



年報
Annual Report



Jian ePayment



Jian ePayment Systems Limited
華普智通系統有限公司

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code
股份編號 : 8165

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

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

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

有意投資之人士應瞭解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高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。

由於創業板上市之公司屬於新興性質，在創業板買賣之證券可能會較於主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

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

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

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

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

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

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

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

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

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

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

This report, for which the directors (the “Directors”) of Jian ePayment Systems Limited (the “Company”) collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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本人謹代表華普智通系統有限公司（「本公司」），連同其附屬公司（統稱「本集團」）之董事會公佈截至二零零六年十二月三十一日止年度（「本年度」）之經審核業績。

財務回顧

本集團截至二零零六年十二月三十一日止獲得營業額約為人民幣10,636,000元，比上年度下降33%；本年度虧損約為人民幣22,373,000元，主要是由於併購武漢市公共交通票務管理有限公司後帶來之商譽減值虧損約人民幣12,696,000元所致。

業務發展

本集團在原有業務持續穩定發展的同時，完成了認購武漢市公共交通票務管理有限公司60%股權，強化了本集團智慧卡電子支付之核心業務，業已形成中國大陸類香港八達通的強勢企業：本集團IC卡流通量成倍增長，累計卡流通量達到350萬張；率先在中國不同城市實現IC卡公交、商業零售、餐飲等領域「一卡多用」，成為政府倡導的「一卡通」載體；本集團已在武漢周邊城市推廣「異城通用」，已在仙桃、大冶建立了IC卡應用分系統，並將推廣到更多城市；本集團控股的武漢市公共交通票務管理有限公司累計現金餘額超過人民幣3,800萬元，業務運轉和現金流狀況持續向好。

I would like to announce the audited operating results for the year ended 31 December 2006 ("this year") on behalf of the Board of Directors of Jian ePayment Systems Limited (the "Company") and its subsidiaries (together referred to as the "Group").

FINANCIAL REVIEW

For the year ended 31 December 2006, its turnover was approximately RMB10,636,000 representing an 33% decrease compared to last year, while the loss for the year was approximately RMB22,373,000 which was mainly contributed by the impairment loss on goodwill of approximately RMB12,696,000 after acquisition of Wuhan Traffic IC Card Management Ltd.

BUSINESS DEVELOPMENT

By the time of stable development of traditional business, the Group completed the acquisition of Wuhan Traffic IC Card Management Limited and held 60% of its equity interest, the Group had strengthened the core business of electronic payment with Smart Card; the Group has become a leader in this market similar to the Business Model of Octopus Card of Hong Kong in the mainland of China; the circulation of Jian Smart Card had increased several-fold, and the accumulated number of Jian Smart Card issued reaches to 3,500,000 cards. The company is the first to develop "One Card Multiple Uses" IC card in bus, commercial retail, catering and other fields in various cities, and these cards had become the carrier of "One Card Pass Project" initiated by the government; the Group has prompted "One Card Passing Different Cities" in the surrounding cities of Wuhan City and established the IC Card application subsystem in Xiantao City, Daye City and will be extended to more cities; the Wuhan Traffic IC Card Management Ltd. controlled by the Group had accumulated cash balance of approximately RMB38 million at the balance date, which shows the robust operation and strong cash flows.

未來展望

本集團將秉承初衷，不斷致力於發展中國智慧卡電子支付市場，令使華普智通卡應用的城市數量及其流通量不斷增加，同時逐步使每個應用城市的應用領域不斷擴大，並使每個城市華普智通卡的最終用戶數量和最終消費數量實現量的巨變和質的飛躍，在為用戶提供方便的同時，為本集團全體股東創造最佳效益。最終使華普智通卡成為中國大陸城市居民普遍擁有、經常使用的便民卡。

鳴謝

本人藉此機會，謹代表董事會向本集團的管理層及員工致謝；亦感謝列位股東、業務夥伴、各位客戶及供應商在過往一年來對集團的支援及鼓勵；亦感謝律師、會計師、顧問及其所在的單位的幫助與支援；亦特別感謝新老投資者對本公司的幫助和支持。

主席

翦英海

謹啟

中國北京，二零零七年三月二十八日

FUTURE OUTLOOK

The Group has been consistently committed to the development of smart card electronic payment system market in China based on continually increasing of sales and improvement of business profitability, increasing steadily the number of cities using Jian Smart Passes. In the meantime, the application domain of each city continuously expands, a comprehensive development matrix is formed through increasing the number of cities vertically while expanding the commercial applications horizontally so as to achieve a great increase in the number of users and consumption. By the time of providing convenient to the customers, also making the best financial profit for all shareholders of the Group, Jian Smart Passes will become convenient cards widely owned and used by the residents of a number of cities in the Mainland of China.

APPRECIATION

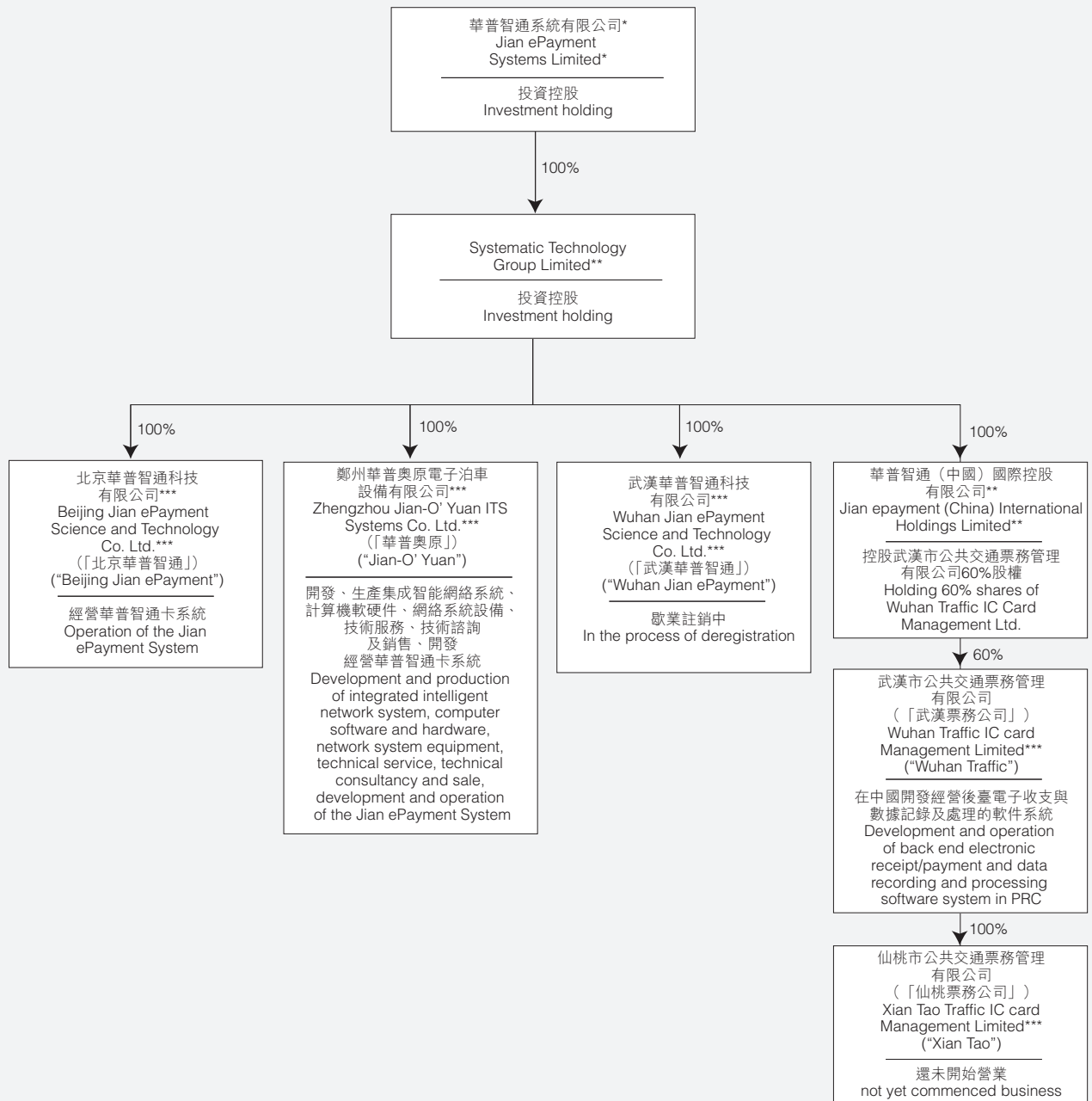
On behalf of the Board of Directors, I would like to take this opportunity to thank the management and staff members of the Group. Besides, I would like to thank all shareholders, business partners, customers and vendors for their support and encouragement given to the Group in the past years. My thanks are also extended to the lawyers, auditors, consultants and relevant enterprises; and the special appreciation to tour newly and oldly investors who always give us help and support.

Yours faithfully,

CHIN YING HOI

Chairman

Beijing, the PRC, 28 March 2007



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

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

財務摘要

FINANCIAL HIGHLIGHTS

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000	變動 Change
營業額	Turnover	10,636	15,948	-33%
毛利	Gross profit	6,607	9,479	-30%
本年度(虧損)/盈利	(Loss)/profit attributable for the year	(22,373) (人民幣元)	1,283 (人民幣元)	不適用 N/A
每股基本(虧損)/盈利	Basic (loss)/earnings per share	(RMB) (0.054)	(RMB) 0.003	N/A

財務回顧

本集團截至二零零六年十二月三十一日止全年之營業額約為人民幣10,636,000元，比二零零五年同期下降33%。本年度虧損約為人民幣22,373,000元，每股基本虧損約為人民幣(0.054)元。

FINANCIAL REVIEW

For the year ended 31 December 2006, the Group recorded a turnover of approximately RMB10,636,000, representing an decrease of 33% than the same time of Year 2005. Loss for the year was approximately RMB22,373,000, while basic loss per share was RMB(0.054).

按產品劃分之營業額

TURNOVER BY PRODUCT

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000	變動 Change
軟、硬件銷售收入	Sales of hardware and software	5,107	14,077	-64%
交易徵費	Transaction levies	4,337	1,871	132%
廣告收入	Advertising income	71	-	不適用 N/A
已發行智能卡之 租金收入	Rental income from smart cards issued	1,121	-	不適用 N/A
總計	Total	10,636	15,948	-33%

本集團二零零六年年度之收入來源於華普智通軟硬件銷售收入大約人民幣5,107,000元，交易徵費大約人民幣4,337,000元。

The Group's revenue for 2006 came from sales revenue of Jian ePayment software and hardware sales of approximately RMB5,107,000 and transaction levies of approximately RMB4,337,000.

權益持有人應佔虧損

本年度的權益持有人應佔虧損約為人民幣22,373,000元。主要原因是於併購武漢市公共交通票務管理有限公司後產生之商譽減值虧損及軟硬件的銷售收入大幅減少。然而，本集團繼續維持穩健的費用控制。

LOSS ATTRIBUTABLE TO EQUITY HOLDERS

Loss attributable to equity holders for the year was approximately RMB22,373,000. This was mainly due to the impairment loss on goodwill after the acquisition of Wuhan Traffic IC Card Management Ltd. and the significant decrease in sales of hardware and software. However, the Group maintains its cost-control strength.

財政狀況

FINANCIAL CONDITION

		於 二零零六年 十二月三十一日 As at 31 December 2006 人民幣千元 RMB'000	於 二零零五年 十二月三十一日 As at 31 December 2005 人民幣千元 <i>RMB'000</i>	變動 Change
現金及現金等價物	Cash and cash equivalents	41,803	5,305	688%
總資產	Total assets	77,305	17,764	335%
股東權益	Shareholders' funds	(23,052)	(8,214)	181%
非流動負債	Non-current liabilities	-	-	不適用N/A
流動比率(倍)	Current ratio (Times)	0.66	0.58	14%

總資產

本年度本集團的總資產較上年同期增加335%，至約人民幣77,305,000元，其中主要包括固定資產約為人民幣10,832,000元，及流動資產(包括現金)約人民幣66,473,000元。

TOTAL ASSETS

The Group's total assets in the year increased by 335% to approximately RMB77,305,000, mainly comprising fixed assets of approximately RMB10,832,000 and current assets (including cash) of approximately RMB66,473,000.

流動資金及財政資源

目前本集團之現金及現金等價物合計共人民幣41,803,000元，而流動比率亦由二零零五年之0.58改變為本年度之0.66。

LIQUIDITY AND FINANCIAL RESOURCES

The Group currently has cash and cash equivalents of RMB41,803,000 in total, while the current ratio has changed from 0.58 for 2005 to 0.66 this year.

資產抵押

於二零零六年十二月三十一日，本集團並無抵押其資產。

Charges on Assets

As at 31 December 2006, the Group did not have any charge on its assets.

匯兌風險

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

Exchange Rate Exposure

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

人力資源

Human Resources

		於二零零六年 十二月三十一日 員工總數 As at 31 December 2006 Total number of staff	於二零零五年 十二月三十一日 員工總數 As at 31 December 2005 Total number of staff
管理	Management	14	14
銷售及市場推廣	Sales and Marketing	14	8
採購及供應	Purchasing and Supplies	2	2
生產	Production	4	10
研究及開發	Research and Development	11	9
財務及行政	Finance and Administration	20	11
總計	Total	65	54

二零零六年本集團因併購武漢市公共交通票務管理有限公司，融合了原班人員，使本集團員工總人數增加到65人。

In 2006, after the Group acquired the Wuhan Traffic IC Card Management Ltd., the number of employees has increased to 65.

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

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

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

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

重大投資

除本公司對其附屬公司之投資外，本集團於二零零六年七月投資人民幣2400萬元併購武漢市公共交通票務管理有限公司60%股權，此外並無持有其他任何重大投資。

SIGNIFICANT INVESTMENTS

Save for the Company's investments in its subsidiaries, in July 2006, the Group had invested RMB 24 million to acquire 60% equity interest of Wuhan Traffic IC Card Management Ltd..

業務回顧

本集團始終致力於將華普智通卡系統建立成為通行中國之大型電子支付系統。二零零六年度公司在強化技術研發、設備銷售及市場運營的基礎上，繼續著力於「一卡多用」的推廣。

在武漢市政府有關部門的引導和推動下，本集團與武漢市公共交通票務管理有限公司就以華普智通卡的推廣模式，以武漢已發行的超過200萬張公交IC卡為基礎，展開合作，在武漢市建立類似香港「八達通」的「一卡通」體系。在二零零五年二月二十四日，本集團與武漢市公共交通集團有限公司（「武漢公交集團」）簽署了武漢市公共交通票務管理有限公司合資合同，至二零零六年六月已辦理完所有政府行政審批和程式審批。本集團從控股股東翦英海先生處獲得一筆無抵押附息貸款，於二零零六年七月二十六日完成併購武漢市公共交通票務管理有限公司權益事項，獲得當地政府頒發的中外合資企業營業執照。中外合資的武漢市公共交通票務管理有限公司註冊資本人民幣4000萬元，經營期限50年。武漢公交集團以評估的資產和現金合計人民幣1600萬元出資佔40%的比例，而本集團以現金人民幣2400萬元出資佔60%的比例。

本集團控股武漢市公共交通票務管理有限公司後，業已形成強勢企業：

- 本集團華普智通卡流通量成倍增長，累計卡流通量達340萬張，位列中國同類IC卡流通量前列；
- 本集團IC卡應用在武漢率先實現公交、商業零售、餐飲等「一卡多用」，成為政府宣導的「一卡通」載體，並將在計程車、加油、停車等多個行業推廣應用；

BUSINESS REVIEW

The Group was committed from the beginning to develop the Jian epayment Smart Card System into a large-scale electronic payment system which should be accepted and used throughout China. In 2006, the Company strengthened the technology research and development, sales of hardware and software, marketing and operation function. It will continue to focus on the development of "One Card Multiple Uses" system.

The Group and Wuhan traffic IC card management Limited, under the guidance and motivation from the relevant departments of Wuhan municipal government, cooperated to establish a "YikaTong" system, which was similar to the Octopus cards of Hong Kong. The work was done in accordance with the promotion mode of Jian epayment smart card system. On Feb. 24, 2005, a joint venture agreement of Wuhan Traffic was signed between the Group and Wuhan Public Transport Group (WTG). All the administrative and procedural examination and approval from local government has been completed by June 2006. On Jul. 26, 2006, the Group has completed the subscription of interests in Wuhan Traffic with the unsecured and interest-bearing loan from the controlling shareholder, Mr. Chin Ying Hoi. The new joint venture equity company was issued a business licence by local government with the operation term for 50 years. Wuhan Traffic with the character of Sino-foreign equity was injected RMB 40 million as registered capital, of which RMB 16 million was contributed by WTG with the evaluated assets and cash which represented 40% of the total registered capital of Wuhan Traffic with Sino-foreign equity, and RMB 24 million was contributed by the Group in cash which represented 60%.

The Group has become the strong enterprise after it controlled Wuhan Traffic.

- The number of Jian smart pass in issue increased in gemination, amounting to 3,400,000, ranking in front among the number of IC card in issue of the same kind in China;
- The IC card of the Group takes the leader in applying in the industries of "One Card Multiply Uses", such as bus, commercial retail and catering, which becomes the carrier of "YiKaTong" advocated by the government. It will be promoted and applied in many industries as taxies, gas station and parking;

- 本集團具備了在不同城市之間推廣IC卡小額消費一卡異城通用條件(於二零零六年十月,本集團已分別與湖北省仙桃市、大冶市公交公司簽署協議,在該等城市推廣「異城通用」業務,並將推廣到湖北省各個重要城市,實現1+N);
- The group has possessed the condition promoting One Card Passing Different Cities for small amount expenses by IC card. (The Group has signed agreements with the Public Transportation Companies in Xiantao, Daye of Hubei Province to spread "One Card Passing Different Cities", and it will extend the business to other major cities of Hubei province for the purpose of 1+N);
- 本集團控股的武漢市公共交通票務管理有限公司,已獲得政府批文大力推廣「一卡多用」和「異城通用」,並獲得湖北省各個重要城市響應,且於結算日武漢市公共交通票務管理有限公司之現金及現金等價物餘額約人民幣3,800萬元,具備成熟商業模式大規模推廣條件。本集團原有業務繼續順利開展,廣州、武漢、上海等地原有客戶咪表系統訂單穩定,截至二零零六年十二月三十一日止,本集團軟硬件銷售收入和毛利與二零零五年相對比較一致,順利完成本集團制定的生產銷售計畫。
- Wuhan Traffic controlled by the Group has obtained the official document to energetically promote "One Card Multiply Uses" and "One Card Passing Different Cities" which has been responded by the major cities of Hubei Provinces. The cash and cash equivalent balance of Wuhan Traffic is approximately RMB38 million at the balance sheet date, which has satisfied the promotion condition on a large scale for mature business mode. The Group continues to carry out the existing business, and the order number to meter for the original customers in Guangzhou, Wuhan, Shanghai, etc. keeps stable. Both the sales and gross profits of software and hardware had been kept in constant 2005 and 2006. The Group has accomplished its production sales scheme.

截至二零零六年十二月三十一日止,本集團原有用於泊車的華普智通卡流通量已達約1,400,000張(二零零五年同期:1,100,000張),比去年同期累計增長了27%。合併武漢市公共交通票務管理有限公司公交IC卡(200萬張)後,本集團卡流通量累計達3,400,000張。

As at the date ended on 31 December 2006, the number of Jian smart pass in issue applied in parking amounted to 1,400,000 units (1,100,000 units in the same period of 2005), which represents an increasing of 27% as compared to the same period of last year. The total number of Jian smart pass in issue amounted to 3,400,000 units including 2 million units from Wuhan Traffic IC Cards after the Group had acquired the company.

本集團在大力開展增加營業收入、擴大收入來源的同時,加強了本集團內部控制和機制轉化,提高員工素質減少冗餘人員,使公司之成本費用和管理費用比例有所降低,管理效率提高,集團結構和管理序列更加合理。

When the Group put great efforts on increasing operating income and enlarging income resource, it also strengthened the inside control and system conversion, enhanced the overall quality of the staff, decreased the cost and management expense, which made a much higher efficient management and more reasonable enterprise structure and management order.

