



# 2005-2006

ITE (HOLDINGS) LIMITED  
ANNUAL REPORT 年報 2005-2006

Stock Code: 8092





It is **our mission**  
to enhance life automation  
through the implementation of  
Smartcard, RFID and  
Biometrics technologies

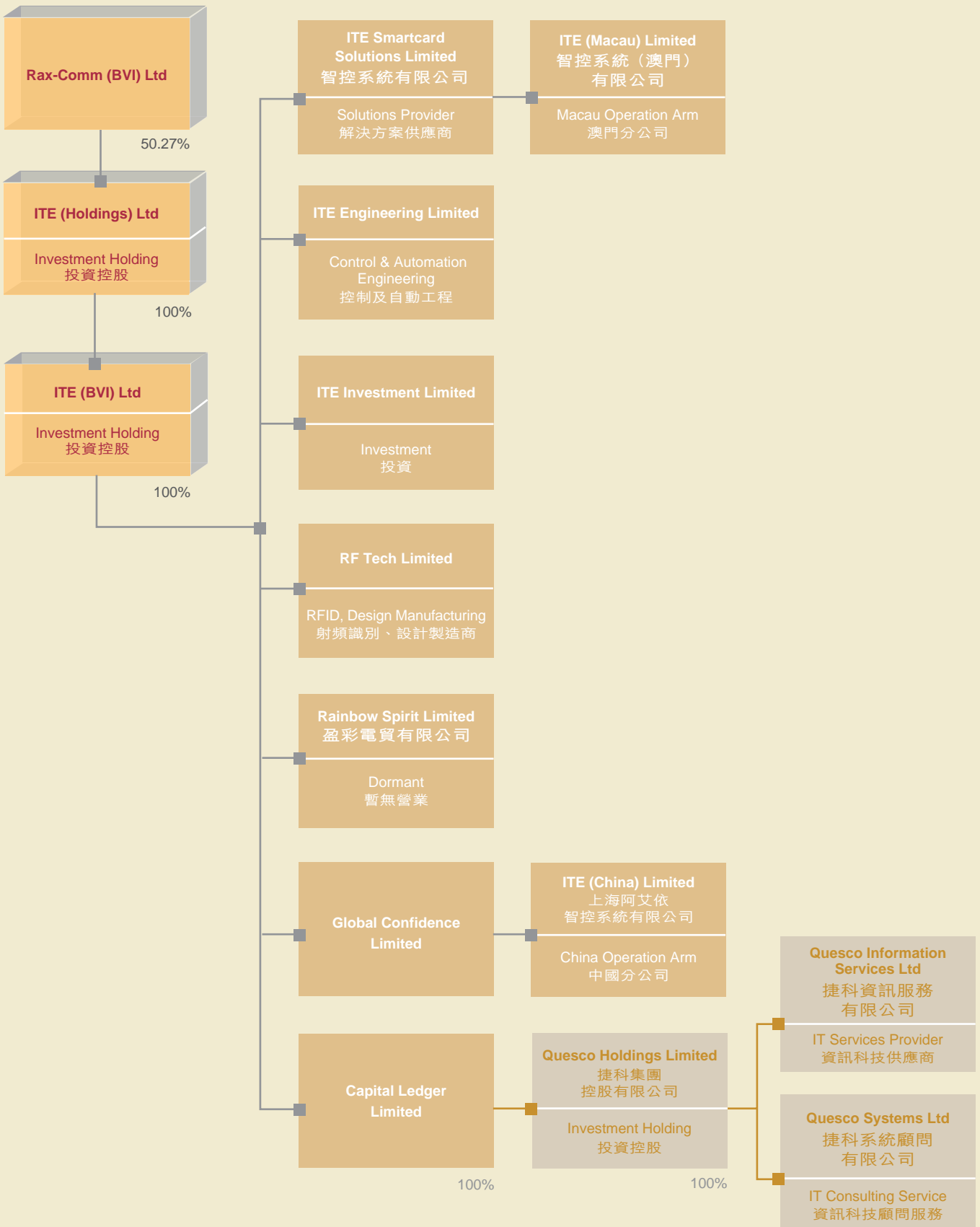
運用智能卡、射頻識別  
科技及生物特徵  
識別科技  
促進生活自動化



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# Corporate Structure 公司架構



# 1997



- Establishment of the Group
- 本集團成立

# 1998



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

# 1999



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

# 2000



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

# 2001



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

# 2002



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



## 2003



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

## 2004



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

## 2005



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

## 2006



- Establishment of Intellectual Property Rights Centre
- ITE Smartcard Solutions Ltd. implemented the first Automated Passenger Clearance System ("APCS") of the Public Security Forces Services Bureau, Macau SAR at the Barrier Gate Checkpoint
- ITE and Quesco staff completed the Hong Kong Marathon 2006
- ITE and Quesco received the "Caring Company Logo" by The Hong Kong Council of Social Welfare for four years and two years respectively
- Successfully completed Exhibition in "IT Week 2005" Macau
- The ITE Smart Key Management System Patent was successfully granted by State Intellectual Property Office of the People's Republic of China
- 成立知識產權中心
- 智控與澳門特別行政區保安部隊事務局合作的「自助過關通道」於澳門至珠海拱北關的過境檢查站正式運作
- 智控及捷科員工成功完成香港馬拉松2006
- 智控連續4年及捷科連續2年獲頒「商界展關懷」標誌
- 智控成功完成澳門「資訊科技週2005」展覽
- 智控成功獲取中華人民共和國國家知識產權局「鑰匙自動管理和監控系統」專利

Dear Shareholders,

On behalf of the Board (the "Board") of Directors (the "Directors"), I hereby present the annual results for ITE (Holdings) Limited (the "Company") and its subsidiaries (together, the "ITE" or "Group") for the year ended 31 March 2006.

## Mission

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

## Overview

The Group is pleased to announce that our subsidiary, RF Tech Limited ("RFT"), has been awarded "Hong Kong Awards For Industries 2005 - Machinery and Equipment Design Award" for Automated Passenger Management System ("APMS").

The APMS is designed for high volume self-service passenger clearance applications such as border control or other secured areas. It supports a variety of electronic identification document (ID cards or e-passport) and biometrics technologies. The system represents the integration of technologies ranging from computer hardware, software, mechanical



致各股東：

本人謹代表董事會（「董事會」或「董事」），提呈ITE (Holdings) Limited（「本公司」）及其附屬公司（合稱「ITE」或「本集團」）截至二零零六年三月三十一日止年度的全年業績。

## 目標

本集團的目標，是要成為全球具領導地位的智能卡、射頻識別方案和生物特徵科技供應商及系統集成商。ITE 一直是香港特別行政區（「香港」）、澳門特別行政區（「澳門」）及中華人民共和國（「中國」）之智能卡系統方案及集成工作的先驅，並一直表現優良。本集團具備專業知識、強大的研究及開發（「研發」）能力及良好的往績，並於業內享負盛名，已在香港業界建立領導地位，積極向客戶推介創新及度身訂造的智能卡、射頻識別及生物特徵技術應用方案。憑藉於行內累積的豐富經驗，ITE致力為來自不同行業的客戶研發專業產品、多功能應用方案及提供相關服務，並擴展業務至海外國家。

## 概觀

集團欣然宣佈附屬公司RF Tech Limited（「RFT」）創新發明「對旅客自助過境管理的控制系統」（「APMS」）榮膺二零零五香港工商業獎—機器及設備設計獎。

APMS是以達致方便控制和管理大量人流自助過境為設計目標，同時適用於其他高度保安的門禁系統。系統可支援各類電子身份證明文件（智能身份證或電子護照）及生物特徵識別科技。旅客自助過境管理系統集成，涉及電腦硬件、軟件、機械工程和自動化等跨學科領域



engineering and automation. The system has been installed in the border checkpoint between Macau and the Mainland and it has a high potential for use in other similar border checkpoints.

The Presentation Ceremony, in a form of Gala Dinner was held on 27 February 2006 at Hong Kong Convention and Exhibition Centre. The Honorable Donald Tsang, the Chief Executive of the HKSAR had officiated at the Ceremony. It is the third time that ITE received the Hong Kong Industry Awards which values and appreciates our innovation and R&D capability. More important, the accreditation came after the full and successful launch of our APMS in Macau.

Besides receiving the technology award, the Group continued to gain recognition from society. We are pleased to receive for the fourth consecutive year the Caring Company Logo Awards from the Hong Kong Council of Social Service for our good corporate citizenship, which the Group shall continue to practice actively.

## Appreciation

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

**Lau Hon Kwong, Vincent**  
Chairman

Hong Kong, 23 June, 2006



技術。系統已在澳門至珠海拱北關的過境檢查站中運作。同時，該系統可適用於其他同類過境檢查站。

頒獎典禮暨晚會已於二零零六年二月廿七日在香港會議展覽中心舉行，並由香港特行政長官曾蔭權先生致辭及頒發。本集團已第三次獲此殊榮，引證著我們不斷創新及努力研發的能力以贏得業界認同和讚賞。此外，APMS在澳門成功推行，為本集團締造更輝煌成績。

在科技範疇外，本集團深信承擔創建更佳社會責任，發揮企業公民參與精神的持續性，因而獲得

香港社會服務聯會連續第四年頒贈「商界展關懷」標誌，共同分享成就。

## 致謝

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

主席  
劉漢光

香港，二零零六年六月二十三日



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

## Business Review

### Marketing and Operation

The Group continued to devote effort and time to develop and expand our solutions, services and products lines for targeted clients. Sales in the campus and real estates sectors have remained stable, while public sector has been boosted with more government departments as clients and users of smartcard.

During the year, we had the Hong Kong Country Club and the Macau Wynn Resort joining our commercial client list, ITE Smartcard Solutions Limited (“ITES”) provided for them automated vehicle management system and card management system. We also engaged for the first time an automatic fare control (“AFC”) system integration services for the newest and biggest park in Hong Kong, the Hong Kong Wetland Park (“HKWP”). ITES provided hardware, software and related services for the AFC system integration, which includes visitor clearance gates, automatic ticket vending machines and point of sales stations inside HKWP. We were proud to co-operate with Wetland Park for taking part in keeping a conservation park running smoothly.

Extensive marketing activities for the automated passenger management system were conducted, ITES has tendered and offered for a number of bids across the world included two sizeable projects in the Middle East and Asia. The results should be announced in the next quarter.

During the year, our subsidiary, Qesco Systems Limited (“QSL”), won the new T21 contract for the Provision of Information Technology (“IT”) Contract Staff Services of the HKSAR and the contract for the Hong Kong Hospital Authority. QSL also expanded the recruitment services to overseas clients, with a number of IT contractor staffs referred to our client in the Middle East. Besides, for the first time QSL seconded a banking executive to our client in the United Kingdom.

In constant pursuit of quality excellence, we continued to improve the professionalism of our workforce and developed specialists through training and maintenance of our quality assurance system under the ISO 9001:2000 schemes of various subsidiaries.

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

## 業務回顧

### 市場及營運

本集團一直以來傳承無間，致力為顧客拓展及提供解決方案、服務及產品系列。在校園及屋苑市場，銷售一直保持穩定，並為了迎合更多公共機構及政府部門的需求，積極擴展智能卡產品及服務之覆蓋面。

年內，智控系統有限公司（「智控系統」）從新客戶，香港鄉村俱樂部及澳門永利渡假村（澳門）股份有限公司「Wynn Resorts (Macau), S.A」，獲取合約提供自動車輛管理系統及智能卡管理系統。此外，智控系統首次為香港最新及最具規模之公園 - 香港濕地公園（「濕地公園」）提供自動票務系統（「AFC」）之系統集成。AFC系統集成包括硬件、軟件及其他相關服務，其中包括參觀人士通道管理、自助售票機及票務結算管理等。能夠參與濕地公園之建設，帶領遊客走進集合保育、旅遊及教育於一身之濕地保護區，本集團實深感榮幸。

因應市場對旅客自助過境管理系統之熱熾需求，智控系統已積極參與多項國際投標，其中兩個較大規模項目位於中東及亞洲，結果將於下一季度公佈。

年內，本公司的附屬公司，捷科系統顧問有限公司（「捷科顧問」）獲取香港特別行政區政府資訊科技總監辦公室「T21」及香港醫院管理局合約，繼續提供聘用合約僱員及轉介服務。捷科顧問植根香港，今天進入國際化擴張時期，已成功轉介僱員至中東等海外市場。此外，更突破性為英國海外客戶提供非資訊科技的合約行政僱員。

以品質管理系統認證ISO 9001:2000的審核為方針，集團旗下之附屬公司不斷追求素質保證，透過培訓和全過程監管，提升效益和效率。

## Research and Development

During the year, ITE has one patent, Smart Key Management System (“SKMS”), successfully granted by the State Intellectual Property Office of P.R.C. on 28th December 2005 under Grant No. ZL 02 1 36385.4 (International Classification No. E05B 19/00).

Our new design of Pre-fabricated Core Structure of Automated Passenger Management System with Passenger Height Detection Sensor Mechanism was also filed to and granted by the Intellectual Property Department of HKSAR and European Union’s Registered Community Design. Design registration in the United States of America was made also.

The Group invents and develops lots of cutting edge products and solutions every year. To strengthen our activities in invention and execute intellectual property rights and knowledge capital strategy, ITE established our Intellectual Property Rights Centre (“IPRC”) in March this year. Besides better managing our knowledge as well as treasuring our experience, IPRC is an important driving unit to boost potentiality of our products and services in the market. We have well-scheduled, concrete plans and strategies for the IPRC that benefits our Group of companies through proper allocation and focus of our resources in IPR matters.

The Group devotes in protecting our own IPRs and respecting IPRs of others. We have been carrying out such since the establishment of our company. Till now, we have numbers of trademarks, registered designs, granted and pending patents. We believe the effort of our staffs should be treasured and sheltered to sustain our future competitiveness, and the respect of IPRs is essential in building a level playing ground in our society.

## Social Responsibility

During the year, the Group has continued to execute our citizenship through the active participation in social services. We also encouraged our staffs to take part in sports activities so as to keep healthy life. Eight of our staffs put on their running shoes to take part in the Standard Chartered Hong Kong Marathon 2006 and successfully completed the Marathon, setting record time and record number of participants in ITE’s history.

## 研究及開發

於二零零五年十二月廿八日，本集團已獲取中華人民共和國國家知識產權局公告授予「鑰匙自動管理和監控系統」的發明專利，專利號 ZL 02 1 36385.4(國際專利主分類號 E05B 19/00)。

另一新設計「旅客自助過境管理系統的核心結構連旅客高度感應裝置的預製部件」，已獲香港知識產權署授予外觀設計註冊及歐洲聯盟設計註冊登記，並在美國進行外觀設計註冊。

本集團承先啟後，不斷創新產品及解決方案。為了進一步增強凝聚、保護及正確利用知識產權，在本年三月份在上海設立知識產權中心「IPRC」。除了能更認真保護及正確利用知識及經驗產權，IPRC將使我們的產品及服務成為一股市場驅動力。IPRC以精心計劃及周詳策略作為發展藍本，為集團更有效地全面集中及適當運用資源。

從尊重知識產權至使用自身知識產權一直是本集團之重要己任。創業至今，我們已擁有相當數量之商標註冊、軟件版權、外觀設計註冊、已頒佈的及仍在進行審核的發明專利。我們深信同事的努力不懈及幹勁，足以支持我們在競爭中取得良好優勢。

## 社會責任

年內，企業社會責任活動繼續取得進展。集團透過鼓勵員工參與體育活動，保持身心康泰。八位健兒同心同德成功完成香港渣打馬拉松二零零六賽事，並且為本集團寫下比賽紀錄及參與人數歷史的一頁。

Along with the existing provisions of workplace attachment training for the Youth Pre-employment Training Programme of the Labour Department and the Business Internship Practice Scheme of the City University of Hong Kong, the Group has confirmed to support the Work Study Programme of the Chinese University of Hong Kong and the Industrial Placement Programme of the Hong Kong Polytechnic University in the financial year 2006/07.

## Future Prospect

Looking forward, the outlook for the Group is very positive. After this year's profit recovery, we are optimistic that the financial year 2006/07 will also be profitable with positive cash flow and dividend paid-out capability. On top of the profitability improvement, the Directors will continue to maintain steady and sustainable growth of business in both Hong Kong and the PRC. We also expect that in the financial year 2006/07 another milestone of ITE will be established, namely to go overseas and generate new revenue stream and profit.

## Financial Performance

For the year ended 31 March 2006, the Group recorded a total revenue of approximately HK\$65.7 million, representing an increase of 36% over last year. Profit for the year attributable to the shareholders of the Company for the year ended 31 March 2006 was approximately HK\$0.59 million as compared to a loss of approximately HK\$15.6 million for the last year.

本集團除多年來鼎力支持勞工處舉辦之「青少年展翅計劃」及香港城市大學商學院工商管理課程之「商業實習計劃」，為學員提供職前培訓及工作實習之機會外，更同時參加二零零六／零七年度香港中文大學之工讀計劃及香港理工大學之實習計劃。

## 展望

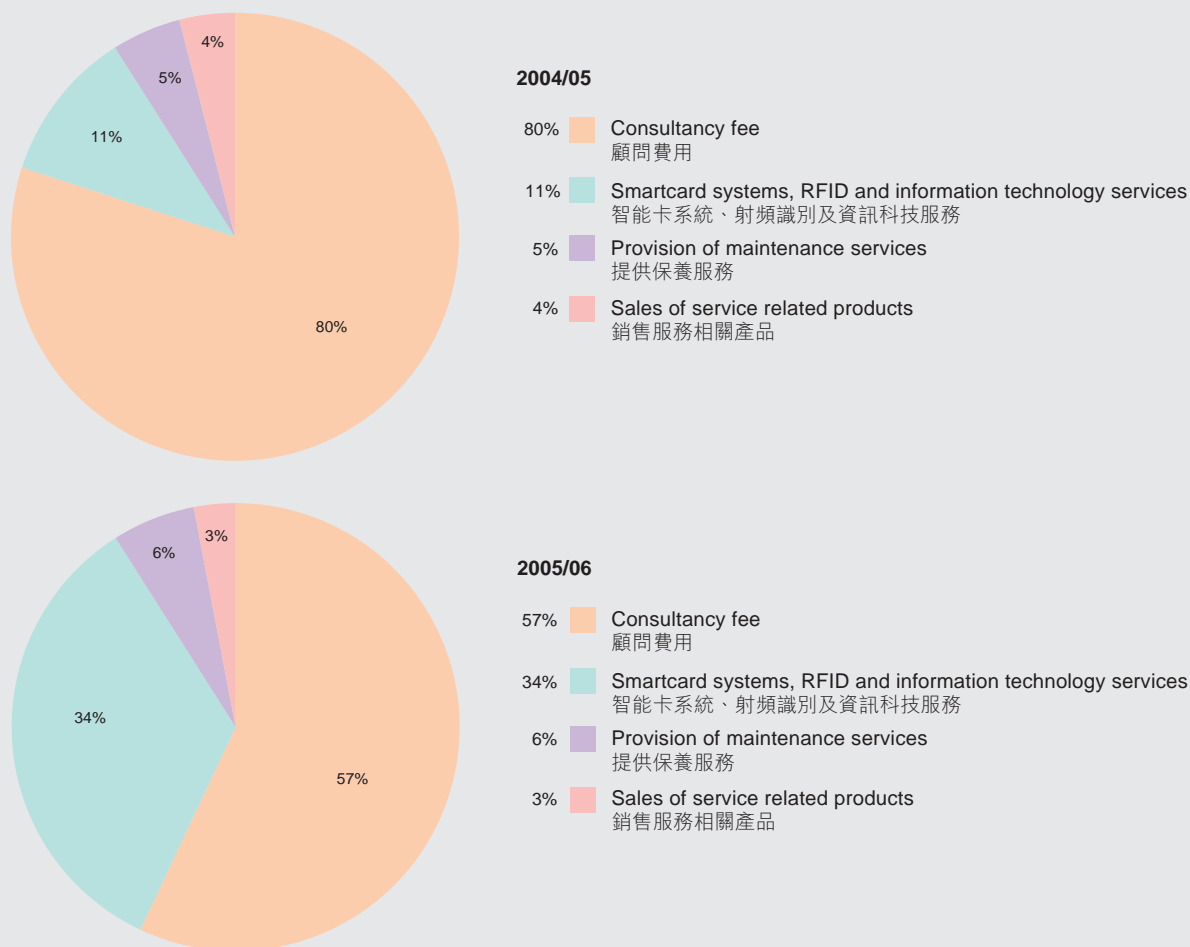
展望將來，本集團對前景非常樂觀。隨著本年度可預見之盈利增長，現金流量改善，增加了派息能力之信心，董事們將加強及推動本港及中國業務範疇。我們期待二零零六／零七年度，本集團將會取得良好的業務增長、創造更大的盈利，推動發展的新里程。

## 財務表現

截至二零零六年三月三十一日止年度，本集團錄得收入約為65,700,000港元，較去年同期上升36%。截至二零零六年三月三十一日止年度之股東應佔溢利約為590,000港元，比對去年同期錄得虧損約為15,600,000港元。

## Turnover Breakdown by Main Business Segments

## 按主要業務劃分之營業額



## Segmental Information

During the year, the Group recorded an increase in turnover for about 36% when compared with last year. The Group's gross profit margin was increased for about 63% from 12% in last year to 19% in current year.

