



06

DIGITALHONGKONG.COM (Stock Code: 8007)
www.digitalhongkong.com

ANNUAL REPORT

About DIGITALHONGKONG.COM (stock code: 8007)

DIGITALHONGKONG.COM (“Digital HK”) was listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Exchange”) in April 2000. Started as a commerce service provider (CSP) that specialised in the provision of electronic payment outsourcing services for online commerce, Digital HK has strategically positioned itself to integrate both online and offline assets, as well as to engage in selected technology investments and distribution of branded technology products and solutions.

Digital HK and its subsidiaries now operate the following complementary lines of business:

- provision of Internet and e-commerce enabling solutions
- provision of IT consulting and technical services
- strategic investments in selected technologies and applications

Digital HK is a subsidiary of Champion Technology Holdings Limited, a communications software development group which is listed on the Main Board of the Exchange.

Characteristics of the Growth Enterprise Market (“GEM”) of the Exchange

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

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 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.

數碼香港 (股票編號：8007) 簡介

數碼香港於二零零零年四月在香港聯合交易所有限公司(「聯交所」)創業板上市。早期定位為商貿服務供應商(CSP)，以提供在線商貿電子付款外判服務為主；其後作策略性定位，綜合在線及離線兩方面之業務，並進行選擇性之科技投資，以及分銷品牌科技產品及解決方案。

數碼香港及其附屬公司現時經營下列之互補業務：

- 提供互聯網及電子商貿組成方案
- 提供資信科技顧問及技術支援服務
- 策略性投資於合適之科技及應用項目

數碼香港為冠軍科技集團有限公司(「冠軍科技」)附屬公司。冠軍科技乃通信軟件開發集團，於聯交所主板上市。

聯交所創業板特色

創業板為帶有高投資風險的公司提供一個上市的市場。尤其在創業板上上市的公司無需有過往盈利記錄，亦無需預測未來盈利。此外，在創業板上上市的公司可因其新興性質及該等公司經營業務的行業或國家而帶有風險。有意投資的人士應了解投資於該等公司的潛在風險，並應審慎周詳考慮後方決定投資。創業板的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投資者。

由於在創業板上上市公司居於新興性質，在創業板買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

創業板發佈資料的主要方法為在聯交所為創業板而設的互聯網網頁上刊登。上市公司無需向憲報指定報章刊登付款公佈披露資料。因此，有意投資的人士應注意彼等能閱覽創業板網頁，以便取得創業板上發行人的最新資料。

CONTENTS

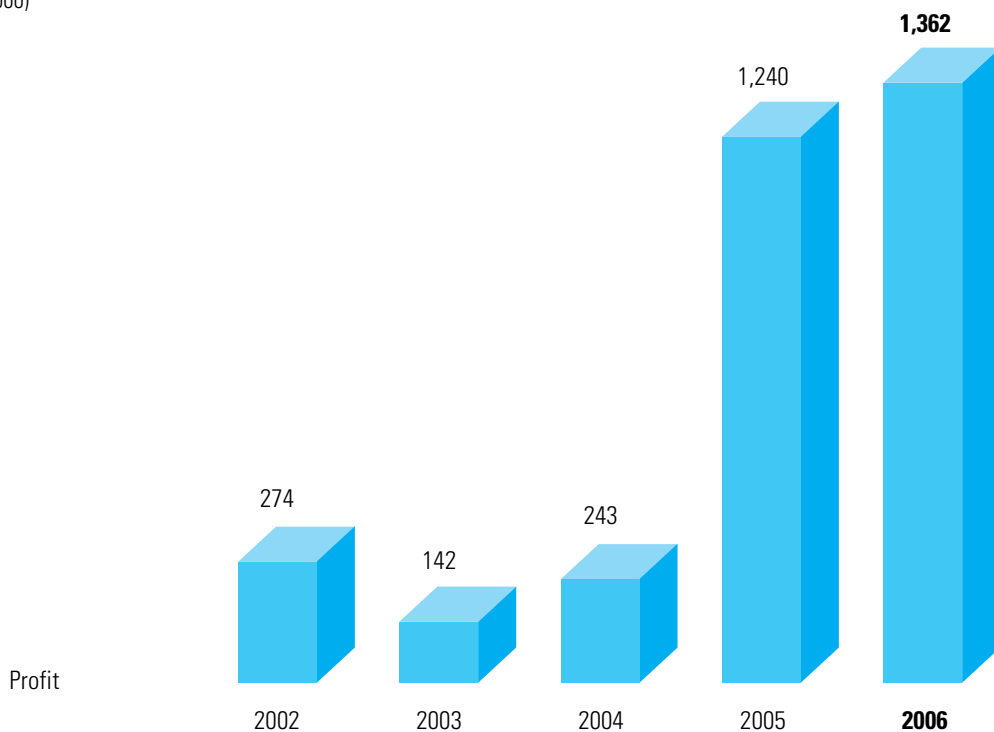
02	Financial Highlights 財務撮要	55
03	Corporate Information 企業資信	56
04	Chairman's Statement 主席報告	57
06	Management Discussion and Analysis 管理層討論及分析	59
09	Directors and Senior Management Profile 董事及高層管理人員	62
12	Directors' Report 董事會報告	
20	Corporate Governance Report 企業管治報告	
26	Auditors' Report 核數師報告	
27	Consolidated Income Statement 綜合損益表	
28	Consolidated Balance Sheet 綜合資產負債表	
29	Consolidated Statement of Changes in Equity 綜合權益變動表	
30	Consolidated Cash Flow Statement 綜合現金流動表	
31	Notes to the Consolidated Financial Statements 綜合財務報告附註	
54	Financial Summary 財務摘要	

FINANCIAL HIGHLIGHTS

	2006 HK\$'000	2005 HK\$'000	2004 HK\$'000	2003 HK\$'000	2002 HK\$'000
RESULTS (FOR THE YEAR ENDED 30 JUNE)					
– Turnover	8,015	8,724	8,492	9,642	13,393
– Profit	1,362	1,240	243	142	274
– Earnings per share – basic (in cents)	0.91	0.83	0.16	0.09	0.18
FINANCIAL POSITION (AS AT 30 JUNE)					
– Non-current assets	31	519	1,142	1,810	104
– Current assets	19,503	17,737	15,863	14,795	16,450
– Current liabilities	605	689	678	521	612
– Equity	18,929	17,567	16,327	16,084	15,942
FINANCIAL RATIOS (AS AT 30 JUNE)					
– Current assets/Current liabilities	32	26	23	28	27
– Assets/Equity	1.03	1.04	1.04	1.03	1.04
– Profit/Assets	0.07	0.07	0.01	0.01	0.02

EARNINGS PROFILE (2002-2006)

(in HK\$'000)



CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Paul KAN Man Lok (*Chairman*)
Shirley HA Suk Ling (*CEO*)
John WONG Yuk Lung

NON-EXECUTIVE DIRECTORS

Leo KAN Kin Leung
LAI Yat Kwong

INDEPENDENT NON-EXECUTIVE DIRECTORS

Francis Gilbert KNIGHT
Billy HO Yiu Ming
SHAO Xiang Ming

COMPANY SECRETARY

Jennifer CHEUNG Mei Ha, solicitor

QUALIFIED ACCOUNTANT

John WONG Yuk Lung, CPA, FCPA

COMPLIANCE OFFICER

Shirley HA Suk Ling

AUTHORISED REPRESENTATIVES

Paul KAN Man Lok
Shirley HA Suk Ling

AUDIT COMMITTEE

Billy HO Yiu Ming (*Committee Chairman*)
Francis Gilbert KNIGHT
SHAO Xiang Ming
Leo KAN Kin Leung
LAI Yat Kwong

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 1702 One Exchange Square
8 Connaught Place
Hong Kong

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
4-4A Des Voeux Road Central
Hong Kong

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

Bank of China (Hong Kong) Limited
1 Garden Road
Hong Kong

DBS Bank (Hong Kong) Limited
99 Queen's Road Central
Hong Kong

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

The Harbour Trust Co. Ltd.
P.O. Box 1787
Grand Cayman
Cayman Islands
British West Indies

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Secretaries Limited
Level 28, Three Pacific Place
1 Queen's Road East
Wanchai
Hong Kong

COMPANY HOMEPAGE/WEBSITE

<http://www.digitalhongkong.com>

STOCK CODE ON GEM

8007

CHAIRMAN'S STATEMENT



DEAR SHAREHOLDERS

I am pleased to present the seventh Annual Report of DIGITALHONGKONG.COM (“Digital HK” or the “Company”) and its subsidiaries (together the “Group”) for the year ended 30 June 2006, and to record satisfactory performance by the Group over this period.

The period under review has seen the continued improvement of Hong Kong’s economy. At the same time, the level of adoption of the Internet and web-based payment services has continued to rise, thereby benefiting directly the Group’s e-commerce business.

Meanwhile, our strategic investment in a bioinformatics project which focused on developing customised database design tools targeted at empowering the process of drug discovery is making steady progress, and we expect contribution to the Group’s results in the coming years.

Mr Kan was conferred the CBE honour by Her Majesty Queen Elizabeth II at Buckingham Palace in July 2006.

FINANCIAL HIGHLIGHTS

For the year ended 30 June 2006, the Group's financial performance is summarised as below:

- Turnover of HK\$8,015,000, compared with HK\$8,724,000 last year
- Profit for the year of HK\$1,362,000, an improvement of 10% over last year, and the Group's fifth consecutive year of reporting profit
- Earnings per share of HK0.91 cents, an increase of 10% over last year

The Group's financial position remains healthy with no bank borrowings.

OUTLOOK

We remain confident about the prospects of e-commerce and Internet-based services as a whole, and will continue our development efforts in new solutions to stay competitive.

Meanwhile, the Group will continue to manage its expenses while prudently invest in potential investment projects or businesses in order to create value for the Group and the shareholders of the Company. The Group's investment in a bioinformatics project related to drug discovery is a case in point of investments which we believe have good prospects. The increasing demand globally for health services and the recognition of the merits of information medicine has created an enormous market with abundant opportunities. The Directors are confident that the Group's investment in life sciences and information medicine will bring a promising return.

With a healthy balance sheet, the Group is well-positioned to continue its momentum and agility in making the necessary investments in complementary businesses that can expand its income base and generate reliable cashflows.

Paul KAN Man Lok
Chairman

25 September 2006

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the period under review, the Group's main focus was continuing pursuit of business in relation to e-commerce solutions. It benefited from a steadily growing customer base as there was increased awareness of the Group's products and services. Service fees derived from the Group's online payment solutions and technical consultation on e-commerce integration remained the primary source of income for the Group.

Amidst intense market competition and pricing pressure, the Group has taken a conservative approach in rolling out its business objectives. It deployed its resources with an objective of producing optimum results. Therefore, spending on new systems and networks, as well as infrastructure upgrades, has been strictly in line with the level of business attained. Management strongly believes that it would not be in the Group's interest to engage in aggressive marketing in order to increase revenue from e-commerce activities at the expense of its margins.

In order to expand its revenue base which has been derived primarily from the provision of electronic payment outsourcing services, the Group has identified healthcare and related IT services as the direction and opportunity for future growth. Its investment in a bioinformatics project which focuses on consulting and the development of software packages for speeding up drug discovery and advancing scientific knowledge has been reporting steady progress in its activities. Meanwhile, the Group has been in active pursuit of alliances with universities, research institutes, and technological partners to seek collaboration on research and development in bioinformatics.

RESULTS FOR THE YEAR

The Group attained profitability for the fifth consecutive year, with profit for the year attributable to equity holders of the Company of HK\$1,362,000, an improvement of 10% from HK\$1,240,000 of last year. Audited consolidated turnover for the year was HK\$8,015,000, compared with HK\$8,724,000 of last year. For the quarter ended 30 June 2006, turnover was HK\$2,477,000, and profit attributable to equity holders of the Company was HK\$443,000. Earnings per share for the year was HK0.91 cents, compared with HK0.83 cents for last year.

The Board of Directors does not recommend the payment of any dividend for the year, as it considers it prudent to retain cash to finance the continuing development of the Group's business as well as prospective investment opportunities at this stage.

FINANCIAL REVIEW

The financial results reflected persistent efforts of management in optimising the Group's operational efficiency in a very competitive market. Notwithstanding a modest drop in turnover, the Group was able to maintain its margins and achieve a 10% increase in profit. Such increase was attributable to the Group's focus on customised solutions, as well as its continuing cost control measures, which resulted in further savings of 10% in overall operating costs from HK\$7,518,000 of the previous year to HK\$6,776,000 for the year under review. Notable savings were recorded in acquired technology expensed as well as in marketing and promotion expenses, the latter being attributable to growing market awareness of the Group's products and services. Meanwhile, general and administrative expenses as well as staff costs increased from HK\$2,420,000 and HK\$2,190,000 to HK\$2,814,000 and HK\$2,681,000 respectively, largely in line with market as the economy continued to strengthen. The Group's financial position remains liquid and healthy with no bank borrowings.

There was no impairment in assets or provision for accounts receivable during the year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2006, the equity attributable to equity holders of the Company amounted to approximately HK\$18,929,000. Current assets amounted to approximately HK\$19,503,000, of which approximately HK\$14,964,000 were deposits, bank balances and cash. The Group had no non-current liabilities, and its current liabilities amounted to approximately HK\$605,000 made up mainly of other payables arising in the normal course of operations.

The Group did not have any bank borrowings at 30 June 2006. The Group financed its operations primarily with internally generated cashflows. As at 30 June 2006, the Group did not have any material contingent liabilities nor any charges on its assets. With net current assets of HK\$18,898,000, the Group was in a financially liquid position at the end of the period under review. The Group's gearing ratio, defined as the Group's total borrowings divided by equity, was nil.

It is envisaged that the Company's financial resources are sufficient to provide for expenditure on operations and the development of new software solutions based on current plan. If required, the Directors would consider the use of either debt or equity financing, or both, for business expansion, especially when the appropriate business opportunities become available and market conditions are favourable.

During the reporting period, the Group made no acquisitions or disposals of subsidiaries and affiliated companies.

