HKAS 1 (Amendment) 香港會計準則第1號 (經修訂)	Presentation of financial statements: Capital Disclosures 財務報表呈報：資本披露	1 January 2007 二零零七年一月一日	
HKAS 39 (Amendment) 香港會計準則第39號 (經修訂)	The Fair Value Option 公平價值法選擇	1 January 2006 二零零六年一月一日	
HKFRS 7 香港財務報告準則第7號	Financial Instruments: Disclosures 金融工具：披露	1 January 2007 二零零七年一月一日	
HK (IFRIC) Int 4 香港(國際財務報告 詮釋委員會)詮釋第4號	Determining Whether an Arrangement Contains a Lease 釐定安排是否包括租賃	1 January 2006 二零零六年一月一日	

The Group is in the process of making an assessment of what the impact of these new or revised standards or interpretations is expected to be in the period of initial application.

本集團現正評估該等新訂或經修訂準則或詮釋於初次應用期間之預期影響。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES****(a) Basis of preparation of financial statements**

These financial statements have been prepared under the historical cost convention in accordance with HKFRSs, accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules").

At 31 March 2006, the Group recorded a net liability of HK\$8,416,000 out of which HK\$29,655,000 was attributable to the recognition of the liability component of the cumulative non-voting convertible preference shares of HK\$0.10 each issued by the Company during the year under the new HKFRSs as set out in note 2. Pursuant to the terms of the preference shares as set out in note 23, the preference shares are not redeemable and can only be converted into ordinary shares of the Company. Accordingly, the financial statements of the Group and the Company are prepared on a going concern basis.

**3. 主要會計政策****(a) 財務報表之編製基準**

此等財務報表乃按歷史成本慣例並根據香港財務報告準則、香港公認會計原則、香港公司條例之披露規定及聯交所創業板證券上市規則（「創業板上市規則」）編製。

於二零零六年三月三十一日，本集團錄得負債淨值8,416,000港元。其中29,655,000港元因附註2所載根據新香港財務報告準則確認本公司於本年度發行之每股面值0.10港元之累計無投票權可換股優先股之負債成分產生。根據附註23所載之優先股條款，優先股不可贖回，且僅可兌換為本公司之普通股。因此，本集團及本公司之財務報表乃根據持續經營基準編製。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

#### (a) Basis of preparation of financial statements (continued)

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 35.

#### (b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

The results of subsidiaries acquired and disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies into line with those used by the parent company.

All significant intercompany transactions, balances and unrealised gains on transactions between group enterprises are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment on the asset transferred.

### 3. 主要會計政策 (續)

#### (a) 財務報表之編製基準 (續)

編製符合香港財務報告準則之財務報表需要應用重大會計估計。其亦要求管理層於應用集團會計政策時作出判斷。需要重大判斷或對財務報表有重大影響之假設及估計之事項已於財務報表附註35作出披露。

#### (b) 綜合基準

綜合財務報表載有本公司及其附屬公司截至每年三月三十一日止之財務報表。

於年內收購或出售之附屬公司業績已由實際收購日期起或截至實際出售日期止(按適用情況而定)計入綜合收益表內。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與母公司所採用者保持一致。

集團內公司間所有重大交易及結餘，以及集團內部交易所產生的未變現盈利，均於綜合賬目時對銷。除非交易有證據顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. 主要會計政策 (續)

(b) 綜合基準 (續)

綜合附屬公司淨資產內之少數股東權益與本集團所佔之權益分開列賬。少數股東權益包括該等權益於原業務合併日期之數額及少數股東應佔該合併日期以來之股本變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將在本集團的權益中作出分配，惟少數股東具約束性責任及可以其他投資補足虧損者除外。

(c) 業務合併

收購附屬公司使用收購會計法列賬。收購成本乃按為換取獲取收購公司控制權而於交換日期所給予資產、所產生或所承擔之負債及本集團發行之股本工具之公平價值總額，再加上業務合併任何直接應佔成本計算。獲收購公司之可識別資產、負債及或然負債若符合香港財務報告準則第3號規定之確認條件，則按收購當日之公平價值確認。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** (continued)**(c) Business combinations** (continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

**(d) Subsidiary**

A subsidiary is an enterprise in which the Company has the power, directly or indirectly, to govern the financial and operating policies so as to obtain benefits from its activities.

Investment in the subsidiaries is included in the Company's balance sheet at cost less any impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

**3. 主要會計政策 (續)****(c) 業務合併 (續)**

因收購產生之商譽乃確認為資產，於首次確認時按成本(即業務合併之成本高於本集團於已確認可識別資產、負債及或然負債之公平淨值所佔權益之部分)列賬。於重新評估後，倘本集團於獲收購公司之可識別資產、負債及或然負債之公平淨值所佔權益高於業務合併之成本，則該高出數額即時於損益賬確認。

獲收購公司之少數股東權益首次確認時按少數股東於已確認之資產、負債及或然負債之公平淨值所佔之比例計算。

**(d) 附屬公司**

附屬公司指被本公司有權直接或間接監管財政及經營政策，從而於其業務中獲益的企業。

於附屬公司之投資按成本減任何減值虧損計入本公司之資產負債表。附屬公司之業績由本公司按已收及應收股息入賬。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** (continued)**(e) Goodwill**

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

**3. 主要會計政策 (續)****(e) 商譽**

收購一間附屬公司或共同控制實體所產生之商譽指收購成本超出本集團所佔該附屬公司或共同控制實體於收購當日已確認之可識別資產、負債及或然負債之公平淨值之權益之差額。商譽初步按成本確認為資產，其後則按成本減去任何累計減值虧損計算。

就減值測試而言，商譽會分配至本集團預期將受惠於合併協同效益之各現金產生單位。本集團每年會對獲分配商譽之現金產生單位進行減值測試，如有跡象顯示該單位可能已經減值，則更頻密進行減值測試。倘現金產生單位之可收回金額少於該單位之賬面值，則本集團會首先分配減值虧損以減少該單位獲分配之任何商譽之賬面值，再根據該單位之各項資產之賬面值按比例分配予該單位之其他資產。已確認商譽減值虧損不得於往後期間撥回。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(f) Segment reporting**

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

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

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

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

**3. 主要會計政策 (續)****(f) 分類申報**

分類指本集團可區分為從事提供產品或服務(業務分類)，或於指定經濟環境提供產品或服務(地區分類)之部分，而該等分類與其他分類之風險及回報各有不同。

分類收入、開支、業績、資產及負債包括分類直接應佔項目，並可按合理基準分配至該分類。分類收入、開支、資產及負債於對銷集團內公司間結餘及集團內公司間交易前釐定，惟屬於單一分類的集團內公司間之結餘及交易則除外。分類之間的定價乃根據給予其他外界人士之類似條款而定。

分類資本開支指年內購買而預期可使用超過一個年度之有形及無形分類資產所產生成本總額。

未分配項目主要包括財務及企業資產、計息貸款、借貸、企業及財務開支。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. 主要會計政策 (續)

(g) 固定資產

固定資產乃按成本減累計折舊及任何減值虧損入賬。資產成本包括購買價及資產達致現行運作狀況及地點作擬定用途之任何直接應佔成本。資產投入運作後產生之支出如維修保養費及日常開支於產生期間自收益扣除。倘有跡象清楚顯示有關支出導致運用該資產預期獲得之經濟效益有所增加，則有關支出將撥充資本，作為該資產之額外成本。

固定資產按其估計可使用年期以直線法撇銷其成本計算折舊。於各結算日會對可使用年期進行檢討，並於適當時作出調整。主要年率如下：

電腦設備	3年
辦公室設備	3年至7年
傢俬及裝置	5年至7年

出售或報廢一項固定資產產生之損益釐定為該資產之銷售所得款項與賬面值之差額，並於損益賬內確認。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(h) Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and include all costs of purchase and other costs incurred in bringing the inventories to their present location and conditions. Net realisable value is determined by reference to the anticipated sales proceeds of items sold in the ordinary course of business less estimated selling expenses after the balance sheet date or to management estimates based on prevailing market conditions.

**(i) Financial instruments**

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

**(i) Trade receivables**

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

**3. 主要會計政策 (續)****(h) 存貨**

存貨乃按成本值與可變現淨值兩者中之較低者列值。成本乃按加權平均法釐定，並計入一切購買成本及將存貨運抵現址及達致現況所產生之其他成本。可變現淨值乃參照於結算日後在日常業務過程中出售物品之預計銷售所得款項減估計銷售開支或參照管理層根據現行市場狀況作出之估計釐定。

**(i) 金融工具**

倘本集團成為一項工具之合約條文之訂約方，則金融資產及金融負債於本集團之資產負債表確認。

**(i) 貿易應收款項**

貿易應收款項於首次確認時按公平價值計算，其後使用實際利率法按攤銷成本計算。倘有客觀憑證證明資產出現減值，則就估計不可收回數額在損益賬內確認適用撥備。已確認撥備乃根據資產賬面值與首次確認時按實際利率折現估計未來現金流量現值之差額計算。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** (continued)**(i) Financial instruments** (continued)**(ii) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**(iii) Convertible notes and convertible preference shares**

Convertible notes and convertible preference shares that consist of a liability and an equity components are regarded as compound instruments. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible notes and convertible preference shares and the fair value assigned to the liability component, representing the embedded option for the holder to convert the notes and preference shares into equity of the Group, is included in equity (capital reserve).

**3. 主要會計政策 (續)****(i) 金融工具 (續)****(ii) 現金及現金等值項目**

現金及現金等值項目包括手頭現金及活期存款，隨時可兌換為已知現金數額且價值變動風險不大之其他短期高流動性投資。

**(iii) 可換股票據及可換股優先股**

由負債成分及權益成分組成之可換股票據及可換股優先股被視為複合工具。於發行日期，負債成分之公平值按相類之非轉換債務當時之市場利率估計。發行可換股票據及可換股優先股所得款項與指定為負債部分之公平值之間之差額(即賦予持有人將票據及優先股轉換為本公司股本之附屬選擇權)計入權益(資本儲備)內。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** (continued)**(i) Financial instruments** (continued)**(iii) Convertible notes and convertible preference shares**  
(continued)

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible notes and convertible preference shares.

If the convertible notes and convertible preference shares are converted, the capital reserve, together with the carrying value of the liability component at time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the convertible notes and convertible preference shares are redeemed, the capital reserve is transferred directly to accumulated losses.