During the year, the Group continued to concentrate its resources on its core business development, i.e. to provide the smartcard systems, RFID and information technology services. The significant increase in the overall turnover was almost from the provision of smartcard systems, RFID and information technology services. The service revenue generated from this segment increased significantly for 320% to HK\$22.5 million (2005: HK\$5.4 million). With the effort of R&D investments and marketing activities taken in previous years, few sizeable projects was awarded and completed in current year.

## 分部資訊

年內，本集團錄得營業額較去年同期上升36%。本集團邊際毛利從去年度12%增加至本年度19%，上升約63%。

年內，本集團對核心業務繼續投入資源，即：提供智能卡系統、射頻識別系統及資訊科技服務等。營業額收入的增加主要來自智能卡系統、射頻識別技術及資訊科技服務等。上述服務收入強勁增長320%至22,500,000港元(二零零五年：5,400,000港元)。經歷數年研發工作及市場推廣，數項大型工程項目於本年度獲取及完成。



Besides, within the same segment, the maintenance income increased for 43% to HK\$3.5 million (2005: HK\$2.4 million). With the accumulated projects completed in previous years, the associated maintenance and service income increased generally. It is expected that this revenue stream will increase generally in the near future.

For consultancy service segment, the turnover was maintained with only 2% drop when compared with last year. In spite of slightly drop in turnover, the profit margin had been improved from 9% to nearly 13%.

The Group's administrative expenses had significant decrease for approximately 48%. The decrease was mainly due to the impairment loss on goodwill amounted to HK\$6.3 million in last year. Excluded the said impairment loss on goodwill, the administrative expenses would be HK\$14.6 million which still represented a drop of 25% when compared with that of current year. With our continual cost restructure and stringent cost control, our overall general and administrative expenses decreased during the year.

The finance costs increased by 71% to approximately HK\$1.2 million for the year (2005: HK\$0.7 million) as a result of increases in interest rates and borrowings.

## Liquidity, Financial Resources and Treasury Policies

The Group generally financed its operations with its internally generated cash flows and bank borrowings. As at 31 March 2006, the Group had outstanding borrowings of HK\$11.1 million, comprising secured bank loans of HK\$5.4 million and bank overdrafts of HK\$5.7 million. As at 31 March 2006, the current ratio of the Group was 1.17 (2005: 1.23) while the liquidity ratio was 1.09 (2005: 1.13)

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

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

此外，在保養收入方面，同樣錄得增長43%至3,500,000港元(二零零五年：2,400,000港元)。憑著累積多年完成之項目工程，該等收益來源將穩步增加，期望為集團帶來長遠相關之利益收入。

顧問服務範疇方面，營業額較去年只是下跌2%。儘管錄得下跌的紀錄，但利潤幅度卻從9%提升至13%水平。

本集團行政費用下跌約48%，主要原因是去年度商譽之減值約為6,300,000港元。撇除上述的損失，合共行政費用約為14,600,000港元，較去年下跌25%。本集團相信持續的內部重組及成本控制，而減少年內的整體及行政支出抱有信心。

隨著銀行利率及借貸之增加，財務費用支出於本年度增加71%至約1,200,000港元(二零零五年：約700,000港元)。

## 資金流動性及財政資源

本集團主要以內部產生之現金流量及銀行貸款應付其營運所需。於二零零六年三月三十一日，本集團之未償還借款約為11,100,000港元，當中包括約5,400,000港元之短期銀行貸款及約5,700,000港元之銀行透支。本集團於二零零六年三月三十一日時之流動比率為1.17(二零零五年：1.23)，而流動現金比率則為1.09(二零零五年：1.13)。

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

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

## Significant Investments

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

## Material Acquisitions or Disposal of Subsidiaries and Affiliated Companies

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

## Employment Information

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

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

As at 31 March 2006, the Group had 191 full-time employees (2005: 160 full-time employees), of which 174 are based in Hong Kong and the rest are in the PRC. Staff cost, including directors' emoluments, was approximately HK\$45.1 million for the year ended 31 March 2006 (2005: approximately HK\$47.2 million). During the year, the Company has not granted any share option to any of its Directors and employees.

## Charges on Group Assets

As at 31 March 2006, time deposits of approximately HK\$15.3 million (2005: HK\$13.6 million) and available-for-sale financial assets of HK\$1.5 million (2005: HK\$Nil) were pledged to banks to secure certain banking facilities of the Group.

## 重大投資

本集團於年內並沒有任何重大投資。

## 重大之收購或附屬公司及聯屬公司之出售

本集團於年內並沒有任何重大之收購或附屬公司及聯屬公司之出售。

## 僱員資料

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

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

本集團於二零零六年三月三十一日僱有191名全職僱員（二零零五年：160名全職僱員），其中包括174名為香港僱員，其餘則為中國僱員。二零零六年三月三十一日，包括董事酬金在內的僱員成本約為45,100,000港元（二零零五年：約為47,200,000港元）。本公司於年內並無向其任何董事及僱員授出任何購股權。

## 資產押記

於二零零六年三月三十一日，為數約15,300,000港元（二零零五年：約13,600,000港元）之定期存款及為數約1,500,000港元（二零零五年：零港元）可供出售金融資產已抵押予銀行，作為擔保本集團之若干銀行融資。

## Future Plans for Material Investments

The Group did not have any plans for material investment and acquisition of material capital assets as at 31 March 2006.

## Gearing Ratio

At 31 March 2006, the gearing ratio of the Group, which is calculated as the ratio of total secured bank loans due after one year to shareholders' funds, was HK\$nil (2005: HK\$nil).

## Exposure to Fluctuations in Exchange Rates and Related Hedges

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

## Contingent Liability

At 31 March 2006, the Company has undertaken to guarantee certain banking facilities granted to two wholly-owned subsidiaries to the extent of HK\$19 million (2005: HK\$15.6 million).

At 31 March 2006, the Group did not have any significant contingent liabilities (2005: HK\$Nil).

## 日後之重大投資計劃

本集團於二零零六年三月三十一日並無任何重大投資及收購重大資本資產之計劃。

## 資產負債比率

本集團之資產負債比率乃指長期銀行貸款除以股東資金之百分比。於二零零六年三月三十一日，本集團之資產負債比率為零港元(二零零五年：零港元)。

## 匯率波動風險及任何相關對沖措施

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

## 或然負債

於二零零六年三月三十一日，本公司就兩間全資附屬公司之若干銀行融資而提供為數19,000,000港元(二零零五年：15,600,000港元)之擔保。

於二零零六年三月三十一日，本集團並無任何重大之或然負債(二零零五年：零港元)。

The Company is firmly committed to maintaining statutory and regulatory standards and adherence to the principles of corporate governance emphasizing transparency, independence, accountability, responsibility and fairness. The Board ensures that effective self-regulatory practices exist to protect the interests of the shareholders of the Company.

The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 of the GEM Listing Rules throughout the year ended 31 March 2006, save for the deviations discussed below.

Under the code provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing.

Mr. Lau Hon Kwong, Vincent is both the Chairman and Chief Executive Officer of the Company who is responsible for managing the Board and the Group's business. Mr. Lau has been both Chairman and Chief Executive Officer of the Company since its incorporation. The Board considers that, with the present board structure and scope of business of the Group, there is no imminent need to separate the roles into two individuals as Mr. Lau is perfectly capable of distinguishing the priority of these roles in which he has been acting. However, the Board will continue to review the effectiveness of the Group's corporate governance structure to assess whether the separation of the positions of Chairman and Chief Executive Officer is necessary.

Under the code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Under the code provision A.4.2 stipulates that all directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the present Articles of Association of the Company, Mr. Lau Hon Kwong, Vincent, being Chairman and Chief Executive Officer of the Company, is not subject to retirement by rotation. This is not in compliance with the Code requirement that every director must retire by rotation once every three years.

本公司堅決致力維持有關法定及監管標準，並緊守企業管治之原則，強調透明、獨立、問責、負責及公平。董事會確保訂立有效之自我監管常規，以保障本公司股東之利益。

除下文詳述者外，本公司於截至二零零六年三月三十一日止年度，均遵守創業板上市規則附錄十五之全新企業管治常規守則（「守則」）之所有規定。

守則條文A.2.1規定主席與行政總裁之角色應有區分，並不應由一人同時兼任。主席與行政總裁之間的職責分工須清晰訂明並以書面形式列載。

劉漢光先生為本公司主席兼行政總裁，負責管理董事會及本集團業務。劉先生自本公司註冊成立以來即一直擔任本公司主席兼行政總裁。董事會考慮到現有董事會之架構及本集團之業務範疇，暫時沒有迫切需要改變現狀，認為劉先生同時間擔當兩個角色，有足夠能力作出優先次序，履行任務。但是，董事會會不斷地檢討本集團企業管治架構之成效，以評估是否有分開主席與行政總裁角色之需要。

守則條文A.4.1規定非執行董事之委任應有指定任期，並須接受重選。守則條文A.4.2規定所有獲委任以填補空缺之董事須於獲委任後舉行之首次股東大會上由股東重選，而每名董事（包括有指定任期之董事）須至少每三年輪值告退一次。

根據現有本公司之組織章程細則，劉漢光先生作為本公司主席及行政總裁，不須輪值告退。但這並沒有遵守守則中，所有董事須輪值告退，至少每三年一次之要求。



Besides, the non-executive Directors do not have a specific term of appointment, but are subject to rotation in accordance with the Articles of Association of the Company (that at each annual general meeting, one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to but not greater than one-third, shall retire from office) provided that notwithstanding anything herein, the chairman of the Board and/or the managing director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. At such, with the exception of the chairman, all Directors are subject to retirement by rotation. The management considered that there is no imminent need to amend the Articles of Association of the Company.

## 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 throughout the year ended 31 March 2006. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standard of dealings throughout the year ended 31 March 2006.

## Operation of the Board

The Board which currently comprises 7 Directors, is responsible for supervising the management of the Group. Details of the Directors are set in the section "Biographical Details of Directors and Senior Management" of this report. All Directors give sufficient time and attention to the affairs of the Group.

All independent non-executive Directors, do not have any business or significant financial interests with the Group and each of them have confirmed annually their independence to the Group pursuant to Rule 5.09 of the GEM Listing Rules. No independent non-executive Director has served the Group for more than 9 years. Based on the above-mentioned, the Board considers that all independent non-executive Directors were independent.

With the various experience of both the executive Directors and the independent non-executive Directors and the nature of the Group's business, the Board considered that the Directors have a balance of skills and experience for the business of the Group.

此外，根據本公司組織章程細則，於各股東週年大會上，當時之三分之一董事（或若其數目並非三之倍數，則為最接近但不超過三分之一者）須輪值告退，惟無論如何，董事會主席及／或本公司董事總經理在任職期間毋須輪值告退，亦毋須計入每年須告退之董事人數內。因此，除主席外，所有董事均須輪值告退。管理層認為並無即時需要修訂本公司組織章程細則。

## 董事之證券交易

截至二零零六年三月三十一日止年內，本公司已就董事之證券交易採納一套守則，其條款不遜於創業板上市規則第5.48條至5.67條所載之交易所需標準。在向所有董事作出查詢後，董事截至二零零六年三月三十一日止年內均一直遵守有關之守則及交易所需標準。

## 董事會之運作

現時，董事會由七名董事組成，負責監察本集團之管理層。董事之詳細資料列載於本報告書中「董事及高級管理層履歷」一項中。每一位董事均能付出足夠時間及精神以處理本集團之事務。

所有獨立非執行董事於本集團並無任何業務及重大財務利益，而彼等每年亦已就創業板上市規則第5.09條確認其獨立性。每位獨立非執行董事均在任不超過九年。根據以上所述，董事會認為所有獨立非執行董事均獨立自主。

有鑑於各執行董事及非執行董事擁有之經驗及本集團之業務性質，董事會認為各董事於本集團之經營技巧及經驗方面取得適當之平衡。

The Board meets regularly at least four times a year at approximately quarterly intervals. Such regular meetings will normally involve the active participation, either in person or through other electronic means of communication, of a majority of Directors entitled to be present.

During the year ended 31 March 2006, four board meetings were held and the following is an attendance record of the meetings by each Director.

	Attendance		出席紀錄
<b>Executive Directors</b>		<b>執行董事</b>	
Mr. Lau Hon Kwong, Vincent	4/4	劉漢光先生	4/4
Mr. Cheng Kwok Hung	4/4	鄭國雄先生	4/4
Mr. George Roger Manho	3/4	聞偉雄先生	3/4
Mr. Liu Hoi Wah	1/4	劉海華先生	1/4
<b>Independent non-executive Directors</b>		<b>獨立非執行董事</b>	
Dr. Lee Peng Fei, Allen	4/4	李鵬飛博士	4/4
Mr. Tsao Kwang Yung, Peter (passed away on 5 June 2005)	0/4	曹廣榮先生(於二零零五年六月五日辭世)	0/4
Mr. Tang Siu, Henry (appointed on 5 September 2005)	2/4	鄧紹先生(於二零零五年九月五日獲委任)	2/4
Mr. Kam Hau Choi, Anthony	4/4	關孝財先生	4/4

During regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, monitor financial performances and discuss the annual, interim and quarterly results, as well as discuss and decide on other significant matters. Execution of daily operational matters is delegated to management.

Notice of regular board meeting is usually given at least 14 days in advances to give all Directors an opportunity to attend. An agenda for each Board Meeting will be prepared and normally distributed to the Directors together with necessary Board materials papers at least 4 days before the Board Meeting. Directors are free to add any items on the agenda as they may think fit. The Company Secretary is responsible for recording the matters considered and decisions reached by the Board including any concerns or dissenting views expressed raised by Directors. Minutes of Board Meetings and the Board Committees Meetings will be sent to all Directors for their comments and records as soon as after the board meeting.

Minutes of Board Meetings and Board Committees Meetings are kept by the Company Secretary and such minutes are open for inspection within reasonable advance notice.

董事會每年最少定期召開四次會議，每次相隔約三個月。定期會議一般獲大多數有權出席會議之董事(親身或經其他電子通訊方式)積極參與。

於二零零六年三月三十一日止年度，董事會共舉行四次會議，以下是該等會議之出席紀錄。

於董事會定期會議中，董事們商討並釐定本集團之整體策略，監察財政表現及商討年終及中期及季度業績、及商討及作出其他重大決定。管理本集團日常運作之責任則交予管理層執行。

在董事會召開會議至少十四天發出通知，供所有董事撥冗出席。各董事會會議之議程連同所需董事會資料文件一般至少在董事會會議舉行四天前編製及分送給董事。董事可視乎需要於議程上加入任何新項目。公司秘書負責記錄董事會省覽之事項及達成之決定，包括董事提出之任何關注事項或發表之任何異見。董事會會議及董事委員會會議紀錄將在會議後盡早發送予全體董事供其表達意見及存檔。

董事會及董事委員會之會議紀錄由公司秘書備存，於事先合理知會情況下可供查閱。

All Directors have access to relevant and timely information, and they can ask for further information or retain independent professional advisors if necessary. They also have unrestricted access to the advice and service of the Company Secretary, who is responsible for providing Directors with board papers and related materials and ensuring that board procedures are followed.

Should a potential conflict of interest involving a substantial shareholder or Director arise, the matter is discussed in an actual meeting, as opposed to being dealt with by written resolution. Independent non-executive Directors with no conflict of interest are present at meetings dealing with conflict issues. Board committees, including the Audit, Remuneration and Nomination Committees, all follow the applicable practices and procedures used in board meetings.

## Chairman and Chief Executive Officer

The Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company did not segregate the roles of the chairman and chief executive officer. The role of the chief executive was performed by Mr. Lau Hon Kwong, Vincent, who was the then existing chairman of the Company during the year under review. Apart from the reason of such deviation mentioned above, the Board also believes that vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

The Board will periodically review the merits and demerits of such management structure and will adopt such appropriate measures as may be necessary in the future taking into consideration of the nature and extent of the Group's operation.

所有董事均掌握有關及適時之資料，並可在有需要之情況下索取進一步資料或尋求獨立專業意見。所有董事亦可不受限制地取得公司秘書之意見及享用其提供之服務。公司秘書負責向董事提供董事會之文件及有關物料，並確保遵照董事會程序。

若有大股東或董事出現潛在之利益衝突，有關事宜將於實際會議上討論，並提呈透過書面決議案處理。並無涉及利益衝突之獨立非執行董事將會出席會議，以處理衝突事宜。董事委員會，包括審核委員會、薪酬委員會以及提名委員會，均採納董事會沿用之適用會議原則、程序及安排。

## 主席兼行政總裁

按守則規定，主席及行政總裁之職責須分開，不應由同一人士擔任。本公司並無分開主席及行政總裁之職責。於年內，行政總裁之職責由本公司現任主席劉漢光先生履行。除上文提及之理由外，董事會相信，由同一人士擔任主席兼行政總裁可加強及統一領導，可更有效計劃及實行業務決策及策略。

董事會將定期審核該管理架構之優點及缺點，並會於未來考慮本集團之經營性質及範圍採取可能屬必要之適當措施。

## Audit Committee

As required by Rules 5.28 to 5.33 of the GEM Listing Rules, the Company has established an audit committee which comprises three independent non-executive Directors, Dr. Lee Peng Fei, Allen, Mr. Tsao Kwang Yung, Peter and Mr. Kam Hau Choi, Anthony, and an executive Director, Mr. Liu Hoi Wah. Dr. Lee Peng Fei, Allen was appointed as chairman of the audit committee. Following the death of Mr. Tsao Kwang Yung, Peter, Mr. Tang Siu, Henry was appointed as an independent non-executive director on 5 September 2005 and has served in the audit committee.