研發工作

本集團利用咪表多年之應用經驗，針對中國南方空氣潮濕、多雨水引起的老款咪表顯示幕容易從內部被霧氣遮擋、老款咪表顯示資訊在日光直射下不易看清、老款咪表耗電量大、主板不夠優化等產品歷史缺陷，在原來J1000老款咪表的基礎上，重新開模，開發研製了新款J1000系列咪表，使本集團生產銷售之咪表繼續處於科技領先水準，並已投入批量生產銷售，深受用戶歡迎。

為解決上海地區使用的J1000C型列印咪表在試運營期間出現的卡紙、換紙換色帶麻煩、防水性能差等缺陷，重新組織開發研製這款機器。在印表機部分加裝總成托架，增加了出紙導板和出紙口電動門。目前這款改進後的咪表大批量安裝到上海街頭，受到用戶肯定。為解決上海咪表停車資訊資源與政府共用問題，本集團專門開發了相關系統軟件，並對上海白玉蘭公司的後臺系統進行了升級，已通過與財政局系統對接和聯調測試，運行穩定。

為進一步提高本集團軟硬件設備競爭能力和領先水準，本集團於二零零六年九月，與韓國MISCO公司簽署了聯合開發協議，擬開發出世界先進水準的IC卡應用設備和系統。

銷售與市場推廣

本集團持續向中國各城市政府及商戶推廣華普智通系統之路邊泊車系統及其它商用收費系統，在多個中國大中城市進行業務推廣工作。

本集團銷售推廣的咪表設備在按照新的市場需求進行了改造和升級之後，得到了新老用戶的廣泛認可，維持了本集團軟硬件生產銷售數量持續增長。

RESEARCH AND DEVELOPMENT

New J1000 meters were developed and launched to production and application in batch by the Group through re-molding, making good use of the application experience, in the light of some history shortcomings of the older meter, such as the display screen was easy to be covered by fog due to the moist air and much more rain in south of China which made it unclear for the information in the display screen in the vertical sunshine, enormous power consumption, ordinary design of the main board, etc., and on the basis of the older meter J1000, which kept the production and sales of our meter continually be in the leading position of science and technology and made the new meter popularized among the users.

New J1000C printing meter was re-developed to solve the problems as paper jamming, difficulty to change paper and color band, bad waterproof. A general bracket, a guide board for paper outing and electronic door at the entrance of paper outing were installed in the printing meter. Currently, this improved meter has been installed on Shanghai streets and is accepted by the customers. The Group developed relative system software and upgraded the back system of Shanghai Bai Yu Lan Intelligent Transportation System Management Co., Ltd. for the purpose of access of the information of meter and parking of Shanghai for the local government. The system software runs stable after connected and jointly adjusted the system of Financial Bureau.

For the sake of improving the competition and keeping leading position for the Group's software and hardware equipments, the Group signed a joint development agreement with MISCO of Korea on September 2006 to develop the advanced IC card application equipment and system in the world.

SALES AND MARKETING

The Group continues to promote Jian ePayment roadside parking system and other commercial fee collection systems among governments and merchant customers in various cities of China. Marketing activities has been being conducted in a number of cities.

The meter equipments promoted and sold by the Group were widely accepted by the new and older users after remolded and upgraded on the need of marketing, which remains an increasing trend of the production and sales amount of the Group.

本集團的銷售及市場推廣部門持續在咪表運營城市研究市場狀況，尋求推廣「一卡多用」市場機會。

未來發展

本公司將秉承初衷，不斷致力於發展中國智慧卡電子支付市場，令使華普智通卡應用的城市數量及流通總量不斷增加，同時逐步使每個城市的應用領域不斷擴大，形成縱向擴展應用城市數量、橫向擴展商業應用領域的全攻略局面，並使每個城市華普智通卡的最終用戶數和最終消費量實現量的巨變和質的飛躍。本公司董事（「董事」）堅信：華普智通卡一定能夠成為若干城市居民普遍擁有、經常使用的便民卡。

The Sales and Marketing Department of the Group will continue to seek opportunities to promote “One Card Multiple Uses” in the emerging markets by conducting research on the market's conditions of the cities where the parking meter has been in use.

FUTURE DEVELOPMENT

The Group has been consistently committed to the development of smart card electronic payment system market in China based on continually increasing of sales and improvement of business profitability, increasing steadily the number of cities using Jian Smart Passes. In the meantime, the application domain of each city continuously expands, a comprehensive development matrix is formed through increasing the number of cities vertically while expanding the commercial applications horizontally so as to achieve a great increase in the number of users and consumption. The directors of the Company (the “Directors”) believe that Jian Smart Passes will become convenient cards widely owned and used by the residents of a number of cities.

執行董事

翦英海先生 (主席)
楊國偉先生 (首席執行官)
李隨洋先生

獨立非執行董事

曲嘯國先生
張曉京先生
董 芳女士

註冊辦事處

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

香港總辦事處

香港灣仔軒尼詩道103號
越興大廈23樓

中國辦事處及主要營業地點

中國武漢市江漢區
江漢北路江漢北村
10號三樓

主要往來銀行

中國銀行鄭州城東路支行
中國
河南省
鄭州市
航海東路1096號

香港上海滙豐銀行
香港
皇后大道中1號

監察主任

李隨洋先生

合資格會計師

洪麗娟女士

公司秘書

陳振郎先生

EXECUTIVE DIRECTORS

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

REGISTERED OFFICE

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

HONG KONG HEAD OFFICE

23/F, Yue Hing Building
103 Hennessy Road, Wanchai, Hong Kong

CHINA OFFICE AND PRINCIPAL PLACE OF BUSINESS

3rd Floor, 10# North Village, Jiang Han North Road,
Jianghan District, Wuhan City
The PRC

PRINCIPAL BANKERS

Bank of China Zhengzhou City East Road Branch
No. 1096 Hang Hai East Road
Zhengzhou Henan Province
The PRC

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

COMPLIANCE OFFICER

Mr. Li Sui Yang

QUALIFIED ACCOUNTANT

Ms. Ang Lai Kuen

COMPANY SECRETARY

Mr. Chen Chun Long

授權代表

翦英海先生
楊國偉先生

AUTHORISED REPRESENTATIVES

Mr. Chin Ying Hoi
Mr. Yang Guo Wei

審核委員會成員

曲嘯國先生
張曉京先生
董 芳女士

MEMBERS OF THE AUDIT COMMITTEE

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

主要股份過戶登記處

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

PRINCIPAL SHARE REGISTRAR

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

香港股份過戶登記分處

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

核數師

羅申美會計師行
執業會計師
香港
告士打道一三八號
聯合鹿島大廈七字樓

AUDITORS

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

本公司之法律顧問

湖北熾升律師事務所
中國
湖北省武漢市江漢區
興城大廈
A座301室

LEGAL ADVISERS TO THE COMPANY

Hubei Chi Sheng Law Office A301 Xing Cheng Building
Jiangnan District Wuhan, Hubei Province
The PRC

董事

執行董事

翦英海先生，45歲，本集團主席。翦先生負責本集團之整體戰略規劃。彼為北京大學現代化進程研究中心研究員，於策略規劃方面積逾十七年經驗，為中國人民政治協商會議全國委員會委員，亦為北京市工商業聯合會執行委員會委員及中華海外聯誼會理事。

楊國偉先生，53歲，本集團執行董事兼首席執行官，負責本集團之整體營運。楊先生於二零零四年四月加入本集團，擁有超過二十三年經營管理多家公司之經驗，並在此等企業擔任高級職位。楊先生曾於中國、日本及美國接受高等教育。

李隨洋先生，50歲，本集團執行董事兼副總經理。李先生於一九九六年十月加入本集團，負責本集團之整體市場發展。彼持有中國西北大學經濟管理碩士學位，擁有十年大學教書經歷，並於中國零售、房地產及電子業之市場發展方面擁有逾十四年經驗。

獨立非執行董事

曲嘯國先生，36歲，持有清華大學工商管理碩士學位，現為北京隆安信財務諮詢有限公司之總經理，於二零零四年九月二十八日獲委任為獨立非執行董事。

張曉京先生，52歲，持有北京科技大學工程學士學位，現為北京萬泰北海大廈有限公司之董事總經理，於二零零一年十月二十六日獲委任為獨立非執行董事。

董芳女士，60歲，持有北京對外貿易學院國際貿易學士學位，現為Grand Rise Investment Ltd.之主席，於二零零一年十月二十六日獲委任為獨立非執行董事。

DIRECTORS

Executive Directors

Mr. Chin Ying Hoi (翦英海), aged 45, is the chairman of the Group. Mr. Chin is responsible for the overall strategic planning of the Group. He is a researcher of 現代化進程研究中心 (Research Centre of the Development and Modernization of the PRC) at Peking University. He has over 17 years' experience in strategic planning. He is a member of Chinese People's Political Consultative Conference. He is also an executive member of Beijing Federation of Industry and Commerce and a member of All-China Overseas Federation.

Mr. Yang Guo Wei (楊國偉), aged 53, is an executive director and the chief executive officer of the Group and in charge of the Group's operation. Mr. Yang joined the Company in April 2004 and has more than 23 years experience in operation and management of various companies and held senior position in these companies. Mr. Yang had been tertiary educated in the PRC, Japan and the USA.

Mr. Li Sui Yang (李隨洋), aged 50, is an executive director and a deputy general manager of the Group. Mr. Li joined the Group in October 1996 and is responsible for overall market development of the Group. He holds a master's degree of economic administration from North-west China University. He was a lecturer at Xian Statistics College. He has over 14 years' experience in market development in retail, real estate and electronics industry in the PRC.

Independent non-executive Directors

Mr. Qu Xiao Guo (曲嘯國), aged 36, holder of a master degree in business administration from The Tsinghua University, is the General Manager of Beijing Long An Xin Finance Consulting Company Limited. He was appointed as independent non-executive director on 28 September 2004.

Mr. Zhang Xiao Jing (張曉京), aged 52, holds a bachelor's degree of engineering from Beijing Science and Technology University. He is the managing director of Beijing CNT Manhattan Building Co. Ltd.. He was appointed as independent non-executive director on 26th October, 2001.

Ms. Tung Fong (董芳), aged 60, holds a bachelor's degree of international trade from Beijing Foreign Trade Institute. She is the chairman of Grand Rise Investment Ltd. She was appointed as independent non-executive director on 26 October 2001.

高層管理人員

洪麗娟女士，40歲，本集團財務總監，洪女士於二零零五年六月加入本集團，洪女士擁有逾十六年核數、會計及財務管理經驗。彼為執業會計師、特許公認會計師公會資深會員、香港會計師公會會員和特許管理會計師公會會員。

陳振郎先生，32歲，本集團公司秘書。於二零零五年十月加入本集團，彼為香港會計師公會之會計師，曾任上市公司財務總監，於審計、會計及財務等方面擁有逾七年的經驗，彼持有英國斯特林大學碩士學位。

常翔女士，52歲，本集團副總，負責本集團資本財務工作。常女士於二零零四年九月加入本集團，畢業於瀋陽工業大學。在中國企業財務管理方面擁有逾二十四年經驗。

宋衛先生，40歲，本集團副總，負責本集團業務工作。宋先生於二零零二年六月加入本集團，彼持有北京科技大學工學士學位。曾任北京海華通訊公司福州分公司、天津分公司總經理；北京東方網景資料通訊有限公司市場部經理等職。於中國之IT服務業擁有逾十三年經驗。

任人先生，44歲，本集團總工程師，負責研究開發工作。任先生於二零零四年九月加入本集團，彼持有吉林大學工學碩士學位。曾任廣州德生科技有限公司技術總監、廣州神通科技有限公司技術總監、東莞奇生科技有限公司研發工程師。於中國之電子工程業方面擁有逾十年的經驗。

SENIOR MANAGEMENT

Ms. Ang Lai Kuen (洪麗娟), aged 40, is the Financial Controller of the Group since June 2005. Ms. Ang has over 16 years of experience in auditing, accounting and financial management. She is a Certified Public Accountants (Practising), a fellow member of the Association of Chartered Certified Accountants and an associate member of both Chartered Institute of Management Accountants and Hong Kong Institute of Certified Public Accountants.

Mr. Chen Chun Long (陳振郎), aged 32, is the Company Secretary of the Group. Mr. Chen joined the Group in October 2005. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants. He was the financial controller of a listing company with seven years' experience in the auditing, accounting and finance. He holds a master degree in Banking and Finance of University of Stirling.

Ms. Chang Xiang (常翔), aged 52, is the deputy general manager and responsible for the equity and finance function of the Group. Ms. Chang joined the Group in September 2004. She graduated from Shenyang Industry University, and has over 24 years' experience in the corporate financial management of China.

Mr. Sung Wei (宋衛), aged 40, is the deputy general manager and responsible for the operation of the Group. Mr. Sung joined the Group in June, 2002. He holds a degree of Engineering from 北京科技大學. He used to work as a general managers in Fuzhou and Tianjin branches of 北京海華通訊公司. And he was the manager of the marketing department in 北京東方網景資料通訊有限公司. He has over 13 years' experience in IT services industry in PRC.

Mr. Ren Ren (任人), aged 44, is chief engineer of the group and responsible for research and development work. Mr. Ren joined the group in September 2004. He holds a Engineering master's degree of Jilin University. He used to work as a Technical Director of Guangzhou Tecsun Science & Technology and of Guangzhou Shentong Digital Corporation. He was a research engineer in Dongguan Qisheng Technology Limited. He has more than a decade of experience in Electronic engineering industry in PRC.

劉世傑先生，51歲，本集團運營總監兼武漢市公共交通票務管理有限公司總經理。劉先生於二零零六年七月加入本集團。彼持有華中科技大學經濟學碩士學位，曾任武漢市公共汽車總公司副總經理。合資前任武漢市公共交通票務管理有限公司總經理，於武漢市大型公共交通企業高層管理方面擁有二十三年經驗。

劉瑛先生，50歲，本集團市場總監，負責本集團市場開發工作。劉先生於二零零一年十二月加入本集團，彼畢業於北京經濟學院。曾任北京華普超市有限公司副總經理、北京華普科技有限公司副總經理等職。於中國商業零售、電子科技行業擁有逾二十年市場推廣和行政管理工作經驗。

Mr. Shijie Liu (劉世傑), aged 51, is the Business Manager of the Group and general manager of Wuhan Traffic IC card management Limited. Mr. Liu joined the group in July 2006. He holds an a master's degree in economics of Huazhong University of Science and Technology. He served as vice president of 武漢市公共汽車總公司. He has been the general manger of Wuhan Traffic IC card management Limited before the company was changed to a joint-venture company. He has worked as senior management in Wuhan large-scale public transport enterprise for 23 years.

Mr. Liu Ying (劉瑛), aged 50, is the marketing manager of the Group. Mr. Liu is responsible for the market development for the group, he joined the group in December 2001, he graduated from Capital University of Economics and Business. He has been the vice president of Beijing JianeP Supermarkets and vice president of JianeP System Limited. He has more than 20 years experience of marketing and management in Retail business and electronic technology industry in China.

董事會謹此呈覽華普智通系統有限公司（「本公司」）及其附屬公司（以下統稱「本集團」）截至二零零六年十二月三十一日止年度之年報連同經已審核之賬目。

主要業務及運營地區之分析

本集團為一間投資控股公司。各附屬公司主要從事開發經營後臺電子收支及資料記錄與處理的軟件系統，以及相關商業應用的製造與營銷。

本集團截至二零零六年十二月三十一日止年度的營業額按產品種類分析列示如下：

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
軟硬件銷售收入	Sales of hardware and software	5,107	14,077
交易徵費	Transaction levies	4,337	1,871
已發行智能卡之租金收入	Rental income from smart cards issued	1,121	-
廣告收入	Advertising income	71	-
總計	Total	10,636	15,948

截至二零零六年十二月三十一日止年度，本集團之營業額及收益主要來自於中華人民共和國（「中國」）從事軟硬件銷售、交易徵費之業務。

業績及分派

本集團年度之業績載於第32頁之綜合損益表內。

董事建議不派發股息。

儲備

本集團及本公司在本年度之儲備變動載於財務報表附註26。

The directors submit their annual report together with the audited accounts of Jian ePayment Systems Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 December 2006.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

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

An analysis of the Group's turnover by product category for the year ended 31 December 2006 is as follows:

For the year ended 31 December 2006, substantially all the turnover and revenue of the Group were attributable to the sales of hardware and software and transaction levies in the People's Republic of China (the "PRC").

RESULTS AND APPROPRIATIONS

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

The directors do not recommend the payment of a dividend.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in Note 26 to the financial statements.

固定資產

本集團之固定資產變動詳情載於財務報表附註15。

股本

本公司之股本變動詳情載於財務報表附註25。

可供分派儲備

於二零零六年十二月三十一日，本公司並無可供分派予其股東之儲備（二零零五年：無）。

優先購股權

本公司的公司章程中並未對優先購股權作為規定，且開曼群島法律並無對該等權力作出限制。

財務概要

本集團上五個財政年度之業績及資產與負債概要載於第97頁。

購買、出售或贖回股份

本公司於年內並無贖回本身之股份。本公司及各附屬公司於年內亦無購回或出售任何本公司之股份。

其他貸款

二零零二年十一月三十日，本公司向獨立第三方（「認購人」）發行價值10,000,000港元（相當於等值人民幣10,611,000元）之可換股票據。該可換股票據可轉換為4,000,000股本公司股份，每股初步換購價2.50港元（可予調整）。認購人亦可選擇於二零零二年十一月十八日（可換股票據認購日）起計之六個月內以10,000,000港元認購每股換購價為3.00元之第二張可換股票據。於二零零三年五月十八日，認購人並未行使其選擇權以認購第二張可換股票據。

以上可換股票據均於發行兩年後到期。債券持有人可於可換股票據發行日期起十二個月後行使換股權。每次換股需以2,000,000港元之完整倍數為單位。

FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in Note 15 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in Note 25 to the financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2006, the Company has no reserve (2005: Nil) available for distribution to its shareholders.

PRE-EMPTIVE RIGHTS

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

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 97.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

OTHER LOAN

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

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

尚未轉換之可換股票據均按香港上海滙豐銀行有限公司於有關計息期之最後營業日向客戶所報之港元最優惠貸款利率加1%之年利率計息。

二零零四年十一月十八日本集團與可換股票據持有人達成協定，歸還票據本金和利息計約5,300,000港元。

本公司已於二零零五年向可換股票據持有人償還500,000港元。於本年度內，本公司已向可換股票據持有人償還合共2,200,000港元。未償還本金尚餘約2,500,000港元。

購股權

根據二零零一年十一月十九日本公司採納的購股權計劃（「購股權計劃」），本公司將授權購股權計劃的參與者認購本公司股票。參加者包括僱員（包括董事），以及經由董事會或其正式獲授權之委員會（「董事會」），全權酌情認為對本集團發展做出貢獻的本集團若干顧問、供應商和客戶。

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

根據購股權計劃授出的任何購股權可於自授出日起不得超過十年之期間內任何時間行使。

認購價由董事會決定，但不得超過以下最高者：
(i) 授出日該股份在創業板所報的收市價；(ii) 授出日之後五個工作日該股份在創業板所報的平均收市價；(iii) 授出日該股份之面值。

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

On 18 November 2004, the Group entered into an agreement with the convertible note-holders to redeem note principal and accrued interest of approximately HK\$5,300,000.

The Company has repaid HK\$500,000 to convertible note-holders in 2005. During this year, the Company has repaid a total of HK\$2,200,000 to convertible-note-holders. The outstanding principal is remaining approximately HK\$2,500,000.

SHARE OPTIONS

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

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

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

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

於二零零六年十二月三十一日，根據計劃已授出但仍未行使之購股權詳情如下：

Details of the share options outstanding as at 31 December 2006 which have been granted under the scheme are as follows:

		於二零零六年 一月一日	年內授出	年內行使	年內失效	於二零零六年 十二月 三十一日	行使期前 行使價	授出日期	行使期由	行使期至	行使期前 公司股價 Closing price of the Company's share before date of grant
		At 1 January 2006 during the year	Granted during the year	Exercise during the year	Lapsed during the year	At 31 December 2006	Exercise price	Grant date	Exercisable date	Exercisable until	
董事	Directors	3,700,000	-	-	700,000	3,000,000	2.35港元 HK\$2.35	31/05/2002	31/05/2002	30/05/2007	2.35港元 HK\$2.35
員工	Employee	10,700,000	-	-	1,200,000	9,500,000	2.35港元 HK\$2.35	31/05/2002	31/05/2002	30/05/2007	2.35港元 HK\$2.35
其他人士	Others	13,200,000	-	-	-	13,200,000	2.35港元 HK\$2.35	31/05/2002	31/05/2002	30/05/2007	2.35港元 HK\$2.35
其他人士	Others	3,000,000	-	-	-	3,000,000	2.03港元 HK\$2.03	16/08/2002	16/08/2002	15/08/2007	2.03港元 HK\$2.03
		30,600,000	-	-	1,900,000	28,700,000					

本年度內以上股權並未行使或贖回。

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

由於計算該項購股權的一些關鍵性變數不能決定，董事認為對於確定於本年度根據所購新購股權計劃所授出的購股權價格並不恰當。決定該購股權中的一些關鍵性變數，包括於行使該項購股權時之認購價，在某些情況下可能調整，且不肯定承授人是否將會行使該項購股權。鑒於購股權的時限長度以及認購價和據此認購之股份數量可能在行使該項購股權所附之認購權之前有所調整，董事認為購股權的價值取決於眾多難於確定或僅能在理論及推測假設基礎上確定之變數。因此，董事認為，在此情況下，任何關於購股權價格之計算將無意義並誤導股東。

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

董事

本年度內在任之董事如下：

執行董事：

翦英海先生 (主席)
楊國偉先生 (首席執行官)
李隨洋先生

獨立非執行董事：

曲嘯國先生
張曉京先生
董芳女士

根據本公司章程，三分之一董事均輪值告退，彼等符合資格並願意在即將召開之股東周年大會上應選連任。

董事服務合約

概無董事及於即將召開之股東周年大會上提呈股東批准應選之董事與本公司或其他任何附屬公司簽訂除支付法定賠償外不能於一年內終止之服務合約。

董事及控股股東之合約權益

除於財務報表附註30所示關聯人士交易除外，於年終或本年度任何時間，概無任何由本公司或其他附屬公司就本集團之業務而訂立，且本公司之董事、控股股東或管理層成員在其中擁有直接或間接重大權益之重大合約。

董事及高級管理人員之個人簡歷

董事及高級管理人員之個人簡歷載於第14頁至第16頁。

DIRECTORS

The directors during the year were:

Executive Directors:

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

Independent Non-executive Directors:

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

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

DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save for the related party transactions set out in Note 30 to the financial statements, no contracts of significance in relation to the Group's business to which the Company or its fellow subsidiaries was a party and in which a director, controlling shareholder or management staff of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out on pages 14 to 16.