CAPITAL COMMITMENTS

As at 30 June 2006, the Group's capital commitments authorised but not contracted for amounted to HK\$500,000 (2005: HK\$500,000). These commitments were set aside for the acquisition of property, plant and equipment, and development of systems and networks.

EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

The Group's foreign currency exposure is limited, as most of its transactions, assets and liabilities are denominated in Hong Kong dollars and United States dollars.

HUMAN RESOURCES AND REMUNERATION POLICY

During the year, the Group employed 8 full-time staff members, all of whom are based in Hong Kong. Staff costs for the year under review were HK\$2,681,000 (2005: HK\$2,190,000). Remuneration is determined with reference to market terms and the performance, qualifications, and experience of the individual employee. Remuneration includes monthly salaries, performance-linked year-end bonuses, share options, retirement benefits under the Mandatory Provident Fund Scheme and other benefits.

The Company has established a Human Resources and Remuneration Committee. In determining the remuneration of all the directors, including benefits in kind, pension rights and compensation payments, the committee will consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions and desirability of performance-based remuneration.

DIRECTORS AND SENIOR MANAGEMENT PROFILE

EXECUTIVE DIRECTORS

Paul KAN Man Lok, aged 59, is Chairman with responsibility for Digital HK's visionary planning and development. He is also Chairman and an executive director of both Champion Technology Holdings Limited ("Champion Technology"), the Company's holding company, and Kantone Holdings Limited ("Kantone"), a fellow subsidiary of the Company, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Exchange"). Mr. Kan holds a Master's degree in Business Administration from the Chinese University of Hong Kong, and brings over 38 years of experience in the computing and telecommunications industries to bear on fully leveraging the e-commerce technology that is a key success factor for business today. As author of the books in The Hong Kong e-Commerce Studies Series, he has forged a strong link between his IT legacy and the promise of an online-assisted life. Prior to setting up the Champion Technology group in 1987, he was the general manager of Asiadata Limited, a joint venture computing services company of Cable & Wireless, HSBC, Jardines and Barclays.

Mr. Kan has been recognised by various local and overseas industrial and entrepreneurial awards including Young Industrialist Award (1992), Hong Kong Business Award - Enterprise Trophy (1993), Governor's Award for Hong Kong Industries (1989), Honorary Doctor of Humane Letters Degree by the University of Northern Virginia, United States (2005), and Honorary Fellow of the Academy of Chinese Studies (2005), in addition to the Queen's award of CBE, Commendatore dell'Ordine della Stella della Solidarietà Italiana awarded by the Italian Prime Minister Hon. Romano Prodi, and the Hong Kong SAR Government's appointment as a Justice of the Peace in 2006.

In civic duties, Mr. Kan served twice on the Exchange Corporate Governance Working Group during 1994-1995 and 1999-2000, and was a member of the Listing Committee of the GEM Board for the period 1999-2003. He is currently Chairman for the third successive term of the Hong Kong Information Technology Industry Council; Chairman's Committee and council committee member of the Federation of Hong Kong Industries; member of Hong Kong Legislative Council Election Committee for the IT sector; and Chairman of the Hong Kong Trade Development Council Information and Communications Technology Services Advisory Committee. Other memberships include the Chinese People's Political Consultative Conference of Anhui Province in the PRC; and the Election Committee for the Hong Kong representatives of National People's Congress of China.

Mr. Kan also sits on the board of CLP Holdings Limited as an independent non-executive director.

Shirley HA Suk Ling, aged 50, is the Chief Executive Officer of the Company, which she joined in 2000. She is responsible for overseeing the Group's business activities including corporate finance and strategic development. She also focuses on building strategic partnerships and alliances for the Group, liaising with government departments, solutions and business partners, different sectors of the business and academic communities in driving the e-revolution. Prior to joining the Group, she was the Executive Vice President of Corporate Development for Champion Technology which she joined in March 1992, and oversaw the listing and corporate development of three listed companies within the Champion Technology group. She holds a Bachelor's degree in Arts from the University of Hong Kong and a Master's degree in Business Administration from the Chinese University of Hong Kong. She is a member of the Advisory Committee of the Division of Computer Studies at the City University of Hong Kong, member of the Hong Kong Information Technology Industry Council of the Federation of Hong Kong Industries, and member of the Hong Kong Corporate Counsel Association. She has been appointed by Hong Kong Science and Technology Parks Corporation for four consecutive years as Mentor to the incubatees under the Mentorship Programme.

Ms. Ha also sits on the boards of Champion Technology and Kantone as non-executive director.

John WONG Yuk Lung, aged 62, is Chief Financial Officer and the qualified accountant of the Company. He has extensive financial and management experience in the information technology field, having previously served in various senior positions including Chief Financial Officer of the Champion Technology group between June 1992 and August 1994, and having served in similar capacities for 16 years with the Cable and Wireless Group in Hong Kong. He stayed on as an advisor to the Champion Technology group after his departure, and joined the Group in early 2000. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and CPA Australia, and an associate member of the Australian Institute of Banking and Finance.

NON-EXECUTIVE DIRECTORS

Leo KAN Kin Leung, aged 50, has been a non-executive director since January 2005. He is the Chief Executive Officer and an executive director of Champion Technology, as well as a non-executive director of Kantone. He is the brother of Mr. Paul Kan Man Lok, Chairman of the Group. Prior to joining the Champion Technology group in 1988, Mr. Kan held management positions in several international companies in Hong Kong. He holds a Master's degree in Business Administration from Dalhousie University in Canada and a Master's degree in Economics from the University of Alberta in Canada. In 2006, Mr. Kan completed the Oxford Advanced Management Programme at the Saïd Business School of the University of Oxford.

Mr. Kan is a member of the Telecommunications Standards Advisory Committee at the Office of the Telecommunications Authority. He serves on a number of sub-committees of the Hong Kong Information Technology Industry Council of the Federation of Hong Kong Industries, including International Development and Co-operation Sub-committee, China Development and Co-operation Sub-committee, and Government and Sub-vented Funding Sub-committee. He is Chairman of the IT Committee of the Hong Kong IT Alliance.

LAI Yat Kwong, aged 57, has been a non-executive director since January 2005. He is the Chief Financial Officer and an executive director of Champion Technology, and the Chief Executive Officer (Acting), Chief Financial Officer, as well as an executive director of Kantone. He holds a Bachelor's degree in Business Administration from the Chinese University of Hong Kong and has over 34 years of experience in accounting, auditing and company secretarial matters. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants (Practising).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Billy HO Yiu Ming, aged 62, joined the board of directors in November 2001. In March 2004, he was appointed as an independent non-executive director of Kantone. He is the senior partner of an accountant firm and has extensive management experience in various industries. He is a chartered certified accountant, and is a fellow member of the Hong Kong Institute of Certified Public Accountants (Practising), a member of Chartered Institute of Arbitrators, and a fellow member of the Hong Kong Association of the Advancement of Science and Technology. He holds a Master's degree in Business Administration. He is also an independent non-executive director of Jade Dynasty Food Culture Group Limited, shares of which are listed on the Main Board of the Exchange, and Sau San Tong Holdings Limited, shares of which are listed on the GEM Board of the Exchange.

Francis Gilbert KNIGHT, aged 76, has been an independent non-executive director since March 2000. He was appointed as an independent non-executive director of Champion Technology in February 2000. Mr. Knight is the Chairman and Managing Director of Asian Security and Investigation Services Limited. Mr. Knight has over 20 years' experience in the field of copyright protection, security and commercial investigations, and acts as security adviser to a number of major organisations. He is a member of the International Association of Police Chiefs, a member of the Hong Kong Intellectual Property Society, and a fellow of each of the British Institute of Directors and the British Institute of Management. He is also a former President of the American Society for Industrial Security (Hong Kong Branch).

SHAO Xiang Ming, aged 45, has been an independent non-executive director since March 2004. She has over 15 years of experience in biomedical research, Chinese Medicine, and healthcare products. She graduated from No. 3 Military Medical University in China in 1985 with a Bachelor's degree in medicine, and in 1988, with a Master's degree in Pathology Analysis. In 2000, she served as a director of the World Association of Special Medical Treatment. In 2001, she was appointed as Deputy Executive Officer of Health and Poverty Relief of The Foundation of Chinese Elementary Hygiene and Healthcare, responsible for the promotion of health education and the use of preventive medicine in villages and communities. Since 2001, she has served as chief research officer of Beijing East-West Medical Center, responsible for research and development of bioenergetic medicine. In the past ten years, Ms. Shao's main research interest is information medicine.

COMPANY SECRETARY

Jennifer CHEUNG Mei Ha, aged 50, has been the Company Secretary since January 2000. She is a solicitor practising in Hong Kong. She is also the Company Secretary of Champion Technology and Kantone.

SENIOR MANAGEMENT

Paul KAN Man Lok, aged 59, is Chief Information Architect, with responsibility for shaping and spearheading the Group's e-information revolution, planning and control. He holds a Master's degree in Business Administration from the Chinese University of Hong Kong and is the author of the books in The Hong Kong e-Commerce Studies Series. He has over 38 years of experience in the computing and telecommunications industries to bear on fully leveraging the e-commerce technology. Mr. Kan is also Chairman and an executive director of the Company.

Shirley HA Suk Ling, aged 50, is Chief Corporate Development Officer, with responsibility for overseeing the Group's corporate and strategic development as well as new business activities. She holds a Bachelor's degree in Arts from the University of Hong Kong and a Master's degree in Business Administration from the Chinese University of Hong Kong. She has over 20 years of experience in business management, corporate development and marketing. Ms. Ha is also Chief Executive Officer and an executive director of the Company.

John WONG Yuk Lung, aged 62, is Chief Financial Officer, with responsibility for the Group's financial and accounting policy and control. He has 30 years of financial and management experience in the information technology field and brings extensive financial expertise to the Group. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and CPA Australia, and an associate member of the Australian Institute of Banking and Finance. Mr. Wong is also an executive director of the Company.

Robert SIA Chun Chung, aged 34, is Vice President, e-Commerce Projects. He oversees the technical management and systems support of the Group's e-Commerce and Internet operations. He holds a Bachelor's degree in Engineering from the University of Hong Kong and a Master of Science degree in Electronic Engineering from the Polytechnic University of Hong Kong. He has been working in the Champion Technology group since 1995 before joining the Group in July 1999.

DIRECTORS' REPORT

董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 30 June 2006.

董事謹提呈彼等截至二零零六年六月三十日止年度之年報及經審核綜合財務報告。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries and associate are set out in notes 25 and 14 to the consolidated financial statements respectively.

主要業務

本公司為一間投資控股公司。其附屬公司之主要業務分別載於綜合財務報告附註25及14。

RESULTS

The results of the Group for the year ended 30 June 2006 are set out in the consolidated income statement on page 27.

業績

本集團截至二零零六年六月三十日止年度之業績載於第27頁之綜合損益表。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 12 to the consolidated financial statements.

物業、廠房與設備

有關本集團於年內之物業、廠房與設備之變動詳情載於綜合財務報告附註12。

DISTRIBUTABLE RESERVE OF THE COMPANY

The Company's reserves available for distribution amounted to approximately HK\$8,794,000 (2005: HK\$7,720,000) as at 30 June 2006. The share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends can be distributed out of the profits, special reserve and share premium of the Company.

本公司之可分派儲備

截至二零零六年六月三十日，本公司可分派之儲備約為8,794,000港元（二零零五年：7,720,000港元）。本公司可撥充股份溢價以向股東派發分派或股息，惟須受本公司之公司組織章程大綱及公司組織細則之條款限制及緊隨於派發分派或股息後，本公司可償還一般業務過程之到期債項，方可作實。遵照本公司之公司組織細則，本公司可撥充溢利、特別儲備及股份溢價派發股息。

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

EXECUTIVE DIRECTORS:

Mr. Paul Kan Man Lok, *Chairman*
Ms. Shirley Ha Suk Ling, *CEO*
Mr. John Wong Yuk Lung

NON-EXECUTIVE DIRECTORS:

Mr. Leo Kan Kin Leung
Mr. Lai Yat Kwong

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Francis Gilbert Knight
Mr. Ho Yiu Ming
Ms. Shao Xiang Ming

In accordance with the provisions of the Company's Articles of Association, Messrs. Paul Kan Man Lok, John Wong Yuk Lung and Francis Gilbert Knight will retire at the forthcoming annual general meeting and, being eligible, have offered themselves for re-election.

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Each of the non-executive directors has a service contract with the Company for a term of one year.

CONFIRMATION OF INDEPENDENCE

The Company confirms it has received from each of its independent non-executive directors an annual confirmation of his/her independence pursuant to rule 5.09 of the GEM Listing Rules, and it still considers that the independent non-executive directors are independent.

董事

年內及截至本報告刊發日期止，本公司之董事為：

執行董事：

簡文樂先生 (主席)
夏淑玲女士 (行政總裁)
黃玉龍先生

非執行董事：

簡堅良先生
黎日光先生

獨立非執行董事：

Francis Gilbert Knight先生
何耀明先生
邵向明女士

根據本公司組織細則之規定，簡文樂先生、黃玉龍先生及Francis Gilbert Knight先生將於應屆股東週年大會退任，並符合資格及願意膺選連任。

擬於應屆股東週年大會上動議連任之董事概無訂立任何本集團不能於一年內毋須作出補償（法定補償除外）而終止之服務合約。

每位非執行董事與本公司訂立為期一年的服務合約。

確認獨立性

本公司確認已接獲各獨立非執行董事根據創業板上市規則第5.09條之規定就其獨立性作出之年度確認函，本公司仍認為該等獨立非執行董事均屬獨立人士。

DIRECTORS' INTEREST IN CONTRACTS AND CONNECTED TRANSACTIONS

During the year ended 30 June 2006, the Group had the following transactions with Champion Technology Holdings Limited ("Champion", the Company's ultimate holding company) and Champion Technology Limited (a subsidiary of Champion) which are connected persons of the Company pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules"):

董事於合約及關連交易之權益

截至二零零六年六月三十日止年度，本集團曾與冠軍科技集團有限公司（「冠軍」，本公司之最終控股公司）及冠軍科技有限公司（冠軍之附屬公司）進行下文所述之交易。根據香港聯合交易所有限公司（「聯交所」）創業板證券上市規則（「創業板上市規則」）之規定，彼等為本公司關連人士。

HK\$'000
千港元

Annual fee and technical fee received from Champion Technology Limited (Note 1)	自冠軍科技有限公司收取之年費及技術費（附註1）	474
Administration fees paid by the Group to Champion (Note 2)	本集團支付予冠軍之行政費用（附註2）	480

Notes:

- The Group had provided e-payment platform services to a subsidiary of Champion at a fee chargeable with reference to comparable market price as agreed.
- The Group had used administrative services provided by Champion which charged the Group for such services on cost basis.