The primary duties of the audit committee are to review the Company's annual report and accounts, half-yearly report and quarterly reports and to provide advices and comments thereon to the Board. The audit committee meets at least four times a year with management to review the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters. The terms of reference of the audit committee was revised on 8 December 2005 to bring it in line with the code provisions as set out in the Code. The principal terms includes, inter alia, its relationship with the Company's external auditor, review of the Company's financial information and oversight of the financial reporting system and internal control procedures of the Company.

During the year ended 31 March 2006, four audit committee meetings were held and the following is an attendance record of the meetings by each Director.

Name of Director	Attendance
Dr. Lee Peng Fei, Allen	4/4
Mr. Tsao Kwang Yung, Peter (passed away on 5 June 2005)	0/4
Mr. Tang Siu, Henry (appointed on 5 September 2005)	2/4
Mr. Kam Hau Choi, Anthony	4/4
Mr. Liu Hoi Wah	0/4

The Group's financial statements for the year ended 31 March 2006 have been reviewed by the audit committee, who is of the opinion that such statements comply with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosures had been made.

## 審核委員會

根據創業板上市規則第5.28至5.33條之規定，本公司已成立審核委員會，由三名獨立非執行董事，即李鵬飛博士、曹廣榮先生及關孝財先生，以及一名執行董事，即劉海華先生組成。李鵬飛博士已獲委任為審核委員會主席。隨曹廣榮先生辭世後，於二零零五年九月五日，鄧紹先生獲委任為獨立非執行董事及審核委員會成員。

審核委員會主要負責審議本公司之年報及帳目、半年度業績報告及季度業績報告，以及就此向董事會提供意見及建議。審核委員會每年至少舉行四次會議，與管理層一起審議本集團所採納之會計準則及常規，並商討審核、內部監控及財務申報事宜。於二零零五年十二月八日，審核委員會之職權範疇已按照守則條文而調校整合。主要條文包括，指與公司外聘核數師之關係，除就公司具體財務資料回顧外，並展望公司整體財務報告系統及內部監控程序。

於二零零六年三月三十一日止年度，審核委員會共舉行四次會議，以下是該等會議之出席紀錄。

董事姓名	出席紀錄
李鵬飛博士	4/4
曹廣榮先生(於二零零五年六月五日辭世)	0/4
鄧紹先生(於二零零五年九月五日獲委任)	2/4
關孝財先生	4/4
劉海華先生	0/4

審核委員會已審閱本集團截至二零零六年三月三十一日止之年度報表，其成員認為該等財務報表已遵照適用之會計準則、創業板上市規則及法律規定，並已作出足夠披露。



## Remuneration Committee

The Company established a remuneration committee on 1 August 2005 with written terms of reference in compliance with the Code. The roles and functions of the remuneration committee included the determination of the specific remuneration packages of all executive Directors and senior management of the Company, including benefits in kind, pension rights and compensation payments, such as any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors. Members of the remuneration committee as at 31 March 2006 comprised Dr. Lee Peng Fei, Allen, Mr. Tang Siu, Henry, Mr. Kam Hau Choi, Anthony and Mr. Lau Hon Kwong, Vincent, with Dr. Lee Peng Fei, Allen as chairman. A majority of the votes in the remuneration committee are exercisable by independent non-executive directors. No director will be involved in any discussion in connection with his own remuneration.

During the year ended 31 March 2006, two remuneration committee meetings were held and the following is an attendance record of the meetings by each Director.

Name of Director	Attendance
Dr. Lee Peng Fei, Allen	2/2
Mr. Tang Siu, Henry (appointed on 5 September 2005)	1/2
Mr. Kam Hau Choi, Anthony	2/2
Mr. Lau Hon Kwong, Vincent	2/2

## Nomination Committee

The Company established a nomination committee on 8 December 2005 with written terms of reference in compliance with the Code. Members of the nomination committee as at 31 March 2006 comprised Dr. Lee Peng Fei, Allen, Mr. Tang Siu, Henry, Mr. Kam Hau Choi, Anthony and Mr. Lau Hon Kwong, Vincent, with Dr. Lee Peng Fei, Allen as chairman.

The nomination committee shall meet before the annual general meeting of the Company, or at other times as required by the chairman of the nomination committee.

The role and function of the nomination committee included the appointment and removal of Directors.

## 薪酬委員會

本公司於二零零五年八月一日成立薪酬委員會，並已根據守則書面制定其職權範疇。薪酬委員會之職責及職能包括為本公司全體執行董事及高級管理層釐定具體薪酬待遇，包括實物利益、退休金及補償金，包括任何因彼等離職或終止聘用或委任而應付之補償金金額，以及就非執行董事之薪酬向董事會作出建議。於二零零六年三月三十一日，薪酬委員會之成員包括主席李鵬飛博士、鄧紹先生、闕孝財先生以及劉漢光先生。獨立非執行董事於薪酬委員會上可行使大部份投票權。董事將不會參與任何有關其薪酬之討論。

於二零零六年三月三十一日止年度，薪酬委員會共舉行兩次會議，以下是該等會議之出席紀錄。

董事姓名	出席紀錄
李鵬飛博士	2/2
鄧紹先生(於二零零五年九月五日獲委任)	1/2
闕孝財先生	2/2
劉漢光先生	2/2

## 提名委員會

本公司於二零零五年十二月八日成立提名委員會，並已根據守則書面制定其職權範疇。於二零零六年三月三十一日，提名委員會之成員包括主席李鵬飛博士、鄧紹先生、闕孝財先生以及劉漢光先生。

提名委員會須於本公司舉行股東週年大會前或提名委員會主席要求之其他時間會面。

提名委員會之職務包括委任及撤換董事。

The nomination committee will consider the background, experience and qualification of any proposed candidates to ensure that the proposed candidate possesses the requisite experience, characters and integrity to act as a Director of the Company.

The first nomination committee meeting was held on 23 June 2006. Details of the attendance of the meeting are as follows:

Name of Director	Attendance
Dr. Lee Peng Fei, Allen	1/1
Mr. Tang Siu, Henry (appointed on 5 September 2005)	1/1
Mr. Kam Hau Choi, Anthony	1/1
Mr. Lau Hon Kwong, Vincent	1/1

During the meeting, members considered and resolved that all the existing Directors shall be recommended to be retained by the Company. Further, Mr. George Roger Manho and Mr. Tang Siu, Henry will retire from the Board in accordance with Articles 108 and 112 of the Company's Articles of Association at the forthcoming annual general meeting, and, being eligible, will offer themselves for re-election.

## Communication with Shareholders

The Company establishes and maintains different communication channels with its shareholders through the publication of annual, half-yearly and quarterly reports. Shareholders' communications are also available on the Company's website.

The annual general meeting provides a useful forum for shareholders to exchange views with the Board. The chairman as well as senior management of the Company are available to answer shareholders' questions.

## Directors' and Auditors' Responsibilities for the Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Group.

The Directors' responsibilities in the preparation of the financial statements and the auditors' responsibilities are set out in the Auditors' Report.

本集團將考慮各提名候選人之背景、經驗及資歷，以確保提名候選人具有所需經驗、資格及誠信擔任本公司董事。

於二零零六年六月二十三日，提名委員會舉行了首次會議，以下是該等會議之出席紀錄及出席率。

董事姓名	出席紀錄
李鵬飛博士	1/1
鄧紹先生(於二零零五年九月五日獲委任)	1/1
關孝財先生	1/1
劉漢光先生	1/1

在會議上，董事會考慮並議決推薦本公司挽留所有在任董事。根據公司組織章程細則第108及112條，聞偉雄先生及鄧紹先生將於應屆股東週年大會上輪值告退，惟彼願意膺選連任。

## 股東溝通

本公司已制定多種溝通渠道給予股東，股東可隨時索閱年報、中期報告及季度報告。然而，股東更可隨時登入本公司之網頁瀏覽最新資料。

透過股東周年大會，更可以與董事會分享心得，主席及管理層樂意為股東解答任何提問。

## 董事及核數師之財務報表責任

董事確認彼等負責編製本集團之財務報表。

董事編製財務報表之責任及核數師責任均載於核數師報告。

## Internal Control

The Board has overall responsibility for the establishment, maintenance and review of the Group's system of internal control. The Board has conducted a review of, and is satisfied with the effectiveness of the system of internal control of the Group.

## External Auditors

During the year, the external auditors, RSM Nelson Wheeler provided annual audit and taxation advisory services to the Group. The Audit Committee is responsible for considering the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors of the Group. In particular, the Committee will consider, in advance of them being contracted for such service, whether such non-audit service could lead to any potential material conflict of interest. Nothing has come to its attention to cause the Audit Committee to believe that the non-audit services provided by the external auditors affect their independence, objectivity and effectiveness in the audit process in accordance with applicable standard.

For the year ended 31 March 2006, the fee payable to the auditors in respect of audit services amounted to HK\$340,000 while the fee payable to the auditors in respect of non-audit services relating to the taxation amounted to HK\$46,000.

## 內部監控

董事會全面負責建立、維護及檢討本集團之內部監控制度。董事會已對本集團之內部監控制度之效力進行了檢討，並對此感到滿意。

## 外聘核數師

年內，外聘核數師羅申美會計師行已向本集團提供年度審核及稅務顧問服務。審核委員會負責考慮委任外聘核數師，檢討本集團外聘核數師非審核職務。委員會尤其會在訂立有服務協議前，考慮該等非審核服務會否帶來潛在利益衝突。審核委員會並無得悉任何事宜使其認為外聘核數師所提供之非審核服務會影響其根據相關準則所作出之獨立、客觀及有效審核。

截至二零零六年三月三十一日止年度，就審核服務支付核數師之費用為340,000港元，而就有關稅務之非審核服務支付核數師之費用則為46,000港元。

## Directors

### Executive Directors

**Mr. Lau Hon Kwong, Vincent**, aged 42, is an Executive Director, Chief Executive Officer and one of the founders of the Group. He is responsible for overall strategic planning and management of the Group. With over 19 years of experience in the executive management, Mr. Lau was engaged in China trade before founding the Group. He graduated from The University of Hong Kong with a first class honours Degree of Bachelor of Science in Mechanical Engineering.

**Mr. George Roger Manho**, aged 43, is an Executive Director, Chief Operating Officer and one of the founders of the Group. He is responsible for marketing and project management of the Group. Mr. Manho has 18 years of experience in the control and automation industries, electrical and mechanical projects and engineering management. He is a Chartered Engineer and a member of the Hong Kong Institute of Engineers, The Institute of Marine Engineers and The Hong Kong Institute of Marine Technology and the Institution of Fire Engineers. He holds a Master degree in Engineering Studies in Mechanical Engineering from the University of Sydney and a Bachelor of Science (Engineering) degree with first class honours in Marine Engineering from the University of Newcastle Upon Tyne.

**Mr. Cheng Kwok Hung**, aged 43, is an Executive Director, Chief Technology Officer and one of the founders of the Group. He is responsible for technical management and research and development (R&D). With 22 years of experience in R&D and production management, Mr. Cheng won the awards of the Hong Kong Awards for Industry for six times (one Machinery and Equipment Design in 2005, one Consumer Product Design in each of 1993, 2000 and 2001 and two Designs in 1997). He holds a Higher Diploma in Electronics Engineering from the Hong Kong Polytechnic.

**Mr. Liu Hoi Wah**, aged 37, is an Executive Director and Chief Finance Officer of the Group. He is responsible for financial management, accounting and corporate development. He joined the Group in March 2000. He is an associate member of each of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Mr. Liu is the younger brother of Mr. H.K. Lau.

## 董事

### 執行董事

**劉漢光先生**，四十二歲，本集團執行董事、行政總裁兼創辦人之一，負責本集團整體策略性規劃及管理。劉先生於行政管理方面具備十九年經驗，創辦本集團之前從事中國貿易。劉先生畢業於香港大學，持有機械工程學一級榮譽理學士學位。

**聞偉雄先生**，四十三歲，本集團執行董事、營運總監兼創辦人之一，負責本集團市場推廣及項目管理。聞先生於控制及自動化行業、電機及機械項目與工程管理方面具備十八年經驗。聞先生為註冊工程師，亦是香港工程師學會、英國輪機工程師學會(The Institute of Marine Engineers)及香港海事科技學會(The Hong Kong Institute of Marine Technology)的會員。聞先生持有澳洲悉尼大學機械工程學工程研究碩士學位及英國紐卡素大學(University of Newcastle Upon Tyne)輪機工程學一級榮譽理學(工程)學士學位。

**鄭國雄先生**，四十三歲，本集團執行董事、技術總監兼創辦人之一，負責技術管理及研發工作。鄭先生於研發及生產管理方面具備二十二年經驗，創辦本集團前為一間電子公司之總工程師。鄭先生曾六次榮獲香港工業獎包括機械及設備設計獎及消費產品設計獎(分別於二零零五年、一九九三年、二零零零年及二零零一年及於一九九七年奪得兩項設計獎)。鄭先生持有香港理工學院電子工程學高級文憑。

**劉海華先生**，三十七歲，本集團執行董事兼財務總監，負責財務管理、會計及企業發展。劉先生於二零零零年三月加入本集團。劉先生同時為英格蘭及威爾斯特許會計師公會和香港會計師公會(「會計師公會」)會員。劉先生為劉漢光先生的弟弟。



## Independent Non-Executive Directors

**Dr. Lee Peng Fei, Allen**, CBE, BS, FHKIE, JP, aged 66, holds an honorary doctoral degree in engineering from the Hong Kong Polytechnic University and an honorary doctoral in laws from the Chinese University of Hong Kong. He was formerly a member of the Hong Kong Legislative Council from 1978 to 1997 and a senior member of the Hong Kong Legislative Council from 1988 to 1991. Dr. Lee was also a member of the Hong Kong Executive Council from 1985 to 1992. He was appointed as the Company's independent non-executive director in December 2000.

**Mr. Tang Siu, Henry**, aged 61, is currently a Registered Chinese Medicine Practitioner (Full Subjects), a director of a private company, the Principal Consultant of Hong Kong Fire Services Staff General Association, the Life and First President of the Hong Kong Professional Institute of Chinese Medicine Medicated Meal & Food, a Consultant & member of Hong Kong Registered Chinese Medicine Practitioners Association, the Deputy Commission of the Friends of Scouting and a member of the Chartered Institute of Arbitrators (East Asia Branch). Mr. Tang was Chief Fire Officer Hong Kong Fire Command from 1993 to 2000. He holds a Master Degree of Science (Major in Urban Planning), a Bachelor Degree of Law (Hons) and a Fellow of the Faculty of Law of University of Wolverhampton the United Kingdom. He was appointed as the Company's independent non-executive director on 5 September 2005.

**Mr. Kam Hau Choi, Anthony**, aged 40, is the proprietor of a Certified Public Accountant firm in Hong Kong. Mr. Kam holds a Bachelor of Laws degree from the University of Wolverhampton, the United Kingdom, and a Bachelor of Science degree from the University of Hong Kong. Mr. Kam is a fellow member of the HKICPA, a fellow member of Association of Chartered Certified Accountants ("ACCA"), an associate member of The Institute of Chartered Accountants in England & Wales and an affiliate member of the Hong Kong Securities Institute. Besides, Mr. Kam is also a member of Task Group in the HKICPA. Mr. Kam has over 17 years experience in auditing, accounting and tax matters, both in private and public companies. He was appointed as the Company's independent non-executive director on 30 September 2004.

## 獨立非執行董事

**李鵬飛博士** CBE, BS, FHKIE, JP, 六十六歲, 持有香港理工大學工程學榮譽博士及香港中文大學法律系榮譽博士學位。彼於一九七八年至一九九七年期間為香港立法局成員, 另於一九八八年至一九九一年期間為香港立法局資深成員, 而彼於一九八五年至一九九二年期間為香港行政局成員。彼於二零零零年十二月獲委任為獨立非執行董事。

**鄧紹先生** QFSM, CPM, 六十一歲, 為一位香港註冊中醫師(全科), 並為一間私人公司之董事。此外, 鄧先生亦同時是香港消防職工總會之首席顧問、香港中醫藥膳專業學會永遠及首席會長、副童軍知友社總監以及特許仲裁司(東亞分會)會員。於一九九三至二零零零年期間, 鄧先生擔任香港總區消防總長。鄧先生持有科學碩士(主修城市規劃)、法律榮譽學士以及英國胡佛漢頓大學法律學院院士。彼於二零零五年九月五日獲委任為獨立非執行董事。

**關孝財先生**, 四十歲, 為一間香港會計師行持有人。關先生持有英國胡佛漢頓大學法律學士及香港大學理學榮譽學士。關先生乃會計師公會及英國公認會計師公會「(公認會計師公會)」資深會員、英格蘭及威爾斯特許會計師公會會員及香港證券專業學會附屬會員。此外, 關先生亦是會計師公會之工作小組會員。關先生於私人及上市公司之審核、會計及稅務方面具備超過十七年經驗。彼於二零零四年九月三十一日獲委任為本公司之獨立非執行董事。

## Senior Management

**Mr. Yuk Wai Kwok, Simon**, aged 41, is an associated director (Marketing and Sales) of the Group. Mr. Yuk is responsible for business development, sales and marketing of the Group. He is also in charge of the development of business co-operation arrangement with vendor and partners in Hong Kong, PRC, Macau and other overseas market. With 15 years of experience in project management of IT industry, Mr. Yuk has been involved in the sales and tendering process for several sizeable IT projects. He was a project manager of a computer company for 10 years before joining the Group in December 1999.

**Mr. But Wui Fai, Cyrus**, aged 38, is an associated director (Project and Sales) of the Group. Mr. But is responsible for management of project commissioning of the Group. With 15 years of experience in IT and RFID industry on project management, systems design and implementation. Mr. But had achieved numerous project assignments in government sectors, public utilities, tertiary institutions and public listed companies. He worked for 10 years in an IT consultancy company in Hong Kong before joining the Group in September 2001.

**Miss. Yeung Yuen Chun, Mona**, aged 32, is the Financial Controller and associated director of the Group. Miss Yeung is responsible for managing the Group's finance and accounting operations, performing statutory and management reporting. Miss. Yeung has over 9 years in auditing, accounting and financial analysis. She is an associate member of the HKICPA and a fellow member of the ACCA. She graduated from the Hong Kong Baptist University.

**Mr. Bat Kwok Kwan, Baker**, aged 31, is the Technical Manager of the Group. Mr. Bat has more than 7 years in depth knowledge and experience of the RFID and Smartcard technology sectors. With his wealth of hands on knowledge and experience of the smartcard industry Mr. Bat carries responsibility for the quality and performance of equipment, projects, product and technology development for Smartcard and RFID solutions. Mr. Bat works collaboratively within ITE's teams to ensure the effective management, integration and implementation of the company's complex RFID, smartcard, hardware and software products and services. Mr. Bat holds a Master of Science in Computer and Information Technology and Bachelor Degree of Engineering with honours in Computer Engineering from the University of Hong Kong.

**Mr. Luk Wai Suen**, aged 57, is a Senior Consultant of the Group. Mr. Luk is responsible for advising the system development for new product development and the design of software system. With 25 years of experience in R & D of system networking, Mr. Luk was the deputy chief engineer of an electronics company for 13 years before joining the Group in April 2000. He holds a degree in Computer Application from The Shanghai Institute of Education.