董事權益披露

於二零零六年十二月三十一日，本公司董事或主要行政人員於本公司或其他相聯法團（定義見證券及期貨條例第XV部）之股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部而須知會本公司及聯交所，或根據證券及期貨條例第352條或根據創業板上市規則第5.40條有關董事進行證券買賣而須於該條例所述登記冊之權益（包括根據證券及期貨條例之有關條款當作或視作擁有之權益或淡倉）如下：

DISCLOSURE OF DIRECTORS' INTERESTS

As at 31 December 2006, the interest of the Directors and the chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.40 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

股份及相關股份好倉盤總額

Aggregate long positions in shares and underlying shares

董事	公司名稱	股份類別	個人權益	家屬權益	公司權益	好倉盤總計百分比
Director	Name of company	Class of shares	Personal interests	Family interests	Corporate interests	Aggregate percentage of long position
翦英海先生	本公司	普通股	2,000,000股相關股份，佔於當時已發行股份之0.5% (附註1)	—	286,800,000股股份，佔當時已發行股份之71.7% (附註2)	72.2% (附註3)
Mr. Chin Ying Hoi	The Company	ordinary	2,000,000 underlying shares representing 0.5% of the shares then in issue (Note1)	—	286,800,000 shares representing 71.7% of the shares then issued (Note 2)	72.2% (Note 3)
翦英海先生	Union Perfect International Limited	普通股	105股每股面值1.00美元之股份，佔當時已發行股份之100%	—	—	
Mr. Chin Ying Hoi	Union Perfect International Limited	ordinary	105 shares of US\$1.00 each representing 100% of the shares then in issue	—	—	

附註1：此乃本公司授予翦英海先生一份購股權所涉及之相關股份（詳情載於下文）。該百分比乃按二零零六年十二月三十一日已發行之400,000,000股股份計算。

Note 1: These are the underlying shares of the Company in respect of which an option was granted to Mr. Chin Ying Hoi (details of which are set out below). The percentage was calculated on the basis of 400,000,000 shares in issue as at 31 December 2006.

附註2：該等股份透過由翦英海先生擁有100%之Union Perfect International Limited所持有。

Note 2: These shares were held through Union Perfect International Limited, which is beneficially owned as to 100% by Mr. Chin Ying Hoi.

附註3：按二零零六年十二月三十一日已發行之400,000,000股股份計算。

Note 3: Based on 400,000,000 shares in issue on 31 December 2006.

相關股份好倉盤總額

非上市實物交收股本衍生工具

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

AGGREGATE LONG POSITIONS IN UNDERLYING SHARES

Unlisted physically settled equity derivatives

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

董事姓名	授出日期及 已歸屬購股權的 歸屬期	歸屬百分比 (附註)	每股股份行使價	於二零零六年 十二月三十一日 根據購股權 尚未行使之 股份數目
				Outstanding number of share under option as at 31 December 2006
Name of Director	Date of grant and the vesting period of vested options	Vesting percentage (Note)	Exercise price per share	
翦英海先生 Mr. Chin Ying Hoi	二零零二年五月三十一日 31 May 2002	100%	2.35港元 HK\$2.35	2,000,000 2,000,000
李隨洋先生 Mr. Li Sui Yang	二零零二年五月三十一日 31 May 2002	100%	2.35港元 HK\$2.35	1,000,000 1,000,000

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

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

截至二零零六年十二月三十一日止年度，以上之購股權並無已行使、註銷或失效。

None of the above options were exercised, cancelled or lapsed during the year ended 31 December 2006.

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

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

相關股份淡倉盤總額

非上市實物交收股本衍生工具

AGGREGATE SHORT POSITIONS IN UNDERLYING SHARES

Unlisted physically settled equity derivatives

董事姓名 Name of Director	公司名稱 Name of Company	淡倉盤股份數目 Number of shares in short position
翦英海先生 Mr. Chin Ying Hoi	本公司 The Company	39,000,000股股份，佔當時已發行股份之9.75%(附註) 39,000,000 shares representing 9.75% of shares then issued. (Note)

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

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

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

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

主要股東於本公司股份、相關股份之權益及淡倉

於二零零六年十二月三十一日，根據證券及期貨條例第336條規定而設立的名冊資料顯示，下列主要股東及人士(不包括本公司董事或主要行政人員)持有本公司股份或淡倉之權益：

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2006, the following substantial shareholder and person (other than a director or chief executive of the Company) who have interests or short positions in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

股份好倉盤總額

Aggregate long positions in shares

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

相關股份淡倉盤總額
非上市實物交收股本衍生工具

AGGREGATE SHORT POSITION IN UNDERLYING SHARES
Unlisted physically settled equity derivatives

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

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

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

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

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

管理合約

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

MANAGEMENT CONTRACTS

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

主要客戶及供應商

本集團之主要供應商及客戶佔本集團是年度之採購及銷售額百分比如下：

MAJOR CUSTOMERS AND SUPPLIERS

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

採購額

- 最大供應商
- 五位最大供應商合計

銷售額

- 最大客戶
- 五位最大客戶合計

Purchases

- the largest supplier 14%
- five largest suppliers combined 52%

Sales

- the largest customer 37%
- five largest customers combined 99%

於二零零六年十二月三十一日，本公司一位董事對以下本集團的客戶擁有權益：

As at 31 December 2006, a director of the Company had interests in the following customers of the Group:

董事 Director	客戶名稱 Name of customers	所持權益 Interests held
翦英海先生 Mr. Chin Ying Hoi	威海天創電子智能系統有限公司 Weihai TianChuang Electronic System Co., Ltd.	20%
翦英海先生 Mr. Chin Ying Hoi	海口華普立得泊車管理有限公司 Haikou Huapu Lide Parking Management Co., Ltd.	20%
翦英海先生 Mr. Chin Ying Hoi	北京華普道路泊車建設管理有限公司 Beijing Huapu Roadside Parking Facilities Construction and Management Co., Ltd.	80%
翦英海先生 Mr. Chin Ying Hoi	上海白玉蘭智能交通系統管理有限公司 Shanghai Bai Yu Lan Intelligent Transportation System Management Co., Ltd.	40%

除以上披露者外，據董事所知，擁有本公司5%以上股本權益之本公司董事、彼等之聯繫人士或任何股東並無於本公司的最大五名客戶及最大五名供應商中擁有任何權益。

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

關聯交易

本集團於截至二零零六年十二月三十一日止年度進行之重大關聯人士交易(即根據香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)構成關聯交易者)，乃載於財務報表附註30。

CONNECTED TRANSACTIONS

The significant related party transactions entered by the Group during the year ended 31 December 2006, which constitute connected transactions under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), are disclosed in Note 30 to the financial statements.

企業管治報告

企業管治常規

於截至二零零六年十二月三十一日止年度，本公司已一直遵守創業板上市規則第5.34及第5.45條所載的董事會常規及程序規定。

CORPORATE GOVERNANCE REPORT

Corporate Governance Practices

The Company has complied with the board practice and procedures as set out in Rules 5.34 and 5.45 of the GEM Listing Rule throughout the year ended 31 December 2006.

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，有關條款的嚴格程度不遜於創業板上市規則第5.46至5.67條所載的規定的買賣準則。經向全體董事作出特別查詢後，全體董事已確認彼等已於截至二零零六年十二月三十一日止年度一直遵守規定的買賣準則及本公司採納的有關董事進行證券交易的行為守則。

獨立非執行董事

本公司已確認，根據創業板上市規則第5.09條，本公司已接獲各名獨立非執行董事每年的獨立性確認書，並認為全體獨立非執行董事是獨立的。

審核委員會

審核委員會由三名獨立非執行董事曲嘯國先生、張曉京先生及董芳女士組成。年內，審核委員會召開過四次會議。審核委員會的主要職責是審閱及監控本集團的財務申報程序及內部監控制度。

主席及首席執行官

楊國偉先生（「首席執行官」）為其中一名執行董事，亦為本公司的首席執行官。主席及首席執行官的職責清楚劃分，主席肩負領導之責，須管理董事會及制訂公司的策略，而首席執行官則負責執行公司的策略。

董事會主席負責領導董事會確立企業的方向，並監控企業策略及與本集團長遠發展計劃的實施及為股東創造價值。

首席執行官負責管理本集團業務的營運、向董事會提呈策略、籌備計劃及預測，以及實行董事會採納的計劃和政策。

Directors' Securities Transactions

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the year ended 31 December 2006.

Independent Non-executive Directors

The Company confirmed that annual confirmations of independence were received from each of the Company's independent non-executive directors pursuant to Rule 5.09 of the GEM Listing Rules and all independent non-executive directors are considered to be independent.

Audit Committee

The audit committee comprises three independent non-executive directors, Mr. Qu Xiao Guo, Mr. Zhang Xiao Jing, Ms. Tung Fong. During the year, the audit committee held four meetings. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group.

Role of Chairman and Chief Executive Officer

Mr. Yang Guo Wei ("Chief Executive Officer") being one of the executive Directors, is the CEO of the Company. There is segregation of duties between the Chairman's responsibility for leadership and management of the Board and the Company's strategy, and the CEO's responsibility to implement the Company's strategy.

The Chairman of the Board is responsible for leading the Board of Directors in establishing corporate directions and monitoring the implementation of the corporate strategies and plans for the long term development of the Group and to create value for shareholders.

The CEO is responsible for managing the operation of the Group's businesses, proposing strategies to the Board, preparing plans and forecast and the implementation of plans and policies adopted by the Board.

薪酬委員會

薪酬委員會乃成立以檢討薪酬政策及審批所有執行董事及高級行政人員之薪金及花紅，並檢討集團之薪酬政策及審批授出購股權。薪酬委員會由三名獨立非執行董事組成，包括曲嘯國先生(主席)、張曉京先生及董芳女士。由於委員會維持與二零零五年相若之薪酬政策，因此於二零零六年並無舉行會議。所有委員會成員均為獨立非執行董事。並無執行董事參與有關其本身薪酬的討論。

董事酬金及退休福利於財務報表附註14披露。購股權計劃及授出購股權的詳情於財務報表附註25披露。

原保薦人權益

於二零零六年十二月三十一日，東英亞洲有限公司(「東英」)、其董事、員工或聯繫人士(如創業板上市規則第6.35條之附註3所述)對本公司的13,200,000股股份及於二零零二年八月十六日獲授的尚未行使的購股權(以支付代價之形式)擁有權益，該等購股權之持有人可以每股2.03港元的認購價認購3,000,000股本公司每股面值0.05港元之股份。

審核委員會

本公司已成立審核委員會並參考創業板上市規則所載之規定書面列明其職權範圍。

審核委員會之主要職責為檢討及監督本集團之財務申報程序及內部監控系統。審核委員會由三位獨立非執行董事曲嘯國先生、張曉京先生及董芳女士組成。審核委員會已審閱本集團截至二零零六年十二月三十一日止年度之經審核財務報表。

Remuneration Committee

The Remuneration Committee was set up to review the remuneration policies and approved the salary and bonus of the executive Directors and certain key executives, reviewed the remuneration policy of the Group and approved the granting of options. The remuneration committee comprises of the three independent non-executive Directors, namely, Mr. Qu Xiao Guo (Chairman), Mr. Zhang Xiao Jing and Ms. Tung Fong. No meeting was held in 2006 as the Committee has maintained the remuneration policies as similar as year of 2005. All Committee members are independent non-executive directors. No executive Director takes part in any discussion about his own remuneration.

Directors' emoluments and retirement benefits are disclosed in note 14 to the financial statements. Details of the share option schemes and the granting of options are disclosed in note 25 to the financial statements.

Ex-Sponsor's Interest

As at 31 December 2006, Oriental Patron Asia Limited ("Oriental Patron"), its directors, employees or associates (as referred in note 3 of Rule 6.35 of the GEM Listing Rules) are interested in 13,200,000 shares of the Company and outstanding options granted on 16 August 2002 at consideration. The holders of the options are entitled to subscribe for 3,000,000 shares of the Company of HK\$0.05 each at an exercise price of HK\$2.03 per share.

Audit Committee

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

The primary duties of the audit committee are to review and provide supervision over the financial reporting process and internal control system of the Group. The audit committee comprises three independent non-executive directors, Mr. Qu Xiao Guo, Mr. Zhang Xiao Jing and Ms. Tung Fong. The Group's audited financial statement for the year ended 31 December 2006 has been reviewed by the audit committee.

競爭性權益

本公司各董事及管理層股東(定義見創業板證券上市規則)概無於任何與本集團業務構成競爭或可能構成競爭之業務中擁有權益。

核數師

本賬目已由羅申美會計師行審核。

董事會代表

華普智通系統有限公司

翦英海

主席

中國北京，二零零七年三月二十八日

Competing Interests

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

Auditor

These accounts have been audited by Messrs RSM Nelson Wheeler.

By Order of the Board

Jian ePayment Systems Limited

Chin Ying Hoi

Chairman

Beijing, the PRC, 28 March 2007

致華普智通系統有限公司*(於開曼群島註冊成立之有限公司)***全體股東**

本核數師應聘審核第30至第96頁所載華普智通系統有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之財務報表，其中包括於二零零六年十二月三十一日之綜合及公司資產負債表，以及截至該日止年度之綜合損益表、綜合權益變動表及綜合現金流量表及重要會計政策概要及其他說明附註。

董事就財務報表需承擔的責任

貴公司董事須遵照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則及香港公司條例之披露規定，負責編製並真實兼公平地呈列此等財務報表。此責任包括設計、實行及維持與編製並真實兼公平地呈列財務報表有關之內部監控，以確保其並無重大錯誤陳述(不論其由欺詐或錯誤引起)；選擇並應用適當會計政策；及按情況作出合理之會計估算。

核數師之責任

本核數師之責任是根據審核之結果對此等財務報表作出意見，並僅向閣下匯報本核數師之意見，而別無其他用途。本核數師不會就本報告之內容向任何其他人士負責或承擔法律責任。本核數師之審核工作按照香港會計師公會頒佈之香港審計準則進行。該等準則要求本核數師遵守操守規定以及計劃及進行審核以合理確定此等財務報表是否不存在重大之錯誤陳述。

保留意見之基礎

本核數師留意到財務報表附註2中載述 貴集團截至二零零六年十二月三十一日止年度產生虧損約為人民幣22,373,000元，而於二零零六年十二月三十一日，貴集團之流動負債淨額及負債淨額分別約為人民幣33,884,000元及人民幣23,052,000元。此等狀況顯示 貴集團之持續經

To The Shareholders of**JIAN ePAYMENT SYSTEMS LIMITED***(Incorporated in the Cayman Islands with limited liability)*

We were engaged to audit the financial statements of Jian ePayment Systems Limited (the "Company") set out on pages 30 to 96, which comprise the consolidated and Company balance sheets as at 31 December 2006, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

BASIS FOR DISCLAIMER OF OPINION

We draw attention to note 2 to the financial statements which mentions that the Group incurred a loss of approximately RMB22,373,000 for the year ended 31 December 2006 and as at 31 December 2006 the Group had net current liabilities and net liabilities of approximately RMB33,884,000 and RMB23,052,000 respectively. These conditions indicate the

營基準有潛在嚴重不明朗因素。財務報表已按持續經營基準編製，其有效性取決於貴集團所推行措施能取得成功（如財務報表附註2所述），以確保貴集團具有充足現金資源應付其未來營運資金及財務需求。貴公司董事估計，因應貴集團所推行措施之成功結果，於資產負債表結算日應付董事翦英海先生及其他債權人之款項約人民幣14,500,000元將予以資本化，撥作貴公司之股本，而貴集團將收取一筆新資金約人民幣33,950,000元以為貴集團之目前業務提供資金。財務報表並不包括因貴集團所推行之措施未能成功而導致需作出之任何調整。本核數師認為，嚴重不明朗因素已於財務報表中作出充分披露。然而，鑒於有關貴集團所推行之措施能否取得成功並不明朗，故本核數師對有關持續經營基準之重要不明朗因素並不發表意見。

保留意見：按財務報表作出之保留意見

鑒於上述有關持續經營基準之重要不明朗因素的重大影響，本核數師未能就該財務報表是否按照香港財務報告準則，真實兼公平地顯示貴公司及貴集團於二零零六年十二月三十一日之財務狀況及貴集團截至該日止年度之業績和現金流量發表意見。在所有其他重大方面，本核數師認為財務報表已按照香港公司條例的披露要求妥為編製。

羅申美會計師行
執業會計師
香港

二零零七年三月二十八日

existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome of the measures undertaken by the Group as described in note 2 to the financial statements to ensure that adequate cash resources are available to the Group to meet its future working capital and financial requirements. The directors of the Company estimate that, resulting from the successful outcome of the measures undertaken by the Group, the amounts of approximately RMB14.5 million due to a director, Mr. Chin Ying Hoi, and other creditors at the balance sheet date will be capitalised as the share capital of the Company and the Group will receive a new fund of approximately RMB33.95 million to finance the Group's current operations. The financial statements do not include any adjustments that would result from the failure of the measures undertaken by the Group. We consider that the material uncertainty has been adequately disclosed in the financial statements. However, in view of the extent of the uncertainty relating to the success of the measures undertaken by the Group, we disclaim our opinion in respect of the material uncertainty relating to the going concern basis.