**(iv) Trade and other payables**

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

**(v) Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**3. 主要會計政策** (續)**(i) 金融工具** (續)**(iii) 可換股票據及可換股優先股** (續)

負債部分之利息開支乃按相類之非可轉換債務之現行市場利率應用於該工具負債部分計算。此金額與已付利息之間之差額計入可換股票據及可換股優先股之賬面值。

如可換股票據及可換股優先股獲轉換，有關之資本儲備連同於轉換時負債部分之賬面值將撥入股本及股份溢價賬，作為已發行股份之代價。倘可換股票據及可換股優先股被贖回，有關之資本儲備將直接撥入累積虧損。

**(iv) 貿易及其他應付賬款**

貿易及其他應付賬款按公平值初步計量及其後採用實際利率法按攤銷成本計量。

**(v) 股本工具**

本公司發行之股本工具按已收所得款項(減直接發行成本)入賬。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. 主要會計政策 (續)

(i) 經營租約

凡資產擁有權之絕大部分風險及回報仍由出租人享有及承擔之租約，均列為經營租約。經營租約項下之租金於租期內按直線法於收益表中扣除。

(k) 撥備及或然負債

如果本集團須就已發生之事件承擔法律或推定義務，因而預期會導致經濟利益流出，在可以做出可靠之估計時，本集團會就該時間或數額不定之負債計提撥備。如果貨幣時間值重大，則按預計所需支出之現值計列撥備。

如果導致經濟利益流出之可能性很低，或是無法對有關數額做出可靠估計，有關之責任將被露為或然負債，但資源外流之可能性極低則除外。如果本集團之責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，但資源外流之可能性極低則除外。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(l) Research and development costs**

All research costs are charged to the income statement as incurred.

Development expenses are also written off as incurred except for those incurred for specific projects which are deferred where recoverability can be foreseen with reasonable assurance and comply with the following criteria: (i) the product or process is clearly defined and the costs are separately identified and measured reliably; (ii) the technical feasibility of the product or process is demonstrated; (iii) the product or process will be sold or used in-house; (iv) a potential market exists for the product or process or its usefulness in the case of internal use is demonstrated; and (v) adequate technical, financial and other resources required for completion of the product or process are available.

Deferred development costs are stated at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on a straight line basis over the expected economic useful lives of the products, subject to a maximum period of five years commencing in the year when the products are put into commercial production

**3. 主要會計政策 (續)****(l) 研究及開發成本**

所有研究成本於產生時在收益表內扣除。

開發費用亦於產生時撇銷，除非為特別項目而產生及因能合理確保該等開發費用之預計可收回性而予以遞延，並且該等開發費用符合下列準則除外：(i)有關之產品及程序有清晰定義，而有關之成本乃分開辨認及可以可靠地計量；(ii)可展示產品或程序之技術可行性；(iii)有關之產品或程序將予出售或供內部使用；(iv)有關之產品或程序存在具潛力之市場，或就內部使用而言能展示出其可使用性；及(v)有足夠之技術、財務及其他資源供完成有關之產品及程序。

遞延開發成本乃按成本值減去累計攤銷及任何減值虧損列示。攤銷於有關產品開始商業生產之日起按不超過五年之估計可使用年期以直線法計算。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. 主要會計政策 (續)

(m) 資產減值

具有無限使用年期之資產毋須進行攤銷，但須最低限度每年及於事件或情況出現變動顯示可能未能收回賬面值之情況下進行減值測試。須予攤銷之資產於事件或情況出現變動顯示可能未能收回賬面值之情況下檢查是否存在減值。資產之賬面值超出其可收回金額之部分乃確認為減值虧損。可收回金額為一項資產之公平價值減出售成本及使用價值兩者中之較高者。就評估減值而言，資產按分開辨認現金流量之最低層面（現金產生單位）分類。

(n) 稅項

所得稅是當期之應付所得稅及遞延稅項之總額。

當期所得稅是根據當年應課稅溢利計算得出。應課稅溢利有別於收益表上呈列之純利，因為應課稅溢利並不包括會計入在其他年度內之應課稅收入或可抵稅支出等項目，並且不包括非應課稅或不可抵稅項目。本集團之當期所得稅負債是以結算日已頒行或實質上已頒行之稅率計算。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** (continued)**(n) Taxation** (continued)

Deferred tax liabilities 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 financial statements and 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. However, such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiary except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

**3. 主要會計政策** (續)**(n) 稅項** (續)

遞延稅項負債乃根據資產及負債之稅基與財務報表之賬面值之所有暫時性差異按負債法作全數撥備，而遞延稅項資產則在有未來應課稅溢利可用作抵銷可扣稅暫時性差異之情況下確認。然而，如暫時性差異是由商譽或因某交易初次確認(業務合併除外)其他資產或負債而產生，又不影響應課稅溢利及會計溢利，則不予以確認此等遞延資產及負債。遞延稅項以結算日已頒行或大致上已頒行之稅率釐定。

遞延所得稅資產之賬面值於每一結算日進行審閱，並且在未來不再可能有足夠應課稅溢利以轉回部分或全部遞延所得稅資產時進行撇減。

附屬公司之投資權益產生之應課稅暫時性差異會確認為遞延所得稅負債，惟本集團能夠控制暫時性差異之撥回，而且暫時性差異在可預見之將來很可能不會轉回之情況除外。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** (continued)**(n) Taxation** (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

**(o) Translation of foreign currencies**

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates ("functional currency"). For the purpose of the consolidated financial statements, the assets and financial position of each entity are expressed in Hong Kong dollars which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**3. 主要會計政策** (續)**(n) 稅項** (續)

遞延稅項資產及負債只有在有法律上可強制執行之權利以當期稅項負債抵銷當期稅項資產，以及當與該等資產與負債相關之所得稅是由同一稅務機構徵收，並且本集團擬以淨額基準結算其當期稅項資產及負債時才互相抵銷。

**(o) 外幣匯兌**

各集團實體之個別財務報表以其主要經營所在之經濟環境之貨幣(功能貨幣)列值。就綜合財務報表而言，各實體之資產及財務狀況均以港元(即本公司之功能貨幣及綜合財務報表之呈列貨幣)列值。

在編製個別實體之財務報表時，以實體功能貨幣以外之貨幣(外幣)進行之交易按交易日通用之匯率入賬。於每一結算日，以外幣列值之貨幣項目以結算日通用之匯率重新換算。以外幣按公平值列值之非貨幣項目按釐定公平值之日通用之匯率重新換算。以外匯按歷史成本計量之非貨幣項目不予重新換算。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(o) Translation of foreign currencies** *(continued)*

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Hong Kong dollars using exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

**3. 主要會計政策 (續)****(o) 外幣匯兌 (續)**

結算貨幣項目及重新換算貨幣項目時產生之匯兌差額計入期內之損益表。重新換算按公平值列賬之非貨幣項目產生之匯兌差額於期內計入損益表，惟重新換算非貨幣項目產生之差額有關之損益直接於權益內確認。至於非貨幣項目，任何損益之匯兌部分亦直接於權益中確認。

就呈報綜合財務報表而言，本集團海外業務之資產及負債（包括比較數字）均使用結算日通用匯率以港元列值。收入及開支項目（包括比較數字）以期內之平均匯率換算，惟倘期內之匯率大幅波動，則按交易日之匯率換算。產生之匯兌差額（如有）分類為權益，並轉撥至本集團之換算儲備。有關換算差額於出售海外業務之期間於損益表確認。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(p) Employees' benefits***(i) Employee leave entitlements*

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

*(ii) Pension obligations*

Contributions to the Mandatory Provident Fund scheme as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance are charged to income statement when incurred.

**(q) 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 income statement in the year in which they are incurred.

**3. 主要會計政策 (續)****(p) 僱員福利***(i) 僱員假期福利*

僱員年假及長期服務假期福利於僱員應享該等福利時確認。賬目內就僱員因提供服務而於截至結算日應享之年假及長期服務假期福利之估計負債作出撥備。

*(ii) 退休金責任*

根據強制性公積金計劃條例須作出之強制性公積金計劃供款於產生時在收益表內確認。

**(q) 借貸成本**

直接因收購、建造或生產一項需要經過長時間備妥至擬定用途或可供出售之資產所產生之借貸成本，乃資本化作該項資產部分成本。

所有其他借貸成本於所產生之年度在收益表內確認。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**3. PRINCIPAL ACCOUNTING POLICIES** *(continued)***(r) Revenue recognition**

Revenue is recognised when the outcome of a transaction can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Group, on the following basis:

- (i) Revenue from sale of goods is recognised when the significant risks and rewards of ownership of goods have been transferred to the buyers.
- (ii) Income from training services is recognised on a straight-line basis over the period of training.
- (iii) Interest income is recognised on a time-proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

**3. 主要會計政策 (續)****(r) 收入確認**

收入於交易之結果可以可靠地計量及當與該項交易有關之經濟利益很可能流入本集團時按下列基準確認：

- (i) 銷售貨品之收入於貨品之所有權之絕大部分風險及回報已轉讓予買方時確認。
- (ii) 培訓服務之收入按直線法於培訓期內確認。
- (iii) 利息收入按時間比例基準計及未償還本金及適用利率確認。

## 財務報表附註

截至二零零六年三月三十一日止年度

#### 4. 營業額

營業額指所售電腦產品之發票值，以及分銷本集團Linux軟件和硬件產品和培訓收入，並扣除退貨、折扣及減去增值稅後之金額。本集團營業額及其他收入之分析如下：

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
1,542	4,376
4,233	8,483
2,593	5,474
8,368	18,333
7 370	5 429
377	434
8,745	18,767

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

### 5. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

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

- (a) the software development segment engages in development and sales of Linux based software and hardware products;
- (b) the computer products segment engages in B2B e-commerce in respect of trading of computer products; and
- (c) the training service segment engages in the provision of training services on Linux based software.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of assets.