## 高級管理層

**沃為國先生**，四十一歲，本集團市場及銷售部之聯繫董事，負責業務發展、銷售及市場推廣。沃先生同時負責與香港、中國、澳門及其他海外市場的供應商及伙伴建立業務合作安排。沃先生於資訊科技行業的項目管理方面具備十五年經驗，曾多次參與大型資訊科技工程的銷售及投標工作，一九九九年十二月加入本集團前於一家電腦公司任職項目經理十年。

**畢匯輝先生**，三十八歲，本集團項目及銷售部之聯繫董事，負責本集團承接項目的管理工作。畢先生於資訊科技行業項目管理、系統設計及開發方面具備十五年經驗，曾完成多項政府、公用機構、學院及上市公司的項目。畢先生於二零零一年九月加入本集團，之前曾於香港一間資訊科技顧問公司任職十年。

**楊婉珍小姐**，三十二歲，本集團財政總監及聯繫董事，負責管理本集團財務及會計運作，進行法定及管理匯報工作。楊小姐於核數、會計及財務分析方面具九年經驗。楊小姐畢業於香港浸會大學，乃會計師公會會員及公認會計師公會資深會員。

**畢國坤先生**，三十一歲，本集團技術經理。畢先生在射頻識別和智能卡技術範疇有超過七年的經驗。憑藉他在智能卡行業上的豐富經驗，畢先生負責本集團智能卡及射頻識別解決方案中儀器、項目計劃、產品及技術開發的質素及表現。畢先生與其他成員合作以保證射頻識別、智能卡、硬件及軟件的产品及服務能有效地管治、整合及實行。畢先生於香港大學畢業，擁有的理學碩士(電腦及資訊科技)及電腦工程學系榮譽學士學位。

**陸偉宜先生**，五十七歲，本集團高級顧問，負責為新產品的開發及軟件系統設計提供顧問意見。陸先生於系統網絡研發方面具備二十五年經驗，二零零零年四月加入本集團前於一間電子公司任職副總工程師。陸先生持有上海師範學院的電腦應用學學位。

The directors submit their annual report together with the audited financial statements of the Company and the Group for the year ended 31 March 2006.

## Principal Activities

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 17 to the financial statements.

The analysis of the principal activities and geographical locations of the operations of the Group during the year ended 31 March 2006 are set out in note 14 to the financial statements.

## Results and Appropriations

The results of the Group for the year ended 31 March 2006 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 36 to 93.

No interim dividend (2005: HK\$Nil) was paid during the year. The directors do not recommend the payment of a final dividend for the year ended 31 March 2006 (2005: HK\$Nil).

There is no arrangement under which a shareholder of the Company has waived or agreed to waive any dividends.

## Donation

Donation made by the Group during the year amounted to HK\$3,160 (2005: HK\$2,000).

## Fixed Assets

Details of movements in fixed assets during the year are set out in note 15 to the financial statements.

## Subsidiaries

Particulars of the Company's subsidiaries as at 31 March 2006 are set out in note 17 to the financial statements.

董事會全人提呈截至二零零六年三月三十一日止年度本公司及本集團之經審核財務報表。

## 主要業務

本公司之主要業務為投資控股。其附屬公司之主要業務詳情載於財務報表附註17。

本集團截至二零零六年三月三十一日止財政年度之主要業務及營運地域分析載於財務報表附註14。

## 業績及分配

本集團截至二零零六年三月三十一日止年度之業績及本公司和本集團於該日之財政狀況載於第36至第93頁的財務報表內。

本集團年內並無支付中期股息(二零零五年：零港元)。董事會不建議派發截至二零零六年三月三十一日止年度之末期股息(二零零五年：零港元)。

本公司之股東並無放棄或同意放棄任何股息之安排。

## 慈善捐款

本集團於年內共作出3,160港元之慈善捐款(二零零五年：2,000港元)。

## 固定資產

本年度內固定資產之變動載於財務報表附註15。

## 附屬公司

本公司附屬公司於二零零六年三月三十一日之詳情載於財務報表附註17。



## Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group as at 31 March 2006 are set out in notes 26 and 27 to the financial statements.

## Share Capital

Details of the share capital of the Company during the year are set out in note 28 to the financial statements.

## Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association or the Laws of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

## Share Option Schemes

Details of the Company's share option schemes are set out in note 29 to the financial statements.

## Purchase, Sale and Redemption of Shares of the Company

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

## Major Customers and Suppliers

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

		Percentage of the Group's total 佔本集團總額百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	49.49%	—
Five largest customers in aggregate	五大客戶總計	70.73%	—
The largest supplier	最大供應商	—	19.16%
Five largest suppliers in aggregate	五大供應商總計	—	67.28%

## 銀行貸款及其他借貸

本集團於二零零六年三月三十一日之銀行貸款及其他借貸詳情載於財務報表附註26及27。

## 股本

本年度內本公司股本之變動詳情載於財務報表附註28。

## 優先購買權

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

## 購股權計劃

本公司的購股權計劃詳情載於財務報表附註29。

## 購回、出售及贖回本公司股份

本公司或其附屬公司於本年度內概無購回、出售或贖回本公司之任何股份。

## 主要客戶及供應商

於本年度內，本集團主要客戶應佔銷售額及供應商應佔採購額詳情如下：

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

## Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 30(a) to the financial statements and in the consolidated statement of changes in equity respectively.

## Distributable Reserves

At 31 March 2006, the Company's reserves available for cash distribution and/or distribution in specie amounted to approximately HK\$Nil. Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend 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. The share premium may also be distributed in the form of fully paid bonus shares.

## Directors

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

### Executive Directors

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

### Independent non-executive Directors

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

Mr. George Roger Manho and Mr. Tang Siu, Henry, will retire from the board in accordance with Articles 108 and 112 of the Company's Articles of Association at the forthcoming annual general meeting, and, being eligible, will offer themselves for re-election.

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

## 儲備

本年度內本公司及本集團之儲備變動詳情分別載於財務報表附註30(a)及綜合權益變動表。

## 可供分派儲備

於二零零六年三月三十一日，本公司之可供以現金及／幣值分派儲備約為零港元。根據開曼群島公司法(修訂)，本公司之股份溢價可供分派予本公司股東，惟於緊隨分派股息之日後，本公司將有資金償付在其日常業務過程中到期應付之債務。股份溢價亦可以繳足股款紅股之方式派發。

## 董事

於年內及截至本報告刊發日期之在任董事如下：

### 執行董事

劉漢光先生  
聞偉雄先生  
鄭國雄先生  
劉海華先生

### 獨立非執行董事

李鵬飛博士  
曹廣榮先生 (於二零零五年六月五日辭世)  
闕孝財先生  
鄧紹先生 (於二零零五年九月五日獲委任)

根據本公司組織章程細則第108及112條，聞偉雄先生及鄧紹先生將於應屆股東週年大會上輪值告退，惟彼願意膺選連任。



## Biographical Details of the Directors

Biographical details of the Directors are set out on pages 22 and 24 of the annual report.

## Directors' Emoluments and the Individuals with Highest Emoluments

Details of the emoluments of the Directors and of the individuals with highest emoluments of the Group are set out in notes 10 and 11 to the financial statements respectively.

## Directors' Service Contracts

Mr. Lau Hon Kwong, Vincent, Mr. Cheng Kwok Hung and Mr. Liu Hoi Wah have entered into service contracts with the Company on 1 April 2006 for an initial fixed term of one year commencing from 1 April 2006 which will continue thereafter until terminated by three months' notice in writing served by either party on the other.

Mr. George Roger Manho has entered into a service contract with the Company on 23 December 2005 for an initial fixed term of one year commencing from 1 January 2006 which will continue thereafter until terminated by three months' notice in writing served by either party on the other.

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

## Directors' Interest in Contracts

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

## 董事履歷

董事之履歷載於年報第22至第24頁內。

## 董事酬金及最高薪人士

本集團之董事酬金及最高薪人士之詳情分別載於財務報表附註10及11。

## 董事服務合約

劉漢光先生、鄭國雄先生及劉海華先生於二零零六年四月一日，已各自與本公司訂立服務合約，由二零零六年四月一日起計為期一年，並於其後一直存續，直至任何訂約方向另一方發出三個月之書面通知予以終止為止。

聞偉雄先生於二零零五年十二月二十三日，已與本公司訂立服務合約，固定期間由二零零六年一月一日起計為期一年，並於其後一直存續，直至任何訂約方向另一方發出三個月之書面通知予以終止為止。

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

## 董事在合約中擁有之權益

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

## Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations

As at 31 March 2006, the interests and short positions of each director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.68 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM Listing Rules"), to be notified to the Company and the Stock Exchange were as follows:

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

Name of director 董事姓名	Number of ordinary shares 普通股股數					Percentage of issued share capital 佔已發行 股本百分比
	Personal interests 個人權益	Corporate interests 公司權益	Family interests 家族權益	Other interests 其他權益	Total 合計	
Mr. Lau Hon Kwong, Vincent 劉漢光先生	–	456,250,348 (L) (Note 2) (附註 2)	–	–	456,250,348 (L)	50.27%
Mr. George Roger Manho 聞偉雄先生	83,142,254 (L)	–	–	–	83,142,254 (L)	9.16%
Mr. Cheng Kwok Hung 鄭國雄先生	–	456,250,348 (L) (Note 2) (附註 2)	–	–	456,250,348 (L)	50.27%
Mr. Tsao Kwang Yung, Peter (deceased) 曹廣榮先生(已辭世)	100,000 (L)	–	–	–	100,000 (L)	0.01%

#### Notes:

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

## 董事及行政總裁於本公司或聯營公司之股份、相關股份及債券及淡倉

於二零零六年三月三十一日，本公司各董事及行政總裁根據證券及期貨條例第15.7及第15.8條之規定，本公司或其任何相聯法團(定義見《證券及期貨條例》(「證期條例」)第十五部)之股份、相關股份及債券中擁有之權益或淡倉(包括根據證期條例之該等規定被認為或視作擁有之權益或淡倉)，或必須列入根據證期條例第352條予以存置之登記冊內，或根據創業板上市規則第5.46至5.68條所載之規則必須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或淡倉載列如下：

### (i) 本公司之股份權益

#### 附註：

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



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

As at 31 March 2006, the directors had the following personal interests in options to subscribe for shares of the Company granted at HK\$1 under a share option scheme of the Company. Each option gives the holder the right to subscribe for one share.

## (ii) 於或有關於該等相關股份衍生工具之權益(定義見證期條例)

於二零零六年三月三十一日，本公司董事在根據本公司購股權計劃以1港元之價格授出可認購本公司股份之購股權中擁有以下之個人權益。每股購股權可讓持有人認購一股股份。

Name of director 董事姓名	Number of options outstanding at 31 March 2006 於二零零六年三月三十一日尚未行使的購股權數目	Date granted 授出日期	Period during which options exercisable 購股權行使期	Number of shares acquired on exercise of options during the year 年內行使購股權而認購的股份數目	Price per share to be paid on exercise of options 行使購股權時須支付的每股價格
Mr. Lau Hon Kwong, Vincent 劉漢光先生	6,109,440 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 0.095港元
Mr. George Roger Manho 閻偉雄先生	4,000,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 0.095港元
Mr. Cheng Kwok Hung 鄭國雄先生	4,000,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 0.095港元
Mr. Liu Hoi Wah 劉海華先生	19,112,640 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 0.095港元
Dr. Lee Peng Fei, Allen 李鵬飛先生	1,760,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 0.095港元

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

附註：「L」字表示股份為長倉。

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

## (iii) 本公司股份及相關股份之總計權益

Name of director 董事姓名	Aggregate number in ordinary shares 普通股總計	Aggregate number in underlying shares 相關股份總計	Total 合計	Percentage to the issued share capital of the Company 佔本公司已發行 股本之百分比
Mr. Lau Hon Kwong, Vincent 劉漢光先生	456,250,348 (L)	6,109,440 (L)	462,359,788 (L)	50.95%
Mr. George Roger Manho 聞偉雄先生	83,142,254 (L)	4,000,000 (L)	87,142,254 (L)	9.60%
Mr. Cheng Kwok Hung 鄭國雄先生	456,250,348 (L)	4,000,000 (L)	460,250,348 (L)	50.71%
Mr. Liu Hoi Wah 劉海華先生	—	19,112,640 (L)	19,112,640 (L)	2.11%
Dr. Lee Peng Fei, Allen 李鵬飛先生	—	1,760,000 (L)	1,760,000 (L)	0.19%
Mr. Tsao Kwang Yung, Peter (deceased) 曹廣榮先生(已辭世)	100,000 (L)	—	100,000 (L)	0.01%

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

附註：「L」字表示股份為長倉。

Save as disclosed above, as at 31 March 2006, none of the directors, chief executive of the Company or their associates had any interests in the shares or debentures of, or short positions in the shares of, the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, were required to be notified to the Company and the Stock Exchange.

除上述所披露者外，於二零零六年三月三十一日，董事、行政總裁或彼等之聯繫人士概無根據證期條例第15.7及15.8條於本公司或其任何相聯法團(定義見證期條例第十五部)擁有股份或債券之權益或淡倉(包括根據證期條例之該等規定被認為或視作擁有之權益或淡倉)，或必須列入根據證期條例第352條予以存置之登記冊內，或根據創業板上市規則第5.46至5.68條所載之規則必須知會本公司及聯交所之任何權益或淡倉。

## Directors' and Chief Executive's Rights to Acquire Shares or Debt Securities

Save as disclosed under the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations", as at 31 March 2006, neither the Company, holding company nor any of its subsidiaries was a party to any arrangements to enable the directors and chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debt securities, including debentures, of the Company or any other body corporate, and none of the directors and chief executive of the Company or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights.

## Substantial Interests in the Share Capital of the Company

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 March 2006, the Company had been notified of the following interests, being 5% or more of the issued share capital of the Company:

		Ordinary shares held 所持普通股股數	Percentage of total issued shares 佔已發行股份 合計百分比
Rax-Comm (BVI) Limited (Note 1)	Rax-Comm (BVI) Limited (附註1)	456,250,348	50.27%
Mr. George Roger Manho (Note 2)	閻偉雄先生 (附註2)	83,142,254	9.16%
Mr. Man Kai Shun	文界淳先生	47,701,000	5.26%

### Notes:

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

## 董事及行政總裁購買股份或債務證券之權益

除以上述「董事及行政總裁於本公司或聯營公司之股份、相關股份及債券及淡倉」所披露外，於二零零六年三月三十一日，本公司、控股公司或其附屬公司概無參與任何安排，使本公司董事及行政總裁可藉著購入本公司或任何其他法人團體之股份或債務證券(包括債券)而獲得利益，而本公司董事及行政總裁或彼等之配偶或任何未滿十八歲之子女概無任何可認購本公司證券之權利，亦無行使任何該等權利。

## 佔本公司股本之重大權益

本公司根據證期條例第336條規定存置之主要股東登記冊內獲悉，於二零零六年三月三十一日，以下股東擁有本公司已發行股本5%或以上之權益：

### 附註：

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



## Five Year Financial Summary

A summary of the published results and of the assets and liabilities of the Group for the latest five years is set out on page 94 of the Company's annual report for the year ended 31 March 2006.

## Competing Interests

As at 31 March 2006, the Directors were not aware of any business or interest of each Director, management shareholder and the respective associates of each that competes or may compete with the business of the Group and any other conflicts of interest which any such persons have or may have with the Group.

## Retirement Benefits Schemes

Details of the retirement benefit schemes of the Group and the employer's costs charged to the income statement for the year are set out in note 31 to the financial statements.

## Emolument Policy

The emolument policy regarding the employees of the Group is set up by the Remuneration Committee and is based on their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 29 to the financial statements.

## Auditors

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

By order of the board of directors

**Lau Hon Kwong, Vincent**  
Chairman

Hong Kong, 23 June 2006

## 五年概要

本集團過去五年之已公佈業績及資產與負債概要載於本公司截至二零零六年三月三十一日之年報第94頁。

## 競爭性權益

於二零零六年三月三十一日，各董事並不知悉有任何董事、管理股東或彼等各自聯繫人士擁有任何對本集團業務構成競爭或可能構成競爭之業務或權益；或上述任何人士與或可能與本集團存在任何其他利益衝突。

## 退休福利計劃

本集團退休福利計劃及本年度計入收益表之員工成本詳情載於財務報表附註31。

## 酬金政策

薪酬委員會按照集團僱員質素、履歷及潛能採取適當政策來監控薪酬獎賞。

薪酬委員會同樣就本公司業績、董事們個人表現及市場競爭狀況作出合理酬金政策。

本公司鑑於董事及優秀僱員表現透過授予購股權，表揚其卓越成績，詳情載於財務報表附註29。

## 核數師

羅申美會計師行辭任本公司核數師，惟續聘決議案將於應屆股東週年大會上提呈。

承董事會命

主席  
**劉漢光**

香港，二零零六年六月二十三日

# RSM Nelson Wheeler

羅申美會計師行

Certified Public Accountants

**TO THE SHAREHOLDERS OF ITE (HOLDINGS) LIMITED**

(Incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 36 to 93 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

## Respective responsibilities of directors and auditors

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

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

## Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and of the Group, consistently applied and adequately disclosed.

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

致ITE (HOLDINGS) LIMITED各股東

(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核刊於第36至第93頁按照香港公認會計原則編製之財務報表。

## 董事及核數師之責任

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

我們之責任是根據審核之結果，對這些財務報表作出獨立意見，並僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

## 意見之基礎

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

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

## Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2006 and of the Group's results and cash flows for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**RSM Nelson Wheeler**  
Certified Public Accountants

Hong Kong, 23 June 2006

## 意見

我們認為，財務報表真實與公允地反映 貴公司及 貴集團於二零零六年三月三十一日之財務狀況和 貴集團截至該日止年度之業績及現金流量，並已按照香港《公司條例》之披露規定妥善編製。

**羅申美會計師行**  
執業會計師

香港，二零零六年六月二十三日

## Consolidated Income Statement 綜合收益表

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

			2006 二零零六年	2005 二零零五年
			\$ 元	\$ 元
		Notes 附註		
<b>Turnover</b>	營業額	6, 14	65,725,317	48,470,321
Cost of services rendered	已提供服務之成本		(52,176,896)	(41,531,535)
Cost of goods sold	已售貨物之成本		(1,159,083)	(1,321,065)
<b>Gross profit</b>	毛利		12,389,338	5,617,721
Other income	其他收入	6	602,144	461,851
Administrative expenses	行政費用		(11,001,858)	(20,960,143)
Profit/(loss) from operations	經營溢利/(虧損)	7	1,989,624	(14,880,571)
Finance costs	融資成本	8	(1,245,864)	(728,781)
<b>Profit/(loss) before taxation</b>	除稅前溢利/(虧損)		743,760	(15,609,352)
Taxation	稅項	9	(150,000)	–
<b>Profit/(loss) for the year attributable to shareholders of the Company</b>	本公司股東應佔年內溢利/(虧損)	12	593,760	(15,609,352)
<b>Earnings/(loss) per share</b>	每股盈利/(虧損)	13		
Basic	基本		0.07 cent 仙	(1.72 cents 仙)
Diluted	攤薄		N/A 不適用	N/A 不適用

# Consolidated Balance Sheet 綜合資產負債表

At 31 March 2006 (Expressed in Hong Kong dollars) 於二零零六年三月三十一日 (以港元列值)

		Notes 附註	2006 二零零六年	2005 二零零五年
			\$ 元	\$ 元
<b>Non-current assets</b>	<b>非流動資產</b>			
Fixed assets	固定資產	15	361,123	662,436
Goodwill	商譽	16	–	–
Investment securities	投資證券	18	–	2,249,670
Available-for-sale financial assets	可供出售金融資產	19	3,527,893	–
			3,889,016	2,912,106
<b>Current assets</b>	<b>流動資產</b>			
Trading securities	買賣證券	20	–	21,670
Financial assets at fair value through profit or loss	按公平價值計入損益金融資產	21	22,260	–
Inventories	存貨	22	1,932,196	2,059,649
Trade and other receivables	應收貿易及其他帳款	23	9,825,160	7,406,546
Deposits and prepayments	訂金及待攤費用		682,278	674,507
Pledged bank balances	抵押銀行存款	32(c)	15,323,997	13,594,808
Bank and cash balances	銀行及現金結餘		160,053	347,201
			27,945,944	24,104,381
<b>Current liabilities</b>	<b>流動負債</b>			
Creditors and accrued charges	應付帳款及應計費用	24	12,666,244	10,240,889
Short term borrowings	短期借貸	26	11,134,079	8,879,949
Current portion of long term secured bank loan	長期有抵押銀行貸款之即期部份	27	–	416,630
Provision for taxation	稅項撥備		8,077	–
			23,808,400	19,537,468
<b>Net current assets</b>	<b>流動資產淨值</b>		4,137,544	4,566,913
<b>Net assets</b>	<b>資產淨值</b>		8,026,560	7,479,019
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	28	9,075,360	9,075,360
Reserves	儲備		(1,048,800)	(1,596,341)
<b>Shareholders' funds</b>	<b>股東資金</b>		8,026,560	7,479,019

Approved and authorised for issue by the board of directors on 23 June 2006.