附註：

- 本集團提供電子付款平台服務予冠軍一間附屬公司，協定之收費乃參考可茲比較之市場價格。
- 本集團使用冠軍提供之行政服務，該服務之費用按成本基準收取。

In the opinion of the independent non-executive directors, the above transactions were carried out in the ordinary and usual course of business of the Group under normal commercial terms and are in accordance with the relevant agreements governing them and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

獨立非執行董事認為，上述交易乃於本集團日常及正常業務過程中按一般商業條款進行，並符合監管彼等之有關協議之規定，且按公平合理及符合本公司股東整體利益之條款進行。

Save as disclosed above, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

除上文所披露者外，本公司董事在本公司或其任何附屬公司參與訂立，且在本年度結束時或在本年度內任何時間仍然有效之重大合約中，概無直接或間接擁有任何重大權益。

Save as disclosed above, there is no contract of significance between the Group and a controlling shareholder of the Company (as defined in the GEM Listing Rules) or any of its subsidiaries, including for the provision of services to the Group.

除上文所披露者外，本集團及本公司一名控股股東（定義見創業板上市規則）或其附屬公司並無簽訂重大合約，包括提供服務予本集團。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 June 2006, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Long position:

董事之證券權益及淡倉

於二零零六年六月三十日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之股東名冊記錄所示，或根據創業板上市規則第5.46條有關本公司董事進行買賣之準則規定向本公司及聯交所另行作出之通知，本公司董事及行政總裁在本公司及其任何相關法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有之權益及淡倉如下：

好倉：

Name of director 董事姓名	Capacity 身份	Number of shares 股份數目	Percentage of the issued share capital 佔已發行股本之百分比	Number of warrants 認股權證數目
Securities of the Company 本公司證券				
Mr. Paul Kan Man Lok 簡文樂先生	Corporate interest 公司權益	Note 1 附註1	79.98%	—
Securities of Champion 冠軍證券				
Mr. Paul Kan Man Lok 簡文樂先生	Corporate interest 公司權益	Note 2 附註2	28.49%	Note 2 附註2
Securities of Kantone Holdings Limited ("Kantone", a subsidiary of Champion) 看通集團有限公司證券 (「看通」，冠軍之附屬公司)				
Mr. Paul Kan Man Lok 簡文樂先生	Corporate interest 公司權益	Note 3 附註3	65.99%	—

Notes:

- 117,300,000 shares were held by Champion and 2,669,171 shares were held by Lawnside International Limited ("Lawnside"). Lawnside is beneficially wholly owned by Mr. Paul Kan Man Lok. As at 30 June 2006, Lawnside had interests in approximately 28.49% of the entire interest of Champion. Mr. Paul Kan Man Lok was deemed to have corporate interest in the shares which were owned by Champion and Lawnside.
- 374,479,439 shares and 72,276,861 units of warrants were held by Lawnside. The warrants were issued by Champion pursuant to a bonus issue effected in February 2006, all of which will be expired on 26 February 2007.
- 1,493,700,388 shares were held by Champion and 428,156,578 shares were held by Lawnside.

附註：

- 117,300,000股由冠軍持有，而2,669,171股則由Lawnside International Limited（「Lawnside」）持有，Lawnside由簡文樂先生實益全資擁有。於二零零六年六月三十日，Lawnside擁有冠軍全部權益中約28.49%之權益。簡文樂先生因而被視為於該等由冠軍及Lawnside擁有之股份中擁有公司權益。
- 374,479,439股及72,276,861份認股權證由Lawnside持有。該等認股權證乃由冠軍於二零零六年二月按照發行紅股決議而發行，並全數將於二零零七年二月二十六日屆滿。
- 1,493,700,388股由冠軍持有及428,156,578股由Lawnside持有。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES *(CONTINUED)*

Save as disclosed above, none of the directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations as defined in Part XV of the SFO as at 30 June 2006.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2006, the following persons (other than the directors of the Company whose interests are disclosed above under the section of directors' interests and short positions in securities) that had interests and short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

Name of shareholder 股東名稱	Long/short position 好倉／淡倉	Capacity 身份	Number of shares 股份數目	Percentage of the issued share capital 佔已發行股本百分比
Champion 冠軍	Long 好倉	Beneficial owner 實益擁有人	117,300,000	78.20%

Other than as disclosed above, the Company had not been notified of any other person's interests or short positions representing 5% or more of the Company's issued share capital as at 30 June 2006.

董事之證券權益及淡倉 (續)

除上文所披露者外，於二零零六年六月三十日，本公司董事及行政總裁概無在本公司或其相關法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有任何權益或淡倉。

主要股東

於二零零六年六月三十日，下列人士（上文董事之證券權益及淡倉一節所披露之本公司董事除外）於本公司根據證券及期貨條例第336條存置的登記冊中記錄持有本公司股份或相關股份的權益及淡倉：

除上文所披露者外，於二零零六年六月三十日，本公司並無接獲通知有任何其他人士佔本公司已發行股本5%或以上之權益。

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

On 29 November 2002, the Company adopted a share option scheme (the "Scheme") which, with a remaining life of about 6 years, will expire on 28 November 2012. No share option has been granted by the Company under the Scheme. Particulars of the Scheme are set out in note 20 to the consolidated financial statements.

Each of Champion and Kantone has a share option scheme which enables the directors of Champion and Kantone to grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of Champion, Kantone and their respective affiliates as well as their respective customers and suppliers to subscribe for shares of Champion and Kantone respectively. The purpose of the share option schemes is to attract and retain quality personnel and other persons and to provide incentive to them to contribute to the business and operation of Champion and Kantone. The share options granted by Champion and Kantone are exercisable at any time of a period as it may be determined by its directors which shall be less than ten years from the date of grants, where the acceptance date should not be later than 21 days after the date of offer. The exercise price (subject to adjustment as provided therein) of the option is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; or (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the option. No share option had been granted by Champion and Kantone to directors of the Company for the year ended 30 June 2006.

Other than the share option schemes as described above, at no time during the year was the Company, its holding company, any of fellow subsidiaries or subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the directors, 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 during the year.

購股權及董事購買股份或債券之權利

於二零零二年十一月二十九日，本公司採納一項將於二零一二年十一月二十八日屆滿之購股權計劃（「計劃」），其剩餘年期約為6年。有關計劃之詳情載於綜合財務報告附註20。

冠軍及看通各自設立一套高級行政人員購股權計劃。據此，冠軍及看通之董事可就冠軍、看通及其各自之聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜，向任何董事、僱員、顧問、諮詢人及其各自之客戶及供應商授予購股權，讓彼等藉此分別認購冠軍及看通之股份。購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等為冠軍及看通之業務及營運作出貢獻。冠軍及看通所授出之購股權可在其董事釐定之期間內隨時行使，而該期間應為授出日期起計最長十年期間內，及接納日期須不遲於要約日期後21日。購股權之行使價（如本文所述可予調整）相當於(i)股份之面值；(ii)於授出日期（必須為營業日）在聯交所每日報價表所報之每股收市價；或(iii)緊接授出日期前五個營業日在聯交所每日報價表所報之每股收市價之平均值（以最高者為準）。截至二零零六年六月三十日止年度，冠軍及看通並無向本公司董事授出任何購股權。

除上文所述之購股權計劃外，本公司、其控股公司、任何同系附屬公司或附屬公司於年內任何時間概無訂立任何安排，以致本公司之董事可藉購入本公司或任何其他法人團體之股份或債券而獲益，而各董事或彼等之配偶或18歲以下之子女亦無擁有可認購本公司證券之任何權利或於年內行使任何該等權利。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for about 99.8% of the turnover of the Group and the largest customer of the Group accounted for about 70.1% of the total turnover.

None of the directors, their respective associates and shareholders of the Company (which to the knowledge of the directors own more than 5% of the issued capital of the Company) had any interest in any of the five largest customers of the Group for the financial year ended 30 June 2006.

For the year ended 30 June 2006, no party has been classified as a supplier of the Group.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

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

COMPETING INTERESTS

None of the directors nor the management shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) had an interest in a business which competes with the Company or may compete with the business of the Group.

REMUNERATION POLICY

The remuneration policy of the Group for its employees takes into account of the individuals' merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Human Resources and Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. Details of the directors' emoluments for the year ended 30 June 2006 are set out in note 9 to the consolidated financial statements.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme are set out in note 20 to the consolidated financial statements.

主要客戶及供應商

於本年度內，本集團五大客戶佔本集團營業額約99.8%，而本集團最大客戶則佔總營業額約70.1%。

於截至二零零六年六月三十日止財政年度，概無任何董事、彼等各自之聯繫人士及據董事所知擁有本公司已發行股本5%以上之本公司股東在本集團五大客戶任何一位中擁有任何權益。

截至二零零六年六月三十日止年度，並無任何人士被歸類為本集團供應商。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

優先購股權

本公司之公司組織細則或開曼群島法律概無載有任何有關優先購股權之規定，規定本公司須按比例向現有股東發售新股份。

競爭業務權益

本公司各董事或管理股東或彼等各自之聯繫人士（定義見創業板上市規則）概無擁有任何與本公司業務構成競爭或可能與本集團構成競爭之業務權益。

薪酬政策

本集團僱員之薪酬政策乃根據彼等之表現、資歷及工作能力而釐定。

本公司董事之薪酬乃由人力資源薪酬委員會釐定，並已參考本公司之經營業績、個人表現及可茲比較市場數據。董事於截至二零零六年六月三十日止年度之薪酬載於綜合財務報告附註9。

本公司已採納一項購股權計劃作為對董事及合資格僱員之獎勵，計劃之詳情載於綜合財務報告附註20。

AUDITORS

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Paul KAN Man Lok
CHAIRMAN

25 September 2006

核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於本公司之股東週年大會上提呈。

代表董事會

簡文樂
主席

二零零六年九月二十五日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. It met all the code provisions in the Code on Corporate Governance Practices (the "Code") set out in Appendix 15 of the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") in the year ended 30 June 2006.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions on terms set out in the standard of dealings contained in rules 5.48 to 5.67 to the GEM Listing Rules (the "Standard of Dealings").

The Company has made specific enquiry of all directors of the Company, and the directors have confirmed compliance with the Standard of Dealings during the year ended 30 June 2006.

企業管治常規

本公司致力維持高水平之企業管治。於截至二零零六年六月三十日止年度內，本公司已遵守香港聯合交易所有限公司創業板證券上市規則（「創業板上市規則」）附錄15所載之企業管治常規守則（「守則」）之所有條文。

董事的證券交易

本公司已根據創業板上市規則第5.48至5.67條所載的交易必守標準所載之條款（「交易必守標準」），就董事進行證券交易採納一套操守守則。

本公司已向本公司全體董事作出特定查詢，而所有董事均已確認於截至二零零六年六月三十日止年度內均有遵守交易必守標準。

BOARD OF DIRECTORS

The Company is governed by a board of directors (the "Board") which has the responsibility for leadership and control of the Company. The directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board set strategies and directions for the Group's activities with a view to develop its business and to enhance shareholders value.

The Board met 4 times during the year ended 30 June 2006. Its composition and the attendance of individual directors at these board meetings were as follows:

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<i>Executive directors</i>			
Paul KAN Man Lok (Chairman)	簡文樂 (主席)	4	4
Shirley HA Suk Ling (Chief Executive Officer)	夏淑玲 (行政總裁)	4	4
John WONG Yuk Lung	黃玉龍	4	4
<i>Non-executive directors</i>			
Leo KAN Kin Leung*	簡堅良*	4	4
LAI Yat Kwong	黎日光	4	4
<i>Independent non-executive directors</i>			
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	4	4
HO Yiu Ming	何耀明	4	4
SHAO Xiang Ming	邵向明	4	4

* Mr. Leo KAN Kin Leung is the brother of Mr. Paul KAN Man Lok.

董事會

本公司受董事會(「董事會」)監管,彼等須負責領導及監察本公司。董事負責指示及監控本集團之事務,共同帶領本集團邁向成功。董事會製訂本集團業務之策略及方向,使業務得以發展及提升股東價值。

董事會於截至二零零六年六月三十日止年度內共舉行4次會議。其組成架構及各董事於該等董事會會議之出席情況載列如下:

* 簡堅良先生為簡文樂先生之胞弟。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman and Chief Executive Officer of the Company are separated, with a clear division of responsibilities.

The Chairman is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role and for setting its agenda and taking into account any matters proposed by other directors for inclusion in the agenda. Through the Board, he is responsible for ensuring that good corporate governance practices and procedures are followed by the Group.

The Chief Executive Officer is responsible for the day-to-day management of the Group's business.

主席及行政總裁

本公司主席及行政總裁之職務已予分開,並清晰界定彼等之責任。

主席須負責領導董事會,確保董事會能有效益地履行其各方面之職務,並須負責釐定議程,以及考慮將其他董事所提出之事宜載入議程內。透過董事會,彼負責確保本集團有遵守良好企業管治常規及程序。

行政總裁負責管理本集團之日常業務。

NON-EXECUTIVE DIRECTORS

Mr. Francis Gilbert KNIGHT, Mr. HO Yiu Ming and Ms. SHAO Xiang Ming, the non-executive directors of the Company, are appointed for a term of 1 year and are subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Articles of Association of the Company.