### 5. 分類資料

分類資料以兩種分類基準呈報：(i)按業務分類之主要分類呈報基準；及(ii)按地域分類之次要分類呈報基準。

本集團經營之業務根據其業務性質及所提供產品和服務劃分架構，並獨立管理。本集團各業務分類指提供產品及服務之策略業務單位，並與其他業務分類之風險及回報不同。業務分類詳情概述如下：

- (a) 軟件開發分類，從事Linux 軟件及硬件產品之開發及銷售；
- (b) 電腦產品分類，以商業對商業之電子商貿方式從事電腦產品買賣；及
- (c) 培訓服務分類，提供Linux 軟件之培訓服務。

就釐定本集團之地域分類而言，收入乃按客戶所在地劃分，資產則按資產所在地劃分。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 5. SEGMENT INFORMATION (continued)

## (a) Business segments

## 5. 分類資料 (續)

## (a) 業務分類

	Software development 軟件開發		Computer products 電腦產品		Training services 培訓服務		Consolidated 綜合	
	2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年 (Restated) (經重列)
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:- 分類收入：								
Sales to external customers 銷售予外界客戶	1,542	4,376	4,233	8,483	2,593	5,474	8,368	18,333
Segment results 分類業績	(15,678)	(5,357)	(2,730)	(7,167)	(5,759)	(1,914)	(24,167)	(14,438)
Interest income 利息收入							7	5
Unallocated income 未分配收入							370	429
Unallocated expenses 未分配開支							(5,212)	(2,323)
Loss from operation 經營虧損							(29,002)	(16,327)
Finance costs 融資成本							(2,845)	(883)
Loss before tax 除稅前虧損							(31,847)	(17,210)
Tax 稅項							-	(6,172)
Loss for the year 年內虧損							(31,847)	(23,382)

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 5. SEGMENT INFORMATION (continued)

## (a) Business segments (continued)

		Software development 軟件開發	Computer products 電腦產品	Training services 培訓服務	Unallocated 未分配	Consolidated 綜合
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分類資產	41,082	53,357	3,142	1,726	7,557
Unallocated assets	未分配資產	-	-	-	-	16,904
Total assets	資產總值	41,082	53,357	3,142	1,726	7,557
Segment liabilities	分類負債	5,822	24,267	3,402	5,407	3,713
Unallocated liabilities	未分配負債	-	-	-	-	64,164
Total liabilities	負債總值	5,822	24,267	3,402	5,407	3,713
Other segment information:-	其他分類 資料：					
Depreciation	折舊	259	129	169	134	136
Amortisation	攤銷	1,732	1,210	-	-	129
Capital expenditure	資本開支	7,646	9,616	1,058	562	3,551

## 5. 分類資料 (續)

## (a) 業務分類 (續)

		Software development 軟件開發	Computer products 電腦產品	Training services 培訓服務	Unallocated 未分配	Consolidated 綜合
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年	2006 二零零六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分類資產	41,082	53,357	3,142	1,726	7,557
Unallocated assets	未分配資產	-	-	-	-	16,904
Total assets	資產總值	41,082	53,357	3,142	1,726	7,557
Segment liabilities	分類負債	5,822	24,267	3,402	5,407	3,713
Unallocated liabilities	未分配負債	-	-	-	-	64,164
Total liabilities	負債總值	5,822	24,267	3,402	5,407	3,713
Other segment information:-	其他分類 資料：					
Depreciation	折舊	259	129	169	134	136
Amortisation	攤銷	1,732	1,210	-	-	129
Capital expenditure	資本開支	7,646	9,616	1,058	562	3,551

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For the year ended 31 March 2006

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## 5. SEGMENT INFORMATION (continued)

## (b) Geographical segments

The following tables present revenue, assets and capital expenditure information for the Group's geographical segments.

## 5. 分類資料 (續)

## (b) 地域分類

下表載列本集團按地域劃分之收入、資產及資本開支資料：

		Hong Kong		Taiwan		PRC		USA		Vietnam		Others		Consolidated	
		香港		台灣		中國		美國		越南		其他地區		綜合	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue:-	分類收入														
Sales to	銷售予														
external customers	外界客戶	82	834	675	4,451	3,453	4,783	472	2,627	2,722	1,568	964	4,070	8,368	18,333
Other segment	其他分類														
information:-	資料：														
Segment assets	分類資產	45,821	45,763	6,841	4,694	15,562	7,731	-	-	-	-	461	1,676	68,685	59,864
Capital expenditure	資本開支	2,590	5,088	2,615	1,286	7,050	4,249	-	-	-	-	-	-	12,255	10,623

## Notes to the Financial Statements

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## 6. LOSS BEFORE TAXATION

## 6. 除稅前虧損

Loss before taxation is arrived at after charging/(crediting):—  
 Cost of inventories sold  
 Cost of services rendered  
 Depreciation  
 Less: Amounts capitalised as product development costs

除稅前虧損經扣除／  
 (計入)下列各項：  
 已售存貨成本  
 提供服務成本  
 折舊  
 減：按產品開發成本撥充資本之金額

Amortisation of product development costs (included in general and administrative expenses)  
 Minimum operating lease payments:—  
 Land and buildings  
 Less: Amounts capitalised as product development costs

產品開發成本攤銷  
 (列入一般及行政開支)  
 經營租賃之最低租賃款額：  
 土地及樓宇  
 減：按產品開發成本撥充資本之金額

Auditors' remuneration  
 Staff costs (excluding directors' emoluments):—  
 Salaries and other benefits  
 Pension contributions

核數師酬金  
 員工成本(不包括董事酬金)：  
 薪金及其他福利  
 退休金供款

Less: Amounts capitalised as product development costs

減：按產品開發成本撥充資本之金額

Finance costs:  
 — Interest on convertible notes  
 — Interest on convertible preference shares  
 — Interest paid to a director  
 — Interest paid to a spouse of a director  
 — Other finance costs

融資成本：  
 — 可換股票據利息  
 — 可換股優先股利息  
 — 董事借貸利息  
 — 董事配偶借貸利息  
 — 其他融資成本

Impairment loss for bad and doubtful debts  
 Bad debts written off  
 Loss on disposal of fixed assets  
 Net exchange loss

呆壞賬減值虧損  
 已撤銷壞賬  
 出售固定資產虧損  
 匯兌虧損淨額

2006 二零零六年	2005 二零零五年 (Restated) (經重列)
HK\$'000 千港元	HK\$'000 千港元
4,970	10,169
251	461
914	836
(343)	(380)
571	456
2,341	1,306
2,686	2,295
(1,228)	(1,043)
1,458	1,252
250	252
13,731	13,945
999	1,012
14,730	14,957
(4,599)	(4,946)
10,131	10,011
1,126	883
996	—
309	—
148	—
266	—
2,845	883
7,605	1,757
—	66
—	135
245	31

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## 財務報表附註

For the year ended 31 March 2006

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## 7. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

- (a) Directors' remuneration disclosed pursuant to the GEM Listing Rules and Section 161 of the Hong Kong Companies Ordinance is as follows:—

## 7. 董事及高級行政人員之酬金

- (a) 根據創業板上市規則及香港公司條例第161條，董事之酬金披露如下：

		Directors' fees	Salaries, allowances and other benefits	Bonus	Pension schemes contributions	2006 Total
		董事袍金	薪金、補貼及其他福利	花紅	退休計劃供款	二零零六年合共
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Executive directors:—	執行董事：					
Lin Chien Hsin	林建新	—	536	—	—	536
Wong Hoi Wong	王凱煌	—	1,115	—	12	1,127
Huang Wanzi	黃婉瑜	—	234	—	—	234
Yuan Luke Tsu	袁祖平	—	30	—	—	30
Non-executive directors:—	非執行董事：					
Hsieh Yi Chen	謝宜蓁	30	—	—	—	30
Wu Chiao Ru	巫巧如	30	—	—	—	30
Independent non-executive directors:—	獨立非執行董事：					
Li Zhe	黎哲	60	—	—	—	60
Ko Ming Tung, Edward	高明東	60	—	—	—	60
Chu Wei Jen	朱威任	60	—	—	—	60
Chu Meng Chi	朱孟祺	—	—	—	—	—
		240	1,915	—	12	2,167

## Notes to the Financial Statements

## 財務報表附註

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## 7. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (continued)

- (a) Directors' remuneration disclosed pursuant to the GEM Listing Rules and Section 161 of the Hong Kong Companies Ordinance is as follows:— (continued)

		Directors' fees	Salaries, allowances and other benefits 薪金、補貼及其他福利	Bonus	Pension schemes contributions 退休計劃供款	2005 Total 二零零五年 合共
		董事袍金	其他福利	花紅	退休計劃供款	合共
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors:— 執行董事：						
Lin Chien Hsin	林建新	—	—	—	—	—
Wong Hoi Wong	王凱煌	—	1,115	—	12	1,127
Huang Wanzi	黃婉瑜	—	507	—	—	507
Independent non-executive directors:— 獨立非執行董事：						
Li Zhe	黎哲	60	—	—	—	60
Ko Ming Tung, Edward	高明東	60	—	—	—	60
Chu Wei Jen	朱威任	30	—	—	—	30
		150	1,622	—	12	1,784

There were no arrangements under which a director waived or agreed to waive any emoluments, and no incentive payment nor compensation for loss of office was paid to any director during the current and prior year. No share option was granted to the directors during the current and prior year.

於本年度及過往年度，概無任何董事豁免或同意豁免任何酬金之安排，及概無任何獎勵付款或失去職位之補償支付予任何董事。於本年度及過往年度，概無向董事授予任何購股權。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**7. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS** *(continued)*

- (b) Details of emoluments paid to the five highest paid individuals during the year included two directors (2005: two directors) whose emoluments are set out above. Details of remuneration of the remaining three (2005: three) highest paid employees of the Company during the year are as follows:

Salaries, allowances and other benefits	薪資、補貼及其他福利
Pension schemes contributions	退休計劃供款

**7. 董事及高級行政人員之酬金** (續)

- (b) 於年內向五名最高薪人士(包括兩名董事(二零零五年:兩名董事))支付酬金之詳情載列如上。於年內,本公司之餘下三名(二零零五年:三名)最高薪僱員之酬金之詳情載列如下:

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
877	890
85	35
962	925

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## 財務報表附註

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截至二零零六年三月三十一日止年度

### 8. PENSION SCHEMES

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of those employees who are eligible to participate in the scheme. The MPF Scheme has operated since 1 December 2000. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Company's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. The PRC subsidiaries are required to contribute a percentage of its payroll costs to the central pension scheme. The central pension scheme is responsible for the entire pension obligations payable to all retired employees and the Group has no further obligations for the pension payments on post-retirement benefits beyond the annual contributions.

The Group's contributions to pension schemes for the year ended 31 March 2006 amounted to HK\$1,011,000 (2005: HK\$1,024,000).