董事會於二零零六年六月二十三日核准及授權刊發。

**Lau Hon Kwong, Vincent**  
Director

**Cheng Kwok Hung**  
Director

**劉漢光**  
董事

**鄭國雄**  
董事



## Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營業務現金流量</b>		
Profit/(loss) before taxation	除稅前溢利/(虧損)	743,760	(15,609,352)
Adjustments for:	就下列各項作出調整：		
Depreciation	折舊	476,397	685,288
Amortisation of goodwill	商譽攤銷	—	950,792
Impairment loss on goodwill	商譽之減值虧損	—	6,338,616
Allowances for obsolete inventories	過時存貨撥備	—	280,000
Net unrealised (gain)/loss on financial assets at fair value through profit or loss/trading securities	按公平價值計入損益金融資產或買賣證券之未變現淨(收益)/虧損	(590)	10,080
Loss on disposals of fixed assets	出售固定資產虧損	3,331	113,000
Impairment loss on available-for-sale financial assets/investment securities	可供出售金融資產或投資證券之減值虧損	241,165	234,340
Gain on disposals of trading securities	出售買賣證券之收益	—	(32,755)
Dividend income from financial assets at fair value through profit or loss/trading securities	按公平價值計入損益金融資產或買賣證券之股息收入	(282)	(1,339)
Investment income from available-for-sale financial assets	可供出售金融資產之投資收入	(24,960)	—
Interest income	利息收入	(322,664)	(25,077)
Interest expense	利息費用	1,245,864	728,781
Operating profit/(loss) before working capital changes	於營運資金變動前之經營溢利/(虧損)	2,362,021	(6,327,626)
(Increase)/decrease in trade and other receivables	應收貿易及其他帳款(增加)/減少	(2,418,614)	8,142,958
Increase in deposits and prepayments	訂金及待攤費用增加	(7,771)	(34,015)
Decrease in inventories	存貨減少	127,453	302,781
Increase/(decrease) in creditors and accrued charges	應付帳款及應計費用增加/(減少)	1,450,506	(502,194)
Cash generated from operations	業務產生現金	1,513,595	1,581,904
Interest paid	利息支出	(1,245,864)	(728,781)
Tax refund received	已收退稅	—	51,004
Tax paid	已繳稅	(141,923)	—
Net cash generated from operating activities	經營業務產生現金淨值	125,808	904,127

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
	Note 附註		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動現金流量</b>		
Purchases of fixed assets	購置固定資產	(181,172)	(121,413)
Purchases of trading securities	購買買賣證券	–	(188,495)
Proceeds from disposals of fixed assets	出售固定資產之所得款項	3,600	26,814
Proceeds from disposals of trading securities	出售買賣證券之所得款項	–	288,250
Acquisition of available-for-sale financial assets	購置可供出售金融資產	(1,559,400)	–
Investment income from available-for-sale financial assets	可供出售金融資產之投資收入	24,960	–
Dividend income from financial assets at fair value through profit or loss/trading securities	按公平價值計入損益金融資產或買賣證券之股息收入	282	1,339
Interest received	已收利息	322,664	25,077
Net cash (used in)/generated from investing activities	投資活動(所用)/產生現金淨值	(1,389,066)	31,572
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動現金流量</b>		
Increase in pledged bank deposits	抵押銀行存款增加	(1,729,189)	(9,885)
New bank loans	新銀行貸款	–	10,797,714
Other borrowings obtained	其他貸款	974,849	–
Repayment of bank loans	償還銀行貸款	(419,444)	(14,193,730)
Net cash used in financing activities	融資活動所用現金淨值	(1,173,784)	(3,405,901)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物減少</b>	<b>(2,437,042)</b>	<b>(2,470,202)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>年初之現金及現金等價物</b>	<b>(3,132,925)</b>	<b>(662,723)</b>
Effect on foreign exchange rate changes	匯率變動之影響	(7,050)	–
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>於三月三十一日之現金及 現金等價物</b>	<b>(5,577,017)</b>	<b>(3,132,925)</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物結餘之分析</b>		
Bank and cash balances	銀行及現金結餘	160,053	347,201
Bank overdrafts	銀行透支	(5,737,070)	(3,480,126)
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>於三月三十一日之現金及 現金等價物</b>	<b>(5,577,017)</b>	<b>(3,132,925)</b>

## Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

		Reserves 儲備						Total 合計			
		Share capital 股本 (note 28) (附註 28) \$ 元	Share premium 股份溢價 (note 30 (b)) (附註 30(b)) \$ 元	Merger reserve 合併儲備 (note 30 (c)) (附註 30(c)) \$ 元	Foreign currency translation reserve 外幣匯兌 儲備						
					Investment revaluation reserve 投資估值 儲備 \$ 元	Accumulated losses 累積虧損 \$ 元	Total 合計 \$ 元				
									Foreign currency translation reserve 外幣匯兌 儲備		
									Investment revaluation reserve 投資估值 儲備		
Balance at 1 April 2004	於二零零四年四月一日結餘	9,075,360	22,816,249	10,748,910	-	-	(19,552,148)	23,088,371			
Loss for the year	年內虧損	-	-	-	-	-	(15,609,352)	(15,609,352)			
Total recognised income and expense for the year	年內已確認收入及 支出總額	-	-	-	-	-	(15,609,352)	(15,609,352)			
Balance at 31 March 2005 and at 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結餘	9,075,360	22,816,249	10,748,910	-	-	(35,161,500)	7,479,019			
Exchange difference arising on translation of foreign operation	兌換海外業務所產生之 匯兌差額	-	-	-	59,317	-	-	59,317			
Decrease in fair value of available-for-sale financial assets	可供出售金融資產之公平 價值減少	-	-	-	-	(105,536)	-	(105,536)			
Net expense recognised directly in equity	年內於權益直接確認之 支出淨額	-	-	-	59,317	(105,536)	-	(46,219)			
Profit for the year	年內溢利	-	-	-	-	-	593,760	593,760			
Total recognised income and expense for the year	年內已確認收入及 支出總額	-	-	-	59,317	(105,536)	593,760	547,541			
Balance at 31 March 2006	於二零零六年三月三十一日 結餘	9,075,360	22,816,249	10,748,910	59,317	(105,536)	(34,567,740)	8,026,560			

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

At 31 March 2006 (Expressed in Hong Kong dollars) 於二零零六年三月三十一日 (以港元列值)

		Notes 附註	2006 二零零六年	2005 二零零五年
			\$ 元	\$ 元
<b>Non-current assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司之權益	17	4,000,000	7,739,951
<b>Current assets</b>	<b>流動資產</b>			
Other receivables	其他應收帳款	23	4,064,863	139,703
Bank and cash balances	銀行及現金結餘		2,397	2,041
			4,067,260	141,744
<b>Current liabilities</b>	<b>流動負債</b>			
Accrued charges and other payables	應計費用及其他應付帳款	24	811,857	402,676
<b>Net current assets/(liabilities)</b>	<b>流動資產/(負債)淨值</b>		3,255,403	(260,932)
<b>Net assets</b>	<b>資產淨值</b>		7,255,403	7,479,019
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	28	9,075,360	9,075,360
Reserves	儲備	30	(1,819,957)	(1,596,341)
<b>Shareholders' funds</b>	<b>股東資金</b>		7,255,403	7,479,019

Approved and authorised for issue by the board of directors on 23 June 2006.

董事會於二零零六年六月二十三日核准及授權刊發。

**Lau Hon Kwong, Vincent**  
Director

**Cheng Kwok Hung**  
Director

劉漢光  
董事

鄭國雄  
董事

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

## 1. General Information

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies. The address of its principal place of business is Units 1717-20, Level 17, Tower 1, Grand Century Place, 193 Prince Edward Road West, Mongkok, Kowloon, Hong Kong. The Company's shares are listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 17 to the financial statements.

In the opinion of the directors of the Company, as at 31 March 2006, Rax-Comm (BVI) Limited, a company incorporated in the British Virgin Islands, is the immediate parent and ultimate parent of the Company.

## 2. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprises Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments which are carried at their fair values.

## 1. 一般資料

本公司根據開曼群島公司法，於開曼群島註冊成立成一家獲豁免有限公司，其註冊地點為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies，而主要營業地點為香港九龍旺角太子道西193號新世紀廣場一座十七樓1717至1720室。本公司之股份於香港聯合交易所有限公司創業板市場上市。

本公司為一間投資控股公司，而其附屬公司之主要業務載於財務報表附註17。

董事認為於二零零六年三月三十一日之直接及最終控股公司為於英屬處女群島註冊成立之Rax-Comm (BVI) Limited。

## 2. 財務報表編製準則

此等財務報表根據香港會計師公會頒佈之香港財務報告準則（「財務報告準則」）、香港公認會計原則、香港聯合交易所有限公司創業板上市規則（「創業板上市規則」）及香港公司條例之適用披露規定而編製。

編製財務報表時，除若干投資是按公平價值列帳外，其他乃採用歷史成本作為計算基準。



For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires management to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 5 to the financial statements.

### 3. Adoption of New and Revised HKFRSs

In the current year, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2005. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting polices and amounts reported for the current year and prior years except as stated below.

#### Financial instruments

The adoption of HKAS 32 Financial Instruments: Presentation and HKAS 39 Financial Instruments: Recognition and Measurement has resulted in a change in the accounting policy relating to the classification of financial assets at fair value through profit or loss and available-for-sale financial assets.

HKAS 39 does not permit to recognise, derecognise and measure financial assets and liabilities in accordance with this standard on a retrospective basis. The Group applied the previous Statement of Standard Accounting Practice ("SSAP") 24 Accounting for Investments in Securities to investments in securities for the 2005 comparative information. The adjustments required for the accounting differences between previous SSAP 24 and HKAS 39 are determined and recognised at 1 April 2005.

遵照財務報告準則編製財務報表須採用若干主要假設及估計，此外亦要求管理層在採納會計政策中作出判斷。涉及重要之判斷，或對此等財務報表有重大影響之假設及估計之範疇於財務報表附註5中披露。

### 3. 採納新及修訂財務報告準則

於本年度，本集團已採納全部香港會計師公會頒佈，且與本集團業務有關及於二零零五年一月一日或之後開始之會計期間生效的新訂及修訂財務報告準則。採納有關新訂及修訂財務報告準則並無令本集團之會計政策出現重大的變動，惟下文所述者除外。

#### 金融工具

採納香港會計準則第32條金融工具－呈列及香港會計準則第39條金融工具－確認及計量導致有關按公平價值計入損益金融資產及可供出售金融資產之分類方法之會計政策有所更改。

香港會計準則第39條禁止在確認、註銷及計量金融資產及負債之過程中以追溯方式應用此準則。對於二零零五年之投資證券比較數字，本集團採用過往之會計實務準則第24條「投資證券之會計」，並於二零零五年四月一日判斷和確認因會計實務準則第24條及香港會計準則第39條之會計差異而須作出之調整。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

### 3. Adoption of New and Revised HKFRSs (continued)

#### Financial instruments (continued)

The adoption of HKAS 32 and 39 resulted in changes in the amounts reported in the financial statements as follows:

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Increase in available-for-sale financial assets	可供出售金融資產 增加	2,249,670	—
Decrease in investment securities	投資證券減少	2,249,670	—
Increase in financial assets at fair value through profit or loss	按公平價值計入損益金融資產 增加	21,670	—
Decrease in trading securities	買賣證券減少	21,670	—

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the consolidated financial statements of the Group.

### 4. Principal Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

#### (a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

### 3. 採納新及修訂財務報告準則 (續)

#### 金融工具 (續)

在採納財務報告準則第32及39條後，財務報表有以下之變更：

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Increase in available-for-sale financial assets	可供出售金融資產 增加	2,249,670	—
Decrease in investment securities	投資證券減少	2,249,670	—
Increase in financial assets at fair value through profit or loss	按公平價值計入損益金融資產 增加	21,670	—
Decrease in trading securities	買賣證券減少	21,670	—

本集團並無採用已頒佈但未生效之新財務報告準則，而採用此等新財務報告準則對本集團之綜合財務報表並無重大影響。

### 4. 主要會計政策

編製此等綜合財務報表所應用之主要會計政策如下：

#### (a) 綜合帳目

綜合財務報表包括本公司及其附屬公司截至三月三十一日之財務報表。附屬公司指所有本集團有控制其財務及經營政策之實體，以從其活動獲得利益。在評估本集團是否控制另一實體時，將考慮目前可行使或可轉換之潛在投票權是否存在及其影響。

附屬公司自其控制權轉移予本集團當日起綜合入帳，並於控制權終止當日停止綜合入帳。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

(a) Consolidation (continued)

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill or capital reserve relating to the subsidiary which was not previously charged or recognised in the consolidated income statements and also any related accumulated foreign currency translation reserve.

Inter-company transactions, balances and unrealised profits on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(a) 綜合帳目(續)

出售附屬公司之收益或虧損為出售所得款項與本集團所佔附屬公司之資產淨值之間之差額，再加以往未於綜合收益表中計入及確認之任何商譽或資本儲備，以及任何有關之累計外匯兌換儲備。

公司間之內部交易及集團公司間交易的結餘和未變現利潤於綜合帳目時將予以撇銷。除非交易證明所轉讓資產出現減值，則未變現損失亦予以撇銷。附屬公司之會計政策已在必要時作出變動，以確保其與本集團所採用之會計政策一致。

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

(b) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所載項目，乃採用有關實體營運業務所在地之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港元呈列，而港元乃本公司之功能及呈列貨幣。

#### 4. Principal Accounting Policies (continued)

##### (b) Foreign currency translation (continued)

###### (ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into functional currency using the exchange rates prevailing on the transactions dates. Monetary assets and liabilities in foreign currencies are translated at the rates ruling on the balance sheet date. Profits and losses resulting from this translation policy are included in the income statement.

Translation differences on non-monetary items, such as equity instruments classified as financial assets at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation difference on non-monetary items, such as equity instruments classified as available-for-sale financial assets, are included in the investment revaluation reserve in equity.

###### (iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

#### 4. 主要會計政策 (續)

##### (b) 外幣換算 (續)

###### (ii) 各實體於財務報表之交易及結餘

外幣交易按交易當日通行之匯率換算為功能貨幣。以外幣為單位之貨幣資產及負債，按結算日適用之匯率換算。此換算政策引致之溢利及虧損計入收益表中。

非貨幣項目 (如分類為按公平價值計入損益金融資產之股本工具) 之匯兌差額，列為公平價值損益一部份。非貨幣項目 (如分類為可供出售金融資產) 之匯兌差額，乃於權益內列作投資估值儲備。

###### (iii) 綜合帳目之換算

所有集團實體之業績及財務狀況之功能貨幣如有別於本公司之呈列貨幣，均按以下方式換算為本公司之呈列貨幣：

- 於各資產負債表呈列之資產及負債乃按有關結算日之收市匯率換算；

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

(b) Foreign currency translation (continued)

(iii) Translation on consolidation (continued)

- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in the consolidated income statement as part of the profit or disposal on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translation at the closing rate.

(b) 外幣換算(續)

(iii) 綜合帳目之換算(續)

- 各收益表之收支乃按平均匯率換算(除非該平均匯率並非在有關交易當日通行匯率累積影響之合理估計內,在該情況下,收支按有關交易當日之匯率換算);及
- 所有因此而產生之匯兌差額均分開確認為外幣匯兌儲備。

於綜合帳目時,因換算於海外實體投資淨額及換算借款而產生之匯兌差額,均計入外幣匯兌儲備內。當出售海外業務時,有關匯兌差額於損益表中確認為出售之部份收益或虧損。

因收購海外實體而產生之商譽及公平價值調整,均作為有關海外實體之資產與負債,並按收市匯率換算。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

#### 4. Principal Accounting Policies (continued)

##### (c) Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

Depreciation of fixed assets is calculated at rates sufficient to write off their cost or revalued amounts less their residual values over the estimated useful lives on a straight-line basis. The principal annual lives are as follows:

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The gains or loss on disposal of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant assets, and is recognised in the income statement.

##### (d) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

#### 4. 主要會計政策 (續)

##### (c) 固定資產

固定資產按成本減累計折舊及減值虧損入帳。

其後成本只有在與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠計量時，才包括在資產之帳面值或確認為獨立資產(如適用)。所有其他維修及保養在產生之財政期間內於收益表支銷。

固定資產的折舊，按足以撇銷該等成本或重估值減剩殘值之比率，在估計可使用年期內按直線法分攤計算，主要之折舊年期如下：

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

資產之剩餘價值及可使用年期在每個結算日進行檢討，及在適當時調整。

出售固定資產之盈虧乃指出售所得款項淨額與有關資產之帳面值兩者之差額，並在收益表內確認。

##### (d) 經營租賃

經營租賃是指凡資產所有權之大部份回報及風險乃屬出租人之租賃。該等經營租賃之款額在扣除自出租人收取任何獎勵金後，於租賃期內以直線法在收益表中支銷。



For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and/or, where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to render services or make the sales.

(f) Service contracts

When the outcome of a service contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the balance sheet date. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a service contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Service contracts in progress at the balance sheet date are recorded in the balance sheet at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in the balance sheet as the "Gross amount due from customers for contract work" (as an asset) or the "Gross amount due to customers for contract work" (as a liability), as applicable. Progress billing not yet paid by the customer are included in the balance sheet under "Trade and other receivables". Amounts received before the related work is performed are included in the balance sheet, as a liability, as "Trade and other payables".

(e) 存貨

存貨按成本與可變現淨值兩者中之較低者入帳。成本以先進先出法計算。製成品及在製品之成本包括原料、直接人工及所有生產經常開支之應佔部份，及／或(如適當)分包費。可變現淨值乃按估計之正常銷售價格減去所有尚需投入之估計生產成本及估計銷售費用計算。

(f) 服務合約

於結算日，當服務合約能可靠地估計結果，所涉成本將根據完工百分比確認。當有可能總合約成本超出合約收益，預計虧損會立即確認。當服務合約不能可靠地估計結果，所發生成本將於發生時確認。

於結算日進行之服務合約，按已發生合約成本淨值加已確認溢利減去已確認虧損及進度付款申請，分別於資產負債表呈列為「應收客戶之服務合約工程款項總額」作為資產或「應付客戶之服務合約工程款項總額」作為負債。於資產負債表中「應收貿易及其他帳款」包括未繳付之進度付款申請，而資產負債表中「應付貿易及其他帳款」則包括有關服務未開始之已收之款項。

#### 4. Principal Accounting Policies (continued)

##### (g) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

Debt securities with fixed or determinable payments and fixed maturity and that the Group has the positive intention and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.