REMUNERATION OF DIRECTORS

The Human Resources & Remuneration Committee (the "Remuneration Committee") has 5 members, comprising Mr. Leo KAN Kin Leung and Mr. LAI Yat Kwong (non-executive directors) and Mr. Francis Gilbert KNIGHT, Mr. HO Yiu Ming and Ms. SHAO Xiang Ming (independent non-executive directors). The Remuneration Committee is chaired by Mr. Francis Gilbert KNIGHT.

The terms of reference of the Remuneration Committee have been determined with reference to the Code.

The Remuneration Committee met 2 times during the year ended 30 June 2006. The attendance of individual members at these meetings was as follows:

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<i>Non-executive directors</i>			
Leo KAN Kin Leung	簡堅良	2	2
LAI Yat Kwong	黎日光	2	2
<i>Independent non-executive directors</i>			
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	2	2
HO Yiu Ming	何耀明	2	2
SHAO Xiang Ming	邵向明	2	2

The Remuneration Committee has reviewed the Group's remuneration policy and the levels of remuneration paid to executive directors and senior management of the Group.

非執行董事

本公司非執行董事Francis Gilbert KNIGHT先生、何耀明先生及邵向明女士之任期均為一年，並須根據本公司之組織章程細則於本公司之股東週年大會上輪值退任及重選連任。

董事薪酬

人力資源及薪酬委員會（「薪酬委員會」）由5名成員組成，包括簡堅良先生及黎日光先生（非執行董事）及Francis Gilbert KNIGHT先生、何耀明先生及邵向明女士（獨立非執行董事）。Francis Gilbert KNIGHT先生為薪酬委員會之主席。

本公司已參考守則釐訂薪酬委員會之職權範圍。

薪酬委員會於截至二零零六年六月三十日止年度內共舉行2次會議。各成員於該等會議之出席情況載列如下：

薪酬委員會已審閱本集團之薪酬政策，以及支付予本集團執行董事及高級管理層之薪酬水平。

NOMINATION OF DIRECTORS

The Nomination Committee has 4 members, comprising Mr. Paul KAN Man Lok (executive director) and Mr. Francis Gilbert KNIGHT, Mr. HO Yiu Ming and Ms. SHAO Xiang Ming (independent non-executive directors). This Committee is chaired by Mr. Francis Gilbert KNIGHT.

The terms of reference of the Nomination Committee have been determined with reference to the Code.

The Nomination Committee is responsible for identifying potential new directors and recommends to the Board for decision. A director appointed by the Board is subject to election by shareholders at the first annual general meeting after his appointment. Under the Company's Articles of Association, all directors are subject to retirement by rotation and re-election by shareholders every 3 years.

Potential new directors are selected on the basis of their qualifications, skills and experience which the Nomination Committee considers will make a positive contribution to the performance of the Board.

The Nomination Committee met 2 times during the year ended 30 June 2006. The attendance of individual members at these meetings was as follows:

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<i>Executive director</i>	<i>執行董事</i>		
Paul KAN Man Lok	簡文樂	2	2
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>		
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	2	2
HO Yiu Ming	何耀明	2	2
SHAO Xiang Ming	邵向明	2	2

No director was appointed during the year ended 30 June 2006.

董事提名

提名委員會由4名成員組成，包括簡文樂先生（執行董事）及Francis Gilbert KNIGHT先生、何耀明先生及邵向明女士（獨立非執行董事）。Francis Gilbert KNIGHT先生為該委員會之主席。

本公司已參考守則釐訂提名委員會之職權範圍。

提名委員會負責物色有潛質成為新任董事之人士，並就董事會作出決定提供推薦建議。由董事會委任之董事須於其獲委任後之首個股東週年大會上經股東選舉。根據本公司之組織章程細則，所有董事須每3年輪值退任一次及經股東重選。

挑選有潛質成為新任董事之人士時，提名委員會會以該等人士之資歷、技能及經驗是否能對董事會之表現帶來正面貢獻作為遴選基準。

提名委員會於截至二零零六年六月三十日止年度內共舉行2次會議。各成員於該等會議之出席情況載列如下：

截至二零零六年六月三十日止年度並無委任董事。

ACCOUNTABILITY AND AUDIT

The directors acknowledge their responsibility for preparing the accounts of the Company. As at 30 June 2006, the directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the directors have prepared the financial statements of the Company on a going-concern basis.

The responsibilities of the external auditors about their financial reporting are set out in the Report of the Auditors attached to the Company's Financial Statements for the year ended 30 June 2006.

The Board has conducted a review of the effectiveness of the Group's internal control system with an aim to safeguard the shareholders' investment and the Company's assets. The purpose is to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Group's business objectives.

AUDITORS' REMUNERATION

For the year ended 30 June 2006, fee for the Company's external auditors for audit services is HK\$384,000 and that for non-audit services relating to tax services is HK\$52,500.

問責及核數

董事明白彼等須負責編製本公司之賬目。於二零零六年六月三十日，董事並不知悉任何與本公司能否繼續以持續基準經營構成重大疑問之事件或情況有關之重大不明朗因素。因此，董事已按持續經營基準編製本公司之財務報表。

外聘核數師對財務申報之責任載列於本公司截至二零零六年六月三十日止年度之財務報告中之核數師報告。

董事會已對本集團內部監控系統之效益進行檢討，以保障股東之投資及本公司之資產。目的在於合理（而非絕對地）保證並無重大失實陳述、錯誤、損失或欺詐，以及管理而非抵銷未能達致本集團業務目標之風險。

核數師酬金

截至二零零六年六月三十日止年度，本公司外聘核數師之核數服務費用為384,000港元，關於稅項服務之非核數服務費用則為52,500港元。

AUDIT COMMITTEE

The Audit Committee has 5 members, comprising Mr. Leo KAN Kin Leung and Mr. LAI Yat Kwong (non-executive directors) and Mr. HO Yiu Ming, Mr. Francis Gilbert KNIGHT and Ms. SHAO Xiang Ming (independent non-executive directors). The Chairman of this Committee is Mr. HO Yiu Ming.

The terms of reference of the Audit Committee follow the guidelines set out in the Code.

During the year ended 30 June 2006, the Audit Committee had reviewed the Group's quarterly, half-yearly and annual results and its internal control system.

The Audit Committee met 4 times during the year ended 30 June 2006. The attendance of individual members at these meetings was as follows:

審核委員會

審核委員會由5名成員組成，包括簡堅良先生及黎日光先生（非執行董事），以及何耀明先生、Francis Gilbert KNIGHT先生及邵向明女士（獨立非執行董事）。何耀明先生為該委員會之主席。

本公司已根據守則所載之指引製訂審核委員會之職權範圍。

截至二零零六年六月三十日止年度內，審核委員會已審閱本集團之季度、半年度及全年業績，以及其內部監控系統。

審核委員會於截至二零零六年六月三十日止年度內共舉行4次會議。各成員於該等會議之出席情況載列如下：

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<i>Non-executive directors</i>			
Leo KAN Kin Leung	簡堅良	4	4
LAI Yat Kwong	黎日光	4	4
<i>Independent non-executive directors</i>			
HO Yiu Ming	何耀明	4	4
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	4	4
SHAO Xiang Ming	邵向明	4	4

AUDITORS' REPORT

核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF DIGITALHONGKONG.COM
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of DIGITALHONGKONG.COM (the "Company") and its subsidiaries (collectively referred to as the "Group") on pages 27 to 53 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 consolidated financial statements which give a true and fair view. In preparing consolidated 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 consolidated 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 consolidated financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the circumstances 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 consolidated financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 30 June 2006 and of its profit 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.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
25 September 2006

致數碼香港列位股東
(於開曼群島註冊成立之有限公司)

本核數師行已完成審核載於第27頁至第53頁按照香港普遍採納之會計準則編製數碼香港(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報告。

董事及核數師之個別責任

貴公司之董事須負責編製真實及公平之綜合財務報告。在編製該等綜合財務報告時，董事必須貫徹採用合適之會計政策。

本行之責任乃根據審核工作之結果，對該等綜合財務報告作出獨立之意見，並向股東作出報告，除此以外別無其他目的。本行並無就本報告內容向任何其他人士承擔任何責任。

意見之基礎

本行已按照香港會計師公會頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報告所載數額及披露事項有關之憑證，亦包括評審董事於編製該等綜合財務報告時所作之重大估計及判斷，所釐定之會計政策是否適合貴集團之具體情況，以及是否貫徹運用並充分披露該等會計政策。

本行在策劃及進行審核工作時，均以取得一切本行認為必需之資料及解釋為目標，使本行能獲得充分之憑證，就該等綜合財務報告是否存在重要錯誤陳述，作出合理之確定。在表達意見時，本行亦已衡量該等綜合財務報告所載之資料在整體上是否足夠。本行相信，本行之審核工作已為下列意見建立合理之基礎。

意見

本行認為上述財務報告均真實及公平地反映貴集團於二零零六年六月三十日之財務狀況及截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零零六年九月二十五日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 30 June 2006 截至二零零六年六月三十日止年度

		NOTES 附註	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Turnover	營業額	6	8,015	8,724
Other income	其他收入	7	123	34
Acquired technology expensed	購入技術支出		(825)	(1,699)
General and administrative expenses	一般及行政費用		(2,814)	(2,420)
Marketing and promotion expenses	市場推廣費用		(456)	(1,209)
Staff costs	僱員成本		(2,681)	(2,190)
Profit before taxation	除稅前溢利	8	1,362	1,240
Taxation	稅項	10	—	—
Profit for the year attributable to equity holders of the Company	本公司股本權益持有人應佔年度溢利		1,362	1,240
Earnings per share – basic	每股盈利 – 基本	11	HK 0.91 cents 港仙	HK 0.83 cents 港仙

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 30 June 2006 於二零零六年六月三十日

		NOTES 附註	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房與設備	12	–	1
Development costs for systems and networks	系統及網絡之開發成本	13	–	487
Interest in an associate	於聯營公司之權益	14	31	31
			31	519
Current assets	流動資產			
Trade and other receivables	應收貿易及其他款項	15	4,174	8,226
Amount due from a fellow subsidiary	應收一間同系附屬公司之款項	16	84	76
Amount due from an associate	應收一間聯營公司之款項	17	281	281
Deposits, bank balances and cash	存款、銀行結餘及現金	18	14,964	9,154
			19,503	17,737
Current liabilities	流動負債			
Other payables	應付其他款項		605	689
Net current assets	流動資產淨額		18,898	17,048
Net assets	資產淨額		18,929	17,567
Capital and reserves	資本及儲備			
Share capital	股本	19	15,000	15,000
Reserves	儲備		3,929	2,567
Equity attributable to equity holders of the Company	本公司股本權益持有人應佔權益		18,929	17,567

The consolidated financial statements on pages 27 to 53 were approved and authorised for issue by the Board of Directors on 25 September 2006 and are signed on its behalf by:

第27頁至第53頁所載之綜合財務報告已於二零零六年九月二十五日由董事會批核及由下列董事代表簽署：

Paul KAN Man Lok 簡文樂
DIRECTOR 董事

Shirley HA Suk Ling 夏淑玲
DIRECTOR 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30 June 2006 截至二零零六年六月三十日止年度

		Attributable to equity holders of the Company 本公司股本權益持有人應佔				
		Share capital 股本 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 July 2004	於二零零四年七月一日	15,000	7,540	8,461	(14,674)	16,327
Profit for the year and total recognised income	本年度溢利及本年度 已確認收入總額	–	–	–	1,240	1,240
At 30 June 2005 and 1 July 2005	於二零零五年六月三十日 及二零零五年七月一日	15,000	7,540	8,461	(13,434)	17,567
Profit for the year and total recognised income	本年度溢利及本年度 已確認收入總額	–	–	–	1,362	1,362
At 30 June 2006	於二零零六年六月三十日	15,000	7,540	8,461	(12,072)	18,929

The capital reserve represents the difference between the nominal value of share capital issued and the fair value ascribed to the separable net assets of the subsidiaries at the date of acquisition, arising from a group reorganisation in March 2000.

資本儲備指已發行股本面值與產生自二零零零年三月之集團重組之附屬公司可分割資產淨額於收購日期釐訂之公平價值兩者差額。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流動表

For the year ended 30 June 2006 截至二零零六年六月三十日止年度

	NOTES 附註	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	1,362	1,240
Adjustments for:	調整:		
Interest income	利息收入	(121)	(31)
Depreciation of property, plant and equipment	物業、廠房與設備之折舊	1	4
Amortisation of development costs for systems and networks	系統及網絡開發成本之攤銷	487	650
Operating cash flows before movements in working capital	營運資金變動前之經營業務 現金流量	1,729	1,863
Decrease in trade and other receivables	應收貿易及其他款項之減少	4,052	2,480
(Increase) decrease in amount due from a fellow subsidiary	應收一間同系附屬公司款項 之(增加)減少	(8)	213
(Decrease) increase in other payables	其他應付款項之(減少)增加	(84)	11
Net cash from operating activities	經營業務所得之現金淨額	5,689	4,567
Investing activities	投資活動		
Interest received	已收利息	121	31
Acquisition of interest in an associate	收購聯營公司之權益	-	(31)
Advance to an associate	墊支予一間聯營公司	-	(281)
Net cash from (used in) investing activities	投資活動所得(所耗)之現金淨額	121	(281)
Net increase in cash and cash equivalents	現金及現金等額之增加淨額	5,810	4,286
Cash and cash equivalents at beginning of the year	年初之現金及 現金等額	9,154	4,868
Cash and cash equivalents at end of the year, represented by deposits, bank balances and cash	年終之現金及現金等額, 存款、銀行結餘及現金	14,964	9,154

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報告附註

For the year ended 30 June 2006 截至二零零六年六月三十日止年度

1. GENERAL

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (Revised) of the Cayman Islands and its shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Champion Technology Holdings Limited ("Champion"), a company which was originally incorporated in the Cayman Islands but subsequently re-domiciled to Bermuda, and its shares are also listed on the Stock Exchange. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information of the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The principal activities of its subsidiaries and associate are set out in notes 25 and 14 respectively.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (the "HKFRSs"), Hong Kong Accounting Standards (the "HKASs") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for accounting periods beginning on or after 1 January 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current and prior accounting years are prepared and presented.