DISCLAIMER OF OPINION: DISCLAIMER ON VIEW GIVEN BY FINANCIAL STATEMENTS

Because of the significance of the material uncertainty relating to the going concern basis as described above, we do not express an opinion on the financial statements as to whether they give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2006 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

28 March 2007

綜合損益表

截至二零零六年十二月三十一日止年度

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2006

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			二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
		附註 Note		
營業額	Turnover	7	10,636	15,948
銷售及服務成本	Cost of sales and service		(4,029)	(6,469)
毛利	Gross profit		6,607	9,479
其他收入	Other income	7	5,277	11,874
分銷成本	Distribution costs		(172)	(1,520)
行政開支	Administrative expenses		(20,451)	(18,048)
商譽減值虧損	Impairment loss on goodwill	18	(12,696)	-
經營（虧損）／溢利	(Loss)/profit from operations	8	(21,435)	1,785
財務費用	Finance costs	9	(813)	(376)
除稅前（虧損）／溢利	(Loss)/profit before tax		(22,248)	1,409
所得稅開支	Income tax expense	10	(125)	(126)
本年度（虧損）／溢利	(Loss)/profit for the year		(22,373)	1,283
以下應佔：	Attributable to:			
本公司權益持有人	Equity holders of the Company		(21,477)	1,283
少數股東權益	Minority interests		(896)	-
			(22,373)	1,283
每股（虧損）／盈利	(Loss)/earnings per share			
基本	Basic	13	(RMB0.054)	RMB0.003
攤薄	Diluted	13	N/A	N/A

綜合資產負債表

於二零零六年十二月三十一日

CONSOLIDATED BALANCE SHEET

At 31 December 2006

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			二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
	附註 Note			
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	15	10,832	2,682
商譽	Goodwill	18	-	-
			10,832	2,682
流動資產	Current assets			
存貨	Inventories	19	2,390	570
貿易及其他應收款	Trade and other receivables	20	22,260	9,187
應收一間關聯公司	Due from a related company	30	20	20
銀行及現金結存	Bank and cash balances		41,803	5,305
			66,473	15,082
流動負債	Current liabilities			
貿易及其他應付款	Trade and other payables	21	62,798	13,937
應付一間關聯公司	Due to a related company	30	10	10
客戶之保證金	Deposits from customers		4,592	805
應付一位董事	Due to a director	23	30,438	6,314
其他貸款	Other Loan	22	2,519	4,912
			100,357	25,978
流動負債淨額	Net current liabilities		(33,884)	(10,896)
負債淨額	NET LIABILITIES		(23,052)	(8,214)
資本及儲備	Capital and reserves			
股本	Share capital	25	21,208	21,208
儲備	Reserves	26	(50,899)	(29,422)
本公司權益持有人 應佔權益	Equity attributable to equity holders of the Company		(29,691)	(8,214)
少數股東權益	Minority interests		6,639	-
總權益	TOTAL EQUITY		(23,052)	(8,214)

董事會於二零零七年三月二十八日批准

Approved by the Board of Directors on 28 March 2007

翦英海
Chin Ying Hoi
董事
Director

楊國偉
Yang Guo Wei
董事
Director

資產負債表

BALANCE SHEET

於二零零六年十二月三十一日

At 31 December 2006

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			二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
	附註 Note			
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	15	37	-
於附屬公司之投資	Investments in subsidiaries	16	-	-
			37	-
流動資產	Current assets			
貿易及其他應收款	Trade and other receivables	20	103	52
應收附屬公司	Due from subsidiaries	17	12,156	4,976
銀行及現金結存	Bank and cash balances		730	13
			12,989	5,041
流動負債	Current liabilities			
貿易及其他應付款	Trade and other payables	21	7,131	4,024
應付附屬公司	Due to subsidiaries	17	3,534	3,486
應付一位董事	Due to a director	23	29,081	5,205
其他貸款	Other loan	22	2,519	4,912
			42,265	17,627
流動負債淨額	Net current liabilities		(29,276)	(12,586)
負債淨額	NET LIABILITIES		(29,239)	(12,586)
資本及儲備	Capital and reserves			
股本	Share capital	25	21,208	21,208
儲備	Reserves	26	(50,447)	(33,794)
總權益	TOTAL EQUITY		(29,239)	(12,586)

董事會於二零零七年三月二十八日批准

Approved by the Board of Directors on 28 March 2007

翦英海
Chin Ying Hoi
董事
Director

楊國偉
Yang Guo Wei
董事
Director

綜合權益變動表

截至二零零六年十二月三十一日止年度

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2006

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		本公司權益持有人應佔							少數股東		
		Attributable to equity holders of the Company									
		股本	股份溢價	資本儲備	一般儲備 基金	企業發展 基金	外幣折算 儲備	累計虧損	總計	權益	總權益
		Foreign									
		Share capital	Share premium	Capital reserves	General reserve fund	Enterprise expansion fund	translation reserve	Accumulated losses	Total	Minority interests	Total equity
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於二零零五年一月一日	At 1 January 2005	21,208	1,476	6,304	2,870	1,435	(7)	(42,790)	(9,504)	-	(9,504)
匯兌折算	Foreign exchange translation	-	-	-	-	-	7	-	7	-	7
本年度溢利	Profit for the year	-	-	-	-	-	-	1,283	1,283	-	1,283
於二零零五年 十二月三十一日及 於二零零六年一月一日	At 31 December 2005 and at 1 January 2006	21,208	1,476	6,304	2,870	1,435	-	(41,507)	(8,214)	-	(8,214)
本年度虧損	Loss for the year	-	-	-	-	-	-	(21,477)	(21,477)	(896)	(22,373)
收購一間附屬公司	Acquisition of a subsidiary	-	-	-	-	-	-	-	-	7,535	7,535
於二零零六年 十二月三十一日	At 31 December 2006	21,208	1,476	6,304	2,870	1,435	-	(62,984)	(29,691)	6,639	(23,052)

綜合現金流量表

CONSOLIDATED CASH FLOW STATEMENT

截至二零零六年十二月三十一日止年度

For the year ended 31 December 2006

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		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
	附註 Note		
經營活動之現金流	CASH FLOW FROM OPERATING ACTIVITIES		
除稅前（虧損）／溢利	(Loss)/profit before tax	(22,248)	1,409
調整：	Adjustment for:		
折舊	Depreciation	4,413	3,604
物業、廠房及設備 減值虧損	Impairment loss on property, plant and equipment	1,201	-
商譽減值虧損	Impairment loss on goodwill	12,696	-
存貨減值虧損	Impairment loss on inventories	526	-
物業、廠房及設備 撇銷	Property, plant and equipment written off	6	1,886
利息收入	Interest income	(200)	(141)
應付一間關聯公司 款項撇銷	Waiver of amount due to a related company	-	(20)
貿易及其他應收款減值 虧損沖回	Reversal of impairment loss on trade and other receivables	(3,717)	(2,717)
壞賬撇銷	Bad debts written off	6	1,539
存貨減值虧損沖回	Reversal of impairment loss on inventories	-	(2,581)
存貨撇銷	Inventories written off	74	315
應付賬款撇銷及應計 款項及其他應付款 過度撥備撥回	Write-off of accounts payable and overprovision of accruals and other payables written back	(304)	(5,588)
出售物業、廠房及 設備虧損	Loss on disposal of property, plant and equipment	-	5
利息開支	Interest expenses	813	376
營運資金變動前之 經營虧損	Operating loss before working capital changes	(6,734)	(1,913)
應收一間關聯公司 減少	Decrease in due to a related company	-	(479)
客戶之保證金增加／ （減少）	Increase/(decrease) in deposits from customers	2,221	(223)
存貨（增加）／減少	(Increase)/decrease in inventories	(242)	2,346
貿易及其他應收款 減少／（增加）	Decrease/(increase) in trade and other receivables	5,436	(2,023)
貿易及其他應付款增加	Increase in trade and other payables	2,430	2,059
經營業務產生／ （所用）之現金	Cash generated from/(used in) operations	3,111	(233)
已付利息	Interest paid	(410)	(376)
已付稅項	Tax paid	(125)	(126)
經營活動產生／ （所用）之現金淨額	Net cash generated from/(used in) operating activities	2,576	(735)

綜合現金流量表

截至二零零六年十二月三十一日止年度

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

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			二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
	附註 Note			
投資活動之現金流	CASH FLOW FROM INVESTING ACTIVITIES			
收購一間附屬公司	Acquisition of a subsidiary	27	15,101	-
購置物業、廠房及設備	Purchases of property, plant and equipment		(3,110)	(141)
出售物業、廠房及設備所得款項	Proceeds from disposals of property, plant and equipment		-	96
已收利息	Interest received		200	141
投資活動產生之現金淨額	Net cash generated from investing activities		12,191	96
融資活動之現金流	CASH FLOW FROM FINANCING ACTIVITIES			
償付其他貸款	Repayment of other loan		(2,393)	(394)
應付一位董事增加	Increase in due to a director		24,124	1,009
應付最終控股公司減少	Decrease in due to the ultimate holding company		-	(1,099)
融資活動產生／(所用)之現金淨額	Net cash generated from/(used in) financing activities		21,731	(484)
現金及現金等價物增加／(減少)淨額	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		36,498	(1,123)
於一月一日之現金及現金等價物	CASH AND CASH EQUIVALENTS AT 1 JANUARY		5,305	6,428
於十二月三十一日之現金及現金等價物	CASH AND CASH EQUIVALENTS AT 31 DECEMBER		41,803	5,305
銀行及現金結存	Bank and cash balances			

1. 一般資料

本公司是根據開曼群島公司法於開曼群島註冊成立之受豁免有限公司。本公司之註冊辦事處位於Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681, GT George Town, Grand Cayman, British West Indies。本公司之主要營業地點位於香港灣仔軒尼詩道103號越興大廈23樓。本公司之股份在香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

本公司為一間投資控股公司，其附屬公司之主要業務載於財務報表附註16。

本公司董事認為，於二零零六年十二月三十一日，於英屬處女群島註冊成立之公司Union Perfect International Limited為本公司之母公司且最終母公司，而翦英海先生為本公司之最終控股方。

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P. O. Box 2681, GT Geroge Town, Grand Cayman, British West Indies. The address of its principal place of business is 23/F, Yue Hing Building, 103 Hennessy Road, Wanchai, Hong Kong. The Company's shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 16 to the financial statements.

In the opinion of the directors of the Company, as at 31 December 2006, Union Perfect International Limited, a company incorporated in the British Virgin Islands, is the parent and ultimate parent and Mr. Chin Ying Hoi is the ultimate controlling party of the Company.

2. 持續經營基準

本集團截至二零零六年十二月三十一日年度產生虧損約為人民幣22,373,000元，而於二零零六年十二月三十一日，本集團之流動負債淨額及負債淨額分別約為人民幣33,884,000元及人民幣23,052,000元。此等狀況顯示存在對本集團之持續經營能力可能抱有重要疑問之重大不明朗因素。因此，本集團可能無法於正常業務過程中變賣其資產及清償其負債。

此等財務報表已按持續經營基準編製，其有效性取決於本集團所推行措施取得成功（如財務報表附註31披露）。董事估計，因應本集團所推行措施之成功結果，於結算日應付董事翦英海先生及其他債權人之款項約人民幣14,500,000元將予以資本化，撥作本公司之股本，而本集團將收取一筆新資金約人民幣33,950,000元以為本集團之目前業務提供資金。落實本集團所推行之措施須取得本公司股東特別大會及聯交所之批准。董事有信心該等措施將可獲聯交所及股東批准。因此，董事認為按持續經營基準編製財務報表乃屬恰當。倘若本集團無法繼續經營，則將須對財務報表作出調整，以將本集團資產之價值調整至其可收回數額、為可能產生之任何其他負債作出撥備及分別將非流動資產及負債重新分類為流動資產及負債。

2. GOING CONCERN BASIS

The Group incurred a loss of approximately RMB22,373,000 for the year ended 31 December 2006 and as at 31 December 2006 the Group had net current liabilities and net liabilities of approximately RMB33,884,000 and RMB23,052,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

These financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome of the measures undertaken by the Group as disclosed in note 31 to the financial statements. The directors estimate that, resulting from the successful outcome of the measures undertaken by the Group, the amounts of approximately RMB14.5 million due to a director, Mr Chin Ying Hoi, and other creditors at the balance sheet date will be capitalized as the share capital of the Company and the Group will receive a new fund of approximately RMB33.95 million to finance the Group's current operation. The completion of the measures undertaken by the Group is subject to the approvals of an extraordinary general meeting of the Company and the Stock Exchange. The directors are confident that the measures will be approved by the Stock Exchange and the shareholders. The directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. 採納全新及經修訂之香港財務報告及會計準則

於本年度內，本集團已採納所有與其經營業務有關並於二零零六年一月一日或之後開始之會計期間生效之由香港會計師公會（「香港會計師公會」）頒佈之全新及經修訂之香港財務報告準則（「香港財務報告及會計準則」）。香港財務報告及會計準則包括香港財務報告準則（「香港財務報告準則」）；香港會計準則（「香港會計準則」）；及詮釋。採納此等全新及經修訂之香港財務報告及會計準則並無對本集團之會計政策以及本年度及過往年度所呈報之數額產生重大影響。

本集團並無應用已頒佈但尚未生效之新香港財務報告及會計準則。應用該等新香港財務報告及會計準則將不會對本集團之財務報表產生重大影響。

4. 重要會計政策

此等財務報表已根據香港會計師公會頒佈之香港財務報告及會計準則、香港公認會計原則以及聯交所創業板及香港公司條例中適用之披露規定而編製。

此等財務報表已根據歷史成本常規法編製。

編製符合新香港財務報表準則之財務報表需要採用若干重要假設及估計，亦需要管理層於應用會計政策過程中作出其判斷。涉及關鍵判斷之領域以及假設及估計對此等財務報表而言屬重大之領域，均於財務報表附註5內披露。

3. ADOPTION OF NEW AND REVISED HKFRSs

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2006. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years.

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

4. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention.

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

4. 重要會計政策 (續)

於編製此等財務報表時採用之重要會計政策載於下文。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止之財務報表。附屬公司指本集團具有控制權之實體。控制權指有權規管實體之財務及經營政策，並藉此從其活動中獲得利益。當評估本集團是否具有控制權時會考慮到目前可予行使或可予轉換之潛在投票權之存在及影響。

附屬公司乃自控制權轉讓予本集團之日期起全數綜合入賬，並自不再具有控制權之日期起解除綜合入賬。

出售附屬公司之收益或虧損指銷售所得款項與本集團應佔其資產淨值連同有關以往並無於綜合損益表扣除或確認之附屬公司之商譽及任何相關累計外幣匯兌儲備之間的差額。

公司間交易、結餘及集團公司之間交易的未變現溢利均予以對銷。除非有關交易提供證據證明所轉讓資產出現減值，否則未變動虧損亦予以對銷。附屬公司之會計政策已作出必要調整，以確保與本集團所採納之政策一致。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

(a) Consolidation

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

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

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

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

4. 重要會計政策 (續)

(a) 綜合賬目 (續)

少數股東權益指少數股東於附屬公司之經營業績及資產淨值中所佔之權益。少數股東權益乃於綜合資產負債表及綜合權益變動表內列報。少數股東權益在綜合損益表內以本年度溢利或虧損分配予少數股東與本公司股東的方式列報。適用於少數股東及超出少數股東於附屬公司股本之權益的虧損乃於本集團的權益中扣除，惟少數股東具約束力責任並有能力追加投資以彌補虧損則除外。倘若附屬公司其後錄得溢利，則有關溢利分配至本集團的權益，直至已收回以往由本集團承擔的少數股東應佔虧損為止。

在本公司的資產負債表內，於附屬公司之投資按成本扣除減值虧損撥備列賬。附屬公司的業績由本公司按已收股息及應收股息入賬。

(b) 業務合併及商譽

本集團所收購之附屬公司採用會計購買法入賬。收購成本按所提供資產、已發行之股本工具及於交換日期所產生或承擔之負債之公平值計量，另加收購直接應佔之成本。於收購時附屬公司之可識別資產、負債及或然負債均按彼等於收購日期之公平值計量。

收購成本超出本集團應佔附屬公司可識別資產、負債及或然負債之淨公平值之部份乃記錄作商譽。本集團應佔可識別資產、負債及或然負債之淨公平值超出收購成本之任何部份乃於綜合損益表中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

Minority interests represent the interests of minority shareholders in the operating results and net assets of subsidiaries. Minority interests are presented in the consolidated balance sheet and consolidated statement of changes in equity within equity. Minority interests are presented in the consolidated income statement as an allocation of profit or loss for the year between minority and shareholders of the Company. Losses applicable to the minority in excess of the minority's interests in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. If the subsidiary subsequently reports profits, such profits are allocated to the interests of the Group until the minority's share of losses previously absorbed by the Group has been recovered.

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

(b) Business combination and goodwill

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets, liabilities and contingent liabilities of the subsidiary in an acquisition are measured at their fair values at the acquisition date.

The excess of the cost of acquisition over the Group's share of the net fair value of the subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised in the consolidated income statement.

4. 重要會計政策 (續)

(b) 業務合併及商譽 (續)

商譽會每年作減值測試，並按成本減累計減值虧損列賬。商譽之減值虧損乃於綜合損益表中確認，且其後不會予以沖回。就減值測試而言，商譽乃分配至現金產生單位。

少數股東於附屬公司之權益初步按少數股東應佔附屬公司之可識別資產、負債及或然負債於收購日期之淨公平值比例計量。

(c) 外幣換算

(i) 功能及呈報貨幣

本集團旗下各實體之財務報表所包括之項目，均以該實體營運之主要經濟環境之貨幣（「功能貨幣」）計量。本綜合財務報表乃以人民幣呈報，人民幣為本公司及本集團主要附屬公司之呈報貨幣及功能貨幣。

(ii) 於各實體財務報表之交易及結餘外幣交易均採用交易當日之匯率換算為功能貨幣。以外幣計值之貨幣資產及負債均按結算日之匯率進行換算。因該換算政策而產生之溢利及虧損均計入損益表內。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination and goodwill (Continued)

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses of goodwill are recognised in the consolidated income statement and are not subsequently reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

The interests of minority shareholders in the subsidiary is initially measured at the minority's proportion of the net fair value of the subsidiary's identifiable assets, liabilities and contingent liabilities at the acquisition date.

(c) Foreign currency translation

(i) Functional and presentation currency

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

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

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

4. 重要會計政策 (續)

(c) 外幣換算 (續)

(iii) 綜合賬目之換算

本集團旗下所有實體如擁有與本公司之呈報貨幣不一致之功能貨幣，則其業績及財務狀況均按如下方式換算為本公司之呈報貨幣：

- 各資產負債表所呈列之資產及負債均按該資產負債表結算日之收市匯率換算；
- 各損益表之收入及開支均按平均匯率換算(除非此平均匯率並非交易當日通行匯率之累計影響之合理約數，在此情況下收入及開支則按交易當日之匯率換算)；及
- 就此產生之所有匯率差額均於外幣匯兌儲備內確認。

於綜合賬目時，因換算於國外實體之淨投資及借貸而產生之匯兌差額均於外幣匯兌儲備內確認。當國外經營業務被出售時，該等匯兌差額乃於綜合損益表內確認為出售溢利或虧損之一部份。

收購國外實體所產生之商譽及公平值調整均列為國外實體之資產及負債，並按收市匯率換算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign currency translation (Continued)

(iii) Translation on consolidation

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

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

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

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

4. 重要會計政策 (續)

(d) 研究及開發支出

研究活動之支出乃於其產生之期間內確認為開支。

(e) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列賬。

其後成本乃納入資產賬面值或確認為個別資產(如適用)，但只有在該項目有可能為本集團流入未來經濟利益，以及可以可靠地計量該項目之成本情況下才以此方式處理。所有其他檢修及維修乃於其所產生之期間在損益表支銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

(e) Property, plant and equipment

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

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

4. 重要會計政策 (續)

(e) 物業、廠房及設備 (續)

物業、廠房及設備乃以直線法在估計可使用年期內，按足以撇銷其成本或重估數額之折舊率再減去其殘值計算折舊。主要殘值率及年度折舊率如下：

		殘值 Residual value	年度 折舊率 Annual depreciation rate
租賃物業裝修	Leasehold improvements	–	20%
機器	Machineries	0% – 10%	14% – 33%
辦公設備	Office equipments	0% – 10%	15% – 20%
電腦設備	Computer equipments	–	20%
汽車	Motor vehicles	–	20%
智能卡	Smart cards	–	25%

殘值及可使用年期會予以審閱，並於各結算日作出調整(如適用)。

出售物業、廠房及設備之收益或虧損乃出售所得款項淨額與相關資產之賬面值兩者之差額，並於損益表內確認。

(f) 資產減值

於各結算日，本集團審閱其有形及無形資產(商譽、存貨及應收款項除外)之賬面值，以釐定有否跡象顯示該等資產出現減值虧損。倘若出現任何該等跡象，則估計資產之可收回金額，以便釐定任何減值虧損程度。倘若未能估計個別資產之可收回金額，則本集團估計資產所屬現金產生單位之可收回金額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

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

		Residual value	Annual depreciation rate
Leasehold improvements		–	20%
Machineries		0% – 10%	14% – 33%
Office equipments		0% – 10%	15% – 20%
Computer equipments		–	20%
Motor vehicles		–	20%
Smart cards		–	25%

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

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

(f) Impairment of assets

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

4. 重要會計政策 (續)

(f) 資產減值 (續)

可收回金額乃公平值減銷售成本及使用價值兩者中較高者。在評估使用價值時，估計日後現金流按當時市場對該項資產之貨幣時值及風險之評估的折現率折算成現值。

倘若估計資產之可收回金額(或現金產生單位)較其賬面值為少，則資產(或現金產生單位)之賬面值減少至其可收回金額。減值虧損即時於損益表確認，惟倘相關資產以重估價值列賬，在此情況下減值虧損按重估價值減少處理。

倘若減值虧損其後沖回，資產(現金產生單位)之賬面值乃增加至其可收回金額之經修訂估計數，惟已增加賬面值並不超過於過往年度並無確認資產(現金產生單位)減值虧損而釐定之賬面值(扣除攤銷或折舊)。減值虧損沖回即時於損益表確認，惟倘相關資產以重估價值列賬，在此情況下減值虧損沖回按重估價值增加處理。

(g) 政府補助金

政府補助金乃當可合理保證本集團將符合其所附帶條件且補助金將予收取時確認。

有關收入之政府補助金乃於有必要將政府補助金與其擬作補償之成本相對應之期間內，在損益表予以遞延及確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Impairment of assets (Continued)

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

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

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

(g) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in the income statement over the period necessary to match them with the costs they are intended to compensate.