### 8. 退休金計劃

本集團根據強制性公積金計劃條例，為其所有合資格參與計劃之僱員提供定額強制性公積金退休福利計劃（「強積金計劃」）。強積金計劃自二零零零年十二月一日起生效。本集團按僱員基本薪金某一百分比作出供款，於須根據強積金計劃規則作出供款時在收益表內扣除。強積金計劃之資產存於獨立管理基金，與本集團之資產分開持有。本集團就強積金計劃作出之僱主供款全數歸僱員所有。

於中國經營之本公司附屬公司之僱員須參與由當地市政府運作之中央退休金計劃。該等中國附屬公司須按薪金某一百分比向中央退休金計劃作出供款。中央退休金計劃須支付全體已退休僱員之所有退休金。本集團毋須就年度供款以外之退休後福利負責。

於截至二零零六年三月三十一日止年度，本集團作出退休金計劃供款1,011,000港元（二零零五年：1,024,000港元）。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 9. 稅項

(a) 綜合收益表內稅項相當於：

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
-	6,172
-	-
-	6,172
-	-
-	6,172

香港利得稅乃按照本年度之估計應課稅溢利按稅率17.5%（二零零五年：17.5%）計算。其他司法管轄區之稅項按照當地適用法例計算。

附註：

6,172,000港元之利得稅之不足撥備乃因稅務局不容許本公司附屬公司即時系統科研有限公司(「即時系統」)就分銷Linux軟件產品提出的離岸收入評稅申請。

即時系統被稅務局要求購買為數6,172,000港元並於二零零四年十一月到期之儲稅券(「儲稅券」)。即時系統未能依時購買儲稅券，因此，稅務局透過香港地方法院發出傳訊令狀，以索償上述應付利得稅6,172,000港元及附加費308,000港元。

儘管董事認為即時系統具備充份理據及實質憑證以支持上述離岸收入評稅申請，並有意就該評稅向稅務局局長上訴，惟彼等認為提撥稅務局所要求之利得稅及附加費乃屬審慎之舉。

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## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 9. TAXATION (continued)

- (a) Taxation in the consolidated income statement represents:-  
(continued)

## 9. 稅項 (續)

- (a) 綜合收益表內稅項相當於：(續)

Tax expense for the year can  
be reconciled as follows:-

本年度稅項  
支出對賬如下：

Loss before tax

除稅前虧損

Tax effect at Hong Kong profits tax  
rate of 17.5%

按17.5%之香港利得稅  
稅率計算之稅務影響

Tax effect of non-deductible expenses/  
tax exempt revenue

不可扣稅開支／  
免稅收入之稅務影響

Tax effect of unrecognised general  
provision for doubtful debts

就未確認呆賬作一般  
撥備之稅務影響

Tax effect of unrecognised tax losses

未確認稅項虧損之稅務影響

Tax effect of different tax rate of  
subsidiaries operating in other  
jurisdictions

於其他司法管轄區營運  
之附屬公司不同稅率  
之影響

Tax effect of utilisation of unrecognised  
tax losses

動用未確認稅項虧損之  
稅務影響

Tax effect of unrecognised decelerated  
tax allowances

未確認減速免稅額  
之稅務影響

Under-provision for deferred  
tax in previous year

上年度遞延稅項之  
不足撥備

Under-provision for current tax in  
respect of previous years

以往年度現有稅項之  
不足撥備

Tax expense

稅項支出

2006 二零零六年	2005 二零零五年
HK\$'000	HK\$'000
千港元	千港元 (經重列)
(31,847)	(17,210)
(5,573)	(3,012)
846	471
-	270
5,867	1,735
(1,157)	72
-	(141)
17	2
-	603
-	6,172
-	6,172

## 財務報表附註

截至二零零六年三月三十一日止年度

## 9. 稅項 (續)

(b) 遞延稅項資產／(負債)之組成部分如下：

		Unutilised tax losses 未動用 稅項虧損	Product development costs 產品開發 成本	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2004	於二零零四年 四月一日	—	—	—
Credit (charge) for the year	本年度計入 (扣除)	1,458	(1,458)	—
At 31 March 2005	於二零零五年 三月三十一日	1,458	(1,458)	—
Credit (charge) for the year	本年度計入 (扣除)	1,981	(1,981)	—
<b>At 31 March 2006</b>	<b>於二零零六年 三月三十一日</b>	<b>3,439</b>	<b>(3,439)</b>	<b>—</b>

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 9. TAXATION (continued)

- (b) The components of deferred tax assets/(liabilities) are as follows:— (continued)

The components of unrecognised deductible/(taxable) temporary differences are as follows:—

## 9. 稅項 (續)

- (b) 遞延稅項資產／(負債)之組成部分如下：(續)

未確認可扣稅／(應課稅)暫時性差異如下：

Deductible temporary difference (note (i))	可扣稅暫時性差異 (附註(i))
Unutilised tax losses	未動用稅項虧損
Decelerated tax allowances	減速免稅額
General provision for doubtful debts	呆賬一般撥備
Taxable temporary difference (note (ii))	應課稅暫時性差異 (附註(ii))
Accelerated tax allowances	加速免稅額

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
68,466	41,227
154	57
6,738	6,738
75,358	48,022
(90)	(90)
75,268	47,932

## 財務報表附註

截至二零零六年三月三十一日止年度

## 9. 稅項 (續)

- (b) 遞延稅項資產／(負債)之組成部分如下：(續)

附註：

- (i) 由於缺乏客觀憑證以證實預期產生之應課稅溢利足以抵銷可扣稅之暫時性差異，故此並無於財務報表內確認可扣稅暫時性差異。

中國及台灣附屬公司累積之未動用稅項虧損34,516,000港元(二零零五年：21,871,000港元)將於各自之虧損年度起五年內期滿。香港附屬公司累積之未動用稅項虧損33,950,000港元(二零零五年：19,356,000港元)則可無限期結轉。於二零零六年三月三十一日稅項虧損合共12,690,000港元(二零零五年：5,033,000港元)已確認為遞延稅項資產。

- (ii) 由於應課稅暫時性差異並不重大，故此並無於財務報表內確認此項目。

## Notes to the Financial Statements

## 財務報表附註

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截至二零零六年三月三十一日止年度

### 10. LOSS ATTRIBUTABLE TO SHAREHOLDERS

Of the Group's loss attributable to shareholders, a loss of HK\$13,815,000 (2005: HK\$24,998,000) has been dealt with in the financial statements of the Company.

### 11. DIVIDEND

No dividend has been paid or declared by the Company during the year (2005: Nil).

### 12. LOSS PER SHARE

The calculation of basic loss per share for the year ended 31 March 2006 is based on the loss attributable to equity holders of the Company of HK\$31,700,000 (2005: HK\$23,152,000 (Restated)) and the weighted average of 306,167,160 (2005: 231,716,676) ordinary shares in issue during the year. The number of ordinary shares for 2005 previously disclosed has been adjusted for the share consolidation during the year ended 31 March 2006.

No diluted loss per share is presented as the outstanding share options, convertible notes and convertible preference shares were anti-dilutive.

### 10. 股東應佔虧損

在股東應佔本集團虧損中，13,815,000港元(二零零五年：24,998,000港元)虧損於本公司財務報表內處理。

### 11. 股息

本公司於本年度未曾派發或宣派任何股息(二零零五年：無)。

### 12. 每股虧損

於截至二零零六年三月三十一日止年度，每股基本虧損乃按本公司股本持有人應佔虧損31,700,000港元(二零零五年：23,152,000港元(經重列))及年內已發行普通股加權平均股數306,167,160股(二零零五年：231,716,676股)計算。特予披露之二零零五年普通股數目已經就於截至二零零六年三月三十一日止年度之股份合併作出調整。

由於未行使之購股權、可換股票據及可換股優先股有反攤薄影響，所以並無呈列每股攤薄虧損。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 13. 固定資產

[illegible]

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 13. FIXED ASSETS (continued)

## 13. 固定資產 (續)

		Computer equipment 電腦設備	Office equipment 辦公室設備	Furniture and fixtures 傢私及裝置	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
The Company	本公司				
Cost:-	成本：				
At 1 April 2004	於二零零四年四月一日	135	13	57	205
Disposals	出售	-	-	(57)	(57)
At 31 March 2005	於二零零五年三月三十一日	135	13	-	148
Additions	添置	-	-	-	-
Disposals	出售	(8)	-	-	(8)
<b>At 31 March 2006</b>	<b>於二零零六年三月三十一日</b>	<b>127</b>	<b>13</b>	<b>-</b>	<b>140</b>
Aggregate depreciation:-	累計折舊				
At 1 April 2004	於二零零四年四月一日	96	9	18	123
Charge for the year	本年度折舊	36	3	3	42
Written back on disposals	出售撥回	-	-	(21)	(21)
At 31 March 2005	於二零零五年三月三十一日	132	12	-	144
Charge for the year	本年度折舊	3	1	-	4
Written back on disposals	出售撥回	(8)	-	-	(8)
<b>At 31 March 2006</b>	<b>於二零零六年三月三十一日</b>	<b>127</b>	<b>13</b>	<b>-</b>	<b>140</b>
Net book value:-	賬面淨值：				
<b>At 31 March 2006</b>	<b>於二零零六年三月三十一日</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
At 31 March 2005	於二零零五年三月三十一日	3	1	-	4



## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 14. INTERESTS IN SUBSIDIARIES (continued)

## 14. 所佔附屬公司之權益 (續)

The details of the subsidiaries are as follows:-

附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Thiz Technology Group Holdings limited	British Virgin Islands 英屬處女群島	US\$100 100美元	100	—	Investment holding 投資控股
Thizlinux Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	—	100	Investment holding 投資控股
Thizbiz Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	—	100	Investment holding 投資控股
Thiz. Com Inc.	British Virgin Islands 英屬處女群島	US\$200,000 200,000美元	—	100	Investment holding 投資控股
Thiz.Com (Hong Kong) limited 即時利尼克斯(香港) 有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Investment holding and provision of management services 投資控股及提供管理 服務

## 財務報表附註

截至二零零六年三月三十一日止年度

#### 14. 所佔附屬公司之權益 (續)

Name of company	Place of incorporation/ registration and operation 註冊成立／ 註冊及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股／ 已發行普通股／ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities
公司名稱			Direct 直接	Indirect 間接	主要業務
PC Media, Inc.	United States of America 美國	US\$50,000 Common stock 50,000美元 普通股	—	100	Dormant 暫無業務
Thiz Design Group Limited	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Provision of management services 提供管理服務
Thizlinux Laboratory Limited 即時系統科研有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Development and sales of Linux based software products and provision of related training services 開發及銷售Linux軟件產品 及提供有關培訓服務

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 14. INTERESTS IN SUBSIDIARIES (continued)