1. 一般資料

本公司在開曼群島根據開曼群島經修訂公司法註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）之創業板（「創業板」）上市，其最終控股公司為冠軍科技集團有限公司（「冠軍」）。冠軍原本為於開曼群島註冊成立之公司，惟其後將註冊地重訂為百慕達，其股份亦於聯交所上市。本公司註冊辦事處及主要營業地點之地址披露於年報內公司資料一節。

財務報告乃以港元呈示，而港元乃本公司之記賬本位幣。

本公司為一間投資控股公司，其附屬公司及聯營公司之主要業務已分別載於附註25及14。

2. 採納新訂香港財務報告準則／會計政策之變動

於本年度，本集團首次應用由香港會計師公會（「香港會計師公會」）頒佈的多項新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（以下統稱「新訂香港財務報告準則」）。新訂香港財務報告準則於二零零五年一月一日或之後開始的會計年度期間起生效。應用新訂香港財務報告準則導致綜合損益表、綜合資產負債表及綜合權益變動表的呈列方式有變。採納新訂香港財務報告準則導致本集團以下方面的會計政策出現變動，而有關變動對現有或過往會計年度業績的編製及呈列方式造成影響。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS

In the current year, the Group has applied HKAS 32 “Financial instruments: Disclosure and presentation” and HKAS 39 “Financial instruments: Recognition and measurement”. HKAS 32 requires retrospective application. HKAS 39, which is effective for annual periods beginning on or after 1 January 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The application of HKAS 32 and HKAS 39 has had no material impact on how financial instruments of the Group are presented for current and prior accounting periods.

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The adoption of the new HKFRSs has had no material effect on how the results of the Group are prepared and presented for the current and prior accounting years. Accordingly, no prior year adjustment has been required.

The Group has not early adopted the following new standards, amendments and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and financial positions of the Group.

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 and HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹

2. 採納新訂香港財務報告準則／會計政策之變動 (續)

金融工具

於本年度，本集團已採用香港會計準則第32號「金融工具：披露及呈報」（「香港會計準則第32號」）及香港會計準則第39號「金融工具：確認及計算」（「香港會計準則第39號」）。香港會計準則第32號規定追溯應用。香港會計準則第39號於二零零五年一月一日或之後開始的年度期間生效，一般不會按追溯基準確認、解除確認或計算金融資產及負債。應用香港會計準則第32號及第39號對現有或過往會計期間本集團金融工具的呈列並無造成重大影響。

3. 會計政策變動影響概要

採納新訂香港財務報告準則對現有或過往會計年度本集團業績的編製及呈列方式並無重大影響。因此，無需作出過往年度調整。

本集團並無提早採納以下已經頒佈但尚未生效的新準則、修訂及詮釋。本公司董事預期，採納此等新準則、修訂或詮釋不會對本集團的業績及財務狀況構成重大影響。

香港會計準則第1號 (修訂本)	資本披露 ¹
香港會計準則第19號 (修訂本)	精算收益及虧損、集團計劃及披露 ²
香港會計準則第21號 (修訂本)	海外業務淨投資 ²
香港會計準則第39號 (修訂本)	估算集團內公司間交易之現金流量對沖會計法 ²
香港會計準則第39號 (修訂本)	公平值選擇權 ²
香港會計準則第39號及香港財務報告準則第4號 (修訂本)	財務擔保合約 ²
香港財務報告準則第6號	礦物資源之勘探及評估 ²
香港財務報告準則第7號	金融工具：披露 ¹

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES *(CONTINUED)*

HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market — waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴
HK(IFRIC) – INT 8	Scope of HKFRS 2 ⁵
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁶

¹ Effective for annual periods beginning on or after 1 January 2007.

² Effective for annual periods beginning on or after 1 January 2006.

³ Effective for annual periods beginning on or after 1 December 2005.

⁴ Effective for annual periods beginning on or after 1 March 2006.

⁵ Effective for annual periods beginning on or after 1 May 2006.

⁶ Effective for annual periods beginning on or after 1 June 2006.

3. 會計政策變動影響概要 (續)

香港 (國際財務報告 詮釋委員會) — 詮釋4	釐定一項安排是否 含有租約 ²
香港 (國際財務報告 詮釋委員會) — 詮釋5	退役、復原及環境修 復基金所產生之 權益權利 ²
香港 (國際財務報告 詮釋委員會) — 詮釋6	因參與特定市場 — 廢棄電器及 電子設備所產生 負債 ³
香港 (國際財務報告 詮釋委員會) — 詮釋7	採用香港會計準則 第29號「在惡性 通貨膨脹經濟中 的財務匯報」的 重列法則 ⁴
香港 (國際財務報告 詮釋委員會) — 詮釋8	香港財務報告準則 第2號之範圍 ⁵
香港 (國際財務報告 詮釋委員會) — 詮釋9	再評估附帶衍生 工具 ⁶

¹ 於二零零七年一月一日或以後開始的年度期
間生效。

² 於二零零六年一月一日或以後開始的年度期
間生效。

³ 於二零零五年十二月一日或以後開始的年度
期間生效。

⁴ 於二零零六年三月一日或以後開始的年度期
間生效。

⁵ 於二零零六年五月一日或以後開始的年度期
間生效。

⁶ 於二零零六年六月一日或以後開始的年度期
間生效。

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis and in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and the Hong Kong Companies Ordinance. The principal accounting policies adopted are set out below:

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

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

All significant intercompany transactions and balances between group companies are eliminated on consolidation.

INTEREST IN AN ASSOCIATE

The results and assets and liabilities of associate is incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

When a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and sales related taxes.

Service income is recognised when the services are rendered.

Income from licensing is recognised when the relevant licensing agreements are formally concluded.

4. 主要會計政策

綜合財務報告乃根據歷史成本基準及按香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報告亦載入聯交所創業板證券上市規則及香港公司條例所規定之適用披露資料。所採納之主要會計政策載述如下：

綜合基準

綜合財務報告包括本公司及其附屬公司截至每年六月三十日止之財務報告。

年內收購或出售之附屬公司之業績由該等公司之收購生效日起，計入綜合損益表內，或結算至出售生效日期止（如適用）。

本集團內公司間之一切重大交易及結餘已於綜合賬目時對銷。

於聯營公司之投資

於聯營公司業績及資產與負債乃以權益會計法計入綜合財務報告內。根據該權益法，於聯營公司之投資乃按成本另就本集團攤佔聯營公司之損益及權益變動於收購後之變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團攤佔聯營公司之虧損等同或超過其於該聯營公司之權益（包括實質構成本集團於該聯營公司投資淨額一部份之長期權益），本集團不再確認其攤佔之進一步虧損。額外攤佔虧損會提撥準備及確認為負債，惟僅以本集團已招致之法定或推定責任或已代表該聯營公司支付之款項為限。

當集團個體與本集團之聯營公司進行交易，損益會互相抵銷，數額以本集團於有關聯營公司之權益為限。

收入之確認

收益按已收或應收代價之公平值計量，即相當於日常業務中提供服務之應收款項減去折扣及銷售相關稅項後之金額。

服務收入乃於服務已提供時確認。

源自特許之收入於有關之特許協議正式訂立後確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (CONTINUED)

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less depreciation and any accumulated impairment losses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight line method, at the following rates per annum:

Computer system and equipment	20% – 33 $\frac{1}{3}$ %
Furniture and fixtures	20%

DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

Development costs for systems and networks are stated at cost less amortisation and any accumulated impairment losses.

Development costs for systems and networks represent all direct costs incurred by the Group in setting up systems and networks, including the cost of equipment, development cost and subcontracting expenditure. Such assets are recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

4. 主要會計政策 (續)

收入之確認 (續)

金融資產之利息收入乃按時間基準，根據未償還本金額及適用之實際利率（即於金融資產預計有效年期內將估計未來現金收款貼現至該資產之淨賬面值之比率）計算而定。

物業、廠房與設備

物業、廠房與設備乃按成本值減除折舊及任何累計減值虧損後列賬。

物業、廠房與設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。解除確認資產之任何損益（按出售所得款項淨額與該項目之賬面值之差額計算）在項目解除確認之年度計入綜合損益表。

物業、廠房與設備之成本值以直線法折舊，按其估計可使用年期及在已考慮其估計剩餘價值後並按以下年率予以撇銷：

電腦系統及設備	20% – 33 $\frac{1}{3}$ %
傢俬及裝置	20%

系統及網絡開發成本

系統及網絡開發成本乃按成本值減攤銷及任何累計減值虧損列賬。

系統及網絡開發成本指本集團於設立系統及網絡時所引致之所有直接成本，包括設備成本、開發成本及外判開支。該等資產僅於符合下列所有情況時方才確認：

- 所設立之資產可予確定（如軟件及新程序）；
- 所設立之資產可能帶來未來經濟利益；及
- 資產之開發成本可合理地計量。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS (CONTINUED)

Development costs that cannot fulfil the above conditions are recognised as expenses in the period in which they are incurred. Development costs for systems and networks that fulfil the above conditions are amortised on a straight line basis over their estimated useful lives of three years. Where the recoverable amount of systems and networks has declined below their carrying amount, the carrying amount is reduced to reflect the decline in value.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables. The accounting policies adopted are set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, amount due from a fellow subsidiary, amount due from an associate and deposits, bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in the profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策 (續)

系統及網絡開發成本 (續)

未能符合上述情況之開發成本於產生期間內確認作開支。符合上述情況之系統及網絡開發成本按直線法於其估計可用年期(三年)內攤銷。倘若系統及網絡之可收回金額下降至低於其賬面值,則賬面值將予以減少以反映其價值減幅。

金融工具

當集團個體成為工具合約條款的一方時,會在綜合資產負債表上確認金融資產及金融負債。金融資產和金融負債在初始確認時會以公平值進行計量。直接歸屬於購置或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)之交易費用在初始確認時計入或扣自各金融資產或金融負債(視何者適用而定)之公平值。直接歸屬於購置按公平值計入損益之金融資產或金融負債之交易費用立即在損益中確認。

金融資產

本集團之金融資產分類為貸款及應收款項,所採納之會計政策載列如下。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款之非衍生金融資產。於初步確認後之各個結算日,貸款及應收款項(包括應收貿易賬款及其他應收款項,應收一同系附屬公司款項,應收一聯營公司款項以及存款、銀行結餘及現金)乃利用實際利息法按攤銷成本扣除任何已確定減值虧損列賬。減值虧損在有客觀證據顯示資產出現減值時在損益確認,並按該項資產賬面值及以原有實際利率折現所得估計未來現金流量現值兩者間之差額計算。當該項資產之可收回金額增加可客觀地與該項減值獲確認後出現之事件關連,則減值虧損可於其後期間撥回,惟於減值日期該項資產所撥回賬面值不得超出倘該項減值未獲確認本應出現之攤銷成本。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity 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 in respect of financial liabilities and equity instruments are set out below.

Financial liabilities

Financial liabilities including other payables are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

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

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership and control of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

For financial liabilities, they are removed from the Group's consolidated balance sheet (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

TAXATION

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from the profit as reported in the consolidated income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable and deductible.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益

集團個體發行的金融負債及權益工具根據所訂立之合約安排之實質內容以及金融負債及權益工具之定義分類。

權益工具指能證明擁有本集團資產在減除其所有負債後之剩餘權益之任何合約。就金融負債及權益工具採納之會計政策載於下文。

金融負債

金融負債包括其他應付款項，乃其後運用實際利率法以攤銷成本計量。

權益工具

本公司發行之權益工具乃按實得款項（扣除直接發行成本）入賬。

解除確認

當從資產收取現金流之權利屆滿時，或金融資產已轉讓而本集團實質上已將與金融資產有關之所有權幾乎全部風險和報酬以及控制權轉移，即會解除確認該項金融資產。一旦解除確認金融資產，資產之賬面值與收到之代價與已直接在權益中確認之累積損益之總和兩者之差額會在損益中確認。

當金融負債消除時（即有關合約中規定之義務解除、取消或到期時），會將該項金融負債從本集團之綜合資產負債表內剔除。解除確認之金融負債之賬面值與已付或應付代價之間之差額會在損益中確認。

稅項

稅項支出指本期應付稅項及遞延稅項之總和。

本期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與損益表中所報溢利不同，此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，並且不包括損益表內永不用課稅及永不獲減免之項目。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TAXATION (CONTINUED)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated 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 profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 profit 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 in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the consolidated 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.

IMPAIRMENT

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, 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 in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項為就財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之差額而預期須支付或可收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，如有可能利用可減免臨時差異抵銷應課稅溢利，遞延稅項資產將被確認。若於一項交易中初次確認之資產及負債而引致之臨時差異既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項資產之賬面值於每個結算日作檢討，並在沒可能於存在足夠應課稅溢利復完全部或部分資產價值時作調減。

遞延稅項乃按預期於負債償還或資產變現期間適用之稅率計算。遞延稅項於損益表中扣除或計入損益表，惟倘遞延稅項直接在權益中扣除或計入權益之情況（在此情況下遞延稅項亦會於權益中處理）除外。

減值

在結算日，本集團檢查其資產之賬面值以決定是否有任何顯示該等資產受到減值虧損。若某資產之可收回金額估計少於其賬面值，該資產賬面值減至其可收回金額。減值虧損隨即確認為開支。

當減值虧損其後撥回，該資產之賬面值增至其可收回金額之修訂估計值，然而，賬面值之增加，不超過假若該資產往年度並無作出減值確認而釐定之賬面值。減值虧損之撥回數額隨即確認為收入。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FOREIGN CURRENCIES

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange difference are also recognised directly in equity.

RETIREMENT BENEFIT COSTS

Payments to the defined contribution retirement schemes are charged as expenses as they fall due.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade and other receivables, deposits, bank balances and cash and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

CREDIT RISK

The Group's financial assets are trade and other receivables, amount due from a fellow subsidiary, amount due from an associate and deposits, bank balances and cash, the carrying amounts of those assets stated in the consolidated balance sheet represent the Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 30 June 2006 in relation to financial assets.