4. 重要會計政策 (續)

(g) 政府補助金 (續)

倘政府補助金成為應收賬款並作為已產生開支或虧損之補償或作為向本集團提供直接財務支援用途且無未來相關成本，則政府補助金乃於其成為應收賬款之期間內確認為收入。

(h) 經營租賃

經營租賃是指擁有資產之風險及回報實質上由出租公司保留之租賃。經營租賃之應付租金在扣除自出租方收取之任何獎勵金後，於租賃期內以直線法在損益表中支銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Government grants (Continued)

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised as income in the period in which they become receivable.

(h) Operating Leases

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

4. 重要會計政策 (續)

(i) 存貨

存貨按成本及可變現淨值兩者中較低者列賬。成本乃按先進先出法釐訂。在製品及製成品之成本包括原材料、直接工資及按適當比例計算之所有生產日常費用。可變現淨值乃指於日常業務過程中之估計售價減估計完成成本及預計出售時將產生之必要成本計算。

(j) 貿易及其他應收款

貿易及其他應收款初步按公平值確認，並於其後以實際利息法按經攤銷成本減減值撥備計量。倘有客觀證據顯示本集團將無法按原定之應收款期限收回所有到期款項，則會作出貿易及其他應收款減值撥備。撥備數額乃資產賬面值與估計未來現金流量之現值（按實際利率貼現）之間之差額。撥備數額乃在損益表內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Inventories

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

(j) Trade and other receivables

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

4. 重要會計政策 (續)

(j) 貿易及其他應收款 (續)

減值虧損乃當應收賬款之可收回金額增加客觀上與於確認減值後發生之事件有關時，於其後期間沖回並在損益表確認，惟應收賬款於減值被沖回日期之賬面值不得超過於並無確認減值時作出之已攤銷成本。

(k) 現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行及手頭之現金、存放於銀行及其他財務機構之活期存款，以及短期高流動性的投資，即於購入時三個月內到期而在沒有涉及重大價值轉變的風險下可以容易地轉換為預知現金的投資。現金及現金等價物亦包括須按要求償還及為本集團整體現金管理一部份之銀行透支。

(l) 財務負債及股本工具

財務負債及股本工具乃根據新香港財務報告，按所訂立合約安排之內容以及財務負債及股本工具之定義而進行分類。股本工具指證明於扣減本集團之所有負債後於其資產中餘下權益之任何合約。

(m) 可換股貸款

可換股貸款包括負債及股本成份，均被視為複合工具。於發行日期，負債成份之公平值採用類似非可換股債務之通行市場利率估計。發行可換股貸款所得款項與分配至負債成份之公平值兩者之差額，指附有供持有人將貸款轉換為本集團股本之選擇權，乃計入權益內列為資本儲備。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Trade and other receivables (Continued)

Impairment losses are reversed in subsequent periods and recognised in the income statement when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(k) Cash and cash equivalents

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

(l) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(m) Convertible loans

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

4. 重要會計政策 (續)

(m) 可換股貸款 (續)

發行成本乃根據可換股貸款之負債及股本部份於發行日期之相關賬面值，在其兩者之間予以分配。有關股本成份之部份乃直接於權益中扣除。

負債成份之利息開支乃採用與有關工具之負債成份類似之非可換股債務之通行市場利率計算。此數額與已付利息兩者之差額乃加入至可換股貸款之賬面值。

(n) 貿易及其他應付款

貿易及其他應付款初步按公平值列賬，而其後採用實際利息法按已攤銷成本計量，除非折扣之影響並不重大，於此情況下則按成本列賬。

(o) 撥備及或然負債

當本集團因已發生的事件須承擔現有之法律或推定責任，而解除責任時有可能導致經濟利益流出時，並已可靠估計責任金額的情況下，須對不確定時間或金額之負債確認撥備。倘金額之時間價值為重要因素，則撥備之金額乃按預期用於解除該責任之支出之現值列賬。

倘不大可能會致使經濟利益流出，或責任金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可能出現之責任，即該責任是否存在將僅取決於日後是否會發生一宗或多宗事件，亦披露為或然負債，除非經濟利益流出之可能性極低則另作別論。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Convertible loans (Continued)

Issue costs are apportioned between the liability and equity components of the convertible loans based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly to equity.

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

(n) Trade and other payables

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

(o) Provisions and contingent liabilities

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

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

4. 重要會計政策 (續)

(p) 僱員福利

(i) 僱員應享之假期

僱員應享之年假及長期服務假乃當僱員享有時確認。本集團會於僱員提供服務後截至結算日止就年假及長期服務假之估計負債作出撥備。

僱員應享之病假及產假於享有之前不會予以確認。

(ii) 退休金責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員向計劃作出之供款乃根據僱員基本薪金之百分比計算。於損益表扣除之退休福利計劃成本指本集團應付予有關基金之供款。

(iii) 終止福利

終止福利僅於本集團具備正式而詳細的計劃及不可能撤回計劃的情況下，明確顯示終止聘用或因採取自願離職措施而提供福利時，方予確認。

(q) 股份形式付款

本集團發行股本結算及現金結算股份形式付款予若干僱員。股本結算股份形式付款乃於授出日期按公平值(不包括非市場形式歸屬條件影響)計量。於股本結算股份形式付款授出日期釐定之公平值乃根據本集團對最終將歸屬之股份估計及經調整非市場形式歸屬條件影響，於歸屬期按直線法支銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits

(i) Employee leave entitlements

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

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

(ii) Pension obligations

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

(iii) Termination benefits

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

(q) Share-based payments

The Group issues equity-settled and cash-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

4. 重要會計政策 (續)

(r) 稅項

所得稅開支是指即期稅項及遞延稅項的總額。

即期應付稅項乃根據本年度之應課稅溢利計算。應課稅溢利與損益表所載溢利淨額有所不同，原因是應課稅溢利不包括於其他年度之應課稅或可予扣減之收入或開支項目，同時亦不包括該等永遠毋須課稅或扣減之項目。本集團有關即期稅項之負債乃採用於結算日前已實行或大致實行之稅率計算。

遞延稅項乃指在財務報表內資產與負債之賬面值與採用應課稅溢利計算之相應稅基之差額，並採用資產負債表負債法入賬。遞延稅項負債一般乃就所有應課稅暫時差額確認入賬，而遞延稅項資產則會在預期應課稅溢利可供用作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認入賬。倘暫時差額乃因商譽或因一項交易涉及之其他資產及負債進行初步確認時（不包括業務合併）產生，而不會影響應課稅溢利或會計溢利，則不會確認該等資產及負債。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. 重要會計政策 (續)

(r) 稅項 (續)

遞延稅項負債將會就於附屬公司及聯營公司之投資及於合資企業之權益而產生之應課稅暫時差額確認入賬，惟倘本集團可控制暫時差額之撥回，並預期該暫時差額將不會在可見將來沖回者除外。

遞延稅項資產之賬面值乃於各結算日進行檢討，並調低至預期將不可能有充裕之應課稅溢利以收回所有或部份資產。

遞延稅項乃根據於結算日前已實行或大致實行之稅率，按預期在償還負債或變現資產期間適用之稅率計算。遞延稅項乃自損益表中扣除或計入損益表，惟倘遞延稅項與直接自權益中扣除或計入權益之項目有關時，則在此情況下亦會在權益中處理。

當可合法強制將即期稅項資產與即期稅項負債抵銷時，並且當彼等與同一稅務機關所徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，遞延稅項資產及負債乃予以對銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Taxation (Continued)

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

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

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

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

4. 重要會計政策 (續)

(s) 收益確認

收益乃按已收或應收代價之公平值計量，並當經濟利益可能流入本集團及收益金額能可靠計量時確認。

(i) 銷售硬件、軟件及系統整合

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

(ii) 交易徵費

交易徵費按經營電子收支系統所得收益的一定比例確認，該比例由本集團與逐個客戶單獨確定並每月根據該比例計提相應之交易徵費。

(iii) 已發行智能卡之租金收入

租金收入乃就已發行智能卡收取之保證金於四年內以直線法確認。

(iv) 廣告收入

廣告收入乃根據協議之條款及條件按應計基準確認。

(v) 利息收入

利息收入按時間比例以實際利息法確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

(i) Sales of hardware, software and systems integration

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

(ii) Transaction levies

Transaction levies are recognised on an accrual basis based on certain percentage of revenue generated from the operations of electronic receipt/payment system as individually determined between the Group and the customers.

(iii) Rental income from smart cards issued

Rental income is recognised on a straight-line basis over four years for deposit received in connection with smart card issued.

(iv) Advertising income

Advertising income is recognised on an accrual basis in accordance with the terms and conditions of the agreement.

(v) Interest income

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

4. 重要會計政策 (續)

(t) 借貸

借貸初步按公平值(扣除已產生之交易成本)確認, 而其後採用實際利息法按已攤銷成本計量。

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

(u) 分部報告

分部乃本集團從事提供產品或服務(業務分部), 或在特定經濟環境內從事提供產品或服務(地區分部)之可辨別成份, 而風險及回報有別於其他分部者。

按照本集團的內部財務報告, 本集團已選擇業務分部作為主要報告格式呈列, 而地區分部則為次要報告格式呈列。

分部收入、開支、業績、資產和負債包括可直接地歸屬於一分部及所有可以合理地分配予該分部的項目。未分配成本主要指公司開支。分部資產主要包括物業、廠房及設備、商譽、存貨、貿易及其他應收款以及銀行及現金結存。分部負債包括經營負債, 惟不包括如稅項負債及公司借貸等項目。

分部收益、開支、資產及負債均於集團內公司間結餘之前釐定, 而集團內公司間交易乃作為綜合賬目過程之一部份予以對銷, 惟該等集團內公司間結餘及交易乃於本集團旗下各企業之間在單一分部內進行。分部間定價乃根據與其他外界人士提供者相若之條款進行。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Borrowings

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

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

(u) Segment reporting

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

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

Segment revenue, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to the segment. Unallocated costs mainly represent corporate expenses. Segment assets consist and other primarily of property, plant and equipment, goodwill, inventories, trade and other receivables and bank and cash balances. Segment liabilities comprise operating liabilities and exclude items such as tax liabilities and corporate borrowings.

Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

4. 重要會計政策 (續)

(u) 分部報告 (續)

分部資本開支乃於購入分部資產(包括無形資產及有形資產)期間所產生之總成本, 而有關資產預期可用於多個期間。

(v) 關聯人士

下列人士被視為與本集團有關聯:

- (i) 直接或間接透過一個或多個中介人控制本集團、被本集團控制或與本集團受到共同之控制; 於本集團擁有權益因而可對本集團施以重大影響力; 或對本集團擁有共同控制;
- (ii) 該人士為聯營公司;
- (iii) 該人士為合資企業;
- (iv) 該人士乃本公司或其母公司之主要管理人員;
- (v) 該人士乃(i)或(iv)中所述之近親成員或任何個人;
- (vi) 該人士乃(iv)或(v)中所述任何個人直接或間接控制或共同控制, 或對該實體有重大影響力或重大投票權之實體; 或
- (vii) 該人士乃本集團為僱員福利而設或與本集團有關連之任何實體為其僱員福利而設之離職後福利計劃。

(w) 股本工具

本公司發行之股本工具乃按已收所得款項(扣除直接發行成本)記錄。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Segment reporting (Continued)

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

(v) Related parties

A party is related to the Group if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

(w) Equity instruments

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

4. 重要會計政策 (續)

(x) 借貸成本

直接涉及收購、建設或生產合資格資產 (即必須等待一段頗長時間始能投入作擬定用途或出售之資產) 之借貸成本均撥充資本, 作為該等資產之部份成本, 直至該等資產大致上可準備投入作擬定用途或出售時為止。在特定借貸撥作合資格資產之支出前暫時用作投資所賺取之收入乃自資本化之借貸成本中扣除。

以一般性借入資金用於獲取一項合資格資產為限, 可撥充資本之借貸成本數額乃透過該項資產之支出所採用之資本化率而釐定。資本化率乃適用於本集團借貸 (於有關期間內尚未償還) 之借貸成本之加權平均數, 惟特別為獲取合資格資產而作出之借貸則除外。

所有其他借貸成本乃於其產生之期間在損益表確認。

(y) 結算日後事項

可提供有關本集團於結算日狀況之額外資料或顯示持續經營假設並不適合之結算日後事項均屬於調整事項, 並於財務報表內反映。並非調整事項之重大結算日後事項則於財務報表附註中披露。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

(y) Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Group's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the balance sheet date that are not adjusting events are disclosed in the notes to the financial statements when material.

5. 重大判斷及主要估計

於應用會計政策時之重大判斷

於應用會計政策過程中，管理層已作出以下對於財務報表確認之金額有極大影響之判斷（於下文處理之有關估計者除外）。

(a) 持續經營基準

此等財務報表已按持續經營基準編製，其有效性取決於本集團按足以為本集團提供營運資金需求之水平所推行措施之成功結果（如財務報表附註31披露）。有關詳情於財務報表附註2闡釋。

估計不明朗因素之主要來源

有極大風險導致未來財政年度之資產與負債之賬面值出現重大調整之有關未來之主要假設，以及於結算日估計不明朗因素之其他主要來源均於下文論述。

(a) 物業、廠房及設備減值

本集團管理層會每年測試物業、廠房及設備是否出現任何減值。現金產生單位之可收回金額已按使用價值計算法及估計銷售價格淨額釐定。使用該等計算法時需要作出估計。

(b) 呆壞賬減值虧損

本集團會根據貿易及其他應收款之可收回性評估作出呆壞賬減值虧損。倘事件或情況變動顯示結餘可能無法收回，則會為貿易及其他應收款作出減值。確認呆壞賬需要使用判斷及估計。倘預期與原有估計不同，則有關差額將會對於該估計已作出變動之年度內貿易及其他應收款之賬面值產生影響。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

(a) Going concern basis

These financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome of the measures undertaken by the Group as disclosed in note 31 to the financial statements at a level sufficient to finance the working capital requirements of the Group. Details are explained in note 2 to financial statements.

Key sources of estimation uncertainty

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

(a) Impairment of property, plant and equipment

The management of the Group tests annually whether property, plant and equipment have suffered any impairment. The recoverable amounts of cash-generating units in connection with the property, plant and equipment have been determined on the value-in-use calculation and estimated net selling price. These calculations require uses of estimate.

(b) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on an assessment of the recoverability of trade and other receivables. Impairments are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

6. 財務風險管理

本集團之業務承受各種財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃針對金融市場之難以預測性，並尋求將對本集團之財務表現產生之潛在不利影響減至最低。

外幣風險

由於本集團大部份業務交易、資產及負債主要以港元及人民幣計值，故本集團面臨之外幣風險極微。本集團目前並無就外幣債務制定外幣對沖政策。本集團將密切監察其外幣風險，並考慮於需要時對沖重大外幣風險。

利率風險

本集團承受之市場利率變動風險主要與本集團按浮動利率計息之債務責任即可換股票據及董事之付息貸款有關。

本集團之政策為透過盡量減少付息債務而將其利息成本減至最低，並將其資金來源集中於免息債務及發行本公司之新股份所得資金。

信貸風險

本集團並無重大集中信貸風險。本集團設有既定政策以確保向具適當信貸歷史之客戶及業務夥伴進行銷售及提供墊款。

計入綜合資產負債表之貿易及其他應收款之賬面值為本集團有關其財務資產之最高信貸風險。

流動資金之信貸風險有限，原因是交易對手均為由國際信用評級機構評定具有高信用等级之銀行。

6. FINANCIAL RISK MANAGEMENT

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

Foreign currency risk

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

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with a floating interest rate. i.e. convertible notes and director's interest bearing loan.

The Group's policy is to minimize its interest cost by minimising the interest-bearing debts and centralise its source of funding to the non-interest-bearing debts and from the issue of new shares of the Company.

Credit risk

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

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

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

6. 財務風險管理 (續)

流動資金風險

本集團之政策為定期監察目前及預期之流動資金需求，從而確保本集團維持足夠現金儲備以應付其短期及長期的流動資金需求。

公平值

本集團於綜合資產負債表內反映之財務資產及財務負債之賬面值與其各自之公平值相若。

6. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

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

Fair values

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

7. 營業額、其他收入及分部資料

(a) 營業額

本集團之營業額指對客戶之貨品銷售收入、交易徵費之收益、已發行智能卡之租金收入及廣告收入並分析如下：

7. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION

(a) Turnover

The Group's turnover which represents sales of goods to customers, revenue from transaction levies, rental income from smart cards issued and advertising income are as follows:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
銷售硬件及軟件	Sales of hardware and software	5,107	14,077
交易徵費	Transaction levies	4,337	1,871
已發行智能卡之租金收入	Rental income from smart cards issued	1,121	-
廣告收入	Advertising income	71	-
		10,636	15,948

按客戶類別分析之營業額如下：

Turnover analysed by categories of customers are as follows:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
對關聯公司之銷售收入 (附註30(b)(i))	Sales to related companies (Note 30(b)(i))	1,167	4,075
對獨立第三方之銷售收入	Sales to independent third parties	9,469	11,873
		10,636	15,948

7. 營業額、其他收入及分部資料 (續)

(b) 其他收入

銷售智能卡之溢利
(附註(ii))
補貼收入
- 增值稅(「增值稅」)
返還(附註(i))
存貨減值虧損沖回
利息收入
貿易及其他應收款減值
虧損沖回
撤銷應付一間關聯公司
款項
撤銷應付賬款
應計款項過度撥備及
其他應付款項撥回
其他

7. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION (Continued)

(b) Other income

	二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
Profit on sales of smart cards (Note (ii))	574	519
Subsidy income		
- Value added tax ("VAT") refund (Note (i))	-	287
Reversal of impairment loss on inventories	-	2,581
Interest income	200	141
Reversal of impairment loss on trade and other receivables	3,717	2,717
Waiver of amount due to a related company	-	20
Write-off of accounts payable	304	4,897
Overprovision of accruals and other payables written back	-	691
Others	482	21
	5,277	11,874

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

根據國家稅務總局在二零零零年六月二十二日發布的財稅2000第25號文規定，給予軟件企業優惠稅率，對其銷售自行開發生產之軟件產品徵收的增值稅超過收入3%的部分給予返還。

(ii) 銷售智能卡之溢利指銷售所得款項淨額人民幣1,486,000元(二零零五年：人民幣4,030,000元)與相關成本人民幣912,000(二零零五年：人民幣3,511,000元)之差額。

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

Pursuant to Cai Shui 2000 No. 25 issued by the State Tax Bureau on 22 June 2000, software enterprises are entitled to a preferential tax treatment and any actual VAT paid related to the sales of self-developed and produced software exceeding 3% of the revenue from the sales of software will be refunded.

(ii) The profit on sales of smart cards represented the difference between the net sales proceeds of RMB1,486,000 (2005: RMB4,030,000) and the relevant cost of RMB912,000 (2005: RMB3,511,000).

7. 營業額、其他收入及分部資料 (續)

(c) 分部資料

(a) 主要呈報格式 – 業務分部

本集團進行單項業務的經營，在中國開發經營後臺電子收支與數據記錄及處理的軟件系統以及製造、銷售相關的商業應用。

(b) 次要呈報格式 – 地區分部

本集團之業務主要在以下四大地理區域經營：

華南
華北
華中
華東

地區分部之間只有極少量買賣活動。

7. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION (Continued)

(c) Segment information

(a) Primary reporting format – business segments

The Group conducts its business within one business segment – the development and operation of back end electronic receipt/payment and data recording and processing software systems and manufacturing and distribution of the associated commercial applications in the PRC.

(b) Secondary reporting format – geographical segments

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

Southern China
Northern China
Central China
Eastern China

There are minimal sales between the geographical segments.

		收益		總資產		資本性開支	
		Revenue		Total assets		Capital expenditure	
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005	2006	2005
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB	RMB	RMB	RMB	RMB	RMB
		'000	'000	'000	'000	'000	'000
華南	Southern China	4,395	7,329	1,479	3,905	115	-
華北	Northern China	38	189	1,468	8,716	14	131
華中	Central China	7,041	10,896	74,358	5,143	26,337	10
華東	Eastern China	1,130	1,872	-	-	-	-
		12,604	20,286	77,305	17,764	26,466	141

8. 經營(虧損)/溢利

經營(虧損)/溢利已扣除下列各項：

8. (LOSS)/PROFIT FROM OPERATIONS

(Loss)/profit from operations is arrived at after charging:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
物業、廠房及設備折舊 (附註15)	Depreciation of property, plant and equipment (Note 15)	4,413	3,604
物業、廠房及設備減值虧損 (包括在行政開支內) (附註15)	Impairment loss on property, plant and equipment included in administrative expenses (Note 15)	1,201	-
員工成本(包括董事酬金) (附註14)	Staff costs including directors' emoluments (Note 14)		
薪金及工資	Salaries and wages	5,799	6,106
退休計劃供款 (附註24)	Contributions to retirement schemes (Note 24)	714	764
已售存貨成本	Cost of inventories sold	2,155	6,273
經營租賃租金	Operating lease rental	562	623
核數師酬金	Auditors' remuneration	600	521
研究及開發成本	Research and development costs	674	897
出售物業、廠房及設備 虧損	Loss on disposal of property, plant and equipment	-	5
物業、廠房及設備撇銷	Property, plant and equipment written off	6	1,886
壞賬撇銷	Bad debts written off	6	1,539
存貨撇銷	Inventories written off	74	315
存貨減值虧損	Impairment loss on inventories	526	-

已售存貨成本包括員工成本、折舊及經營租賃支出約為人民幣242,000元(二零零五年：人民幣290,000元)，並計入上述單獨披露的金額內。

Cost of inventories sold includes staff costs, depreciation and operating lease charges of approximately RMB242,000 (2005: RMB290,000) which are included in the amounts disclosed separately above.