An impairment loss is recognised in income statement when there is objective evidence that the held-to-maturity investments are impaired, and is measured as the difference between the investments' carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investments' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investments at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Investments other than held-to-maturity investments are classified as either financial assets at fair value through profit or loss or available-for-sale financial assets.

#### 4. 主要會計政策 (續)

##### (g) 投資

倘根據合約買賣投資，而合約條款規定該投資須於有關市場所定時間內交付，該投資按買賣日基準確認及剔除確認，並按公平價值加直接應佔交易成本計算。

擁有固定或能確認繳付金額及日期之債務證券，而本集團亦表明有能力持有至到期，會被分類為持至到期投資，將採用實際利率法，按攤銷成本減任何之減值虧損計算。

倘有客觀證據顯示持至到期投資資產出現減值，則減值虧損於損益表確認，按投資帳面值與最初確認時計算之實際利率折算之估計日後現金流量現值之差額計算。倘投資可收回金額增加客觀上與於確認減值後發生之事件相關，則於其後期間撥回減值虧損，惟於撥回減值日期之投資帳面值不得超過倘並無確認減值之攤銷成本。

持至到期投資以外之投資分為按公平價值計入損益金融資產或可供出售金融資產。

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(g) Investments (continued)

Financial assets at fair value through profit or loss are either investments held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are included in income statement for the period.

Available-for-sale financial assets are investments not classified as held-to-maturity investments or financial assets at fair value through income statement. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised directly in equity, until the investments are disposed of or are determined to be impaired, at which time the cumulative gains or losses previously recognised in equity are included in income statement for the period. Impairment losses recognised in income statement for equity investments classified as available-for-sale financial assets are not subsequently reversed through income statement. Impairment losses recognised in income statement for debt instruments classified as available-for-sale financial assets are subsequently reversed if an increase in the fair value of the instruments can be objectively related to an event occurring after the recognition of the impairment loss.

(g) 投資(續)

按公平價值計入損益金融資產為持作買賣及最初定為以公平價值計入損益之投資。這些投資均之後按公平價值計算，而因公平價值變動之收入及虧損會直接於收益表中確認。

可供出售金融資產為持至到期投資及按公平價值計入損益金融資產以外之投資。可供出售金融資產隨後均按公平價值計算。對於這些投資，公平價值變化之收入及虧損直接確認入權益，直到證券被出售或決定提取減值為止，這時先前在權益中確認之累計收入及虧損於當期確認為損益。可供出售金融資產中於收益表確認之減值虧損之後不通過收益表撥回。當在減值確認之後因發生某事件，分類為可供出售金融資產之債務工具之公平價值客觀上增加時，於收益表確認之減值虧損隨後可以撥回。

#### 4. Principal Accounting Policies (continued)

##### (h) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recognised in the income statement.

##### (i) Cash and cash equivalents

Cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. For the purpose of the cash flow statement, bank overdrafts which are repayable on demand and form an integral part of an Group's cash management are also included as a component of cash and cash equivalents.

##### (j) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

#### 4. 主要會計政策 (續)

##### (h) 應收貿易及其他帳款

應收貿易及其他帳款初期按公平價值確認，其後以實際利率法按攤銷成本(減除任何減值撥備)計算。應收貿易及其他帳款之減值撥備於出現客觀證據，即證明本集團無法按應收款之原有條款收回所有到期金額時確認。撥備金額為資產之帳面值與估計未來現金流量現值(按實際利率貼現計算)間之差額。撥備金額於收益表內確認。

##### (i) 現金及現金等價物

現金及現金等價物指銀行及手頭現金，存於銀行及其他金融機構的活期存款，及可隨時轉換為已知數額現金且沒有重大價值變動風險之短期及高度流通投資。就現金流量表而言，應要求償還及構成集團現金管理一個完整部份之銀行透支亦列入現金及現金等值物。

##### (j) 財務負債及股本工具

財務負債及股本工具乃根據已訂立之合約安排內容以及財務負債及股本工具之定義分類。股本工具乃扣除所有負債後證明於本集團資產內之剩餘權益之任何合約。為特定財務負債及股本工具採納之會計政策載於下文。

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(k) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(l) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) Equity instruments

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

(n) Revenue recognition

(i) Service revenue

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

(k) 借貸

借貸初步按公平價值減去交易成本計算，其後使用實際利率法計算按已攤銷成本計值。

除非本集團有權無條件將債務結算日期遞延至結算日後至少十二個月，否則借款將被劃分為流動負債。

(l) 應付貿易及其他帳款

應付貿易及其他帳款按公平價值列帳，其後則採用實際利率法按攤銷成本列值，若貼現影響不大，在該情況下，則按成本列值。

(m) 股本工具

本公司發行之股本工具，以所收取之所得款項減直接發行成本列帳。

(n) 收益確認

(i) 服務收益

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

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#### 4. Principal Accounting Policies (continued)

#### 4. 主要會計政策 (續)

##### (n) Revenue recognition (continued)

##### (n) 收益確認 (續)

###### (i) Service revenue (continued)

###### (i) 服務收益 (續)

Revenue from individual service contracts is recognised under the percentage of completion method, measured by reference to the percentage of contract costs incurred for work performed to date to the estimated total contracts costs for each contract. When the outcome of a service contract cannot be estimated reliably revenue is recognised only to the contract costs incurred.

個別服務合約之收益，根據完工百分比方法，按已發生成本量比對預算合約之總成本之百分比作確認。當服務合約不能可靠地估計結果，所發生成本將於發生時確認。

###### (ii) Consultancy fee income

###### (ii) 顧問費用收入

Consultancy fee income is recognised when the consultancy services are rendered.

顧問費用收入於服務已提供時確認。

###### (iii) Income from maintenance services

###### (iii) 保養服務收入

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

保養服務之收入根據保養服務合約條款按直線法確認。

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

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

###### (iv) Sales of goods

###### (iv) 銷售貨品

Revenues from the sales of manufactured goods and trading of raw materials are recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

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



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(n) Revenue recognition (continued)

(v) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(vi) Dividend income

Dividend income is recognised when the shareholders' rights to receive payment have been established.

(o) Employee 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.

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

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to the income statement represents contributions payable by the Group to the funds.

(n) 收益確認(續)

(v) 利息收入

利息收入根據實際利率法按時間比例確認入帳。

(vi) 股息收入

股息收入乃於收取有關款項權利成立時確認。

(o) 僱員福利

(i) 僱員假期權益

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

有關病假及產假或陪产假之僱員權益於休假時方會確認。

(ii) 退休金責任

本集團向定額供款退休計劃供款，所有僱員均可參與。本集團與僱員的供款按僱員基本薪金的百分比計算。在收益表支銷之退休福利計劃成本指本集團應向此基金支付之供款。

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#### 4. Principal Accounting Policies (continued)

##### (o) Employee benefits (continued)

###### (iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

##### (p) Borrowings costs

All the borrowing costs are recognised in the income statement in the period in which they are incurred.

##### (q) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payables is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes terms of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### 4. 主要會計政策 (續)

##### (o) 僱員福利 (續)

###### (iii) 終止僱用福利

終止僱用福利於 (且僅於) 本集團本身已就終止僱用之事宜作出明確承諾，或透過周詳而正式之自願離職計劃 (該計劃實際上不可能取消) 提供福利時予以確認。

##### (p) 借貸成本

全部借貸成本均於產生之年度計入收益表。

##### (q) 稅項

所得稅開支指現時應付及遞延稅項。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與收益表中所報溢利不同，乃由於前者不包括在其他年度應課稅或可扣稅收入或開支，並且不包括收益表內永不課稅或扣稅之項目。本集團本期稅項乃按現行稅率或結算日時大致訂立之稅率計算。

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(q) Taxation (continued)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. 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 which affects neither the taxable profit nor the accounting profit.

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

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 is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(q) 稅項 (續)

遞延稅項以資產及負債於其財務報表的帳面值與計算應課稅溢利相應稅基之間之差額確認，並使用資產負債表負債法入帳。遞延稅項負債通常會就所有應課稅臨時性差額確認，而遞延稅項資產乃按可能出現可利用臨時性差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽或因業務合併以外原因於初次確認其他資產及負債而引致之臨時性差額既不影響應課溢利及會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司及聯營公司之投資及於合營企業之權益而引致之應課稅臨時性差額而確認，惟若本集團可令臨時差額有可能未必於可見將來撥回之情況除外。

遞延稅項資產之帳面值於每個結算日作檢討，並於沒可能有足夠應課稅溢利恢復全部或部分資產價值時作調整。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。有關稅率為現行稅率或於結算日時大致訂立之稅率。遞延稅項於收益表中扣除或計入收益表，惟倘遞延稅項直接在股本權益中扣除或計入股本權益之情況（在此情況下遞延稅項亦會於股本權益中處理）除外。

#### 4. Principal Accounting Policies (continued)

##### (q) 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.

##### (r) Segment reporting

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

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to the segment.

Unallocated costs represent corporate expenses. Segment assets consist primarily of fixed assets, goodwill, inventories and trade receivables. Segment liabilities comprise operating liabilities. They exclude items such as taxation and corporate borrowings.

#### 4. 主要會計政策 (續)

##### (q) 稅項 (續)

倘若有法定可行使權利將現有稅項資產與現有稅項負債抵銷，且彼等為同一稅務機構徵收之所得稅，則將遞延稅項資產與負債抵銷。本集團擬按淨額基準償付即期稅項資產及負債。

##### (r) 分部報告

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

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

分部收益、開支、業績、資產及負債包括可直接歸類於某一分部之項目，以及其他能以合理基礎分配至該分部之項目。

未予分配成本指集團整體性開支。分部資產主要包括固定資產、商譽、存貨及應收帳款。分部負債包括經營負債。以上各不包括稅項及公司借貸等項目。

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(r) Segment reporting (continued)

Segment revenue, expenses, results, 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.

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

(s) Related parties

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans for the benefit of employees of the Group or of any entity that is a related party of the Group.

(r) 分部報告 (續)

而作為綜合會計程序之一部份，除非該等集團內部交易乃屬於同一分部內之集團企業，否則分部收益、開支、業績、資產與負債之計算須在集團內部交易抵銷前確立。分部間之定價乃按提供予其他外界人士之相若條款釐定。

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

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

(s) 關連人士

倘一名人士有能力直接或間接控制另一名人士或對另一名人士於作出財務及經營決定時發揮重大影響力，則兩名人士被視為有關連。倘多名人士受到共同控制或受到共同重大影響，則有關人士亦被視為有關連。關連人士可為個人 (主要管理人員、主要股東及／或其近親) 或其他實體，包括受本集團關連人士 (如屬個人) 重大控制之實體，以及為本集團或屬本集團關連人士之任何實體之僱員而設立之退休福利計劃。

#### 4. Principal Accounting Policies (continued)

##### (t) Impairment of assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets except goodwill to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 4. 主要會計政策 (續)

##### (t) 資產減值

於各結算日，本集團均審閱其有形及無形資產(商譽除外)之帳面值，以釐定該等資產是否出現任何減值虧損跡象。倘出現有關跡象，則估計資產之可收回金額，以釐定減值虧損(如有)。倘未能估計個別資產之可收回金額，則本集團估計該資產所屬之現金產生單位之可收回金額。

可收回金額乃公平價值減出售成本及使用價值之較高者。在評估使用價值時，估計未來現金流量將予稅前折讓率折讓至其現值，以反映目前貨幣市值之市場估計及與資產有關的風險。

倘資產或現金產生單位可收回金額估計低於其帳面值，則資產或現金產生單位帳面值將扣減至其可收回金額。減值虧損於收益表即時確認，惟倘相關資產以重估金額列帳，則減值虧損將視作重估價值減少。

倘減值虧損其後撥回，則資產或現金產生單位帳面值增加至其可收回金額之經修訂估算，惟所增加之帳面值不得高於在往年並未確認資產或現金產生單位減值虧損時釐定之帳面值。減值虧損撥回於收益表即時確認。惟倘相關資產以重估金額列帳，則減值虧損撥回將視作重估價值增加。



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#### (u) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### (u) 撥備及或然負債

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

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

### 5. Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### Revenue and profit recognition

The Group estimated the percentage of completion of the service contracts by reference to the proportion that contract costs incurred for work performed to date to the estimated total costs for the contracts. When the final cost incurred by the Group is different from the amounts that were initially budgeted, such differences will impact the revenue and the profit or loss recognised in the period in which such determination is made. Budget cost of each project will be reviewed periodically and revised accordingly where significant variances are noted during the revision.

### 5. 估計不確定性之主要來源

涉及日後之主要假設及於結算日時估計不確定性之主要來源(彼等均有導致下個財政年度之資產及負債之帳面值出現大幅調整之重大風險)討論如下。

#### 收益及溢利確認

本集團以建造工程已產生之成本佔預算合約成本總額之比例估計建造合約之完成百分比。倘若本集團最終所產生之成本與初期預算之款額不同，有關差額將影響作出預算成本期間之已確認收入及損益。各項目之預算成本將定期審閱及倘於審閱期間出現重大變動，則會作出修訂。

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## 6. Turnover and Revenue

## 6. 營業額及收益

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

年內，各個重要類別已確認為營業額及收益之金額如下：

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
<b>Turnover</b>	<b>營業額</b>		
Provision of smartcard systems, RFID and information technology services	提供智能卡系統、射頻識別及資訊科技服務		
– Service revenue	– 服務收益	22,505,247	5,354,658
– Income from maintenance services	– 保養服務收入	3,492,017	2,442,608
– Sales of service related products	– 銷售服務相關產品	2,045,432	2,045,254
		28,042,696	9,842,520
Consultancy fee income	顧問費用收入	37,682,621	38,541,801
Service revenue from provision of electrical and mechanical installation work	提供機電安裝工程之服務收益	–	86,000
		65,725,317	48,470,321
<b>Other income</b>	<b>其他收入</b>		
Interest income	利息收入	322,664	25,077
Dividend income from financial assets at fair value through profit or loss/trading securities	按公平價值計入損益金融資產或買賣證券之股息收入	282	1,339
Dividend income from investment securities	投資證券之股息收入	–	305,061
Investment income from available-for-sale financial assets	可供出售金融資產之投資收入	24,960	–
Compensation for secondment of staff	員工調派之補償	120,000	–
Sundry income	其他收入	134,238	130,374
<b>Total other income</b>	<b>其他收入合計</b>	<b>602,144</b>	<b>461,851</b>

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## 7. Profit/(loss) from Operations

## 7. 經營溢利／(虧損)

Profit/(loss) from operations is arrived at after charging/(crediting):

經營溢利／(虧損)已扣除／(計入)：

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Exchange (gain)/loss	匯兌(收益)／虧損	(120,648)	16,261
Gain on disposals of trading securities	出售買賣證券之收益	—	(32,755)
Net unrealised loss on trading securities carried at fair value	按公平價值列帳買賣證券之未變現淨虧損	—	10,080
Net unrealised gain on financial assets at fair value through profit or loss	按公平價值計入損益金融資產之未變現淨收益	(590)	—
Loss on disposal of fixed assets	出售固定資產虧損	3,331	113,000
Amortisation of goodwill	商譽攤銷	—	950,792
Auditors' remuneration	核數師酬金	340,000	335,000
Cost of inventories	存貨成本	9,713,911	3,113,420
Depreciation	折舊	476,397	685,288
Development expenses	研發開支	284,460	278,185
Impairment loss on goodwill	商譽之減值虧損	—	6,338,616
Impairment loss on investment securities	投資證券之減值虧損	—	234,340
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	241,165	—
Operating lease rentals of properties	物業租賃開支	1,044,479	1,173,388
Allowances for obsolete inventories	過時存貨之撥備	—	280,000
Allowances for doubtful debts	壞帳撥備	—	173,053
Staff costs including directors' emoluments and retirement benefit scheme contributions	包括董事酬金及退休福利計劃供款之員工成本	45,105,050	47,195,092

Note: Cost of inventories includes allowances for obsolete inventories of approximately \$Nil (2005: \$280,000) which is included in the amount disclosed separately above for the year.

附註：存貨成本包括存貨撥備約零元(二零零五年：280,000元)，此等存貨撥備已在上文就本年度獨立披露。

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## 8. Finance Costs

## 8. 融資成本

	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元
Interest on bank loans and overdrafts 銀行貸款及透支利息	1,002,733	728,781
Interest on other borrowings wholly repayable within five years 於五年內償還之其他借貸利息	243,131	—
	1,245,864	728,781

## 9. Taxation

## 9. 稅項

(a) The amount of taxation in the consolidated income statement represents:

(a) 綜合收益表中之稅項指：

	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元
Hong Kong profits tax 香港利得稅	150,000	—

Hong Kong profits tax is provided at 17.5% (2005: 17.5%) based on the assessable profit for the year.

香港利得稅是按應課稅溢利以17.5% (二零零五年：17.5%)計算。

No provision for income tax of the People's Republic of China (the "PRC") has been made in the financial statements as the Group does not have any assessable profits for taxation purpose during the year in the PRC.

本集團於年內無中華人民共和國(「中國」)應課稅之溢利，故財務報表並無中國企業所得稅。

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- (b) The taxation on the Group's profit/(loss) before taxation differs from the theoretical amount that would arise using the applicable tax rate of the Group as follows:
- (b) 本集團除稅前溢利／(虧損)之稅項有別於採用香港利得稅稅率計算之理論金額如下：

		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Profit/(loss) before taxation	除稅前溢利／(虧損)	743,760	(15,609,352)
Tax at the applicable tax rate (17.5%)	根據適用稅率之稅項 (17.5%)	130,158	(2,731,636)
Tax effect of temporary difference	暫時差異之稅務影響	23,704	57,078
Tax effect of income that is not taxable in determining taxable profit	於釐定應課稅溢利毋須課稅收入之稅務影響	(9,159)	—
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣稅開支之稅務影響	58,112	1,413,611
Tax effect of unused tax losses not recognised	未確認及未動用稅項虧損之稅務影響	259,546	1,804,489
Tax effect of prior year's tax losses utilised this year	年內動用之稅項虧損之稅務影響	(354,310)	(543,542)
Over-provision for the year	年內超額撥備	41,949	—
Taxation charges	稅項費用	150,000	—

The applicable tax rate represents the Hong Kong profits tax rate prevailing in the relevant jurisdictions in which the Group operates.