In order to minimise the credit risk in relation to trade receivables, the management of the Group will only advance credit to customers with good credit history. In addition, the management reviews the recoverable amount of each individual debt at each balance sheet date, taking into account of future discounted cash flows, to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The debtors comprises only a small number of customers who have been granted credit terms. Hence, the management considers, based on the good credit history and the long term business relationship with the debtors, there are no significant credit risks.

4. 主要會計政策 (續)

外幣

結算及換算貨幣項目時所產生的匯兌差額會計入期間的盈虧。換算非貨幣項目時所產生的匯兌差額會按公平值計入期間的盈虧，惟換算有關盈虧直接在權益確認之非貨幣項目時所產生的匯兌差額除外，在此情況下，有關匯兌差額直接在權益確認。

退休福利成本

定額供款退休計劃之款項於到期支付時作為開支扣除。

5. 財務風險管理目標及政策

本集團的主要財務工具包括貿易與其他應收款項、存款、銀行結餘、現金及其他應付款項。該等財務工具詳情於相關附註披露。有關該等財務工具附帶的風險及減低該等風險的政策載於下文。管理層管理及監察該等風險，確保能按時及有效採取相應措施。

信貸風險

本集團之財務資產為貿易及其他應收款項、應收一家同系附屬公司款項、應收一家聯營公司款項、存款、銀行結餘和現金，綜合資產負債表所列該等資產之賬面值即代表本集團就財務資產面對合約對方未有履行責任而於二零零六年六月三十日面對之最大信貸風險。

為了降低貿易應收款項有關之信貸風險，本集團管理層僅向具有良好信貸記錄之客戶給予信貸期。此外，管理層亦於各結算日檢討各項個別交易債務之可收回金額（計及未來貼現現金流量），以確保就不可收回款項作出足夠減值虧損。就此，本公司董事認為，本集團之信貸風險已大幅減少。

債務人僅包括少數顧客，彼等已獲授除賬期，管理層認為基於債務人良好的信譽及與債務人的長期業務關係，本集團並無重大信貸風險。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

CREDIT RISK (CONTINUED)

At 30 June 2006, the Group maintained approximately HK\$13,262,000 of deposits with an overseas financial institution. The management considers there are no significant credit risks due to the long and good credit history with the financial institution.

6. TURNOVER AND SEGMENT INFORMATION

Turnover represents the amounts received and receivable for services rendered in establishing and providing secured electronic payment processing platform and provision of software licensing services.

Provision of secured electronic payment processing platform	提供安全電子付款程序平台
Provision of software licensing services	提供軟件特許服務

No analysis for business and geographical segments is presented for both years as substantially all of the Group's turnover and contribution to results were derived from the business of development and operation of payment infrastructure which facilitates web-enabled transactions in the People's Republic of China including Hong Kong.

7. OTHER INCOME

Included in other income is interest income of HK\$121,000 (2005: HK\$31,000).

5. 財務風險管理目標及政策

(續)

信貸風險 (續)

於二零零六年六月三十日，本集團於海外財務機構存放約13,262,000港元之存款。管理層認為基於與該財務機構具有長遠及良好的信譽記錄，故並無重大的信貸風險。

6. 營業額及分類資料

營業額乃指成立及提供安全電子付款程序平台服務及提供軟件特許服務之已收及應收款項。

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Provision of secured electronic payment processing platform	4,864	6,501
Provision of software licensing services	3,151	2,223
	8,015	8,724

於兩個年度並無呈列業務分類及地區分類資料分析，此乃由於本集團之營業額及業績貢獻主要來自開發及經營有助促進中華人民共和國（包括香港）網上交易之付款基礎設施。

7. 其他收入

其他收入包括利息收入121,000港元（二零零五年：31,000港元）。

8. PROFIT BEFORE TAXATION

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	稅前溢利已扣除：		
Auditors' remuneration	核數師酬金	384	260
Amortisation of development costs for systems and networks included in general and administrative expenses	計入一般及行政費用之系統及網絡開發成本之攤銷	487	650
Depreciation of property, plant and equipment	物業、廠房與設備之折舊	1	4
Research and development costs, including staff costs of HK\$998,000 (2005: HK\$833,000)	研究及開發成本·包括員工成本 998,000港元(二零零五年:833,000港元)	1,943	2,692

8. 稅前溢利

9. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

DIRECTORS' EMOLUMENTS Year ended 30 June 2006

9. 董事酬金及僱員酬金

董事酬金 截至二零零六年六月三十日止年度

		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及其他福利 HK\$'000 千港元	Retirement benefits scheme contributions 退休福利計劃供款 HK\$'000 千港元	Total directors' emoluments 董事酬金總額 HK\$'000 千港元
Name of executive directors	執行董事名稱				
Paul Kan Man Lok	簡文樂	-	114	6	120
John Wong Yuk Lung	黃玉龍	-	120	6	126
Shirley Ha Suk Ling	夏淑玲	-	1,028	12	1,040
Name of non-executive directors	非執行董事				
Leo Kan Kin Leung	簡堅良	10	18	-	28
Lai Yat Kwong	黎日光	10	18	-	28
Francis Gilbert Knight	Francis Gilbert Knight	10	50	-	60
Ho Yiu Ming	何耀明	10	34	-	44
Shao Xiang Ming	邵向明	10	24	-	34
		50	1,406	24	1,480

9. DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (CONTINUED)

DIRECTORS' EMOLUMENTS (CONTINUED)

Year ended 30 June 2005

		Fees	Salaries and other benefits	Retirement benefits scheme contributions	Total directors' emoluments
	袍金	薪金及其他福利	退休福利計劃供款	董事酬金總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Name of executive directors	執行董事名稱				
Paul Kan Man Lok	簡文樂	—	114	6	120
John Wong Yuk Lung	黃玉龍	—	120	6	126
Shirley Ha Suk Ling	夏淑玲	—	793	12	805
Name of non-executive directors	非執行董事				
Leo Kan Kin Leung	簡堅良	2	7	—	9
Lai Yat Kwong	黎日光	2	7	—	9
Francis Gilbert Knight	Francis Gilbert Knight	5	45	—	50
Ho Yiu Ming	何耀明	5	25	—	30
Shao Xiang Ming	邵向明	5	17	—	22
		19	1,128	24	1,171

EMPLOYEES' EMOLUMENTS

During both years, the five highest paid individuals include one (2005: one) director whose emoluments are reflected in the analysis presented above. The total emoluments paid to the remaining four (2005: four) individuals were as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,002	853
Retirement benefits scheme contributions	退休福利計劃供款	38	35
		1,040	888

9. 董事酬金及僱員酬金 (續)

董事酬金 (續)

截至二零零五年六月三十日止年度

僱員酬金

於兩個年度內，五名最高薪人士包括一名（二零零五年：一名）董事，其酬金已分析呈列如上，支付其餘四名（二零零五年：四名）人士之酬金總額詳情如下：

		Number of employees 僱員人數	
		2006 二零零六年	2005 二零零五年
Emoluments of the employees were within the following band:	僱員之酬金介乎下列範圍：		
Nil – HK\$1,000,000	無 – 1,000,000港元	4	4

10. TAXATION

No provision for Hong Kong Profits Tax has been made as the estimated assessable profit for both years was wholly absorbed by tax losses carried forward.

Taxation for the year can be reconciled to the profit before taxation as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit before taxation	稅前溢利	1,362	1,240
Tax at Hong Kong Profits Tax rate of 17.5% (2005: 17.5%)	按香港利得稅率17.5% (二零零五年:17.5%) 計算之稅項	238	217
Tax effect of expenses not deductible for tax purposes	不獲稅項減免支出之稅務影響	83	121
Tax effect of income not taxable for tax purposes	免稅收入之稅務影響	(21)	(5)
Tax effect on utilisation of tax losses previously not recognised	於應用往年未確認稅項虧損之稅務影響	(337)	(380)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	36	46
Others	其他	1	1
Taxation for the year	年度稅項	—	—

10. 稅項

由於兩個年度之估計應課稅溢利已全數分攤至結轉稅項虧損，故並無就香港利得稅作出撥備。

年度稅項與稅前溢利對賬如下：

11. EARNINGS PER SHARE

The calculation of the earnings per share is based on the profit for the year of HK\$1,362,000 (2005: HK\$1,240,000) and on the number of 150,000,000 (2005: 150,000,000) shares in issue throughout the year.

No diluted earnings per share has been presented as there were no dilutive potential ordinary shares in issue.

11. 每股盈利

每股盈利乃按本年度之溢利1,362,000港元（二零零五年：1,240,000港元）及年內已發行股份150,000,000（二零零五年：150,000,000）股計算。

由於並無具有攤薄潛力之普通股，故此並無呈列每股攤薄盈利。

12. PROPERTY, PLANT AND EQUIPMENT 12. 物業、廠房與設備

		Computer system and equipment 電腦系統及設備 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本			
At 1 July 2004, 30 June 2005 and 30 June 2006	於二零零四年七月一日、 二零零五年六月三十日及 二零零六年六月三十日	733	6	739
DEPRECIATION	折舊			
At 1 July 2004	於二零零四年七月一日	730	4	734
Provided for the year	本年度撥備	3	1	4
At 30 June 2005	於二零零五年六月三十日	733	5	738
Provided for the year	本年度撥備	-	1	1
At 30 June 2006	於二零零六年六月三十日	733	6	739
CARRYING VALUES	賬面值			
At 30 June 2006	於二零零六年六月三十日	-	-	-
At 30 June 2005	於二零零五年六月三十日	-	1	1

13. DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

13. 系統及網絡之開發成本

HK\$'000
千港元

COST	成本	
At 1 July 2004,	於二零零四年七月一日、	
30 June 2005 and	二零零五年六月三十日及	
30 June 2006	二零零六年六月三十日	1,950
AMORTISATION	攤銷	
At 1 July 2004	於二零零四年七月一日	813
Provided for the year	本年度撥備	650
At 30 June 2005	於二零零五年六月三十日	1,463
Provided for the year	本年度撥備	487
At 30 June 2006	於二零零六年六月三十日	1,950
CARRYING VALUE	賬面值	
At 30 June 2006	於二零零六年六月三十日	–
At 30 June 2005	於二零零五年六月三十日	487

Development costs for systems and networks include all direct costs incurred in the setting up and development of internet based knowledge systems and networks. The Group's development costs for systems and networks are amortised over the estimated economic useful lives of the projects from the date of commencement of commercial operations subject to a maximum period of three years.

系統及網絡開發成本包括設立及開發以互聯網為本之知識系統及網絡所引致之所有直接成本。本集團之系統及網絡開發成本自投入商業運作日期起按項目估計經濟可用年期（為期最長三年）攤銷。

14. INTEREST IN AN ASSOCIATE

14. 於聯營公司之權益

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Unlisted investment at cost	非上市投資成本	31	31
Share of post acquisition profits	分佔收購後溢利	–	–
		31	31

14. INTEREST IN AN ASSOCIATE (CONTINUED)

Particulars of the Group's associate at 30 June 2006 are as follows:

Name of company	Form of business structure	Place of incorporation	Proportion of nominal value of issued share capital indirectly held by the Company 本公司間接持有已發行股本面值之比例	Principal activity
公司名稱	業務結構形式	註冊成立地點	股本面值之比例	主要業務
Belcher Technology Limited	Incorporated 註冊成立	Samoa 薩摩亞	40%	Provision of software consultation and development of software systems. The business had not yet commenced during the year. 提供軟件諮詢服務及開發軟件系統。 於年內該業務並未開始。

The summarised financial information in respect of the Group's associate is set out below:

就本集團聯營公司之財務資料概述如下:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	資產總額	780	780
Total liabilities	負債總額	(702)	(702)
Net assets	淨資產	78	78
Group's share of net assets of associates	本集團於聯營公司分佔之淨資產	31	31

15. TRADE AND OTHER RECEIVABLES

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Trade receivables (Note i)	應收貿易款項 (附註i)	2,579	3,873
Other receivables (Note ii)	應收其他款項 (附註ii)	1,595	4,353
		4,174	8,226

(i) The Group allows an average credit period ranging from 90 days to 120 days to its trade customers dependent on their credit worthiness, nature of services and condition of the market. The aging analysis of trade receivables at the balance sheet date is as follows:

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
0 – 60 days	0至60日	2,251	2,664
61 – 120 days	61至120日	328	51
Over 120 days	120日以上	—	1,158
		2,579	3,873

The directors consider that the fair value of trade receivables at 30 June 2006 approximates to its carrying amount.

(ii) Included in the balance is an amount of HK\$1,432,000 (2005: HK\$4,162,000) representing the balance of a refundable deposit paid in connection with a potential investment project relating to internet operations with an independent third party. The deposit was partially refunded during the year upon the termination of negotiation in respect of the investment project. The directors consider that the fair value of other receivables at 30 June 2006 approximates to its carrying amount.

15. 應收貿易及其他款項

(i) 本集團根據其貿易客戶之借貸商譽、服務性質及市場情況而給予其平均為90日至120日之信貸期。

董事認為，於二零零六年六月三十日應收貿易款項之公平值近似其賬面額。

(ii) 結餘包括為數1,432,000港元(二零零五年：4,162,000港元)之餘下已付可退還訂金，該等訂金與一項與一名獨立第三方經營互聯網之準投資項目有關，而部份訂金亦於年內就終止磋商投資該項目而已獲退還。董事認為，於二零零六年六月三十日應收其他款項之公平值近似其賬面額。

16. AMOUNT DUE FROM A FELLOW SUBSIDIARY

The amount is unsecured, non-interest bearing and is repayable on demand. The directors consider that the fair value of the amount approximates to its carrying amount.

16. 應收一間同系附屬公司之款項

該款項乃無抵押、不付息且可經要求下償還。董事認為，該款項之公平值近似其賬面額。

17. AMOUNT DUE FROM AN ASSOCIATE

The amount is unsecured, non-interest bearing and is repayable on demand. The directors consider that the fair value of the amount approximates to its carrying amount.