9. 財務費用

9. FINANCE COSTS

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
須於五年內全數償還之 貸款利息：	Interest on loans wholly repayable within five years:		
– 其他貸款	– other loan	421	376
– 董事之貸款 (附註30(b)(vi))	– loan from a director (Note 30(b)(vi))	392	–
		813	376

10. 稅項

10. TAXATION

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
即期稅項－中國	Current tax – PRC		
本年度撥備	Provision for the year	125	–
過往年度過度撥備	Underprovision in previous year	–	126
		125	126

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

截至二零零六年十二月三十一日止年度本集團並無產生自或源於開曼群島、英屬處女群島及香港之應課稅溢利，故並無就該三個司法管轄權區之利得稅計提準備（二零零五年：無）。

本集團之附屬公司－華普奧原為於一九九九年四月二十六日在中國註冊成立的私營有限責任公司。華普奧原於二零零一年七月取得外商投資企業稅務登記，根據中國外商投資企業及外國企業所得稅（「企業所得稅」）法例，作為外商投資的生產性公司，華普奧原自第一個獲利年度起享有兩免三減半的稅收優惠。二零零六年度為華普奧原減半稅收優惠的最後一年。

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

No provision for profits tax in the Cayman Islands, the British Virgin Islands or Hong Kong has been provided for as the Group has no assessable profit arising in or derived from those jurisdictions for the year ended 31 December 2006 (2005: Nil).

The Group's subsidiary, Jian-O'Yuan, was incorporated in the PRC as a privately owned limited liability company on 26 April 1999. In July 2001, Jian-O'Yuan obtained the tax registration as an enterprise with foreign investment. Pursuant to the PRC laws of Enterprise Income Tax ("EIT") for Enterprises with Foreign Investment and Foreign Enterprises, as a manufacturing enterprise with foreign investment, Jian-O'Yuan is entitled to full exemption from EIT for two years and a 50% reduction in the next three years. In year 2006, Jian-O'Yuan had its last year enjoyment of the 50% reduction.

10. 稅項 (續)

由於在中國成立之其他附屬公司(即北京華普智通科技有限公司、武漢華普智通科技有限公司及武漢市公共交通票務管理有限公司)於截至二零零六年十二月三十一日止年度並無應課稅溢利，故並無就企業所得計提準備。仙桃市公共交通票務管理有限公司處於起步階段且在本年度還未投入商業營運。

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

10. TAXATION (Continued)

No EIT provision was required for the other subsidiaries incorporated in the PRC, Beijing Jian ePayment Science and Technology Co. Ltd., Wuhan Jian ePayment Science and Technology Co. Ltd., and Wuhan Traffic IC Card Management Limited as they had no assessable profit for the year ended 31 December 2006. Xian Tao Traffic IC Card Management Limited was at start-up stage and had not yet commenced business during the current year.

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

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
除稅前(虧損)/溢利	(Loss)/profit before taxation	(22,248)	1,409
按中國法定稅率33%計算	Calculated at the PRC statutory tax rate of 33%	(7,342)	465
稅率差異之稅務影響	Tax effect of different tax rate	2,489	91
稅收優惠期之稅務影響	Tax effect of tax preferential period	(853)	(117)
動用先前未確認稅項虧損之稅務影響	Tax effect of utilisation of tax losses not previously recognised	-	(6,215)
釐定應課稅溢利時不獲扣稅開支之稅務影響	Tax effect of expenses that are not deductible in determining taxable profit	629	5,652
未確認暫時差異之稅務影響	Tax effect of temporary differences not recognised	4,417	124
因未來溢利來源不確定而未確認稅項虧損之稅務影響	Tax effect of tax losses not recognised due to uncertainty on future profit streams	792	-
過往年度撥備不足	Underprovision in previous year	-	126
釐定應課稅溢利時毋須繳稅收入之稅務影響	Tax effect of income that are not taxable in determining taxable profit	(7)	-
所得稅開支	Income tax expense	125	126

於二零零六年十二月三十一日之未撥備遞延稅項詳情見附註28。

The details of unprovided deferred taxation as at 31 December 2006 were stated in note 28.

11. 權益持有人應佔虧損

在本集團財務報表上反映本公司的權益持有人應佔虧損約達人民幣16,653,000元(二零零五年：人民幣3,082,000元)。

12. 股息

本公司於本年度內並無派付或宣派股息(二零零五年：無)。

13. 每股(虧損)/盈利

每股基本(虧損)/盈利是根據權益持有人應佔本集團虧損約人民幣21,477,000元(二零零五年：盈利人民幣1,283,000元)及年內已發行普通股400,000,000股(二零零五年：400,000,000股)計算。

由於所有潛在普通股截至二零零五年及二零零六年十二月三十一日止年度均具有反攤薄影響，故並無呈列每股攤薄(虧損)/盈利。

11. LOSS ATTRIBUTABLE TO EQUITY HOLDERS

The Group's loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of a loss of RMB16,653,000 (2005: RMB3,082,000).

12. DIVIDEND

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

13. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the Group's loss attributable to equity holders of RMB21,477,000 (2005: profit of RMB1,283,000) and on 400,000,000 (2005: 400,000,000) ordinary shares in issue during the year.

No diluted (loss)/earnings per share are presented as the effects of all potential ordinary shares are anti-dilutive for the years ended 31 December 2005 and 2006.

14. 董事及高級管理人員酬金

已付或應付予七位董事(二零零五年：七位)各人之董事酬金如下：

14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

Directors' remuneration paid or payable to each of the seven (2005: seven) directors were as follows:

		薪金、津貼 及實物利益 Salaries, allowances and benefits in kind	退休福利 供款 Retirement scheme contributions	總額 Total
截至二零零六年十二月三十一日止年度 Year ended 31 December 2006		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
執行董事	<i>Executive directors</i>			
翦英海	Chin Ying Hoi	92	650	774
楊國偉	Yang Guo Wei	72	456	559
李隨洋	Li Sui Yang	72	417	520
劉德富(附註a)	Liu De Fu (Note a)	18	-	18
獨立非執行董事	<i>Independent non-executive directors</i>			
張曉京	Zhang Xiao Jing	66	-	66
董芳	Tung Fong	66	-	66
曲囑國	Qu Xiao Guo	60	-	60
		446	1,523	2,063

附註： (a)於二零零六年二月一日辭任。

Note: (a) Resigned on 1 February 2006.

14. 董事及高級管理人員酬金 (續)

已付或應付予七位董事(二零零五年:七位)各人之董事酬金如下:(續)

		薪金、津貼及 董事袍金	實物利益 Salaries, allowances and benefits in kind	退休福利 供款 Retirement scheme contributions	總額 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至二零零五年十二月三十一日止年度 Year ended 31 December 2005					
執行董事	<i>Executive directors</i>				
翦英海	Chin Ying Hoi	208	442	29	679
楊國偉	Yang Guo Wei	108	451	29	588
李隨洋	Li Sui Yang	108	233	29	370
劉德富	Liu De Fu	163	71	–	234
獨立非執行董事	<i>Independent non-executive directors</i>				
張曉京	Zhang Xiao Jing	66	–	–	66
董芳	Tung Fong	66	–	–	66
曲嘯國	Qu Xiao Guo	60	–	–	60
		779	1,197	87	2,063

概無董事免收或同意免收截至二零零六年及二零零五年十二月三十一日止兩年各年之酬金。

截至二零零六年及二零零五年十二月三十一日止年度,本集團並無向董事支付任何酬金,作為酌情花紅或彼等加入本集團及加入後之獎金,或作為失去職位之補償。

14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

Directors' remuneration paid or payable to each of the seven (2005: seven) directors were as follows: (Continued)

		薪金、津貼及 董事袍金	實物利益 Salaries, allowances and benefits in kind	退休福利 供款 Retirement scheme contributions	總額 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
截至二零零五年十二月三十一日止年度 Year ended 31 December 2005					
執行董事	<i>Executive directors</i>				
翦英海	Chin Ying Hoi	208	442	29	679
楊國偉	Yang Guo Wei	108	451	29	588
李隨洋	Li Sui Yang	108	233	29	370
劉德富	Liu De Fu	163	71	–	234
獨立非執行董事	<i>Independent non-executive directors</i>				
張曉京	Zhang Xiao Jing	66	–	–	66
董芳	Tung Fong	66	–	–	66
曲嘯國	Qu Xiao Guo	60	–	–	60
		779	1,197	87	2,063

No directors waived or agreed to waive any of their emoluments in respect of the years ended 31 December 2006 and 2005.

No emoluments were paid by the Group to the directors as a discretionary bonus or an inducement to join or upon joining the Group or as a compensation for loss of office for the years ended 31 December 2006 and 2005.

14. 董事及高級管理人員酬金 (續)

本年度本集團內五位最高薪酬人士包括三位(二零零五年：四位)董事，其酬金已於上文所列分析內反映。應付其餘兩位(二零零五年：一位)人士之酬金如下：

14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

The five individuals whose emoluments were the highest in the Group for the year include three (2005: four) directors whose emoluments were reflected in the analysis presented above. The emoluments payable to the remaining two (2005: one) individuals during the year are as follows:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
其他酬金：	Other emoluments:		
基本薪金及福利	Basic salaries and benefits	887	271
退休金計劃供款	Contributions to pensions schemes	43	7
		930	278

五位最高薪酬人士之酬金組別如下：

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

		人數 Number of individuals	
		二零零六年 2006	二零零五年 2005
酬金組別：	Emoluments bands:		
零港元至1,000,000港元	HK\$ Nil – HK\$1,000,000	5	5

於本年度內，本集團並無向任何董事或五名最高薪酬人士支付酬金，作為加入本集團及加入後之獎金，或作為失去職位之補償。

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

15. 物業、廠房及設備

15. PROPERTY, PLANT AND EQUIPMENT

		本集團 Group						
		租賃物業裝修 Leasehold improvements	機器 Machineries	辦公設備 Office equipments	汽車 Motor vehicles	電腦設備 Computer equipments	智能卡 Smart cards	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
成本值	Cost							
於二零零五年一月一日	At 1 January 2005	92	57,805	1,149	-	-	-	59,046
添置	Additions	-	-	141	-	-	-	141
出售/撇銷	Disposals/written off	-	(31,530)	(626)	-	-	-	(32,156)
於二零零五年十二月三十一日	At 31 December 2005	92	26,275	664	-	-	-	27,031
添置	Additions	392	1,266	360	354	196	542	3,110
出售/撇銷	Disposals/written off	-	-	(22)	-	-	(64)	(86)
因收購一間附屬公司 而取得	Acquired on acquisition of a subsidiary	-	5,785	101	490	656	3,628	10,660
於二零零六年十二月三十一日	At 31 December 2006	484	33,326	1,103	844	852	4,106	40,715
累計折舊及減值	Accumulated depreciation and impairment							
於二零零五年一月一日	At 1 January 2005	92	50,198	626	-	-	-	50,916
本年度折舊	Charge for the year	-	3,409	195	-	-	-	3,604
出售/撇銷時對銷	Elimination on disposals/write off	-	(29,735)	(436)	-	-	-	(30,171)
於二零零五年十二月三十一日	At 31 December 2005	92	23,872	385	-	-	-	24,349
本年度折舊	Charge for the year	19	3,238	109	70	118	859	4,413
出售/撇銷時對銷	Elimination on disposal/write off	-	-	(16)	-	-	(64)	(80)
減值虧損	Impairment loss	-	1,201	-	-	-	-	1,201
於二零零六年十二月三十一日	At 31 December 2006	111	28,311	478	70	118	795	29,883
賬面值	Carrying amount							
於二零零六年十二月三十一日	At 31 December 2006	373	5,015	625	774	734	3,311	10,832
於二零零五年十二月三十一日	At 31 December 2005	-	2,403	279	-	-	-	2,682

15. 物業、廠房及設備 (續)

本集團參照其機器之市況及未來表現對其機器於年結日的可收回金額進行了檢討，認為若干系統設備日後將不會帶來現金流並作出全數減值，而減值虧損人民幣1,201,000元(二零零五年：無)已於綜合損益表內確認。相關資產之可收回金額乃按使用價值釐定。

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group carried out reviews of the recoverable amounts of its machineries at the year end by reference with the market condition and future performance of the machineries and considered that certain POS machines would not contribute cash flows in the future and were fully impaired and an impairment loss of RMB1,201,000 (2005: RMB Nil) was recognised in the consolidated income statement. The recoverable amount of the relevant assets was determined on the basis of their value in use.

本公司

Company

辦公設備
Office equipments
人民幣千元
RMB'000

成本值

添置及於二零零六年十二月三十一日

Cost

Additions and at 31 December 2006

40

累計折舊

本年度折舊及於二零零六年十二月三十一日

Accumulated depreciation

Charge for the year and at 31 December 2006

3

賬面值

於二零零六年十二月三十一日

Carrying amount

At 31 December 2006

37

16. 於附屬公司之投資

16. INVESTMENTS IN SUBSIDIARIES

本公司
Company

二零零六年 2006	二零零五年 2005
人民幣千元 RMB'000	人民幣千元 RMB'000

投資(按成本)

Investments at cost

24,208

24,208

減值虧損撥備

Allowance for impairment losses

(24,208)

(24,208)

-

-

16. 於附屬公司之投資 (續)

於二零零六年十二月三十一日之附屬公司詳情如下：

16. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2006 are as follows:

名稱 Name	註冊成立/ 成立地點 Place of incorporation/ establishment	主要業務及 經營地點 Principal activities and place of operation	註冊/已發行 資本資料 Particulars of registered/ issued capital	持有權益 Interest held	
				直接 Directly	間接 Indirectly
Systematic Technology Group Limited (「Systematic」)	英屬處女群島	投資控股 香港	5股普通股 每股面值1美元	100%	—
Systematic Technology Group Limited (“Systematic”)	British Virgin Islands	Investment holding In Hong Kong	5 ordinary shares of USD1 each	100%	—
鄭州華普奧原電子泊車 設備有限公司 (「華普奧原」)	中國	在中國開發經營後臺電子 收支與數據記錄 及處理的軟件系統以 及製造及分銷相關 商業應用	2,950,000美元	—	100%
Zhengzhou Jian-O’ Yuan ITS Systems Company Limited (“Jian-O’ Yuan”)	PRC	Development and operation of back end electronic receipt/ payment and data recording and processing software system and manufacturing and distribution of the associated commercial applications in PRC	USD2,950,000	—	100%
武漢華普智通科技 有限公司 (「武漢華普智通」)	中國	註銷中	846,000美元	—	100%
Wuhan Jian ePayment Science and Technology Company Limited (“Wuhan Jian ePayment”)	PRC	In the process of deregistration	USD846,000	—	100%

16. 於附屬公司之投資 (續)

於二零零六年十二月三十一日之附屬公司詳情如下：(續)

16. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries as at 31 December 2006 are as follows: (Continued)

名稱 Name	註冊成立/ 成立地點 Place of incorporation/ establishment	主要業務及 經營地點 Principal activities and place of operation	註冊/已發行 資本資料 Particulars of registered/ issued capital	持有權益	
				直接 Directly	間接 Indirectly
北京華普智通科技 有限公司 (「北京華普智通」)	中國	在中國經營後臺電子收支 與數據記錄及 處理的軟件系統	150,000美元	—	100%
Beijing Jian ePayment Science and Technology Company Limited (“Beijing Jian ePayment”)	PRC	Operation of back end electronic receipt/ payment and data recording and processing software system in PRC	USD150,000	—	100%
華普智通(中國)國際控股 有限公司 (「華普智通(中國)」)	英屬處女群島	投資控股 香港	1美元	—	100%
Jian ePayment (China) International Holdings Limited (“Jian ePayment (China)”)	British Virgin Islands	Investment holding in Hong Kong	USD1	—	100%
武漢市公共交通票務 管理有限公司 (「武漢票務公司」)	中國	在中國開發經營後臺電子 收支與數據記錄 及處理的軟件系統	人民幣40,000,000元	—	60%
Wuhan Traffic IC Card Management Limited (“Wuhan Traffic”)	PRC	Development and operation of back end electronic receipt/payment and data recording and processing software system in PRC	RMB40,000,000	—	60%
仙桃市公共交通票務管理 有限公司	中國	尚未開始營業	人民幣1,000,000元	—	60%
Xian Tao Traffic IC Card Management Limited	PRC	Not yet commenced business	RMB1,000,000	—	60%

16. 於附屬公司之投資(續)

華普奧原、武漢華普智通及北京華普智通均為外商獨資企業，而武漢票務公司為在中國成立之中外合資企業。

17. 應收／應付附屬公司

應收／應付附屬公司款項為無抵押、免息及無固定還款期。

18. 商譽

16. INVESTMENTS IN SUBSIDIARIES (Continued)

Jina-O'Yuan, Wuhan Jian ePayment and Beijing Jian ePayment are wholly-owned foreign enterprises and Wuhan Traffic is a sino foreign equity joint venture established in the PRC.

17. DUE FROM/TO SUBSIDIARIES

The amounts due from/to subsidiaries are unsecured, non-interest bearing and have no fixed repayment terms.

18. GOODWILL

本集團
Group
人民幣千元
RMB'000

因收購一間附屬公司而產生(附註27)	Arising on acquisition of a subsidiary (Note 27)	12,696
本年度已確認之減值虧損	Impairment loss recognised in the current year	(12,696)

於二零零六年十二月三十一日
之賬面值

Carrying amount at 31 December 2006

由於武漢票務公司於本年度錄得經營虧損，董事已於結算日重新評估武漢票務公司之業務活動及未來表現，並考慮就因收購武漢票務公司而產生之商譽作全數減值。因此，本集團已在綜合損益表確認商譽減值虧損人民幣12,696,000元。

As Wuhan Traffic recorded operating loss during the current year, the directors re-evaluated the business activity and future performance of Wuhan Traffic at the balance sheet date and considered that the goodwill arising from the acquisition of Wuhan Traffic was fully impaired. Accordingly, the Group recognised in the consolidated income statement an impairment loss of RMB12,696,000 for the goodwill.

19. 存貨

19. INVENTORIES

		集團 Group	
		二零零六年 2006	二零零五年 2005
		人民幣千元 RMB'000	人民幣千元 RMB'000
原材料	Raw materials	185	67
在製品	Work in progress	587	18
製成品	Finished goods	1,618	485
		2,390	570

20. 貿易及其他應收款

20. TRADE AND OTHER RECEIVABLES

		附註 Note	本集團 Group		本公司 Company	
			二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000	二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
貿易應收款	Trade receivables	(a)	1,513	6,528	-	-
貿易保證金	Trade deposits		14,391	-	-	-
預付款及其他 保證金	Prepayments and other deposits	(b)	1,785	1,763	103	52
其他應收款	Other receivables	(c)	4,571	896	-	-
			22,260	9,187	103	52

(a) 貿易應收款

本集團貿易應收款之信用期介於120至180天之間。貿易應收款之賬齡分析如下：

(a) Trade receivables

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

		本集團 Group	
		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
30天以內	0-30 days	466	5,494
31至60天	31-60 days	256	227
61-90天	61-90 days	53	-
91至120天	91-120 days	83	807
121-180天	121-180 days	66	24
181-365天	181-365 days	149	299
365天以上	Over 365 days	3,276	6,420
		4,349	13,271
減值虧損撥備	Allowance for impairment losses	(2,836)	(6,743)
		1,513	6,528

20. 貿易及其他應收款(續)

(b) 預付款及其他保證金

		本集團 Group		本公司 Company		
		二零零六年 2006	二零零五年 2005	二零零六年 2006	二零零五年 2005	
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	
		附註 Note				
繳納企業所得稅	Payment of enterprises income tax ("EIT")	(i)	1,418	1,418	-	-
預付供應商之款項	Prepayments to suppliers		32	239	-	-
其他	Others		335	106	103	52
			1,785	1,763	103	52

- (i) 在華普奧原與當地稅務局落實附註10所述之稅收優惠政策前，被要求先就二零零零年及二零零一年之潛在企業所得稅負債繳納保證金。該保證金在二零零一年華普奧原取得稅務局批准後退回。

- (i) Before Jian-O'Yuan obtained the confirmation from the local tax bureau for the preferential tax treatment as stated in Note 10, Jian-O'Yuan was required to place deposits against the potential EIT liabilities for the years 2000 and 2001. Such deposits for EIT were refunded/refundable after Jian-O'Yuan obtained the approval of the preferential tax treatment from the tax bureau in 2001.