適用稅率為本集團經營地區通行之香港利得稅稅率。

- (c) Deferred tax assets are not recognised for temporary differences and tax losses carried forward due to uncertainty of realisation of the related tax benefit through the future taxable profits. The tax effect on temporary differences and unrecognised tax losses was approximately \$8,033,000 (2005: \$8,526,000) as at 31 March 2006. Included in unrecognised tax losses are losses of \$299,548, \$974,677, \$822,000 and \$981,428 (2005: \$299,548, \$974,677 and \$822,000 in 2006, 2008 and 2009 respectively) that will expire in 2006, 2008, 2009 and 2010 respectively according to the prevailing tax laws and regulations in the country in which the Group operates. Other losses may be carried forward indefinitely.
- (c) 由於透過日後之應課溢利變現之相關稅務利益並不肯定，故並無就暫時差異及承前稅項虧損之遞延稅項資產作出確認。於二零零六年三月三十一日，暫時差異及未確認稅項虧損之稅務影響約8,033,000元(二零零五年：8,526,000元)。根據本集團在當地營運之稅務法規及規定，未確認虧損包括299,548元、974,677元、822,000元及981,428元並分別於二零零六年、二零零八年、二零零九年及二零一零年終止(二零零五年：299,548元、974,677元及822,000元，分別於二零零六年、二零零八年及二零零九年終止)，而其他虧損則可永久結轉。

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## 10. Directors' Emoluments

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

## 10. 董事酬金

根據創業板上市規則及香港《公司條例》第161條披露之董事酬金詳情如下：

Name of director 董事姓名		Fees 袍金 \$ 元	Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 \$ 元	Retirement benefits scheme contributions 退休福利 計劃供款 \$ 元	Total emoluments 酬金合計 \$ 元
Year ended 31 March 2006	截至二零零六年三月三十一日止年度				
Executive Directors:	執行董事：				
Mr. Lau Hon Kwong, Vincent	劉漢光先生	—	615,184	12,000	627,184
Mr. George Roger Manho	聞偉雄先生	—	267,185	12,000	279,185
Mr. Cheng Kwok Hung	鄭國雄先生	—	615,184	12,000	627,184
Mr. Liu Hoi Wah	劉海華先生	—	72,000	3,600	75,600
		—	1,569,553	39,600	1,609,153
Independent non-executive Directors:	獨立非執行董事：				
Dr. Lee Peng Fei, Allen	李鵬飛博士	240,000	—	—	240,000
Mr. Tsao Kwang Yung, Peter	曹廣榮先生	43,333	—	—	43,333
Mr. Kam Hau Choi, Anthony	關孝財先生	50,000	—	—	50,000
Mr. Tang Siu, Henry	鄧紹先生	28,611	—	—	28,611
		361,944	—	—	361,944
Total	合計	361,944	1,569,553	39,600	1,971,097



For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

Name of director		Fees	Salaries, allowances and benefits in kind	Retirement benefits scheme contributions	Total emoluments
董事姓名		袍金	薪金、津貼及實物利益	退休福利計劃供款	酬金合計
		\$ 元	\$ 元	\$ 元	\$ 元
Year ended 31 March 2005	截至二零零五年三月三十一日止年度				
Executive Directors:	執行董事：				
Mr. Lau Hon Kwong, Vincent	劉漢光先生	–	621,283	12,100	633,383
Mr. George Roger Manho	聞偉雄先生	–	537,383	12,100	549,483
Mr. Cheng Kwok Hung	鄭國雄先生	–	621,283	12,100	633,383
Mr. Liu Hoi Wah	劉海華先生	–	72,000	3,630	75,630
		–	1,851,949	39,930	1,891,879
Independent non-executive Directors:	獨立非執行董事：				
Dr. Lee Peng Fei, Allen	李鵬飛博士	240,000	–	–	240,000
Mr. Tsao Kwang Yung, Peter	曹廣榮先生	240,000	–	–	240,000
Mr. Kam Hau Choi, Anthony	關孝財先生	25,000	–	–	25,000
		505,000	–	–	505,000
Total	合計	505,000	1,851,949	39,930	2,396,879

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

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

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

年內各董事概無訂立任何有關放棄或同意放棄任何酬金之安排。

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## 11. Individuals with Highest Emoluments

The five individuals with the highest emoluments in the Group for the year included two (2005: two) directors, details of whose emoluments are presented above. The aggregate of the emoluments in respect of the remaining three (2005: three) highest paid individuals are as follows:

	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元
Basic salaries, allowances and other benefits 底薪、津貼及其他福利	1,912,340	2,038,290
Retirement benefits scheme contributions 退休福利計劃供款	36,000	36,000
	1,948,340	2,074,290

The emoluments of the remaining three (2005: three) individuals are within the following bands:

	2006 二零零六年	2005 二零零五年
	Number of individuals 人士數目	Number of individuals 人士數目
\$Nil – \$1,000,000 零元 – 1,000,000元	3	3

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

## 12. Profit/(loss) for the Year

The consolidated profit/(loss) attributable to shareholders of the Company includes a loss of \$223,616 (2005: \$15,609,352) which has been dealt with in the financial statements of the Company.

## 11. 最高薪人士

於五位最高薪人士中，兩位(二零零五年：兩位)為董事，其餘三位(二零零五年：三位)最高薪人士之酬金總額如下：

三位(二零零五年：三位)最高薪人士之酬金介乎下列範圍：

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

## 12. 年內溢利／(虧損)

股東應佔綜合溢利／(虧損)包括一筆為數223,616元之虧損(二零零五年：15,609,352元)，該筆款項已於本公司之財務報表內處理。

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### 13. Earnings/(loss) per Share

#### (a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit attributable to shareholders of \$593,760 (2005: loss attributable to shareholders of \$15,609,352) and the weighted average of 907,536,000 ordinary shares (2005: 907,536,000 shares) in issue during the year.

#### (b) Diluted earnings/(loss) per share

No diluted earnings/(loss) per share is presented for the year as there were no dilutive potential ordinary shares in existence during the years ended 31 March 2006 and 2005.

### 14. Segment Reporting

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

#### (a) Business segments

The Group comprises the following main business segments:

Smartcard systems, RFID and information technology services : The provision of smartcard systems, RFID and information technology services.

Consultancy services : The provision of information technology consultancy services

Electrical and mechanical installation : The provision of electrical and mechanical installation work

### 13. 每股盈利／(虧損)

#### (a) 每股基本盈利／(虧損)

每股基本盈利／(虧損)乃按股東應佔溢利593,760元(二零零五年:股東應佔虧損15,609,352元)及年內已發行股份之加權平均股數907,536,000股(二零零五年:907,536,000股)普通股計算。

#### (b) 每股攤薄盈利／(虧損)

由於年內並無潛在可攤薄普通股,故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止年度並無呈列每股攤薄盈利／(虧損)。

### 14. 分部報告

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

#### (a) 按業務劃分

本集團之主要業務分部包括:

智能卡系統、射頻識別及資訊科技服務 : 提供智能卡系統、射頻識別及資訊科技服務

顧問服務 : 提供資訊科技顧問服務

機電安裝工程 : 提供機電安裝工程服務

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

## 14. Segment Reporting (continued)

## 14. 分部報告(續)

### (a) Business segments (continued)

### (a) 按業務劃分(續)

		Smartcard systems, RFID and information technology services 智能卡系統、射頻識別 及資訊科技服務		Consultancy services 顧問服務		Electrical and mechanical installation 機電安裝工程		Consolidated 綜合	
		2006	2005	2006	2005	2006	2005	2006	2005
		二零零六年 \$ 元	二零零五年 \$ 元	二零零六年 \$ 元	二零零五年 \$ 元	二零零六年 \$ 元	二零零五年 \$ 元	二零零六年 \$ 元	二零零五年 \$ 元
<b>TURNOVER</b>	<b>營業額</b>								
Sales to external customers	外界客戶之銷售	28,042,696	9,842,520	37,682,621	38,541,801	-	86,000	65,725,317	48,470,321
<b>RESULTS</b>	<b>業績</b>								
Segment results	分部業績	(279,589)	(7,592,804)	4,897,867	3,661,487	(55,386)	(715,987)	4,562,892	(4,647,304)
Unallocated corporate revenue	未予分配公司收益							602,144	461,851
Unallocated corporate expenses	未予分配公司費用							(3,175,412)	(10,695,118)
Profit/(loss) from operations	經營溢利/(虧損)							1,989,624	(14,880,571)
Finance costs	融資成本							(1,245,864)	(728,781)
Profit/(loss) before taxation	除稅前溢利/(虧損)							743,760	(15,609,352)
Taxation	稅項							(150,000)	-
Profit/(loss) for the year	年內溢利/(虧損)							593,760	(15,609,352)
<b>ASSETS</b>	<b>資產</b>								
Segment assets	分部資產	19,306,001	17,799,153	11,961,412	7,848,932	11,378	843,958	31,278,791	26,492,043
Unallocated corporate assets	未予分配公司資產							556,169	524,444
Consolidated total assets	綜合總資產							31,834,960	27,016,487
<b>LIABILITIES</b>	<b>負債</b>								
Segment liabilities	分部負債	4,976,387	7,441,599	5,823,364	7,796,936	71,761	446,574	10,871,512	15,685,109
Unallocated corporate liabilities	未予分配公司負債							12,936,888	3,852,359
Consolidated total liabilities	綜合總負債							23,808,400	19,537,468
<b>OTHER INFORMATION</b>	<b>其他資料</b>								
Capital expenditure	資本開支	179,091	76,568	2,081	44,845	-	-	181,172	121,413
Depreciation and amortisation	折舊及攤銷	356,396	505,433	120,001	151,276	-	-	476,397	656,709
Unallocated depreciation and amortisation	未予分配折舊及攤銷							-	979,371
Impairment loss	減值虧損	241,165	234,340	-	-	-	-	241,165	234,340
Unallocated impairment loss	未予分配減值虧損							-	6,338,616
Allowances for obsolete inventories	過時存貨撥備	-	280,000	-	-	-	-	-	280,000
Non-cash expenses other than depreciation, amortisation and impairment loss	非現金開支(折舊、攤銷及減值虧損除外)	-	-	-	173,053	-	-	-	173,053

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

(b) Geographical segments

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

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

(b) 按經營地域劃分

本集團主要在香港、中國以及澳門經營業務。

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

	Hong Kong		Macau		The PRC		Other locations		Consolidated	
	香港		澳門		中國		其他地方		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	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元	\$ 元
Revenue from external customers	51,980,035	46,284,277	12,879,117	1,285,766	705,482	887,153	160,683	13,125	65,725,317	48,470,321
Segment assets	29,297,026	23,860,476	105,031	15,233	2,432,903	3,140,778	-	-	31,834,960	27,016,487
Capital expenditure incurred during the year	168,004	116,282	-	-	13,168	5,131	-	-	181,172	121,413

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

## 15. Fixed Assets

## 15. 固定資產

### The Group

### 本集團

		Leasehold improvements 租賃物業裝修	Furniture and fixtures 傢俬及裝置	Computer and other equipment 電腦及其他設備	Total 合計
		\$ 元	\$ 元	\$ 元	\$ 元
<b>Cost</b>	<b>成本</b>				
At 1 April 2004	於二零零四年四月一日	380,126	572,353	3,636,899	4,589,378
Additions	添置	–	1,736	119,677	121,413
Disposals/written off	出售/勾銷	–	(103,316)	(271,899)	(375,215)
At 31 March 2005 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	380,126	470,773	3,484,677	4,335,576
Additions	添置	–	605	180,567	181,172
Disposals/written off	出售/勾銷	–	(2,387)	(438,022)	(440,409)
Exchange differences	匯兌差額	–	968	3,094	4,062
At 31 March 2006	於二零零六年三月三十一日	380,126	469,959	3,230,316	4,080,401
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 April 2004	於二零零四年四月一日	44,721	397,152	2,781,380	3,223,253
Charge for the year	年內折舊	134,162	84,684	466,442	685,288
Disposals/written off	出售/勾銷	–	(62,586)	(172,815)	(235,401)
At 31 March 2005 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	178,883	419,250	3,075,007	3,673,140
Charge for the year	年內折舊	134,162	32,312	309,923	476,397
Disposals/written off	出售/勾銷	–	(2,387)	(431,091)	(433,478)
Exchange differences	匯兌差額	–	790	2,429	3,219
At 31 March 2006	於二零零六年三月三十一日	313,045	449,965	2,956,268	3,719,278
<b>Net book value</b>	<b>帳面淨值</b>				
At 31 March 2006	於二零零六年三月三十一日	67,081	19,994	274,048	361,123
At 31 March 2005	於二零零五年三月三十一日	201,243	51,523	409,670	662,436

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

## 16. Goodwill

## 16. 商譽

		The Group 本集團
		\$ 元
<b>Cost</b>	<b>成本</b>	
At 1 April 2005 and at 31 March 2006	於二零零五年四月一日及於二零零六年三月三十一日	9,507,923
<b>Accumulated amortisation</b>	<b>累積攤銷</b>	
At 1 April 2004	於二零零四年四月一日	2,218,515
Charge for the year	年內攤銷	950,792
At 31 March 2005 and at 31 March 2006	於二零零五年三月三十一日及於二零零六年三月三十一日	3,169,307
<b>Impairment loss</b>	<b>減值虧損</b>	
At 1 April 2004	於二零零四年四月一日	—
Charge for the year	年內攤銷	6,338,616
At 31 March 2005 and at 31 March 2006	於二零零五年三月三十一日及於二零零六年三月三十一日	6,338,616
<b>Net book value</b>	<b>帳面淨值</b>	
At 31 March 2006	於二零零六年三月三十一日	—
At 31 March 2005	於二零零五年三月三十一日	—

## 17. Interests in Subsidiaries

## 17. 於附屬公司之權益

		The Company 本公司	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Unlisted shares, at cost	非上市股份(按成本)	4,000,000	4,000,000
Amounts due from subsidiaries	應收附屬公司款項	—	26,014,876
		4,000,000	30,014,876
Impairment loss	減值虧損	—	(22,274,925)
		4,000,000	7,739,951



For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

## 17. Interests in Subsidiaries (continued)

## 17. 於附屬公司之權益(續)

Details of the subsidiaries at 31 March 2006 are as follows:

於二零零六年三月三十一日，附屬公司之詳情如下：

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

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

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

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

## 17. Interests in Subsidiaries (continued)

The amounts due from subsidiaries are unsecured, interest free and not repayable within the next twelve months.

Notes:

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

## 17. 於附屬公司之權益(續)

應收附屬公司款項均為無抵押、免息，並無須要於未來十二個月內償還。

附註：

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

## 18. Investment Securities

## 18. 投資證券

		The Group 本集團	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Unlisted investment, at cost	非上市投資證券(按成本)	—	2,830,189
Less: Impairment loss	減：減值虧損	—	(580,519)
		—	2,249,670

In accordance with HKAS 39 investment securities were redesignated on 1 April 2005 as available-for-sale financial assets (note 19).

根據香港會計準則第39條，投資證券於二零零五年四月一日重新指定為可供出售金融資產(附註19)。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

## 19. Available-for-sale Financial Assets

## 19. 可供出售金融資產

		The Group 本集團	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Unlisted investment, at cost	非上市投資證券(按成本)	2,912,621	—
Less: Impairment loss	減: 減值虧損	(838,592)	—
		2,074,029	—
Guaranteed fund, at fair value	保證基金(按公平價值)	1,453,864	—
		3,527,893	—

The fair value of the unlisted investment cannot be measured reliably as there is no active market for the trading of the investment at arm's length. The unlisted investment is denominated in Renminbi.

由於非上市投資證券並無活躍市場買賣，故未能計量其公平價值。非上市投資證券以人民幣為單位。

The fair value of the guaranteed fund is based on quoted market price. It will mature on 24 December 2008 and is denominated in US dollars. At 31 March 2006, the guaranteed fund was pledged for banking facilities granted to the Group (note 32(d)).

保證基金以市場價格為公平價值，以美元為單位並於二零零八年十二月二十四日期滿。於二零零六年三月三十一日，保證基金已抵押予銀行以授出一般銀行融資(附註32(d))。

Following the adoption of HKAS 39 in 2006, certain financial assets were redesignated as available-for-sale financial assets at 1 April 2005.

於二零零六年採用香港會計準則第39章，於二零零五年四月一日，若干金融資產均重申稱為可供出售金融資產。

## 20. Trading Securities

## 20. 買賣證券

		The Group 本集團	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Equity securities listed in Hong Kong, at market value	香港上市股本證券(按市值)	—	21,670

In accordance with HKAS 39 trading securities were redesignated on 1 April 2005 as financial assets at fair value through profit or loss (note 21).

根據香港會計準則第39條，買賣證券於二零零五年四月一日重新指定為按公平價值計入損益金融資產(附註21)。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

## 21. Financial Assets at Fair Value through Profit or Loss 21. 按公平價值計入損益金融資產

	The Group 本集團	
	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元
Equity securities listed in Hong Kong, at fair value 香港上市股本證券 (按公平價值)	22,260	-

The fair value of these securities are based on quoted market prices.

此等證券以市場價格為公平價值。

Following the adoption of HKAS 39 in 2006, certain financial assets were redesignated as financial assets at fair value through profit or loss at 1 April 2005.

隨着二零零六年採用香港會計準則第39條，於二零零五年四月一日，若干金融資產均重新指定為按公平價值計入損益金融資產。

## 22. Inventories 22. 存貨

	The Group 本集團	
	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元
Raw materials 原材料	1,057,812	1,003,752
Work in progress 在製品	69,555	37,089
Finished goods 製成品	804,829	1,018,808
	1,932,196	2,059,649

## 23. Trade and Other Receivables 23. 應收貿易及其他帳款

	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
	\$ 元	\$ 元	\$ 元	\$ 元
Trade receivables, net (note (a)) 應收貿易帳款 (淨值) (附註(a))	4,747,860	4,620,621	-	-
Other receivables (note (b)) 其他帳款 (附註(b))	415,307	501,523	160,158	139,703
Gross amount due from customers for service contract work (note 25) 應收客戶之服務合約工程款項總額 (附註25)	4,394,629	1,979,994	-	-
Retention money receivables 應收保留金	267,364	304,408	-	-
Amount due from subsidiaries (note (c)) 應收附屬公司款項 (附註(c))	-	-	3,904,705	-
	9,825,160	7,406,546	4,064,863	139,703

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

- (a) The Group has a policy of allowing its trade customers with credit period normally between 30 to 60 days or terms in accordance with contracts. The ageing analysis, based on invoice date, is as follows:
- (a) 本集團之政策容許給予其貿易客戶一般介乎30日至60日之信貸期，或根據銷售合同之條款。按發票日期計算其帳齡分析如下：

		The Group 本集團		The Company 本公司	
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元	\$ 元	\$ 元
Within 1 month	一個月內	3,190,638	2,552,186	-	-
1 month to 3 months	一至三個月	1,022,418	1,115,256	-	-
More than 3 months but less than 12 months	超過三個月但少於十二個月	490,324	744,021	-	-
More than 1 year but less than 2 years	超過一年但少於兩年	37,140	209,158	-	-
More than 2 years	超過兩年	7,340	-	-	-
		4,747,860	4,620,621	-	-

- (b) Included in other receivables was an amount of \$331,722 (2005: \$245,687) advanced to an ex-director of a subsidiary. The amount is unsecured, interest bearing at 10% to 12% per annum (2005: prime rate plus 0.5%) and repayable on demand.
- (b) 在其他帳款中，包括為數331,722元(二零零五年：245,687元)預支予一位附屬公司前董事，此款項為無抵押、按年利率10厘至12厘(二零零五年：最優惠利率加0.5%)計算利息及並須應要求償還。
- (c) The amounts due from subsidiaries are unsecured, interest free and repayable on demand.
- (c) 應收附屬公司款項均為無抵押、免息及須應要求償還。

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## 24. Creditors and Accrued Charges

## 24. 應付帳款及應計費用

		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
		\$ 元	\$ 元	\$ 元	\$ 元
Trade payables (note (a))	應付貿易帳款(附註(a))	2,296,859	844,016	-	-
Accrued charges and other payables	應計費用及其他應付帳款	8,033,715	6,485,699	811,857	402,676
Other borrowings (note (b))	其他借貸(附註(b))	974,849	-	-	-
Gross amount due to customers for service contract work (note 25)	應付客戶之服務合約工程款項總額(附註25)	611,206	1,856,284	-	-
Deferred maintenance income	遞延保養收入	735,215	726,936	-	-
Retention money payable	應付保留金	14,400	327,954	-	-
		12,666,244	10,240,889	811,857	402,676

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

(a) 應付帳款及應計費用包括應付貿易帳款按發票日期計算其帳齡分析如下：

		The Group 本集團		The Company 本公司	
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元	\$ 元	\$ 元
Within 1 month	一個月內	468,388	270,117	-	-
1 month to 3 months	一至三個月	928,151	206,370	-	-
More than 3 months but less than 12 months	超過三個月但少於十二個月	832,159	207,097	-	-
More than 1 year but less than 2 years	超過一年但少於兩年	7,921	4,980	-	-
More than 2 years	超過兩年	60,240	155,452	-	-
		2,296,859	844,016	-	-

(b) Other borrowings are unsecured and bear interest ranging from 10% to 12% per annum and repayable on demand.