17. 應收一間聯營公司之款項

該款項乃無抵押、不付息且可經要求下償還。董事認為，該款項之公平值近似其賬面額。

18. DEPOSITS, BANK BALANCES AND CASH

18. 存款、銀行結餘及現金

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Interest bearing deposits	附息存款	13,262	6,999
Bank balances and cash	銀行結餘及現金	1,702	2,155
		14,964	9,154

The Group's deposits, bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

以有關集團實體功能貨幣以外之貨幣計值之本集團之存款、銀行結餘及現金載列如下：

		US dollars 美元 HK\$'000 千港元
As at 30 June 2006	於二零零六年六月三十日	13,262
As at 30 June 2005	於二零零五年六月三十日	6,999

The deposits, bank balances and cash comprise short-term deposits with maturity of three months or less and cash held by the Group. The deposits carried interest at an average rate of 1% (2005: 1%). The directors consider that the fair value of deposits, bank balances and cash at 30 June 2006 approximates to its carrying amount.

存款、銀行結餘及現金包括本集團持有之三個月內到期之短期存款及現金。存款按平均利率為1厘（二零零五年：1厘）計息。董事認為，於二零零六年六月三十日，存款、銀行結餘及現金之公平值與其賬面值相若。

19. SHARE CAPITAL

		2006 & 2005 二零零六年及 二零零五年 HK\$'000 千港元
Authorised: 800,000,000 shares of HK\$0.10 each	法定: 800,000,000股每股面值 0.10港元之股份	80,000
Issued and fully paid: 150,000,000 shares of HK\$0.10 each	已發行及繳足: 150,000,000股每股面值 0.10港元之股份	15,000

There were no changes in the Company's authorised, issued and fully paid share capital in both years.

於上述兩個年度，本公司之法定、已發行及繳足股本概無變動。

20. SHARE OPTION SCHEME

On 29 November 2002, the Company adopted a share option scheme (the "Scheme"). The purpose of the Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the Scheme, the directors may grant options to any eligible persons of the Group, including directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the Company, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Group, to subscribe for shares of the Company. Options granted are exercisable for a period of up to ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

20. 購股權計劃

於二零零二年十一月二十九日，本公司採納一項購股權計劃（「計劃」）。計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等為本集團之業務及營運作出貢獻。根據計劃，董事可就本公司、其附屬公司或聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜，向本集團之任何合資格人士（包括董事、僱員、顧問、諮詢人）或受益人包括上述人士之任何全權信託或由上述人士實益擁有之公司及本集團之客戶及供應商授予購股權，讓彼等藉此認購本公司之股份。所授出之購股權可於授出日期起計最多十年內行使，及接納日期應不遲於要約日期後21日。

20. SHARE OPTION SCHEME (CONTINUED)

The exercise price (subject to adjustment as provided therein) of the option under the Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day or (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which the options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at the date of approval of the Scheme (i.e. 15,000,000 shares). However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any one grantee in any one year is not permitted to exceed 1% of the shares of the Company in issue from time to time, without prior approval from the Company's shareholders. No share option under the Scheme had been granted by the Company since its adoption.

21. UNRECOGNISED DEFERRED TAXATION

At the balance sheet date, the Group has unused tax losses of approximately HK\$12,251,000 (2005: HK\$14,037,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. These tax losses may be carried forward indefinitely.

22. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment, development of systems and networks 購置物業、廠房與設備與系統及
authorised but not contracted for 網絡開發之已授權但未訂約資本開支

20. 購股權計劃 (續)

計劃下之購股權股份之行使價(如本文所述可予調整)乃(i)股份之面值;(ii)於授出日期(必須為營業日)在聯交所每日報價表所報之每股收市價;或(iii)緊接授出日期前五個營業日在聯交所每日報價表所報之每股收市價之平均值(以最高者為準)。根據計劃可授出之購股權所涉及之股份最高數目不得超過本公司於計劃批准日期發行之股本10%(即15,000,000股股份)。然而,因行使所有未行使購股權而可發行之最高股份數目不得超過本公司不時發行之股本30%。在未經本公司股東事先批准下,於任何一年授予任何一名承授人之購股權所涉及之股份最高數目不得超過本公司不時發行之股份1%。本公司自採納計劃以來並無根據計劃授予購股權。

21. 未確認遞延稅項

於結算日,本集團未動用之稅項虧損約12,251,000港元(二零零五年:14,037,000港元),可供抵銷未來應課稅溢利。由於不能預測未來之溢利情況,故並無確認遞延稅項資產。稅項虧損可無限期結轉。

22. 資本承擔

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment, development of systems and networks 購置物業、廠房與設備與系統及 authorised but not contracted for 網絡開發之已授權但未訂約資本開支	500	500

23. RETIREMENT BENEFITS SCHEME

The Group enrolled all eligible employees in Hong Kong into a mandatory provident fund (the "MPF") scheme. The retirement benefit cost for the MPF scheme charged to the consolidated income statement represents contributions to the MPF scheme by the Group at rates specified in the rules of the MPF scheme.

During the year, retirement benefits scheme contributions paid amounted to approximately HK\$70,000 (2005: HK\$65,000).

23. 退休福利計劃

本集團安排於香港之所有合資格僱員參加強制性公積金（「強積金」）計劃。強積金計劃之退休福利成本，即本集團按強積金計劃規則所指定比率之供款，於綜合損益表內扣除。

於年內，退休福利計劃供款為70,000港元（二零零五年：65,000港元）。

24. RELATED PARTY DISCLOSURES

During the year, the Group had the following transactions with related parties:

24. 關連人士披露

年內，本集團曾與關連人士進行下列交易：

	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Annual fee and technical fee received from a fellow subsidiary 自一間同系附屬公司收取之年費及技術費	474	408
Administration fees paid to Champion 支付予冠軍之行政費用	480	480

The key management personnel are the directors of the Company. The details of the remuneration paid to them are set out in note 9.

主要管理人員為本公司之董事。支付予彼等之薪酬載列於附註9。

25. SUBSIDIARIES

Details of the Company's subsidiaries, all of which were held directly by the Company at 30 June 2006, are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Attributable equity interest of the Group 本集團應佔權益	Principal activity 主要業務
Calgary Investments Limited	Samoa 薩摩亞	US\$1 1美元	100%	Investment holding 投資控股
DIGITALHONGKONG.COM INC.	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Provision of an e-Commerce platform for payment process for global business 為全球公司提供電子商貿平台
DIGITAL COMMERCE LIMITED	Hong Kong 香港	HK\$2 2港元	100%	Development of e-Commerce platform and evaluation of e-Commerce opportunities 開發電子商貿平台及評估電子商貿商機
Digital Hong Kong Limited 數碼香港國際有限公司	Hong Kong 香港	HK\$2 2港元	100%	Provision of an e-Commerce platform for payment process for retail customers and e-malls based in Hong Kong 為香港之零售客戶及電子商場提供電子商貿平台
Pickworth Limited	Samoa 薩摩亞	US\$1 1美元	100%	Investment holding 投資控股

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

25. 附屬公司

以下為本公司各附屬公司之公司詳細資料，彼等均於二零零六年六月三十日由本公司直接持有：

於本年度結束時及於年內任何時間，各附屬公司概無任何未償還之債務證券。

26. BALANCE SHEET INFORMATION OF THE COMPANY

26. 本公司之資產負債表資料

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	2,071	2,071
Current assets	流動資產		
Other receivables	應收其他款項	54	78
Amounts due from subsidiaries	應收附屬公司之款項	7,383	13,462
Deposits, bank balances and cash	存款、銀行結餘及現金	14,731	7,695
		22,168	21,235
Current liabilities	流動負債		
Other payables	應付其他款項	445	586
Net current assets	流動資產淨額	21,723	20,649
Net assets	資產淨額	23,794	22,720
Capital and reserves	資本及儲備		
Share capital	股本	15,000	15,000
Reserves	儲備	8,794	7,720
		23,794	22,720

FINANCIAL SUMMARY

財務摘要

		Year ended 30 June 截至六月三十日止年度				
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
RESULTS	業績					
Turnover	營業額	8,015	8,724	8,492	9,642	13,393
Other income	其他收入	123	34	36	36	116
Acquired technology expensed	購入技術支出	(825)	(1,699)	(962)	(2,808)	(2,807)
General and administrative expenses	一般及行政費用	(2,814)	(2,420)	(2,667)	(2,362)	(4,780)
Marketing and promotion expenses	市場推廣費用	(456)	(1,209)	(2,505)	(1,697)	(1,250)
Staff costs	僱員成本	(2,681)	(2,190)	(2,151)	(2,669)	(4,398)
Profit for the year	本年度溢利	1,362	1,240	243	142	274

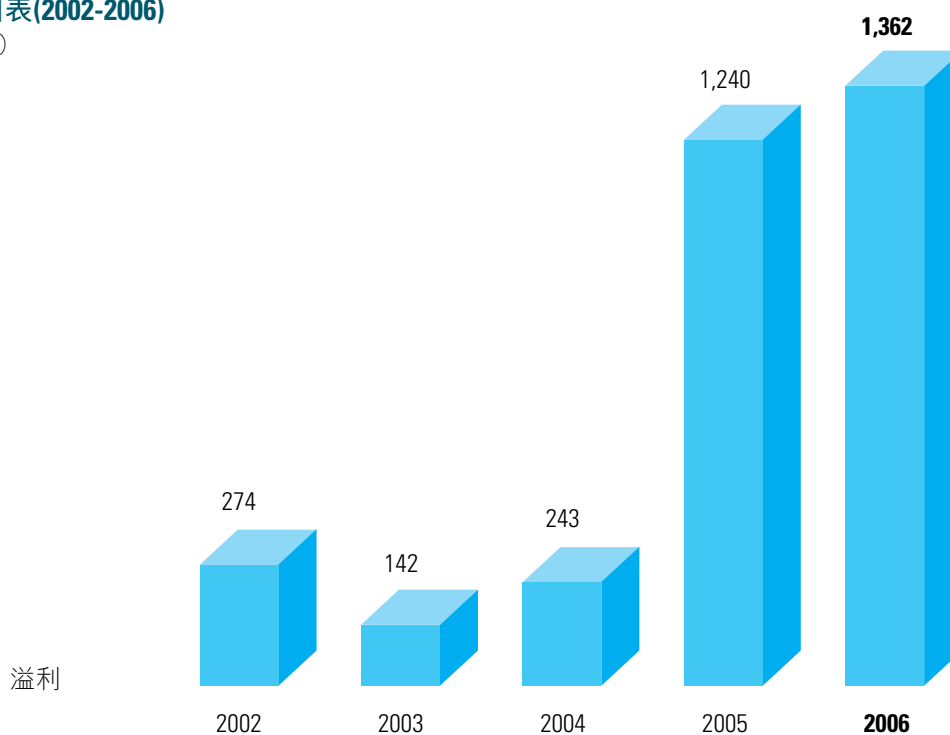
		At 30 June 於六月三十日				
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	31	519	1,142	1,810	104
Current assets	流動資產	19,503	17,737	15,863	14,795	16,450
Current liabilities	流動負債	(605)	(689)	(678)	(521)	(612)
		18,929	17,567	16,327	16,084	15,942

財務撮要

	二零零六年 千港元	二零零五年 千港元	二零零四年 千港元	二零零三年 千港元	二零零二年 千港元
業績(截至六月三十日止年度)					
—營業額	8,015	8,724	8,492	9,642	13,393
—溢利	1,362	1,240	243	142	274
—每股盈利					
—基本(港仙)	0.91	0.83	0.16	0.09	0.18
財務狀況(於六月三十日)					
—非流動資產	31	519	1,142	1,810	104
—流動資產	19,503	17,737	15,863	14,795	16,450
—流動負債	605	689	678	521	612
—權益	18,929	17,567	16,327	16,084	15,942
財務比率(於六月三十日)					
—流動資產/流動負債	32	26	23	28	27
—資產/權益	1.03	1.04	1.04	1.03	1.04
—溢利/資產	0.07	0.07	0.01	0.01	0.02

盈利圖表(2002-2006)

(千港元)



企業資信

執行董事

簡文樂 (主席)
夏淑玲 (行政總裁)
黃玉龍

非執行董事

簡堅良
黎日光

獨立非執行董事

Francis Gilbert KNIGHT
何耀明
邵向明

公司秘書

張美霞律師

合資格會計師

黃玉龍·CPA·FCPA

規章主任

夏淑玲

法定代表

簡文樂
夏淑玲

審核委員會

何耀明 (委員會主席)
Francis Gilbert KNIGHT
邵向明
簡堅良
黎日光

註冊辦事處

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

總辦事處暨主要營業地點

香港中環
康樂廣場8號
交易廣場1期1702室

主要往來銀行

渣打銀行(香港)有限公司
香港
德輔道中4-4A號

香港上海匯豐銀行有限公司
香港
皇后大道中1號

中國銀行(香港)有限公司
香港
花園道1號

星展銀行(香港)有限公司
香港
皇后大道中99號

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場1座35樓

主要股份過戶登記處

The Harbour Trust Co. Ltd.
P.O. Box 1787
Grand Cayman
Cayman Islands
British West Indies

股份過戶登記香港分處

秘書商業服務有限公司
香港灣仔
皇后大道東1號
太古廣場3座28樓

企業網址

<http://www.digitalhongkong.com>

創業板股票編號

8007

主席報告



致各位股東：

本人欣然呈報數碼香港（「數碼香港」或「本公司」）及其附屬公司（合稱「本集團」）截至二零零六年六月三十日止年度之年報；此乃本集團第七份年報，期內之表現理想。

回顧年度內，香港經濟持續改善，加上互聯網及網上付款服務之使用率日趨上升，令集團之電子商貿業務直接受惠。

與此同時，集團較早前就一項生物信息項目進行策略性投資；該項目集中開發特設數據庫設計工具，目標為促進藥物之開發過程。項目進展穩定，我們預期未來將可為集團帶來盈利貢獻。