(c) 其他應收款

(c) Other receivables

		本集團 Group	
		二零零六年 2006	二零零五年 2005
		人民幣千元 RMB'000	人民幣千元 RMB'000
員工備用金	Advances to staff	81	114
應收增值稅	VAT receivable	241	253
業務夥伴代表本集團 臨時收取之款項	Temporary receipts by business associates on behalf of the Group	3,594	-
其他	Others	655	529
		4,571	896

21. 貿易及其他應付款

21. TRADE AND OTHER PAYABLES

		附註 Note	本集團 Group		本公司 Company	
			二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000	二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
貿易應付款	Trade payables	(a)	1,770	2,601	-	-
其他應付款	Other payables	(b)	61,028	11,336	7,131	4,024
			62,798	13,937	7,131	4,024

(a) 貿易應付款

於二零零六年十二月三十一日，貿易應付款之賬齡分析如下：

(a) Trade payable

As at 31 December 2006, the ageing analysis of the trade payables was as follows:

		本集團 Group	
		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
30天以內	0-30 days	300	441
31至60天	31-60 days	-	156
91至120天	91-120 days	-	36
121-180天	121-180 days	-	72
181-365天	181-365 days	13	260
365天以上	Over 365 days	1,457	1,636
		1,770	2,601

21. 貿易及其他應付款(續)

(b) 其他應付款

		本集團		本公司	
		Group	Company	Group	Company
		二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
應付營業稅	Business tax payable	92	72	-	-
應付利息	Interest payable	559	156	559	156
應付增值稅	VAT payable	-	444	-	-
職工獎勵及福利基金	Provision for staff and workers' bonus and welfare fund	817	1,006	-	-
預提經營費用	Accruals for operating expenses	7,713	6,136	4,923	3,806
應付薪金及福利	Salary and welfare payables	478	905	102	62
已收智能卡持有人之保證金	Deposits received from the holders of smart cards	42,626	-	-	-
應付少數股東款項	Amount due to a minority shareholder	94	-	-	-
其他	Others	8,649	2,617	1,547	-
		61,028	11,336	7,131	4,024

22. 其他貸款

於二零零二年十一月三十日，本公司向獨立第三方－Chief Finance Limited(「認購人」)發行價值10,000,000港元(相當於等值人民幣約10,611,000元)之可換股票據。該可換股票據可轉換為4,000,000股本公司股份，每股初步換購價為2.50港元(可予調整)。

可換股票據乃按該已發行票據之本金額，以香港上海滙豐銀行有限公司於有關計息期之最後營業日向其客戶所報之港元最優惠貸款利率加1%之年利率計息。

以上可換股票據於其發行兩年後到期。票據持有人可於可換股票據發行日期起計十二個月後直至到期日(包括該日)為止行使換股權，而每次換股須以2,000,000港元之完整倍數為單位。認購人於十二個月期內並無進行換股。

21. TRADE AND OTHER PAYABLES (Continued)

(b) Other payables

22. OTHER LOAN

The Company issued a convertible note of HK\$10,000,000 (equivalent to RMB10,611,000) to an independent third party – Chief Finance Limited (the “Subscriber”) on 30 November 2002. The convertible note is convertible into 4,000,000 shares of the Company at an initial conversion price of HK\$2.50 per share (subject to adjustment).

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

The maturity date for the convertible note is the second anniversary date of its issue. The conversion rights could be exercised after a period of 12 months from the date of issue of the convertible notes until and including the maturity date and each conversion shall be in the integral multiples of HK\$2,000,000. No conversion was made by the Subscriber during the 12 months period.

22. 其他貸款 (續)

本公司於二零零四年十一月十八日與認購人簽署補充協議，據此延長可換股票據之到期日及重新制定未償付金額之償付時間表。根據補充協議，在認購人按該可換股票據之任何未償付本金額行使換股權之情況下，本公司需於二零零四年十一月三十日（「第一到期日」）償付該可換股票據的部份未償付本金額為數2,000,000港元，以及截至第一期日止可換股票據之應計利息250,000港元。該可換股票據的其餘未償付本金額需分四期支付，即分別於二零零四年十二月三十一日之前償付本金額3,000,000港元（「第二到期日」），二零零五年二月二十八日之前償付本金額2,000,000港元（「第三到期日」），二零零五年三月三十一日之前償付本金額2,000,000港元，二零零五年四月三十日之前償付本金額1,000,000港元，償付方式為遠期銀行支票（「期票」），並於第一到期日交付予票據持有人。

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

由於換股權已於二零零五年屆滿，故可換股票據之尚未償還本金額乃重新分類為其他貸款。

於過往年度及本年度內，本公司已向認購人分別償還281,250港元及2,200,000港元，而其餘2,518,750港元（約人民幣2,518,700元）之逾期款額於二零零六年十二月三十一日仍未償還。

22. OTHER LOAN (Continued)

On 18 November 2004, the Company and the Subscriber entered into a supplemental agreement pursuant to which the maturity date of the convertible note was extended and the repayment of the outstanding amount was re-scheduled. Pursuant to the supplemental agreement, subject to the exercise of the conversion rights by the Subscriber on any principal outstanding amount of the convertible note, the Company should on 30 November 2004 ("First Maturity Date"), repay part of the principal outstanding amount of the convertible note in the sum of HK\$2,000,000 and HK\$250,000 on the account of the interest accrued on the convertible note up to the First Maturity Date. The remaining principal outstanding amount of the convertible note should then be repaid by four instalments by way of four post-dated cheques ("Cheques") dated 31 December 2004 ("Second Maturity Date"), 28 February 2005 ("Third Maturity Date"), 31 March 2005 and 30 April 2005 in the sum of HK\$3,000,000, HK\$2,000,000, HK\$2,000,000 and HK\$1,000,000 respectively which were delivered to the Subscriber on the First Maturity Date.

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

As the conversion rights expired in year 2005, the outstanding principal amount of the convertible note was reclassified as other loan.

During the previous and current years, the Company had further repaid amounts of HK\$281,250 and HK\$2,200,000 respectively to the Subscriber and the remaining overdue balance of HK\$2,518,750 (approximately RMB2,518,700) was outstanding as at 31 December 2006.

22. 其他貸款 (續)

如財務報表附註31所披露，於二零零七年三月七日，本集團與認購人訂立有條件資本化協議，據此認購人有條件同意透過按每股0.10港元之認購價認購30,000,000股本公司新股份方式，將餘額及相關之應計利息予以資本化。完成貸款資本化須取得本公司股東特別大會及聯交所之批准。

23. 應付一位董事

應付一位董事	Due to a director
— 附息	— interest bearing
— 免息	— non-interest bearing

該等應付款項為無抵押及按通知或於一年內償還。並無就該等應付款項提供擔保。附息款額人民幣24,080,000元按香港上海滙豐銀行有限公司所報之港元最優惠年利率計息。由於附息款額按浮動利率計息，故本集團承受現金流利率風險。

22. OTHER LOAN (Continued)

As disclosed in note 31 to the financial statements, on 7 March 2007, the Company and the Subscriber entered into a conditional capitalisation agreement pursuant to which the Subscriber has conditionally agreed to capitalise the remaining balance and the relevant accrued interests by subscribing 30,000,000 new shares of the Company at a subscription price of HK\$0.10 per share. The completion of the loan capitalisation is subject to the approvals of an extraordinary general meeting of the Company and the Stock Exchange.

23. DUE TO A DIRECTOR

本集團		本公司	
Group		Company	
二零零六年	二零零五年	二零零六年	二零零五年
2006	2005	2006	2005
人民幣千元	人民幣千元	人民幣千元	人民幣千元
RMB'000	RMB'000	RMB'000	RMB'000
24,080	—	24,080	—
6,358	6,314	5,001	5,205
30,438	6,314	29,081	5,205

The amounts due are unsecured and repayable on demand or within one year. No guarantees have been given in respect of the amounts due. The interest bearing balance of RMB24,080,000 bears interest at Hong Kong Dollar Prime Rate per annum as quoted by The Hong Kong and Shanghai Banking Corporation Limited. Since the interest bearing balance is arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

24. 退休福利成本

本集團安排香港僱員參與強制性公積金計劃（「強積金計劃」）。強積金計劃屬於定額供款計劃，由獨立受託人管理。根據強積金計劃，本集團（僱主）及僱員每月均按有關僱員收入的5%（定義見強制性公積金法例）作出供款。僱主及僱員之供款均以每月1,000港元為限，其後之供款則屬自願性質。於截至二零零六年十二月三十一日止年度，並無喪失權利之供款。

根據中國有關法律及法規規定，本集團在中國成立之附屬公司按月為本集團之當地職工繳納基本養老保險費。保險費按地方標準工資的28%至29%計提，其中本公司負責20%至21%，其餘由職工負責，交由中國政府有關部門統籌安排，退休職工的退休金由該部門統籌支付。本集團按權責發生制核算該等繳費。

本集團作出之退休金供款詳情如下：

24. RETIREMENT BENEFIT COSTS

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group (the employer) and its employees makes monthly contributions to the scheme at 5% of the employees' earning as defined under the Mandatory Provident Fund legislation. The contributions from each of the employer and employees are subject to a cap of HK\$1,000 per month and thereafter contributions are voluntary. For the year ended 31 December 2006, no contribution was forfeited.

The Group's subsidiaries incorporated in the PRC make contributions to the basic old age insurance for the Group's local staff on a monthly basis pursuant to PRC laws and regulations to a government agency based on 28%-29% of the standard salary set by the provincial government, of which 20%-21% is borne by the Group and the remainder is borne by the staff. The government agency is responsible for the pension liabilities relating to such staff upon their retirement. The Group accounts for these contributions on an accrual basis.

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

	二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
退休計劃之供款	714	764
Contributions to retirement schemes	<u>714</u>	<u>764</u>

25. 股本及購股權

(a) 股本

		股數 Number of shares	面值 Nominal value 港元 HK\$	面值 Nominal value 人民幣 RMB
授權股本(每股面值 0.05港元)	Authorised share capital (HK\$0.05 each)			
於二零零五年及二零零六年 十二月三十一日	As at 31 December 2005 and 2006	1,200,000,000	60,000,000	63,624,000
已發行及繳足之股本 (每股面值0.05港元)	Issued and fully paid (HK\$0.05 each)			
於二零零五年及二零零六年 十二月三十一日	As at 31 December 2005 and 2006	400,000,000	20,000,000	21,208,000

(b) 股本結算之購股權計劃

根據二零零一年十一月十九日本公司採納的購股權計劃(「購股權計劃」)，本公司可授權該購股權計劃的參與者預購本公司股份。參加者包括任何僱員(包括董事)，以及董事會或其正式獲授權之委員會(「董事會」)全權酌情認為對本集團發展做出貢獻的若干其他人士。因根據購股權計劃及其他股份認購計劃將授出而尚未實施之所有購股權因獲實施而可予發行之整體股份數目限額，總共不得超過不時已發行股份之30%。該購股權計劃中任何被授出的購股權的實施自被授出之日起不得超過十年。認購價格由董事會決定，但不得超過以下最高者(i)授出日該股份在創業板所報的收市價；(ii)授出日之後五個工作日該股份在創業板所報的平均收市價；(iii)授出日該股份之面值。

25. SHARE CAPITAL AND SHARE OPTIONS

(a) Share capital

(b) Equity-settled share option scheme

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

25. 股本及購股權 (續)

(b) 股本結算之購股權計劃 (續)

購股權特定類別之詳情如下：

承授人 Grantee	授出日期 Date of grant	歸屬期 Vesting period	行使期 Exercise period	行使價 Exercise price 港元 HK\$
董事、僱員及其他人士 Directors, employees and others	二零零二年五月三十一日 31 May 2002	二零零二年五月三十一日至 二零零六年五月三十一日 31 May 2002 - 31 May 2006	二零零二年五月三十一日至 二零零七年五月三十日 31 May 2002 - 30 May 2007	2.35
其他人士 Others	二零零二年八月十六日 16 August 2002	不適用 N/A	二零零二年八月十六日至 二零零七年八月十五日 16 August 2002 - 15 August 2007	2.03

年內尚未行使購股權之詳情如下：

25. SHARE CAPITAL AND SHARE OPTIONS (Continued)

(b) Equity-settled share option scheme (Continued)

Details of specific categories of options are as follows:

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

		二零零六年 2006		二零零五年 2005	
		購股權數目 Number of share options	加權平均 行使價 Weighted average exercise price 港元 HK\$	購股權數目 Number of shares options	加權平均 行使價 Weighted average exercise price 港元 HK\$
年初尚未行使 Outstanding at the beginning of the year		30,600,000	2.32	32,100,000	2.32
年內失效 Lapsed during the year		(1,900,000)	2.35	(1,500,000)	2.35
年末尚未行使 Outstanding at the end of year		28,700,000	2.32	30,600,000	2.32
年末可行使 Exercisable at the end of the year		28,700,000		23,700,000	

25. 股本及購股權 (續)

(b) 股本結算之購股權計劃 (續)

上述購股權包括於二零零二年五月三十一日及二零零二年八月十六日以1港元之代價分別授予各承授人之25,700,000股(二零零五年：27,600,000股)及3,000,000股(二零零五年：3,000,000股)相關股份。

於二零零二年五月三十一日授出之25,700,000股購股權行使價為每股2.35港元，各承授人可在授出日起計每年行使該等購股權的25%。於二零零二年八月十六日授出之3,000,000股購股權行使價為每股2.03港元，而該等購股權可於授出時行使。倘僱員離開本集團，便會喪失獲授予之購股權。

於年末尚未行使之購股權有加權平均尚餘合約年期0.44年(二零零五年：1.43年)。於二零零六年，並無授出購股權(二零零五年：無)。

根據本公司於二零零一年十一月十九日採納之購股權計劃，下列本公司董事於可認購本公司每股面值0.05港元之普通股之購股權中擁有個人權益，並以1港元之代價授予各承授人：

25. SHARE CAPITAL AND SHARE OPTIONS (Continued)

(b) Equity-settled share option scheme (Continued)

The above options comprising 25,700,000 (2005: 27,600,000) and 3,000,000 (2005: 3,000,000) underlying shares were granted at consideration of HK\$1 each grantee on 31 May 2002 and 16 August 2002 respectively.

The exercise price of 25,700,000 share options granted on 31 May 2002 is HK\$2.35 per share and such options are exercisable to the extent of 25% of the options granted to each grantee every year after the date of grant. The exercise price of 3,000,000 share options granted on 16 August 2002 is HK\$2.03 per share and such options can be exercised since granted. Options granted to the employee will be forfeited if the employee leaves the Group.

The options outstanding at the end of the year have a weighted average remaining contractual life of 0.44 years (2005: 1.43 years). In 2006, no options were granted (2005: Nil).

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

於二零零六年
十二月三十一日
根據購股權尚未
行使之股權數目

董事姓名 Name of director	授出日期 Date of grant	每股行使價 Exercise price per share	Outstanding number of share under option as at 31 December 2006
翦英海先生 Mr. Chin Ying Hoi	二零零二年五月三十一日 31 May 2002	2.35港元 HK\$2.35	2,000,000
李隨洋先生 Mr. Li Sui Yang	二零零二年五月三十一日 31 May 2002	2.35港元 HK\$2.35	1,000,000
			3,000,000

26. 儲備

(a) 本集團

資本儲備來源於本公司於二零零一年股票上市的結果。

本集團儲備之數額及其變動於綜合權益變動表內呈列。

華普奧原、北京華普智通及武漢華普智通乃於中國註冊成立之附屬公司。該等附屬公司須遵從中國有關法律及法規及其公司章程設立若干儲備基金。華普奧原、北京華普智通及武漢華普智通須根據適用於在中國成立之企業的會計準則及有關財務規則（「中國公認會計準則」）所編製的法定賬目，從除稅後但未計股息分派前的淨利潤中提取若干法定儲備，即一般儲備基金、企業發展基金和職工獎勵及福利基金。該等儲備需用於指定用途，其中一般儲備基金的提取不得低於除稅後淨利潤的10%，而企業發展基金和職工獎勵及福利基金的提取則按各附屬公司董事會的決定進行。一般儲備基金經有關當局批准後，可用於彌補累計虧損或轉增資本。企業發展基金經有關當局批准後，可用於轉增資本。職工獎勵及福利基金僅應用於職工的非經常性獎勵或集體福利，而通過該項基金獲取的資產不得視為本集團的資產。職工獎勵及福利基金根據香港財務報告及會計準則於發生時於開支中扣除，並在資產負債表內記錄為負債。

當上述附屬公司的法定儲備基金不足以彌補其過往年度的虧損時，則當年度淨利潤在提取一般儲備基金、企業發展基金和職工獎勵及福利基金前須先用作彌補虧損。

26. RESERVES

(a) Group

Capital reserves arose as a result of the Group reorganisation implemented for the listing of the Company's shares in year 2001.

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

Jian-O'Yuan, Beijing Jian ePayment and Wuhan Jian ePayment are subsidiaries incorporated in the PRC. These subsidiaries have to follow the laws and regulations of the PRC and its Articles of Association in setting up certain reserve funds. They are required to provide for certain statutory funds, namely, general reserve fund, enterprise expansion fund, staff and workers' bonus and welfare fund which are appropriated from net profit after taxation but before dividend distribution based on their statutory accounts prepared in accordance with the accounting principles and relevant financial regulations applicable to enterprises established in the PRC (the "PRC GAAP"). These funds are created for specific purposes. The appropriation of the general fund reserve is not less than 10% of the net profit after taxation and appropriations to enterprise expansion fund and staff and workers' bonus and welfare fund are at the discretion of the directors of the respective subsidiaries. The general reserve fund can only be used, upon approval by the relevant authority, to offset accumulated losses or increase capital. The enterprise expansion fund can only be used to increase capital upon approval by the relevant authority. The staff and workers' bonus and welfare fund can only be used for special bonus or collective welfare of its employees, and assets acquired through this fund shall not be treated as assets of the Group. Staff and workers' bonus and welfare fund are charged to expenses as incurred and recorded as a liability in the balance sheet under HKFRSs.

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

26. 儲備(續)

(b) 本公司

26. RESERVES (Continued)

(b) Company

		股份溢價 Share premium 人民幣千元 RMB'000	合併儲備 Merger reserve 人民幣千元 RMB'000	累計虧損 Accumulated losses 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零零五年一月一日	At 1 January 2005	1,476	23,996	(56,184)	(30,712)
本年度虧損	Loss for the year	-	-	(3,082)	(3,082)
於二零零五年十二月三十一日	At 31 December 2005	1,476	23,996	(59,266)	(33,794)
本年度虧損	Loss for the year	-	-	(16,653)	(16,653)
於二零零六年十二月三十一日	At 31 December 2006	1,476	23,996	(75,919)	(50,447)

本公司之合併儲備乃指於過往年度集團重組時，本公司為透過股份交換收購附屬公司而發行之普通股之面值與所收購附屬公司之資產淨值兩者之差額。

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

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

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

27. 收購一間附屬公司

於二零零六年七月二十四日，本集團以出資人民幣24,000,000元方式認購武漢票務公司的60%股本權益。年內，武漢票務公司乃在中國從事開發經營後臺電子收支與數據記錄及處理的軟件系統業務。

所收購武漢票務公司之可識別資產及負債於收購日期之公平值與其賬面值並無重大差異並載列如下：

所取得之資產淨值：
物業、廠房及設備
存貨
貿易及其他應收款
銀行及現金結存
貿易及其他應付款
客戶之保證金

資產淨值
少數股東權益

所取得之資產淨值
收購商譽(附註18)

總代價

收購產生之現金流入淨額：
已付現金代價
所取得之現金及現金等價物

收購武漢票務公司產生之商譽乃歸因於本集團於收購日期在新市場分銷產品的預計盈利能力。武漢票務公司亦為相關現金產生單位。

自收購日期起至結算日止期間，武漢票務公司為本集團貢獻營業額約為人民幣3,554,000元，但為本集團帶來除稅前虧損約為人民幣2,242,000元。

27. ACQUISITION OF A SUBSIDIARY

On 24 July 2006, the Group subscribed 60% of the equity interest in Wuhan Traffic by capital contribution of RMB24,000,000. Wuhan Traffic was engaged in business of development and operation of back end electronic receipt/payment and data recording and processing software system in PRC during the year.