## 14. 所佔附屬公司之權益 (續)

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Thizbiz Global Trade Limited 即時貿易有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Development, sales and distribution of Linux based software and hardware products 開發、銷售及分銷Linux 軟硬件產品
Thiz Electronics Company Limited 即時電子科技有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Dormant 暫無業務
The Investment Exchange Limited 投資交易所有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Dormant 暫無業務
The Recruitment Database Limited 精英站有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Dormant 暫無業務
Thiz.Com (China) Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	—	100	Dormant 暫無業務

## 財務報表附註

截至二零零六年三月三十一日止年度

#### 14. 所佔附屬公司之權益 (續)

Name of company  公司名稱	Place of incorporation/ registration and operation  註冊成立／ 註冊及營業地點	Nominal value of issued ordinary shares/ registered capital  已發行普通股／ 註冊資本面值	Percentage of equity attributable to the Company  本公司 應佔股權百分比		Principal activities  主要業務
			Direct  直接	Indirect  間接	
Institute of Thiz Technology Limited 即時科研學院有限公司	Hong Kong 香港	HK\$100,000 100,000港元	—	100	Provision of training services on Linux based software 提供Linux軟件之培訓服務
英屬維京群島商即時利尼克斯 有限公司臺灣分公司	Taiwan 台灣	NT\$1,700,000 1,700,000新台幣	—	100	Development of Linux based software products and sales of computer and Linux based products 開發Linux軟件產品及銷售 電腦及Linux產品
Beijing ThizLinux Software Co, Limited 北京即時利尼克斯軟件 有限公司	PRC 中國	US\$250,000 250,000美元	—	100	Development of Linux based software products 開發Linux軟件產品

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 14. INTERESTS IN SUBSIDIARIES (continued)

## 14. 所佔附屬公司之權益 (續)

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
ThizLinux Software (Shenzhen) Company Limited 即時軟件(深圳)有限公司	PRC 中國	US\$1,250,000 1,250,000美元	—	100	Sales of Linux based Software and hardware products and provision of training services on Linux based software 銷售Linux軟硬件產品及 提供Linux軟件之培訓 服務
Beijing Thiz Junye Software Co, Ltd 北京即時俊業軟件有限公司	PRC 中國	US\$150,000 150,000美元	—	100	Development of Linux based software products and provision of training services on Linux based software 開發Linux軟件產品及 提供Linux軟件之培訓 服務

## 財務報表附註

截至二零零六年三月三十一日止年度

#### 14. 所佔附屬公司之權益 (續)

Name of company	Place of incorporation/ registration and operation 註冊成立／ 註冊及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股／ 註冊資本面值	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities
公司名稱			Direct 直接	Indirect 間接	
Dalian Thizlinux Technology Institute Co, Limited 大連即時利尼克斯軟件 研究院有限公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	—	90	Development and sales of Linux based software products 開發及銷售Linux軟件產品
大連西崗大建即時信息技術 培訓學校	PRC 中國	RMB200,000 人民幣200,000元	—	90	Provision of training services on Linux based software 提供Linux軟件之培訓服務
上海即時利尼克斯軟件 有限公司	PRC 中國	US\$150,000 150,000美元	—	100	Provision of training services on Linux based software 提供Linux軟件之培訓服務
Thizlinux Software (Kunshan) Company Limited 即時利尼克斯軟件(昆山) 有限公司	PRC 中國	US\$150,000 150,000美元	—	100	Development of Linux based software products 開發Linux軟件產品

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 15. PRODUCT DEVELOPMENT COSTS

## 15. 產品開發成本

		HK\$'000 千港元
Cost:-	成本：	
At 1 April 2004	於二零零四年四月一日	7,568
Additions	新增	9,359
At 31 March 2005	於二零零五年三月三十一日	16,927
Additions	新增	11,022
<b>At 31 March 2006</b>	<b>於二零零六年三月三十一日</b>	<b>27,949</b>
Aggregate amortization:-	累計攤銷：	
At 1 April 2004	於二零零四年四月一日	1,706
Charge for the year	本年度攤銷	1,306
At 31 March 2005	於二零零五年三月三十一日	3,012
Charge for the year	本年度攤銷	2,341
<b>At 31 March 2006</b>	<b>於二零零六年三月三十一日</b>	<b>5,353</b>
Net book value:-	賬面淨值：	
<b>At 31 March 2006</b>	<b>於二零零六年三月三十一日</b>	<b>22,596</b>
At 31 March 2005	於二零零五年三月三十一日	13,915

## 財務報表附註

截至二零零六年三月三十一日止年度

## 16. 商譽

		HK\$'000 千港元
Cost:	成本：	
<b>At 31 March 2005 and 31 March 2006</b>	<b>於二零零五年三月三十一日及 二零零六年三月三十一日</b>	<b>686</b>
Aggregate impairment:	累計減值：	
<b>At 31 March 2005 and 31 March 2006</b>	<b>於二零零五年三月三十一日及 二零零六年三月三十一日</b>	<b>(686)</b>
Net book value:	賬面淨值：	
<b>At 31 March 2005 and 31 March 2006</b>	<b>於二零零五年三月三十一日及 二零零六年三月三十一日</b>	<b>-</b>

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 17. INVENTORIES

## 17. 存貨

Linux based software products package	Linux軟件產品套裝
Phone cards and product package	電話卡及產品套裝
Software training manuals and materials	軟件培訓說明文件及材料
Computer hardware and accessories	電腦硬件及配件

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
2,200	2,436
209	10
58	30
132	53
2,599	2,529

## 財務報表附註

截至二零零六年三月三十一日止年度

## 18. 應收賬項

本集團與客戶之交易條款主要為貨到付款，主要客戶則一般給予平均30日至60日之信貸期。

於結算日之應收賬項(已扣除減值虧損)之賬齡分析如下：

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
-	144
9	24
-	11
15	21
1	19
25,531	33,102
25,556	33,321

上述應收賬項包括應收Prewell International Limited（「Prewell」）之款項25,350,000港元，該筆款項高於本公司於二零零六年三月三十一日市值之8%。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

### 18. TRADE RECEIVABLES (continued)

The above-mentioned trade receivable represents arrears in fee from distribution of the Group's Linux based software products due from Prewell to a subsidiary of the Company, TLL, under a software distribution agreement dated 1 February 2002 entered into between TLL, Prewell and Elitgroup Computer Systems. The amount represents a net amount of the aggregate trade receivable in the sum of HK\$50.7 million less estimated impairment losses.

The directors confirm that the above transaction was entered in the ordinary course of business and on normal commercial terms. A credit term of 30 days was given and the amount was interest free, unsecured and repayable on demand. Prewell is an independent entity not connected with any directors, chief executives, substantial shareholders or management shareholders of the Company and its subsidiaries and any of their respective associates, as defined under the GEM Listing Rules.

### 19. CASH AND BANK BALANCES

At 31 March 2006, included in the Group's cash and bank balances were amounts of approximately HK\$948,000 (2005: HK\$315,000) denominated in Renminbi ("RMB") and kept in the PRC. RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

### 18. 應收賬項 (續)

上述應收賬項指根據即時系統、Prewell 及 Elitgroup Computer Systems 於二零零二年二月一日訂立之軟件分銷協議，Prewell 拖欠本公司之附屬公司即時系統源自分銷本集團 Linux 軟件產品費用之欠款，該數額代表應收賬項總額 50,700,000 港元估計之減值虧損。

董事確認，上述交易為按一般商業條款於日常業務中訂立，並給予 30 日之信貸期，而有關款項乃免息、無抵押及需按要求償還。Prewell 為獨立實體，與本公司及其附屬公司任何董事、主要行政人員、主要股東、管理層股東及彼等各自之任何聯繫人士(定義見創業板上市規則)概無關連。

### 19. 現金及銀行結存

於二零零六年三月三十一日，本集團之現金及銀行結存中約 948,000 港元(二零零五年：315,000 港元)以人民幣(「人民幣」)結算，並存放於中國。人民幣不可自由兌換其他貨幣，然而，根據中國外匯管理規定及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外匯業務之銀行兌換人民幣為其他貨幣。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 20. 應付賬項

於結算日之應付賬項之賬齡分析如下：

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
129	58
-	-
9	1,304
-	675
9	26
773	1
920	2,064

## 21. 應付董事款項

- (a) 應付林建新先生之款項4,307,000港元(二零零五年：6,652,000港元)，乃無抵押、按最優惠利率計息(按月度基準計算)(二零零五年：零)及須按要求償還。本年度已付利息為309,000港元(二零零五年：零)。

- (b) 應付王凱煌先生之款項2,000港元(二零零五年：零)，乃免息、無抵押及須按要求償還。

## 22. 應付董事配偶款項

應付之款項乃無抵押、按最優惠利率計息(按月度基準計算)(二零零五年：零)及需按要求償還。本年度已付利息為148,000港元(二零零五年：零)。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 23. SHARE CAPITAL

## 23. 股本

		Number of shares 股份數目	HK\$'000 千港元
Authorised:			
Ordinary shares of HK\$0.01 each (the "Ordinary Shares") at 1 April 2004		5,000,000,000	50,000
Increase in authorised capital		1,000,000,000	10,000
Ordinary shares of HK\$0.01 each at 1 April 2005		6,000,000,000	60,000
Increase in authorised capital		2,000,000,000	20,000
Share consolidation		(7,200,000,000)	—
<b>Ordinary shares of HK\$0.1 each at 31 March 2006</b>	<b>每股面值0.1港元之普通股 於二零零六年三月三十一日</b>	<b>800,000,000</b>	<b>80,000</b>
Non-voting convertible preference shares of HK\$0.01 each ("Preference Shares") created during the year ended 31 March 2005 and at 1 April 2005		2,000,000,000	20,000
Increase in authorised capital		2,000,000,000	20,000
Share consolidation		(3,600,000,000)	—
<b>Non-voting convertible preference shares of HK\$0.1 each at 31 March 2006</b>	<b>每股面值0.1港元之 無投票權可換股優先股 於二零零六年三月三十一日</b>	<b>400,000,000</b>	<b>40,000</b>

## 財務報表附註

截至二零零六年三月三十一日止年度

## 23. 股本 (續)

自二零零五年十月三日起，本公司普通股之一手交易股數由10,000股增至20,000股。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**23. SHARE CAPITAL (continued)**

Note:

- (a) The Preference Shares are unlisted and were issued at a total consideration of HK\$35,200,000 (par value of HK\$34,000,000). Their rights, privileges and restrictions are set out below:

**Dividend**

The holders of the Preference Shares shall be entitled to receive a fixed cumulative dividend at the rate of 2.0% per annum at its issue price.