簡文樂先生二零零六年七月於白金漢宮獲英女皇伊利莎伯二世頒授英帝國司令勳章(CBE)。

財務摘要

截至二零零六年六月三十日止年度，集團之財務表現撮要如下：

- 營業額為8,015,000港元，去年之比較數字為8,724,000港元
- 連續五年錄得盈利，本年度溢利為1,362,000港元，較去年增長一成
- 每股盈利為0.91港仙，較去年增長一成

集團之財務狀況保持穩健，並無銀行借貸。

展望

我們對電子商貿及互聯網為本服務之整體前景保持信心，集團將繼續開發新的解決方案，維持競爭力。

與此同時，集團將繼續審慎理財，一方面控制開支，另一方面則對具潛力之項目或業務作出適當之投資，從而為本集團及本公司股東創造價值；集團較早前投資於一項與藥物開發有關之生物信息項目，正反映本集團會就具有良好潛力之項目作出投資。全球對健康服務之需求上升，加上各界對信息醫藥之認同，創造了龐大市場及無限商機。董事有信心集團就生命科學及信息醫藥之投資，將可帶來理想回報。

本集團之財務狀況穩健，有利集團繼續保持動力，靈活進行投資，從而引入配合集團業務之項目，進一步拓闊收入基礎，創造穩定流動資金。

董事會主席
簡文樂

二零零六年九月二十五日

管理層討論及分析

業務回顧

在回顧年度內，集團之主要焦點為從事各項與電子商貿解決方案相關之業務，並繼續保持動力。此乃受惠於市場對本集團產品及服務之認識提高，客戶基礎穩步增長。集團之主要收入來自網上付款方案及為客戶就電子商貿整合提供技術顧問服務所收取之費用。

期間，由於市場競爭激烈以及爭相競價，本集團在推展業務目標時，經已採取審慎策略。為了令集團之資源運用達至最佳效益，本集團於新系統網絡及提升集團基礎設備時，已嚴格控制開支，按照業務規模及狀況作出配合。管理層認為維護邊際利潤，避免採取過度進取之市場策略，乃符合本集團之最佳利益。

為拓展來自電子付款外判服務以外的收入，集團已訂下以健康護理及相關資訊科技服務為未來發展之方向及商機。本集團較早前投資於一項生物信息項目，該項目主要透過提供顧問服務及開發軟件套裝，從而促進藥物開發過程及提升科學知識，項目進展穩定。與此同時，集團亦積極尋求與大學、研究院、及科技夥伴建立聯盟，合作開研生物信息。

全年業績

本集團連續第五年取得全年盈利。於截至二零零六年六月三十日止年度，本公司股本權益持有人應佔年度溢利為1,362,000港元，較去年之1,240,000港元增長逾一成。本年度之經審核綜合營業額為8,015,000港元，去年之比較數字為8,724,000港元。於截至二零零六年六月三十日止季度，本集團分別錄得營業額2,477,000港元及本公司股本權益持有人應佔溢利443,000港元。本年度之每股盈利為0.91港仙，去年之比較數字為0.83港仙。

基於審慎考慮，董事會建議本年度不派發任何股息，從而在現階段保留現金，支援集團持續開發業務及潛在投資機會。

財務回顧

上述財務業績反映管理層一直致力在競爭激烈之市場環境中提升集團營運效率；期內，縱使營業額輕微下調，集團仍能保持邊際利潤，盈利上升一成。盈利上升有賴集團專注為客戶提供特設方案，及繼續採取嚴謹成本管理措施，本年度整體經營成本由去年同期之比較數字7,518,000港元下降一成至6,776,000港元。當中，購入技術支出及市場推廣費用均有明顯節省，後者主要受惠於市場對集團產品及服務之認識提高；一般及行政費用及僱員成本則分別由去年同期之2,420,000港元及2,190,000港元上升至2,814,000港元及2,681,000港元，主要由於經濟持續增長，成本配合市場上升趨勢。集團之財務狀況保持穩健，財政週轉流暢，並無銀行借貸。

在回顧年度內，本集團並無進行資產減值或應收賬撥備。

現金流動性及財務資源

於二零零六年六月三十日，本公司股本權益持有人應佔權益約為18,929,000港元；而流動資產則約為19,503,000港元，當中約有14,964,000港元為存款、銀行結餘及現金；本集團並無非流動負債，而流動負債則約為605,000港元，主要為日常營運之應付其他款項。

於二零零六年六月三十日，本集團並無任何銀行借貸。本集團主要透過營運所得資金支援日常營運。於二零零六年六月三十日，本集團並無任何重大或然負債或資產抵押。在本回顧期完結時，本集團擁有淨流動資產18,898,000港元，財政週轉流暢。按本集團總貸款額及權益計算，本集團之貸款權益比率為零。

本集團認為按照現行之業務計劃，現有之財務資源足夠應付日常營運開支以及開發新軟件方案。假若市況有利及出現合適商機，董事局將考慮在有需要時透過舉債及／或發行新股之融資方式拓展業務。

在回顧年度內，本集團並無購入或出售任何附屬及關連公司。

資本承擔

於二零零六年六月三十日，本集團已授權但仍未簽署合約之資本承擔為500,000港元（二零零五年：500,000港元）。該等資本承擔乃預留作購入物業、廠房與設備、以及開發系統及網絡之用。

外匯兌換風險

由於本集團大部份之交易、資產及負債均以港元及美元為主，因此外匯風險有限。

人力資源及薪酬政策

於回顧年度內，本集團僱用8名全職僱員，全部均以香港為工作基地。期內之僱員成本為2,681,000港元（二零零五年：2,190,000港元）。本集團乃參考市場水平，並按照僱員本身之表現、資歷及經驗而釐定薪酬。薪酬包括月薪、與表現相關之年終獎金、購股權、以及強制性公積金等福利。

本公司已成立人力資源及薪酬委員會。在釐定董事的薪酬組合（包括實物利益、退休金及賠償款項）時，委員會將考慮之因素包括可茲比較公司所支付的薪酬、董事所付出的時間及其職責、僱用條件及是否按表現釐定薪酬等。

董事及高層管理人員

執行董事

簡文樂，五十九歲，本公司主席，負責數碼香港的宏觀計劃與發展。彼亦為於香港聯合交易所有限公司（「聯交所」）主板上市之冠軍科技集團有限公司（「冠軍科技」）及看通集團有限公司（「看通」）之主席及執行董事，冠軍科技為本公司控股公司，看通則為本公司同系附屬公司。彼持有香港中文大學工商管理碩士學位，於電腦及電信業累積逾三十八年經驗，這有助全面推行電子商貿科技，也正是當前業務致勝之道。彼亦為香港電子商業研究系列之作者，將其在資信科技上的經驗及對未來網上生活的構想牢牢地連繫起來。於一九八七年成立冠軍科技集團以前，彼曾任亞洲電腦有限公司之總經理，該公司為一家由英國大東電報局、匯豐銀行、怡和及Barclays合營之電腦服務公司。

彼曾獲授不同之本地及海外工業及企業家獎，除於二零零六年分別獲英女王授予英帝國司令勳章(CBE)、獲意大利總理普羅迪頒發意大利仁惠之星司令勳章(Commendatore dell'Ordine della Stella della Solidarietà Italiana)，及獲香港特區政府委任為太平紳士外，其他獲授獎項包括青年工業家獎(1992)、香港商業成就獎之傑出企業獎(1993)、總督工業獎(1989)、美國北維珍尼亞大學(UNVA)人文科學榮譽博士(2005)、及中國文化研究院榮譽院士(2005)。

在公職方面，他曾先後兩次參與聯交所之公司管治工作小組（於一九九四年至一九九五年及於一九九九年至二零零零年），亦曾為創業板上市委員會成員（於一九九九年至二零零三年）。彼目前亦為連任三屆之香港資信科技業議會主席、目前亦為香港工業總會主席委員會及委員會委員、香港立法會選舉委員會資信科技界委員、及香港貿易發展局資訊及通訊科技服務業諮詢委員會主席。此外，彼亦為中國安徽省人民政治協商委員會委員、及中華人民共和國香港特別行政區全國人民代表大會代表選舉會議成員。

彼亦獲委任為中電控股有限公司之獨立非執行董事。

夏淑玲，五十歲，本公司行政總裁。彼於二零零零年加入本公司，負責監控集團業務如企業財務及策略發展，亦為集團尋覓合適企業以建立策略夥伴及聯盟關係，並就驅動電子改革事宜與各政府部門、解決方案及業務夥伴、以及商界及學術界等多方面聯絡。彼於加入本集團以前，彼於一九九二年三月加入冠軍科技集團出任企業發展執行副總裁，其間統籌冠軍科技集團內三家上市公司之上市及企業發展事宜。彼持有香港大學文學士學位及香港中文大學工商管理碩士學位。目前為香港城市大學電腦學系顧問委員會委員、香港工業總會香港資信科技業議會成員、以及Hong Kong Corporate Counsel Association會員。彼亦獲香港科技園公司委任，連續四年成為其科培輔導計劃栽培對象之輔導顧問。

彼亦為冠軍科技及看通之非執行董事。

黃玉龍，六十二歲，本公司財務總監及合資格會計師，在資信科技行業擁有豐富財務及管理經驗。彼曾出任多項高級職位，包括於一九九二年六月至一九九四年八月期間出任冠軍科技集團財務總監，亦曾於香港電訊集團任職類同職位十六年之久。黃先生於離職後仍擔任冠軍科技集團顧問，於二零零零年初加入本集團。彼為香港會計師公會資深會計師及澳洲會計師公會資深會員，亦為Australian Institute of Banking and Finance之會員。

非執行董事

簡堅良，五十歲，自二零零五年一月起出任本公司非執行董事。彼為冠軍科技行政總裁及執行董事，以及看通非執行董事。彼為本集團主席簡文樂之胞弟。彼於一九八八年加入冠軍科技之前，曾於香港多間國際公司擔任管理要職，持有加拿大Dalhousie University工商管理碩士學位及加拿大University of Alberta經濟學碩士學位。於二零零六年，彼完成英國牛津大學Saïd Business School之管理深造課程(Oxford Advanced Management Programme)。

彼目前為電訊管理局電訊標準諮詢委員會成員；以及香港工業總會香港資信科技業議會之國際發展及合作分組、中國發展及合作分組、及政府資金補助分組成員。此外，彼亦為香港資信科技聯盟屬下資信科技委員會主席。

黎日光，五十七歲，自二零零五年一月起出任本公司非執行董事。彼為冠軍科技財務總監及執行董事，以及看通署理行政總裁、財務總監及執行董事。彼持有香港中文大學工商管理學士學位，擁有逾三十四年之會計、審核及公司秘書事務經驗。彼乃香港會計師公會執業資深會計師及英國特許會計師公會資深會員。

獨立非執行董事

何耀明，六十二歲，於二零零一年十一月加入董事會，並於二零零四年三月獲委任為看通之獨立非執行董事。彼乃會計師樓資深合夥人，並在不同行業擁有豐富管理經驗。彼為特許會計師，亦是香港會計師公會執業資深會計師、Chartered Institute of Arbitrators會員、及香港科技協進會資深會員。彼持有工商管理碩士學位，現時亦為分別於聯交所主板上市之玉皇朝飲食文化集團有限公司及於創業板上市之修身堂控股有限公司之獨立非執行董事。

Francis Gilbert KNIGHT，七十六歲，自二零零零年三月起出任本集團獨立非執行董事，並於二零零零年二月獲委任為冠軍科技之獨立非執行董事。彼乃Asian Security and Investigation Services Limited之主席兼董事總經理，擁有逾二十年版保障、保安及商業調查經驗，並擔任多個主要團體之保安顧問。彼為The International Association of Police Chiefs會員、香港知識產權個人會員、以及The British Institute of Directors及The British Institute of Management資深會員。彼亦為The American Society for Industrial Security (Hong Kong Branch)之前任主席。

邵向明，四十五歲，自二零零四年三月起出任本公司獨立非執行董事。彼在生物醫學研究、傳統中醫藥及保健產品範疇擁有逾十五年經驗。彼於一九八五年畢業於中國第三軍醫大學軍醫系，取得學士學位，並於一九八八年取得病理解剖學碩士學位。彼於二零零零年出任世界特種診療學會理事；於二零零一年獲委任為中國初級衛生保健基金會健康扶貧工程副執行主任，負責推廣健康教育、以及農村及社區預防醫學。自二零零一年起，彼獲聘為北京東西醫學研究中心主任，負責生物能信息醫學的研究開發工作。過去十年，彼之研究工作集中於信息醫學。

公司秘書

張美霞，五十歲，自二零零零年一月起擔任本集團公司秘書。彼為香港執業律師，亦為冠軍科技及看通之公司秘書。

高層管理人員

簡文樂，五十九歲，總資信策劃師，負責勾劃及驅動本集團之電子資信革新、策劃及監控。彼持有香港中文大學工商管理碩士學位，亦為香港電子商業研究系列之作者。彼於電腦及電信業累積逾三十八年經驗，有助全面推行電子商貿科技。彼亦為本公司之主席及執行董事。

夏淑玲，五十歲，企業發展總監，負責監督本集團之企業與策略發展及新業務。彼持有香港大學文學士學位及香港中文大學工商管理碩士學位，擁有逾二十年業務管理、企業發展及市場推廣經驗。彼亦為本公司之行政總裁及執行董事。

黃玉龍，六十二歲，財務總監，負責本集團之財務及會計政策及監控。彼在資信科技行業擁有三十年財務及管理經驗，為集團帶來豐富財務專業知識。彼為香港會計師公會資深會計師及澳洲會計師公會資深會員，亦為Australian Institute of Banking and Finance之會員。彼亦為本公司之執行董事。

余振中，三十四歲，電子商貿項目副總裁，負責監督本集團在電子商貿及互聯網營運方面之技術管理及系統支援。彼持有香港大學工程學士學位，以及香港理工大學電子工程碩士學位。彼於一九九九年七月加入本集團之前，自一九九五年起一直效力冠軍科技集團。