The fair value of the identifiable assets and liabilities of Wuhan Traffic acquired as at its date of acquisition, which has no significant difference from its carrying amount, is as follows:

人民幣千元
RMB'000

Net assets acquired:	
Property, plant and equipment	10,660
Inventories	2,178
Trade and other receivables	14,798
Bank and cash balance	39,101
Trade and other payables	(46,332)
Deposits from customers	(1,566)
	<hr/>
Net assets	18,839
Minority interests	(7,535)
	<hr/>
Net assets acquired	11,304
Goodwill on acquisition (Note 18)	12,696
	<hr/>
Total consideration	24,000
	<hr/>
Net cash inflow arising on acquisition:	
Cash consideration paid	(24,000)
Cash and cash equivalents acquired	39,101
	<hr/>
	15,101
	<hr/>

The goodwill arising on the acquisition of Wuhan Traffic is attributable to the anticipated profitability of the distribution of the Group's products in the new markets at the date of acquisition. Wuhan Traffic is also the relevant cash generating unit.

Wuhan Traffic contributed approximately RMB3,554,000 to the Group's turnover and approximately RMB2,242,000 to the Group's loss before tax, for the period between the date of acquisition and the balance sheet date.

27. 收購一間附屬公司 (續)

倘該收購於二零零六年一月一日已經完成，本集團於本年度之總營業額將為人民幣15,219,000元，及本年度之虧損將為人民幣24,141,000元。備考資料僅供說明之用，並不必然表示倘收購於二零零六年一月一日已經完成本集團將會取得之實際營業額及業績，亦無意預示未來業績。

28. 遞延稅項

於結算日，本集團有可供抵銷未來應課稅溢利之未動用稅項虧損及其他可扣減暫時差額分別約為人民幣20,716,000元及人民幣6,137,000元(二零零五年：分別為人民幣21,582,000元及人民幣28,522,000元)。由於難以預測未來溢利來源，故並無就該等虧損及可扣減暫時差額確認遞延稅項資產。尚未確認之稅項虧損將自二零零六年至二零一一年屆滿，而其他可扣減暫時差額可無限期結轉。

29. 承擔

(a) 有關投資於一間中國公司之資本承擔：

27. ACQUISITION OF A SUBSIDIARY (Continued)

If the acquisition had been completed on 1 January 2006, total Group turnover for the year would have been RMB15,219,000, and loss for the year would have been RMB24,141,000. The proforma information is for illustrative purposes only and is not necessarily an indication of turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2006, nor is intended to be a projection of future results.

28. DEFERRED TAXATION

At the balance sheet date the Group has unused tax losses and other deductible temporary differences of approximately RMB20,716,000 and RMB6,137,000 respectively (2005: RMB21,582,000 and RMB28,522,000 respectively) that are available for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences due to unpredictability of future profit streams. The unrecognised tax losses will be expired from 2006 to 2011 and other deductible temporary differences may be carried forward indefinitely.

29. COMMITMENTS

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

	二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
已簽約但未撥備	-	24,000
Contracted but not provided for	-	24,000

29. 承擔 (續)

(b) 經營租賃承擔

於二零零六年十二月三十一日，本集團根據不可撤銷之經營租賃而於未來需支付之最低租賃付款總額如下：

		土地及樓宇	
		Land and buildings	
		二零零六年	二零零五年
		2006	2005
		人民幣千元	人民幣千元
		RMB'000	RMB'000
一年內	Within one year	660	394
第二至第五年 (包括首尾兩年)	In the second to fifth years inclusive	916	-
		1,576	394

經營租賃付款指本集團為其若干辦公室而應付之租金。經協商，該等租賃之平均租期為1.68年，而租金於租賃期內固定，且不包括或有租金。

29. COMMITMENTS (Continued)

(b) Commitments under operating leases

At 31 December 2006, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		Land and buildings	
		2006	2005
		RMB'000	RMB'000
Within one year	Within one year	660	394
In the second to fifth years inclusive	In the second to fifth years inclusive	916	-
		1,576	394

Operating lease payments represent rentals payable by the Group for certain of its offices. Leases are negotiated for an average term of 1.68 years and rentals are fixed over the lease terms and do not include contingent rentals.

30. 關聯人士交易

(a) 關聯人士名稱及關係

關聯人士名稱

Name

30. RELATED PARTY TRANSACTIONS

(a) Name and relationship of related parties

與本公司關係

Relationship with the Company

北京華普產業集團有限公司
(「北京華普產業」)

翦英海先生及亞振全女士(兩位為最終控股公司之股東)最終擁有100%控制權之公司

Beijing Jian Enterprise (Group) Co., Ltd.
(「Beijing Jian Enterprise」)

A company 100% ultimately owned by Mr. Chin Ying Hoi and Ms. Ya Zhen Quan, the shareholders of the ultimate holding company

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

北京華普產業持有80%之附屬公司
80% owned subsidiary of Beijing Jian Enterprise

武漢華普經濟發展有限公司(「武漢華普」)

於二零零五年十一月十五日為北京華普產業持有88%之附屬公司，及其後北京華普產業已出售該等權益

Wuhan Jian Economic Development
Co., Ltd. (「Wuhan Jian」)

Being 88% owned by Beijing Jian Enterprise before 15 November 2005 and the equity was disposed of by Beijing Jian Enterprise thereafter

30. 關聯人士交易 (續)

(a) 關聯人士名稱及關係 (續)

關聯人士名稱

Name

與本公司關係

Relationship with the Company

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

華普科技持有52%之附屬公司
52% owned subsidiary of Jian-Tech

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

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

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

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

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

武漢華普持有其20%之權益
Being 20% owned by Wuhan Jian

上海白玉蘭智能交通系統管理有限公司
(「上海項目公司」)
Shanghai Bai Yu Lan Intelligent
Transportation System
Management Co., Ltd.
("Shanghai Project Company")

北京華普產業持有其40%之權益
Being 40% owned by Beijing Jian Enterprise

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

華普科技持有其80%之權益
Being 80% owned by Jian-Tech

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

武漢華普持有其49%之權益
Being 49% owned by Wuhan Jian

30. 關聯人士交易 (續)

(b) 重大關聯人士交易

除於本財務報表別處披露外，本集團與關聯人士有如下被董事視為以正常商業方式和條件進行的重大交易：

- (i) 銷售軟硬件、提供系統整合服務及交易徵費方面的收入：

30. RELATED PARTY TRANSACTIONS (Continued)

(b) Significant related party transactions

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

- (i) Sales of hardware and software, provision of systems integration services and transaction levies:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
海口項目公司	Haikou Project Company	-	112
威海項目公司	Weihai Project Company	38	33
宜昌項目公司	Yichang Project Company	-	28
北京項目公司	Beijing Project Company	38	32
武漢項目公司	Wuhan Project Company	-	2,554
上海項目公司	Shanghai Project Company	1,091	1,316
		1,167	4,075

- (ii) 銷售智能卡：

- (ii) Sales of smart cards:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
海口項目公司	Haikou Project Company	-	154
威海項目公司	Weihai Project Company	-	59
宜昌項目公司	Yichang Project Company	-	53
上海項目公司	Shanghai Project Company	1	2
北京項目公司	Beijing Project Company	62	267
武漢項目公司	Wuhan Project Company	-	256
		63	791

30. 關聯人士交易 (續)

(b) 重大關聯人士交易 (續)

(iii) 已付或應付關聯人士的經營租賃之租金：

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
北京華普	Beijing Huapu	274	274
翦英海，董事	Chin Ying Hoi, a director	31	31
		305	305

(iv) 向以下人士應收款之減值虧損沖回：

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
威海項目公司	Weihai Project Company	-	2,405

(v) 向以下人士應收款之減值虧損：

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
海口項目公司	Haikou Project Company	272	208
威海項目公司	Weihai Project Company	704	-
北京項目公司	Beijing Project Company	133	-
		1,109	208

(vi) 關聯人士利息開支：

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
翦英海，董事	Chin Ying Hoi, a director	392	-

30. RELATED PARTY TRANSACTIONS (Continued)

(b) Significant related party transactions (Continued)

(iii) Operating leases rentals paid/payable to:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
Beijing Huapu		274	274
Chin Ying Hoi, a director		31	31
		305	305

(iv) Reversal of impairment loss on receivables from:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
Weihai Project Company		-	2,405

(v) Impairment loss made for receivables from:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
Haikou Project Company		272	208
Weihai Project Company		704	-
Beijing Project Company		133	-
		1,109	208

(vi) Interest expenses paid to:

		二零零六年 2006 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000
Chin Ying Hoi, a director		392	-

30. 關聯人士交易 (續)

(c) 關聯人士餘額

30. RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

		本集團		本公司	
		Group		Company	
		二零零六年	二零零五年	二零零六年	二零零五年
		2006	2005	2006	2005
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
交易活動產生之餘額：	Balance from trading activities:				
包括在貿易應收款內	Included in trade receivables				
– 海口項目公司	– Haikou Project Company	239	208	-	-
– 威海項目公司	– Weihai Project Company	683	682	-	-
– 北京項目公司	– Beijing Project Company	75	-	-	-
– 上海項目公司	– Shanghai Project Company	100	-	-	-
		1,097	890	-	-
減值虧損準備	Allowance for impairment losses	(920)	(889)	-	-
		177	1	-	-
包括在其他應收款內	Included in other receivables				
– 威海項目公司	– Weihai Project Company	23	-	-	-
– 北京項目公司	– Beijing Project Company	133	-	-	-
– 海口項目公司	– Haikou Project Company	33	-	-	-
		189	-	-	-
減值虧損準備	Allowance for impairment losses	(189)	-	-	-
		-	-	-	-
包括在貿易及	Included in trade and				
其他應付款內：	other payables:				
– 北京項目公司	– Beijing Project Company	-	46	-	-
– 威海項目公司	– Weihai Project Company	-	2	-	-
		-	48	-	-
包括在客戶之保證金內：	Included in deposits from customers:				
– 上海項目公司	– Shanghai Project Company	-	605	-	-
應收一間關聯公司：	Due from a related company:				
– 北京華普產業	– Beijing Jian Enterprise	20	20	-	-
應付一間關聯公司：	Due to a related company:				
– 華普科技	– Jian-Tech	10	10	-	-
應付一名董事	Due to a director				
– 翦英海	– Chin Ying Hoi	(30,438)	(6,314)	(29,081)	(5,205)

30. 關聯人士交易 (續)

(c) 關聯人士餘額 (續)

於二零零六年十二月三十一日，應收應付海口、威海、北京、上海項目公司、北京華普產業及華普科技款項為免息及在要求時償還。該等款項並無給予或接受任何擔保。

31. 結算日後事項

於二零零七年三月七日，本公司分別與 Chief Finance Limited、東英亞洲有限公司及本公司董事翦英海先生(以後統稱為「債權人」)訂立有條件貸款資本化協議，據此債權人有條件同意透過將本公司於結算日欠付債權人為數約人民幣14,500,000元之貸款予以資本化方式，認購合共145,000,000股本公司新股份，認購價為每股0.10港元。於同日，本公司亦與東英亞洲有限公司(「配售代理」)訂立有條件配售協議，配售代理將竭盡全力向不少於六位承配人配售最多不超過350,000,000股本公司新股份，配售價為每股0.10港元。董事認為，本公司收取之配售所得款項淨額在扣除本公司將予承擔之配售佣金及所有成本、費用及開支後，估計約為人民幣33,950,000元。

於二零零七年三月十九日，據配售代理確認，配售代理已與其所促成之多位承配人正式簽署配售協議，按每股0.10港元之配售價配售最多不超過350,000,000股本公司新股份。

完成上述配售及貸款資本化須取得本公司股東特別大會及聯交所之批准。

32. 財務報表之批准

財務報表已於二零零七年三月二十八日由董事會批准及授權刊發。

30. RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties (Continued)

As at 31 December 2006, the balances due from/to Haikou, Weihai, Beijing, Shanghai project companies, Beijing Jian Enterprise and Jian-Tech were non-interest bearing and were repayable on demand. No guarantees have been given or received.

31. EVENTS AFTER THE BALANCE SHEET DATE

On 7 March 2007, the Company entered into the conditional loan capitalization agreements with each of Chief Finance Limited, Oriental Patron Asia Limited and the Company's director – Mr. Chin Ying Hoi (hereinafter collectively referred to as the "Creditors") respectively pursuant to which the Creditors have conditionally agreed to subscribe an aggregate of 145,000,000 new shares of the Company at a subscription price of HK\$0.10 per share by capitalizing the loans of approximately RMB14.5 million owed by the Company to the Creditors at the balance sheet date. On the same date, the Company also entered into a conditional placing agreement with Oriental Patron Asia Limited (the "Placing Agent") for the placing of a maximum of up to 350,000,000 new shares of the Company to not less than six placees at the placing price of HK\$0.10 per share on a best endeavour basis. In the opinion of the directors, the net proceeds of the placing receivable by the Company, after deducting the placing commission and all costs, fees and expenses to be borne by the Company, are estimated to be approximately RMB33.95 million.

On 19 March 2007, as confirmed by the Placing Agent, a number of placees procured by the Placing Agent have duly signed the placing agreements with them for the placing of a maximum of upto 350,000,000 new shares of the Company at the placing price of HK\$0.10 per share.

The completion of the above placing and loan capitalisation is subject to the approvals of an extraordinary general meeting of the Company and the Stock Exchange.

32. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 28 March 2007.

綜合損益表

(以人民幣千元計)

CONSOLIDATED PROFIT AND LOSS ACCOUNTS

(Amounts expressed on thousands of Renminbi)

		截至十二月三十一日止年度 Year ended 31 December				
		二零零二年 2002	二零零三年 2003	二零零四年 2004	二零零五年 2005	二零零六年 2006
營業額	Turnover	60,688	3,407	8,173	15,948	10,636
經營(虧損)/溢利	Operating profit/(loss)	23,957	(51,555)	(37,936)	1,357	(21,635)
補貼收入	Subsidy income	1,620	1,416	2,950	287	-
利息收入	Interest income	112	116	7	141	200
利息支出	Interest expenses	(1,308)	(1,105)	(622)	(376)	(813)
除稅前(虧損)/溢利	Profit/(loss) before taxation	24,381	(51,128)	(35,601)	1,409	(22,248)
稅項	Taxation	-	-	-	(126)	(125)
除稅後但未扣除少數股東 權益前(虧損)/溢利	Profit/(loss) after taxation but before minority interests	24,381	(51,128)	(35,601)	1,283	(22,373)
少數股東權益	Minority interests	(45)	-	-	-	896
股東應佔(虧損)/溢利	Profit/(loss) attributable to shareholders	24,336	(51,128)	(35,601)	1,283	(21,477)

綜合資產負債表

(以人民幣千元計)

CONSOLIDATED BALANCE SHEETS

(Amounts expressed on thousands of Renminbi)

		於十二月三十一日 As at 31 December				
		二零零二年 2002	二零零三年 2003	二零零四年 2004	二零零五年 2005	二零零六年 2006
固定資產	Fixed assets	57,466	38,906	8,130	2,682	10,832
商譽	Goodwill	1,568	-	-	-	-
淨流動(負債)/資產	Net current (liabilities)/ assets	28,801	(12,811)	(12,329)	(10,896)	(33,884)
少數股東權益	Minority interests	-	-	-	-	(6,639)
總資產減流動負債	Total assets less current liabilities	87,835	26,095	(4,199)	(8,214)	(29,691)
資金來源：	Representing:					
非流動負債	Non-current liabilities	10,611	-	5,305	-	-
股本	Share capital	21,208	21,208	21,208	21,208	21,208
儲備	Reserves	56,016	4,887	(30,712)	(29,422)	(50,899)
股東權益	Shareholder's equity	87,835	26,095	(4,199)	(8,214)	(29,691)

茲通告華普智通系統有限公司(「公司」)定於二零零七年四月二十五日(星期三)上午十一時在香港灣仔軒尼詩道103號越興大廈23樓舉行股東週年大會，議程如下：

1. 收取並省覽截至二零零六年十二月三十一日止年度的經審計綜合財務報表，以及董事和審計師報告。
2. 續聘行將卸任的董事包括楊國偉先生及曲嘯國先生，並授權董事會釐訂所有董事報酬。
3. 續聘公司審計師，並授權董事會釐訂其報酬。
4. 以特別事項形式，考慮並酌情通過下列議案為普通決議，無論有否更改：

「動議：

- (A) 在本議案(C)段的限制下，根據香港聯合交易所有限公司《創業板(「創業板」)證券上市規則》(「創業板上市規則」)，全面無條件批准公司董事在有關期間(定義見下文)內行使公司一切權力，以分配、發行、處理公司股本中之額外股份(但根據供股，或因公司購股權計劃、期票紅利計劃或類似安排，而按公司不時訂定的組織章程分配，藉以代替所有或部份公司股份紅利的股份除外)，並訂立或授與將會或可能須行使該等權力之建議、協議、購股權；

NOTICE IS HEREBY GIVEN that the annual general meeting of the members of Jian ePayment Systems Limited (the “Company”) will be held at 23/F, Yue Hing Building, 103 Hennessy Road, Wanchai, Hong Kong on Wednesday, 25 April 2007 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December, 2006.
2. To re-elect the retiring directors, namely Mr. Yang Guo Wei and Mr. Qu Xiao Guo and to authorize the board of directors to fix all the directors’ remuneration.
3. To re-appoint auditors of the Company and to authorize the board of directors to fix their remuneration.
4. To consider as special business, and if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (A) subject to paragraph (C) of this resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with (otherwise than by way of rights issue or pursuant to the exercise of options granted under any of the Company’s share option schemes or any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time) additional shares in the share capital of the Company and to make or grant any offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (B) 本議案(A)段之批准是附加於董事會獲得之任何其他授權，並授權公司董事在有關期間(定義見下文)內訂立或授與在有關期間(定義見下文)或其結束後將會或可能須行使該等權力之建議、協議、購股權；
- (B) the approval in paragraph (A) of this resolution shall be in addition to any other authorization given to the directors and shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant any offers, agreements and options which would or might require the exercise of such powers either during or after the end of the Relevant Period (as hereinafter defined);
- (C) 公司董事將根據上文(A)段之批准所分配或有條件或無條件同意分配(不論是根據購股權還是其他方式分配)之股本總面值，不得超逾本議案通過當日公司已發行股本總面值之20%，而上述批准須受此數額限制；以及
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (A) above shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (D) 就本議案而言，「有關期間」指本議案通過之日至下列三者任何一項較早發生之期間：
- (D) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) 公司下屆股東週年大會結束之日；
- (i) the conclusion of the next annual general meeting of the Company;
- (ii) 公司組織章程或任何適用法例規定公司須舉行下屆股東週年大會之期限屆滿之日；或
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; or
- (iii) 公司在股東大會通過普通決議，撤銷或修訂本議案所述授權之日；
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

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

5. 以特別事項形式，考慮並酌情通過下列議案為普通決議，無論有否更改：

「動議：

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

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

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

“THAT:

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

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

6. 以特別事項形式，考慮並酌情通過下列議案為普通決議，無論有否更改：

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

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

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

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

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

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

承董事會命
華普智通系統有限公司
主席
翦英海

中國北京，星期四二零零七年三月二十九日

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

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

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

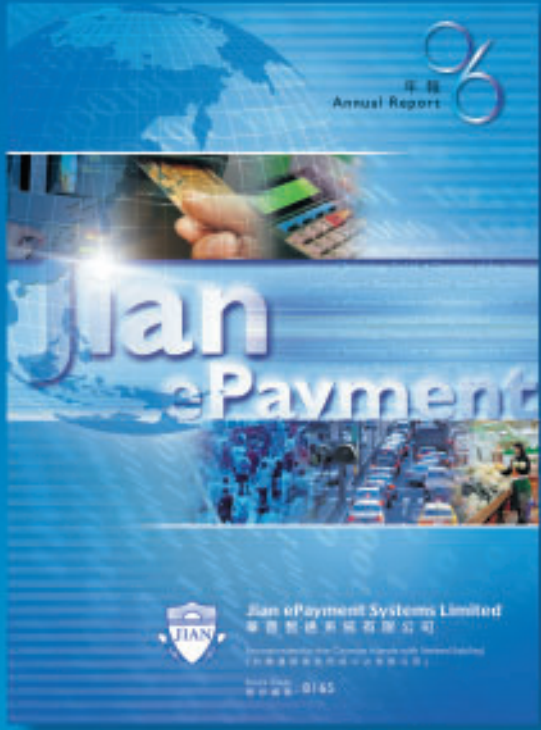
Beijing, The PRC, Thursday, 29 March 2007

附註：

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

Notes:

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



Jian ePayment Systems Limited
華普智通系統有限公司

23/F, Yue Hing Building,
103 Hennessy Road, Wanchai, Hong Kong
香港灣仔軒尼詩道103號
越興大廈23樓
<http://www.jianep.com>