**Conversion Rights**

From the date of the issue of the Preference Shares and up to a period of 3 years thereafter, if at any day the average of the closing prices of the Ordinary Shares quoted on the Stock Exchange over the preceding 30 consecutive dealing days is 200% or above of the issue price of the Preference Shares, either the Company or the holders of the Preference Shares may within 7 days by written notice to the other party request for conversion of the Preference Shares into Ordinary Shares. If the conversion right is not exercised within the 7-day period, such right will automatically lapse after the 7-day period. Save for the aforesaid, the holders of the Preference Shares have no right to request the Company to convert the Preference Shares into Ordinary Shares. After the third anniversary of the issue date of a Preference Share, the Company shall be entitled (but not obliged) to convert the Preference Shares into Ordinary Shares.

**Conversion Ratio**

Conversion will be at 1 Ordinary Share for each Preference Share in all cases of conversion (subject to adjustments in the event of, inter alia, subdivisions or consolidations of the Ordinary Shares and/or the Preference Shares).

**23. 股本 (續)**

附註：

- (a) 優先股並無上市，並按總代價35,200,000港元(面值34,000,000港元)發行。其權利、特權及限制如下：

**股息**

優先股持有人有權以優先股之發行價按年息率2厘收取固定累積股息。

**換股權**

自發行優先股之日起3年期間，倘於任何一日聯交所所報之前連續30個交易日普通股收市價之平均值達到或超過優先股發行價之200%，本公司或優先股持有人之任何一方可於7日內書面通知另一方要求將優先股換為普通股。倘換股權未於7日之期限內行使，該權利將於7日之期限之後自動失效。除上文所述外，優先股持有人無權要求本公司將優先股換為普通股。優先股發行日期三週年後，本公司有權(但無義務)將優先股換為普通股。

**換股比率**

所有兌換將以每股優先股換1股普通股(在普通股及／或優先股分拆或合併之情況(包括其他)下可予調整)。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 23. 股本 (續)

附註：(續)

(a) (續)

## 换股限制

各優先股持有人可全部惟不可部分行使其換股權(當該權利出現時)，以將其所有優先股轉換為普通股。不會因轉換優先股發行零碎普通股。倘於轉換時產生任何零碎普通股，該零碎股將四捨五入為最接近之整數普通股。

可轉讓性

優先股於經董事會事先同意及遵守創業板上市規則之規定之情況下可予轉讓。

投票權

優先股持有人不具備出席本公司之任何股東大會或於會上投票之權利。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**23. SHARE CAPITAL (continued)**

Note: (continued)

- (b) The Preference Shares recognised in the balance sheet is calculated as follows:

		HK\$'000 千港元
Proceeds from issue of the Preference Shares	發行優先股所得款項	35,200
Equity component at dates of issue	於發行日之權益成分	(6,541)
Liability component on initial recognition at dates of issue	於發行日初步確認時之負債成分	28,659
Interest charged for the year ended 31 March 2006	於截至二零零六年三月三十一日止年度支出之利息	996
Liability component at 31 March 2006	於二零零六年三月三十一日之負債成分	29,655

The interest charged is calculated using the effective interest rate method by applying the effective interest rates of 7.75% and 9.5% to the liability components since the Preference Shares were issued.

The fair value of the liability components of the Preference Shares at 31 March 2006, determined based on the present value of the estimated future cash outflows discounted at the prevailing market rate for an equivalent non-convertible loan at the balance sheet date, approximates the carrying value.

**23. 股本 (續)**

附註：(續)

- (b) 於資產負債表內確認之優先股乃按以下方式計算：

	HK\$'000 千港元
發行優先股所得款項	35,200
於發行日之權益成分	(6,541)
於發行日初步確認時之負債成分	28,659
於截至二零零六年三月三十一日止年度支出之利息	996
於二零零六年三月三十一日之負債成分	29,655

支出之利息採用自優先股發行以來負債成分7.75%及9.5%之實際利率按實際利率法計算。

優先股之負債成分於二零零六年三月三十一日之公平值乃根據估計未來現金流出按結算日之一項相等不可換股貸款之現行市場利率折現之現值釐定，與其賬面值相若。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 24. 購股權計劃

根據二零零四年八月五日通過之普通決議案，於二零零一年七月六日採納之購股權計劃（「舊計劃」）已隨即終止，惟已授出及尚未行使之購股權根據其發行條款以及創業板上市規則第23章之規定將繼續可予行使。本公司已根據同日通過之決議案採納新購股權計劃（「新計劃」）。

新計劃旨在鼓勵合資格參與者為本公司作出貢獻，並協助本公司挽留現職僱員及招攬新僱員，以及讓彼等取得直接經濟利益，以達致本公司之長期業務目標。新計劃之合資格參與者包括任何本集團成員公司之僱員、準僱員（包括本公司及其附屬公司之執行及非執行董事）、諮詢人、顧問、代理人、承包商、客戶及供應商。

新計劃由二零零四年八月五日起計有效十年，董事可於該段期間向合資格參與者建議授出購股權。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**24. SHARE OPTION SCHEME** *(continued)*

The maximum number of shares available for issue under options which may be granted under the New Scheme adopted by the Company must not in aggregate exceed 10% of the shares in issue. The maximum number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) in any 12-month period up to the date of grant must not exceed 1% of the shares in issue at the date of grant. Any further grant of options in excess of the above limit must be subject to shareholders' approval with such participant and his associates (as defined in the GEM Listing Rules) abstaining from voting.

If options are granted to a connected person (as defined in the GEM Listing Rules) or his associates, the granting of such options will be subject to all independent non-executive directors' (excluding independent non-executive director who is a grantee) approval; where options are proposed to be granted to a connected person who is also a substantial shareholder or independent non-executive director or any of their respective associates which will result in the total number of shares issued and to be issued upon exercise of the options granted or to be granted (including options exercised, cancelled and outstanding) to such person under the New Scheme in the past 12-month period up to and including the date of such grant (1) exceeding 0.1% of the total issued shares for the time being; and (2) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, the granting of such options will be subject to approval of the independent shareholders of the Company taken on a poll. All connected persons will abstain from voting (except that any connected person may vote against the resolution).

**24. 購股權計劃 (續)**

根據本公司所採納新計劃授出之購股權而可予發行之股份最高數目，合共不得超過已發行股份之10%。於授出日期前任何12個月期間因行使已授予及將授予每名參與者之購股權(包括已行使及尚未行使之購股權)而已經及將予發行之股份最高數目，不得超過授出日期之已發行股份之1%。進一步授予超出上述限額之任何購股權，必須獲股東批准，而該名參與者及其聯繫人士(定義見創業板上市規則)須就此放棄投票。

倘向關連人士(定義見創業板上市規則)或其聯繫人士授出購股權，該等購股權之授出須待所有獨立非執行董事(不包括身為承授人之獨立非執行董事)批准後方可作實。倘建議向一名兼為主要股東或獨立非執行董事或彼等各自之聯繫人士之關連人士授出購股權，而此舉導致於授出日期(包括當日)為止對上12個月期間因行使新計劃下已授予及將授予該人士之購股權(包括已行使、註銷及尚未行使之購股權)而已經及將予發行之股份總數：(1) 超過當時已發行股份總數0.1%；及(2)根據每次授出日期股份之收市價計算其總值超過5,000,000港元，則該等購股權之授出須待本公司獨立股東以點票方式批准後方可作實。所有關連人士須放棄投票(惟任何關連人士可投票反對有關決議案)。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 24. 購股權計劃 (續)

接納購股權後，承授人須支付1 港元予本公司作為該項授出之代價。購股權可於其授出當日起計五日之內接納。所授出購股權之行使期由董事決定，惟不得超過自授出日期起計十年。董事亦可對購股權於可行使期間之行使作出規限。

有關新計劃下授出之任何特定購股權之每股認購價可由董事會絕對酌情決定，惟該價格不得低於以下三者之最高者：(i)於授出日期(必須為交易日)股份在聯交所日報表所報收市價；(ii)緊接授出日期前五個交易日股份在聯交所日報表所報平均收市價；或(iii)股份面值。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**24. SHARE OPTION SCHEME** (continued)

No options was granted under the New Scheme. Details of the outstanding share options granted under the Old Scheme which continue to be exercisable are as below:-

## (i) Movements in share options

At 1 April	於四月一日
Adjustment for rights issues of shares	就股份供股之調整
Adjustment for share consolidation	就股份合併之調整
Lapsed	已失效
Options vested on 31 March	於三月三十一日歸屬之購股權

**24. 購股權計劃 (續)**

並無根據新計劃授出任何購股權。根據舊計劃授出尚未行使並繼續可予行使之購股權之詳情如下：

## (i) 購股權變動

**Number of options****購股權數目**

<b>2006</b> 二零零六年	<b>2005</b> 二零零五年
<b>21,528,948</b>	20,164,437
<b>-</b>	1,364,511
<b>(19,376,053)</b>	-
<b>(1,958,684)</b>	-
<b>194,211</b>	21,528,948

## 財務報表附註

截至二零零六年三月三十一日止年度

## 24. 購股權計劃 (續)

(ii) 於結算日尚未屆滿及尚未行使之購股權之條款

附註a： 舊計劃之股份行使價及可發行股份數目分別由每股0.266港元變更為每股2.66港元及由21,528,948股變更為194,211股。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**24. SHARE OPTION SCHEME** *(continued)*

- (iii) No share option was granted during the year (2005: Nil).
- (iv) On 1 October 2005, Ms. Huang Wanzi resigned as an Executive Director and the options granted to her under the Old Scheme were automatically lapsed pursuant to the terms and conditions of the Old Scheme (2005: Nil).
- (v) No options was exercised under the Old Scheme and the New Scheme during the year ended 31 March 2006 (2005: Nil).

Each option gives the holder the right to subscribe for one share of the Company. Share options do not confer rights on the holders to dividends or to vote at shareholders' meeting.

At 31 March 2006, the exercise in full of the outstanding share options granted under the Old Scheme will result in the issue of an additional 194,211 shares of HK\$0.1 each with corresponding proceeds of approximately HK\$517,000.

**25. RESERVES****(i) The Group**

The special reserve of the Group represents the difference between the nominal value of the shares of the Company and the nominal value of the shares of the subsidiaries acquired pursuant to the reorganisation to rationalise the structure of the Group in preparation for the listing of the Company's shares on GEM.