(b) 其他借貸均為無抵押、按年利率10厘至12厘計算利息及並須應要求償還。



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## 25. Service Contracts in progress

## 25. 進行中之服務合約

		The Group 本集團	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Cost incurred plus attributable profit less foreseeable losses	已發生成本加應佔溢利減去可預見之虧損	16,876,888	15,259,012
Less: Progress billings	減：進度付款申請	(13,093,465)	(15,135,302)
		3,783,423	123,710
Gross amount due from customers for service contract work (note 23)	應收客戶之服務合約工程款項總額(附註23)	4,394,629	1,979,994
Gross amount due to customers for service contract work (note 24)	應付客戶之服務合約工程款項總額(附註24)	(611,206)	(1,856,284)
		3,783,423	123,710

## 26. Short Term Borrowings

## 26. 短期借貸

		The Group 本集團	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Secured bank loans (note 32)	有抵押銀行貸款(附註32)	5,397,009	5,399,823
Secured bank overdrafts (note 32)	有抵押銀行透支(附註32)	5,737,070	3,480,126
		11,134,079	8,879,949

The Group's bank loans bear interest ranging from approximately 5.25% to 8.5% per annum (2005: 5% to 5.75%) for the year ended 31 March 2006. The loan is a revolving term loan and repayable on demand.

The Group's bank overdrafts bear interest ranging from approximately 5.75% to 8.5% per annum (2005: 5.5% to 5.75%) for the year ended 31 March 2006.

截至二零零六年三月三十一日止年度，本集團之銀行貸款按年利率約5.25厘至8.5厘(二零零五年：5厘至5.75厘)計算利息，而貸款均循環借款並須應要求償還。

截至二零零六年三月三十一日止年度，本集團之銀行透支均按年利率約5.75厘至8.5厘(二零零五年：5.5厘至5.75厘)計算利息。

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## 27. Long Term Secured Bank Loan

## 27. 長期有抵押銀行貸款

		The Group 本集團	
		2006 二零零六年	2005 二零零五年
		\$ 元	\$ 元
Interest bearing borrowing	含利息之借款		
Secured bank loan (note 32)	有抵押銀行貸款(附註32)	—	416,630
Less: Current portion	減：即期部份	—	(416,630)
Non-current portion	非即期部份	—	—
The secured bank loan is repayable as follows:	有抵押銀行貸款之還款如下：		
Within one year	一年內	—	416,630
In the second year	第二年	—	—
In the third to fifth years, inclusive	第三年至第五年	—	—
		—	416,630

The Group's long term secured bank loan bears interest ranging from approximately 5.25% to 7.25% per annum (2005: 5% to 5.25%) for the year ended 31 March 2006. The loan was fully repaid on 13 June 2005.

截至二零零六年三月三十一日止年度，本集團之長期有抵押貸款按年利率約5.25厘至7.25厘(二零零五年：5厘至5.25厘)計算利息，而此貸款於二零零五年六月十三日全部償還。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

## 28. Share Capital

		Number of shares	Amount
		股數	金額
			\$ 元
Authorised:	法定股本：		
Ordinary shares of \$0.01 each	每股面值0.01元的普通股	2,000,000,000	20,000,000
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2005 and 31 March 2006	於二零零五年四月一日及 二零零六年三月三十一日	907,536,000	9,075,360

## 29. Share Option Schemes

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

## 28. 股本

## 29. 購股權計劃

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

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

## 29. Share Option Schemes (continued)

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

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

## 29. 購股權計劃(續)

### (a) 上市前計劃及上市後計劃

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

Number of category of participant 具資格者姓名及類別	Number of share options 購股權數目				
	Outstanding at 1 April 2005 於二零零五年四月一日尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Outstanding at 31 March 2006 於二零零六年三月三十一日尚未行使
<b>Pre-IPO Scheme</b> 上市前計劃					
Lau Hon Kwong, Vincent/Director 劉漢光/董事	6,109,440	-	-	-	6,109,440
George Roger Manho/Director 閻偉雄/董事	4,000,000	-	-	-	4,000,000
Cheng Kwok Hung/Director 鄭國雄/董事	4,000,000	-	-	-	4,000,000
Liu Hoi Wah/Director 劉海華/董事	19,112,640	-	-	-	19,112,640
Lee Peng Fei, Allen/Director 李鵬飛/董事	1,760,000	-	-	-	1,760,000
Employees 僱員	35,157,920	-	-	-	35,157,920
	70,140,000	-	-	-	70,140,000
<b>Post-IPO Scheme</b> 上市後計劃					
Employees 僱員	2,000,000	-	-	-	2,000,000
	2,000,000	-	-	-	2,000,000

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Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時 須支付之每股價格	Market value per share at date of grant of options 授出購股權當日之股份市值
12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零一一年二月十一日	\$0.095 0.095元	N/A 不適用
28 December 2001 二零零一年十二月二十八日	1 July 2004 to 31 December 2011 二零零四年七月一日至二零一一年十二月三十一日	\$0.195 0.195元	\$0.195 0.195元

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## 29. Share Option Schemes (continued)

### (b) 2002 Scheme

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

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

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

## 29. 購股權計劃 (續)

### (b) 二零零二年計劃

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

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

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

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(b) 2002 Scheme (continued)

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

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

(b) 二零零二年計劃(續)

獲授予購股權者可於提供授出購股權的二十一天內，以總數一元之象徵式費用接受購股權。授出購股權之行使時段由董事釐定，於授出期一段時期內開始，並於提供授出購股權日期十年內之日，或較早者，於二零零二年計劃到期日完結。

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



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## 29. Share Option Schemes (continued)

## 29. 購股權計劃 (續)

### (b) 2002 Scheme (continued)

### (b) 二零零二年計劃 (續)

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

於年內尚未行使之二零零二年計劃之購股權之詳情如下：

Number or category of participant 具資格者姓名及類別	Number of share options 購股權數目				
	Outstanding at 1 April 2005 於二零零五年四月一日尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Outstanding at 31 March 2006 於二零零六年三月三十一日尚未行使
Employees 僱員	3,500,000	-	-	-	3,500,000
An Employee 僱員	6,400,000	-	-	-	6,400,000
	9,900,000	-	-	-	9,900,000

At 31 March 2006, the number of shares outstanding and issuable under the Pre-IPO Scheme, the Post-IPO scheme and the 2002 Scheme were 70,140,000, 2,000,000 and 9,900,000, respectively.

於二零零六年三月三十一日，上市前計劃、上市後計劃及二零零二年計劃可發行之股份數目分別為70,140,000、2,000,000及9,900,000。

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

購股權並無授予持有人收取股息及於股東大會投票之權利。

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Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時 須支付之每股價格	Market value per share at date of grant of options 授出購股權 當日之股份市值
9 August 2002 二零零二年八月九日	9 August 2003 to 8 August 2012 二零零三年八月九日至二零一二年八月八日	\$0.175 0.175元	\$0.175 0.175元
9 August 2002 二零零二年八月九日	9 February 2003 to 8 August 2012 二零零三年二月九日至二零一二年八月八日	\$0.175 0.175元	\$0.175 0.175元

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### 30. Reserves

### 30. 儲備

(a) The Company

(a) 本公司

		Share premium 股份溢價 Note (b) 附註(b)	Accumulated losses 累積虧損	Total 合計
		\$ 元	\$ 元	\$ 元
Balance at 1 April 2004	於二零零四年四月一日結餘	22,816,249	(8,803,238)	14,013,011
Loss for the year	年內虧損	–	(15,609,352)	(15,609,352)
Balance at 31 March 2005	於二零零五年三月三十一日結餘	22,816,249	(24,412,590)	(1,596,341)
Loss for the year	年內虧損	–	(223,616)	(223,616)
Balance at 31 March 2006	於二零零六年三月三十一日結餘	22,816,249	(24,636,206)	(1,819,957)

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

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

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

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

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

### 31. Retirement Benefits Scheme

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

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

The Group's retirement costs charged to the income statement for the year were \$1,633,868 (2005: \$1,570,486).

### 32. Banking Facilities

At 31 March 2006 the Group had general banking facilities granted by banks to the extent of approximately \$19 million (2005: \$15.6 million). The facilities were secured by the following:

- (a) corporate guarantees executed by the Company;
- (b) personal guarantees executed by three directors of the Company;
- (c) the Group's fixed deposits of \$15,323,997 (2005: \$13,594,808).
- (d) the Group's available-for-sale financial assets of \$1,453,864 (2005: \$Nil).

### 33. Lease Commitments

At 31 March 2006, the Group's total future minimum lease payments under non-cancellable operating leases in respect of properties are payable as follows:

	2006 二零零六年	2005 二零零五年
	\$ 元	\$ 元
Within one year 一年內	711,938	1,308,922
After one year but within five years 一年後五年內	169,351	195,158
	881,289	1,504,080

### 31. 退休福利計劃

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

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

本集團於本年度計入收益表之退休成本為1,633,868元(二零零五年：1,570,486元)。

### 32. 銀行融資

於二零零六年三月三十一日，本集團獲銀行授出之一般銀行融資共約19,000,000元(二零零五年：15,600,000元)。融資之抵押如下：

- (a) 本公司之企業擔保；
- (b) 本公司三名董事之個人擔保；
- (c) 本集團為數15,323,997元(二零零五年：13,594,808元)之定期存款；
- (d) 本集團可供出售金融資產為數1,453,864元(二零零五年：零元)。

### 33. 租賃承擔

於二零零六年三月三十一日，本集團根據有關物業之不可撤回經營租賃而須於日後支付之最低租賃款項如下：

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度 (以港元列值)

### 34. Contingent Liabilities

At 31 March 2006, the Company has undertaken to guarantee certain banking facilities granted to two wholly-owned subsidiaries to the extent of \$19 million (2005: \$15.6 million).

At 31 March 2006, the Group did not have any significant contingent liabilities (2005: \$Nil).

### 35. Related Party Transactions

Three directors of the Company have provided personal guarantees to the extent of \$31 million (2005: \$28 million) to the Group in relation to general banking facilities granted to the Group.

### 36. Financial Risk Management

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (a) Foreign exchange risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars, United States dollars and Renminbi. The Group currently does not have a foreign currency hedging policy in respect of foreign currency debt. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

#### (b) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sales are made to customers with an appropriate credit history.

The carrying amount of the trade and other receivables included in the consolidated balance sheet represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The credit risk on other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### 34. 或然負債

於二零零六年三月三十一日，本公司就提供予兩間全資附屬公司之若干銀行融資而提供19,000,000元(二零零五年：15,600,000元)之擔保。

於二零零六年三月三十一日，本集團並無任何重大之或然負債(二零零五年：無)。

### 35. 關連交易

本公司之三位董事就本集團之若干銀行融資而提供31,000,000元(二零零五年：28,000,000元)之個人擔保。

### 36. 財務風險管理

本集團之業務涉及多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃特別注意金融市場無法預計之特點，並尋求盡量降低對本集團財務表現之潛在不利影響。

#### (a) 外匯風險

由於本集團大部份業務交易、資產及負債均主要以港元、美元及人民幣為單位，故其承受之外匯風險不大。本集團並無對外匯債項進行外匯風險對沖措施。本集團將緊密監察其外匯風險，並於有需要時考慮對沖外匯風險。

#### (b) 信貸風險

本集團並無過度集中信貸風險，其政策是確保將向信貸紀錄良好之客戶作出銷售。

計入綜合資產負債表之應收貿易及其他帳款之帳面值代表本集團就其金融資產所面對之最高信貸風險。

在其他財務工具信貸風險方面，由於相對單位為擁有高國際信貸評級，故有關之信貸風險有限。

For the year ended 31 March 2006 (Expressed in Hong Kong dollars) 截至二零零六年三月三十一日止年度(以港元列值)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

(d) Interest rate risk

The Group's significant interest-bearing assets are bank deposits. The Group's interest income is dependent on changes in market interest rates and will not have significant adverse impact on the Group's financial position.

The Group's exposure to interest rate risk arises from its short term borrowings. These borrowings bear interests at rates varying with the then prevailing market condition.

(e) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated balance sheet approximate their respective fair values.

(c) 流動資金風險

本集團之政策是定期監察現時及預期之流動資金需求，以確保維持足夠之現金儲備，符合其短期及長期之流動資金需求。

(d) 利率風險

本集團之主要付息資產為銀行存款，本集團之利息收入受市場利率變動影響，但對本集團之財務狀況並無重大不利影響。

本集團之利率風險來自短期借貸。該等借款根據當時之現行市場變動按浮息率計算利息。

(e) 公平價值

於綜合資產負債表所反映本集團之金融資產及金融負債之帳面值與彼等各自之公平價值相若。

### 37. Approval of Financial statements

The financial statements were approved by the board of directors on 23 June 2006.

### 37. 財務報表核准

財務報表於二零零六年六月二十三日經董事會審核通過。

		2005/06 二零零五至零六年 \$ 元	2004/05 二零零四至零五年 \$ 元	2003/04 二零零三至零四年 \$ 元	2002/03 二零零二至零三年 \$ 元	2001/02 二零零一至零二年 \$ 元
<b>Results</b>	<b>業績</b>					
Turnover	營業額	65,725,317	48,470,321	61,842,809	77,301,806	62,848,428
Profit/(loss) from operations	經營溢利/(虧損)	1,989,624	(14,880,571)	(11,317,375)	(20,798,775)	5,280,406
Finance costs	融資成本	(1,245,864)	(728,781)	(721,055)	(582,385)	(142,724)
Profit/(loss) from ordinary activities before taxation	除稅前日常業務之溢利/(虧損)	743,760	(15,609,352)	(12,038,430)	(21,381,160)	5,137,682
Taxation	稅項	(150,000)	–	–	167,399	(303,802)
Profit/(loss) attributable to shareholders	股東應佔溢利/(虧損)	593,760	(15,609,352)	(12,038,430)	(21,213,761)	4,833,880
<b>Earnings/(loss) per share</b>	<b>每股盈利/(虧損)</b>					
Basic	基本	0.07 cent 仙	(1.72 cents 仙)	(1.33 cents 仙)	(2.34 cents 仙)	0.53 cent 仙
Diluted	攤薄	N/A 不適用	N/A 不適用	N/A 不適用	(2.28 cents 仙)	0.50 cent 仙
<b>Assets and liabilities</b>	<b>資產與負債</b>					
Fixed assets	固定資產	361,123	662,436	1,366,125	2,189,258	3,292,969
Goodwill	商譽	–	–	7,289,408	8,240,200	9,190,992
Investment securities	投資證券	–	2,249,670	2,484,010	2,722,406	–
Available-for-sale financial assets	可供出售金融資產	3,527,893	–	–	–	–
Net current assets	流動資產淨值	4,137,544	4,566,913	12,365,458	24,058,247	43,901,763
Total assets less current liabilities	總資產減流動負債	8,026,560	7,479,019	23,505,001	37,210,111	56,385,724
Non-current liabilities	非流動負債	–	–	(416,630)	(2,083,310)	–
Net assets	資產淨值	8,026,560	7,479,019	23,088,371	35,126,801	56,385,724
Share Capital	股本	9,075,360	9,075,360	9,075,360	9,075,360	9,079,960
Reserves	儲備	(1,048,800)	(1,596,341)	14,013,011	26,051,441	47,305,764
Shareholders' funds	股東資金	8,026,560	7,479,019	23,088,371	35,126,801	56,385,724



## Corporate Information 公司資料

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### Executive Directors

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

### 執行董事

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

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### Independent Non-executive Directors

Lee Peng Fei, Allen CBE, BS, FHKIE, JP  
Tang Siu, Henry QFSM, CPM  
Kam Hau Choi, Anthony AHKSI, FCCA, FCPA

### 獨立非執行董事

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

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### Company Secretary and Qualified Accountant

Liu Hoi Wah ACA, CPA

### 公司秘書及合資格會計師

劉海華 ACA, CPA

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### Compliance Officer

Lau Hon Kwong, Vincent

### 監察主任

劉漢光

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### Authorised Representatives

Lau Hon Kwong, Vincent  
Liu Hoi Wah

### 法定代表

劉漢光  
劉海華

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### Audit Committee

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

### 審核委員會

李鵬飛 主席  
鄧紹  
關孝財  
劉海華

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### Auditors

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

### 核數師

羅申美會計師行  
香港  
告士打道138號  
聯合鹿島大廈7字樓

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### Principal Bankers

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

### 主要往來銀行

香港上海匯豐銀行有限公司  
東亞銀行有限公司

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### Registered Office

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

### 註冊辦事處

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

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### Head Office and Principal Place of Business

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

### 總辦事處暨主要營業地點

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

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**Principal Share Registrar and Transfer Office**

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

**主要股份過戶登記處**

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

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

Hong Kong Registrars Limited  
Rooms 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

**香港股份過戶登記處**

香港證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓  
1712-1716室

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**Website Address**

[www.hkite.com](http://www.hkite.com)

**網址**

[www.hkite.com](http://www.hkite.com)

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**Stock Code**

8092

**股份代號**

8092

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2005  
香港工商業  
HONG KONG  
FOR INDUSTRY

機器及設備設計獎  
MACHINERY AND  
EQUIPMENT DESIGN AW

RF Tech Limited

得獎產品：對旅客自助過境管理的控制系統  
Winning Product: Automated Passenger Management System (APMS)

設計師：梁偉雄、鄧國權、劉漢光、黃建康  
Designers: George Roger Manho, Cheng Kwok Hung, Lau Han Kwong Vincent, Chiu Ying Hong



該系統是以建立方便控制和管理大量人流自動過境為設計目標。同時適用於其他其理保安的門禁系統。整個過境程序可於十五秒內完成。同時，系統已與澳門銀行協議完成與該國幣的過境轉帳系統中運作。同時，該系統可適用於其他國際過境檢查站。

The Automated Passenger Management System (APMS) is designed for high volume self-service passenger clearance applications such as border control or other secured areas. It supports a variety of electronic identification document 2D cards or e-passport and biometric technologies.

The system supports the integration of technologies ranging from computer hardware, software, mechanical engineering and automation. It is designed to allow non-continuous multi-1:1



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ITE SMARTCARD SOLUTIONS LIMITED - INHOUSE DESIGN SECTION  
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## Characteristics of GEM

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

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

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

## 創業板之特色

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

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

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

**商界展關懷**  
caring**company** 2002-06  
Awarded by The Hong Kong Council of Social Service  
香港社會服務聯會頒發

2005  
香港工商業獎  
HONG KONG AWARDS  
FOR INDUSTRIES

機器及設備設計獎  
MACHINERY AND  
EQUIPMENT DESIGN AWARD