**24. 購股權計劃 (續)**

- (iii) 年內並無授出購股權(二零零五年：零)。
- (iv) 於二零零五年十月一日，黃婉瑜女士辭任執行董事，根據舊計劃授予其之購股權之條款及條件自動失效(二零零五年：零)。
- (v) 於截至二零零六年三月三十一日止年度並無根據舊計劃及新計劃行使購股權(二零零五年：零)。

每份購股權賦予持有人權利認購本公司一股股份。購股權並無賦予持有人權利獲取股息或於股東大會投票。

於二零零六年三月三十一日，倘根據舊計劃授出之尚未行使購股權獲悉數行使，將導致額外發行194,211股每股面值0.1港元之股份，相應所得款額約517,000 港元。

**25. 儲備****(i) 本集團**

本集團之特別儲備指本公司股份面值與就籌備本公司股份於創業板上市根據重組整頓本集團架構所收購附屬公司股份面值之差額。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 25. 儲備 (續)

(ii) 本公司

		Share premium 股份溢價	Capital redemption reserve 資本贖回儲備	Capital reserve 資本儲備	Accumulated losses 累計虧損	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 March 2004 and 1 April 2004	於二零零四年 三月三十一日 及二零零四年 四月一日					
– as originally stated	– 原先呈列	22,006	84	–	(17,168)	4,922
– effects of changes in accounting policies	– 會計政策變動 之影響	–	–	1,692	(179)	1,513
– as restated	– 重列	22,006	84	1,692	(17,347)	6,435
Rights issue of shares	供股事項	3,061	–	–	–	3,061
Share issue expenses	股份發行開支	(796)	–	–	–	(796)
Loss for the year (restated)	本年度虧損 (重列)	–	–	–	(24,998)	(24,998)
At 31 March 2005 (restated)	於二零零五年 三月三十一日 (重列)	24,271	84	1,692	(42,345)	(16,298)
At 31 March 2005 and 1 April 2005	於二零零五年 三月三十一日 及二零零五年 四月一日					
– as originally stated	– 原先呈列	24,271	84	–	(41,609)	(17,254)
– effects of changes in accounting policies	– 會計政策變動 之影響	–	–	1,692	(736)	956
– as restated	– 重列	24,271	84	1,692	(42,345)	(16,298)
Issue of convertible preference shares	發行可換股 優先股	–	–	6,541	–	6,541
Issue of convertible notes	發行可換股票據	–	–	1,798	–	1,798
Share issue expenses	股份發行開支	(750)	–	–	–	(750)
Redemption of convertible notes	贖回可換股票據	–	–	(484)	484	–
Loss for the year	本年度虧損	–	–	–	(13,815)	(13,815)
<b>At 31 March 2006</b>	<b>於二零零六年 三月三十一日</b>	<b>23,521</b>	<b>84</b>	<b>9,547</b>	<b>(55,676)</b>	<b>(22,524)</b>

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**25. RESERVES** *(continued)***(ii) The Company** *(continued)*

The Company had no distributable reserves at 31 March 2006. Under the Companies Law (Cap. 22 Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the share premium is distributable to the shareholders of the Company, provided that immediately following the date on which the dividends is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

**26. PROCEEDS OF CONVERTIBLE PREFERENCE SHARES RECEIVED IN ADVANCE**

The proceeds represent part of the subscription monies received in advance for the Preference Shares issued on 26 May 2005.

**25. 儲備 (續)****(ii) 本公司 (續)**

於二零零六年三月三十一日，本公司並無可供分派儲備。根據開曼群島公司法(一九六一年第3號法例第22章，經綜合及修訂)，除非緊隨建議分派股息日期後，本公司能夠償還日常業務中到期之債務，否則股份溢價不得分派予本公司股東。

**26. 預收可換股優先股所得款項**

該所得款項指預先收取於二零零五年五月二十六日之優先股之認購股款。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 27. 可換股票據

可換股票據為非上市，分析如下：

Notes:

- 附註：

- (1) 利息須於到期日或兌換票據後14個營業日內支付。
- (2) 可換股票據已就二零零四年十二月二十一日本公司股份之供股事項及於二零零五年十月三日本公司之股份合併作出調整。票據現可按上述價格兌換為本公司新普通股，每次兌換之金額不低於500,000 港元。
- (3) 於到期日前，本公司或票據持有人不得提早贖回。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**27. CONVERTIBLE NOTES** (continued)

Notes: (continued)

The net proceeds received from the issue of the convertible notes have been split between the liability element and an equity component, representing the fair value of the embedded option to convert the liability into equity of the Group, as follows:-

**27. 可換股票據 (續)**

附註：(續)

來自發行可換股票據之所得款項淨額已分為負債部分和權益部分，即將負債轉換為本集團股本之附屬選擇權之公平值，如下：

		HK\$'000 千港元
Nominal value of convertible notes issued	已發行可換股票據之票面值	14,000
Equity component at date of issue	於發行日之權益部分	(1,692)
Liability component on initial recognition at date of issue	於發行日初步確認時之負債部分	12,308
Interest charged up to 31 March 2004	至二零零四年三月三十一日已付利息	299
Liability component at 31 March 2004	於二零零四年三月三十一日之負債部分	12,607
Interest charged for the year ended 31 March 2005	於截至二零零五年三月三十一日止年度已付利息	883
Liability component at 31 March 2005	於二零零五年三月三十一日之負債部分	13,490
Issued during the year ended 31 March 2006:	於截至二零零六年三月三十一日止年度已發行：	
– Nominal value of convertible notes issued	– 已發行可換股票據之票面值	10,000
– Equity component at date of issue	– 於發行日之權益部分	(1,798)
– Liability component on initial recognition at date of issue	– 於發行日初步確認時之負債部分	8,202
Interest charged for the year ended 31 March 2006	於截至二零零六年三月三十一日止年度已付利息	1,126
Repayment of principals	償還本金	(4,000)
Repayment of accrued interest	償還應計利息	(308)
Liability component at 31 March 2006	於二零零六年三月三十一日之負債部分	18,510

## 財務報表附註

截至二零零六年三月三十一日止年度

## 27. 可換股票據 (續)

指：

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
17,957	13,044
553	446
18,510	13,490

本年度之利息支出自發行票據日起對負債部分採用7%及9%之實際利率計算。

董事估計於二零零六年三月三十一日可換股票據之負債部分之公平與其賬面值相若。該公平值乃按市場利率折現未來現金流量計算。

本集團及本公司之可換股票據須於以下期間償還：

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元 (restated) (經重列)
-	3,862
9,594	9,182
8,363	-
17,957	13,044

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

## 28. OPERATING LEASES ARRANGEMENT

As at 31 March 2006, the Group and the Company had outstanding commitments under non-cancellable operating leases in respect of land and buildings, which fall due as follows:–

## 28. 經營租賃安排

於二零零六年三月三十一日，本集團及本公司就土地及樓宇之不可撤銷經營租賃有尚未履行承擔，到期日如下：

		The Group 本集團		The Company 本公司	
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	2,152	1,991	–	–
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	2,739	3,190	–	–
		4,891	5,181	–	–

Operating lease payments represent rentals payable by the Group and the Company for their office premises and staff quarters. Leases are negotiated for an average term of one to five years with fixed monthly rentals.

經營租賃款項指本集團及本公司就其辦公室物業及員工宿舍應付之租金。租約平均為期一至五年，每月支付固定租金。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 29. 尚未了結之訴訟

謹提述去年年報及於二零零五年九月二十九日刊發之本公司公佈，內容有關由稅務局局長向本公司附屬公司即時系統就局長之索償6,480,000港元款項(應由「即時系統」就二零零一年／零二年及二零零二／零三年評稅年度支付之利得稅)於香港地方法院提起之法律訴訟作出之判決。

稅務局局長向即時系統發出另一份令狀索償利得稅6,480,000港元之附加費647,000港元及因此而產生之利息，該等利息由未付款申索產生。應付稅務局稅務負債之總金額約7,127,000港元。即時系統擬與稅務局舉行會議，旨在以妥協安排清償該等未償付款。本公司已就有爭議之利得稅及相關利息及附加費在財務報表作出全數撥備。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

### 30. CONTINGENT LIABILITIES

References are made to last year's annual report and the latest announcement on 13 March 2006, in relation to a claim of service commission of RMB3,000,000, together with the interests of RMB227,000 by an ex-employee of Beijing Thiz Linux Software Co. Limited ("BTS"), a subsidiary of the Company in PRC, against the Company. The ex-employee has obtained a judgement in his favour in the court of PRC (the "Ruling").

The Company has sought advices from the Hong Kong legal adviser and the Cayman Islands legal adviser on the Ruling so as to protect the Company's interest. The Company's legal advisers confirmed that, under the laws of Hong Kong and the Cayman Islands, there is no statutory mechanism for judgements made by the Courts in Mainland China to be enforceable either in Hong Kong or Cayman Islands. The directors of the Company believe that the enforceability of the judgements against the Company is doubtful and the Group is not liable to the claim. No provision has been made in these financial statements in respect any contingent liabilities arising from this claim.

### 31. CAPITAL COMMITMENTS

At 31 March 2006, the Group had no material capital commitment (2005: HK\$1,950,000).

### 30. 或然負債

謹提述去年之年報及於二零零六年三月十三日之最新公佈，內容有關本公司中國附屬公司北京即時利尼克斯軟件有限公司（「北京即時」）之一名前僱員向本公司提出人民幣3,000,000元之服務佣金連同利息人民幣277,000元之索償。此前僱員已於中國法院取得有利之裁決（「裁決」）。

本公司已就該項裁決向香港法律顧問及開曼群島法律顧問尋求建議，從而維護本公司之權益。本公司法律顧問確認，香港及開曼群島並沒有法定途徑使中國大陸法院之判決在此兩地執行。本公司之董事相信該項裁決對本公司之可執行程度相當困難及本集團不需對此索償負債。並沒有對此項或然負債提供撥備。

### 31. 資本承擔

於二零零六年三月三十一日，本集團並無重大資本承擔（二零零五年：1,950,000港元）。

## 財務報表附註

截至二零零六年三月三十一日止年度

## 32. 關連及有關連人士交易

重大有關連人士交易之詳情及結餘如下：

(a) 有關連人士之結餘

有關連人士之結餘於財務報表附註21及22中披露。

(b) 由有關連人士扣除之利息

已付有關連人士利息於財務報表  
附註21及22中披露。

(c) 主要管理人員之酬勞

於相關年度，董事及其他主要管理層之酬金如下：

## 截至三月三十一日

2006 二零零六年	2005 二零零五年
HK\$'000 千港元	HK\$'000 千港元
2,792	2,512
97	47
2,889	2,559

Short term benefits	短期福利
Post-employment benefits	退休福利

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

### 32. CONNECTED AND RELATED PARTY TRANSACTIONS *(continued)*

The directors are of the opinion that balances with related parties and related interest charged by related parties which also constitute connected transactions under the GEM Listing Rules were carried out in the normal course of business of the Group and conducted on terms better than normal commercial terms.

### 33. COMPARATIVE AMOUNTS

As further explained in note 2(a) to the financial statements, due to the adoption of HKFRSs during the current year, the accounting treatment and the presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made and certain comparative amounts have been restated. In addition, certain comparative amounts have been reclassified/restated to conform to the current year's presentation.

### 34. FINANCIAL RISK MANAGEMENT

The main risks arising from the Group's financial instruments in the normal course of the Group's business are credit risk, liquidity risk, interest rate risks and currency risk. These risks are limited by the Group's financial management policies and practices described below. Generally, the Group introduces conservative strategies on its risk management. The Group has not used any derivatives and other instruments for hedging purposes nor does it hold or issue derivative financial instruments for trading purposes.

### 32. 關連及有關連人士交易 (續)

董事認為，與有關連人士之結餘及由有關連人士扣除之相關利息亦構成創業板上市規則下之關連交易，並乃於本集團一般業務過程中進行及按優於一般商業條款之條款訂立。

### 33. 比較金額

正如財務報表附註2(a)之進一步解釋，因於本年度採納香港財務報告準則，財務報表中若干項目及結餘之會計處理方法及呈列方式已被修訂，以符合新標準。因此，本公司已作出若干過往年度調整及重列若干比較金額。此外，若干比較金額已重新歸類/重列以符合本年度之呈列方式。

### 34. 財務風險管理

在本集團正常業務過程中，因本集團金融工具而衍生之主要風險為信貸風險、流動資金風險、利率風險及貨幣風險。本集團透過其財務管理政策及下述實務為該等風險設限。一般而言，本集團在其風險管理上採取審慎策略。本集團並無使用任何衍生工具及其他工具於對沖目的，亦無就交易目的持有或發行衍生金融工具。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 34. 財務風險管理 (續)

(a) 信貸風險

本集團之主要金融資產是銀行結餘及現金以及貿易及其他應收款項。

本集團之信貸風險主要來自其應收貿易賬款。本集團及本公司向其交易客戶授出平均30天至60天之信貸周轉期。於資產負債表中呈列之金額乃扣除應收呆賬之撥備。倘發生根據過往經驗足以證明會導致現金流量之可回收性下降之可確定虧損事件時，則作出減值撥備。

除財務報表附註18載列的應收Prewell之結餘外，本集團並無重大集中信貸風險，風險乃分散至眾多交易對手及客戶。

(b) 流動資金風險

本集團將持續維持審慎之財務政策及確保維持足夠現金以滿足其流動資金需求。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**34. FINANCIAL RISK MANAGEMENT** (continued)**(c) Fair value and cash flow interest rate risk**

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's convertible preference shares and convertible notes are subject to fair value interest rate risk as the dividend rates and interest rates are fixed respectively.

**(d) Foreign exchange risk**

The Group's main operations are in the PRC and Taiwan and its income and expenses are transacted in RMB and NT\$ respectively. Accordingly, it has no significant exposure to foreign exchange risk.

**(e) Fair values estimation**

The directors consider all financial instruments are carried at amounts not materially different from their fair values as at 31 March 2006 and at 31 March 2005.

**34. 財務風險管理 (續)****(c) 公平價值及現金流量利率風險**

公平價值利率風險指由於市場利率變動而導致金融工具之價值變動之風險。現金流量利率風險指因市場利率變動而導致金融工具之未來現金流量波動之風險。

由於息率及利率分別固定，本集團之可換股優先股及可換股票據承受公平價值利率風險。

**(d) 外匯風險**

本集團之主要經營業務在中國及台灣進行，本集團之收益及開支分別以人民幣及新台幣交易。因此，本集團概無面臨任何重大外匯風險。

**(e) 公平價值估計**

董事認為，所有金融工具乃按與截至二零零六年三月三十一日及二零零五年三月三十一日有關金融工具之公平價值相若之金額列賬。

## 財務報表附註

截至二零零六年三月三十一日止年度

### 35. 會計估計及判斷

本集團之財務狀況及經營業績受編製綜合財務報表所用之會計方法、假設及估計重大影響。本集團根據過往經驗，以及本集團認為合理及構成未能以其他資料來源判斷之事項之判斷基礎之多項其他假設，作出該等假設及估計。管理層持續評估其估計。實際結果可能隨事實、環境及條件變化而有所不同。

當審閱綜合財務報表時，重大會計政策的選擇、影響應用該等政策之判斷及不確定因素，以及呈報業績對狀況及假設之變動之敏感度均成為考慮因素。重大會計政策載於附註3。本集團相信下列重大會計政策包括在編製綜合財務報表中所使用之最重要判斷及估計。

本集團作出有關未來之估計及假設。根據定義可知，產生之會計估計幾乎不會等於有關實際結果。可能導致下個財政年度資產及負債之賬面金額重大調整之重大風險之估計及假設論述如下。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2006

截至二零零六年三月三十一日止年度

**35. ACCOUNTING ESTIMATES AND JUDGEMENTS***(continued)***Impairment losses for bad and doubtful debts**

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers to make the required payments. The Group bases the estimates on the aging of the accounts receivable balance, customer credit-worthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual write-offs might be higher than expected and could significantly affect the results of future periods.

**Capitalisation of development costs**

Note 3(l) describes the criteria for capitalisation of development costs. Considerable degree of judgement is required to determine whether the capitalised development costs meet the criteria and, in particular, the technical feasibility of the projects and the economic benefits to be derived upon completion of the development.

**Estimate of the fair value of convertible notes/convertible preference shares**

In accordance with HKAS 32, the Group accounted for conversion feature of the convertible notes/convertible preference shares as a liability based on the expected discounted cash outflows according to the terms of the subscription agreement. Should the directors' estimation of inputs such as effective interest rate be revised, the fair value of the liability component at date of issue will be adjusted accordingly.

**35. 會計估計及判斷 (續)****呆壞賬之減值虧損**

本集團就因客戶無力作出規定付款產生之呆壞賬估計減值虧損。本集團根據應收賬款餘額的賬齡、客戶信譽及過往撇銷經驗作出估計。倘客戶的財務狀況減值，實際撇銷可能比預期的要高及可能重大影響未來期間之業績。

**研發成本之資本化**

附註3(l)載列發展成本資本化之標準。釐定已資本化發展成本是否符合標準及尤其是項目的技術可行性及於完成發展後得到之經濟利益要求作出重大判斷。

**可換股票據／可換股優先股之公平價值估計**

根據香港會計準則第32號，本集團將可換股票據／可換股優先股之可換股特質入賬列作負債，計算基準乃根據認購協議條款而產生之預期現金流出的貼現值。倘董事之輸入估計如實際利率有所改變，負債部份之公平價值將相應改變。

## 財務摘要

## 業績

截至三月三十一日止年度

		2006 二零零六年	2005 二零零五年 (Restated) (經重列)	2004 二零零四年 (Restated) (經重列)	2003 二零零三年 (Restated) (經重列)	2002 二零零二年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	8,368	18,333	37,415	64,152	30,392
(Loss)/profit from operations	經營(虧損)/溢利	(29,002)	(16,327)	(13,253)	7,056	1,181
Finance costs	融資成本	(2,845)	(883)	(250)	(49)	(122)
Share of profit/(loss) of a jointly controlled entity	應佔一間共同控制 企業溢利/(虧損)	-	-	-	99	(625)
(Loss)/profit before tax	除稅前(虧損)/溢利	(31,847)	(17,210)	(13,503)	7,106	434
Tax	稅項	-	(6,172)	-	-	(6)
(Loss)/profit for the year	本年度(虧損)/溢利	(31,847)	(23,382)	(13,503)	7,106	428
Attributable to:-	以下人士應佔：					
Equity holders of the Company	本公司股權持有人	(31,700)	(23,152)	(13,503)	7,106	428
Minority interests	少數股東權益	(147)	(230)	-	-	-
		(31,847)	(23,382)	(13,503)	7,106	428

## Financial Summary

## 財務摘要

## ASSETS AND LIABILITIES

## 資產及負債

As at 31 March

於三月三十一日

		2006 二零零六年	2005 二零零五年 (Restated) (經重列)	2004 二零零四年 (Restated) (經重列)	2003 二零零三年 (Restated) (經重列)	2002 二零零二年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產	25,451	16,108	7,475	4,236	4,810
CURRENT ASSETS	流動資產	43,234	43,756	40,997	36,145	23,565
DEDUCT:	減：					
CURRENT LIABILITIES	流動負債	29,489	30,302	9,043	5,906	3,037
NET CURRENT ASSETS	流動資產淨值	13,745	13,454	31,954	30,239	20,528
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減 流動負債	39,196	29,562	39,429	34,475	25,338
NON-CURRENT LIABILITIES	非流動負債	(47,612)	(13,382)	(12,487)	(3,545)	-
MINORITY INTERESTS	少數股東權益	-	(147)	-	-	-
NET (LIABILITIES)/ASSETS	(負債)/資產淨值	(8,416)	16,033	26,942	30,930	25,338

## 財務摘要

附註：

二零零五年度之比較收益表及資產負債表已於採納可影響少數股東權益在本集團之綜合收益表及資產負債表之呈列之香港會計準則第1號後重列。根據香港會計準則第1號，由二零零五年一月一日起，於結算日之少數股東權益在本集團綜合資產負債表中在權益項下呈列，與本公司股權持有人應佔股權分開，於期內少數股東應佔業績之部分則在本集團之綜合收益表列作少數股東權益與本公司股權持有人之期間內損益總額之分配。可比較收益表及於二零零三年至二零零五年之資產負債表亦已於採納香港會計準則第32號後重列，有關可換股票據及可換股優先股之會計處理載列於附註2(a)。

## **Thiz Technology Group Limited**

### **即時科研集團有限公司**

Unit 1004, 10/F, Tower B, Hunghom Commercial Centre,  
37 Ma Tau Road, To Kwa Wan, Kowloon, Hong Kong  
香港九龍土瓜灣馬頭圍道紅磡商業中心B座10樓1004室

Tel 電話 : (852) 2735 2725  
Fax 傳真 : (852) 2111 0702  
Website 網址 : [www.thizgroup.com](http://www.thizgroup.com)