

ePRO

EPRO LIMITED

易寶有限公司*

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)
(股份代號：8086)
(Stock Code: 8086)

二零一二年至二零一三年第一季度業績報告

2012/2013 FIRST QUARTERLY RESULTS REPORT

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板的定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資者應了解投資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。創業板的較高風險及其他特點表示創業板較適合專業及其他老練投資者。

由於創業板上市公司之性質所然，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。

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本報告的資料乃遵照創業板上市規則之規定而刊載，旨在提供有關本公司的資料；本公司的董事願就本報告的資料共同及個別地承擔全部責任。本公司各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，且並無遺漏任何事項，足以令致本報告或其所載任何陳述產生誤導。

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

The report, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

* 僅供識別

* for identification purposes only

未經審核業績

易寶有限公司(「本公司」)董事會(「董事」)宣佈，本公司及其附屬公司(「本集團」)截至二零一二年九月三十日止三個月之第一季度未經審核綜合業績，連同截至二零一一年同期未經審核之比較數字如下：

未經審核綜合損益表

UNAUDITED RESULTS

The board of directors (the “Directors”) of EPRO LIMITED (the “Company”) announced the first quarterly unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 30 September 2012 together with the comparative unaudited figures for the corresponding period in 2011 as follows:

Unaudited Consolidated Income Statement

		截至九月三十日止三個月	
		For the three months ended	
		30 September	
		二零一二年	二零一一年
		2012	2011
		千港元	千港元
		HK\$'000	HK\$'000
收入	REVENUE		
貨品銷售成本	Cost of sales	2	
		318,106	355,951
		(183,569)	(205,874)
毛利	Gross profit	134,537	150,077
其他收入及收益	Other income and gains	196	73
銷售及分銷成本	Selling and distribution costs	(78,744)	(95,836)
行政及其他費用	Administrative and other expenses	(27,050)	(9,491)
融資成本	Finance costs	3	(30)
分佔聯營公司之盈利及虧損	Share of profits and losses of associates	(2)	(35)
除稅前盈利	PROFIT BEFORE TAX	28,937	44,758
所得稅費用	Income tax expense	4	(7,260)
本期間盈利	PROFIT FOR THE PERIOD	24,192	37,498
以下各方應佔：	Attributable to:		
本公司擁有人	Owners of the Company	24,373	37,534
非控股權益	Non-controlling interests	(181)	(36)
		24,192	37,498
本公司普通股權益持有人應佔之每股盈利	EARNINGS PER SHARE		
	ATTRIBUTABLE TO ORDINARY EQUITY		
	HOLDERS OF THE COMPANY		
基本	Basis	6	0.46港仙cents
攤薄	Diluted	6	不適用N/A

未經審核綜合全面收益表

Unaudited Consolidated Statement of Comprehensive Income

		截至九月三十日止三個月 For the three months ended 30 September	
		二零一二年 2012 千港元 HK\$'000	二零一一年 2011 千港元 HK\$'000
本期間盈利	Profit for the period	24,192	37,498
本期間其他全面收益 (扣除稅項): 可供出售投資: 公平值變更 轉換境外業務時產生 之匯兌差額	Other comprehensive income for the period, net of tax: Available-for-sales investments: Charges in fair value Exchange difference arising on translation of foreign operations	- (756)	 (6,138) (328)
本期間全面收益 總額	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	23,436	31,032
應佔全面收益總額: 本公司擁有人 非控股權益	Total comprehensive income attributable to: Owners of the Company Non-controlling interests	24,373 (181)	31,068 (36)
		24,192	31,032

未經審核簡明綜合權益變動表

Unaudited Condensed Consolidated Statement of Changes In
Equity

		本公司股權持有人應佔 Attributable to owners of the Company										非控股 權益	權益總額
		已發 行股本	股份 溢價賬	購股權 儲備	可換股票據 權益部份	可供出售投資 重估價之儲備	股本贖回 儲備	外匯 浮動儲備	保留盈利	撥派末期股息	合計		
		Issued capital	Share premium account	Option reserve	Equity component of convertible notes	Available- for-sales investment revaluation reserve	Share repurchase reserve	Exchange fluctuation reserve	Retained profits	Proposed final dividends	Total	Non-controlling Interests	Total Equity
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一一年 七月一日之結餘	Balance at 1 July 2011	52,115	223,488	2,231	1,360	286	-	(7,262)	25,992	62,630	360,840	1,500	362,340
本期間全面 收益總額	Total comprehensive income for the period	-	-	-	-	(6,138)	-	(328)	37,534	-	31,068	(36)	31,032
行使購股權	Exercise of share options	29	2,907	(1,698)	-	-	-	-	-	-	1,238	-	1,238
轉換可換股票據 而發行股份	Issue of shares on conversion of convertible notes	2,317	9,640	-	(1,360)	-	-	-	-	-	10,597	-	10,597
回購股份以待註銷	Repurchase of shares pending for cancellation	-	-	-	-	(15,199)	-	-	-	-	(15,199)	-	(15,199)
於二零一一年 九月三十日	At 30 September 2011	54,461	236,035	533	-	(5,852)	(15,199)	(7,590)	63,526	62,630	388,544	1,464	390,008
於二零一二年 七月一日之結餘	Balance at 1 July 2012	53,136	91,939	-	-	-	1,335	(7,564)	156,923	-	295,769	1,787	297,556
本期間全面 收益總額	Total comprehensive income for the period	-	-	-	-	-	-	(756)	24,373	-	23,617	(181)	23,436
於二零一二年 九月三十日	At 30 September 2012	53,136	91,939	-	-	-	1,335	(8,320)	181,296	-	319,386	1,606	320,992

附註：

1. 編製基準

本公司於二零零零年三月十五日根據開曼群島公司法在開曼群島註冊成立為有限責任公司。本公司股份於二零零零年八月二日在香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。

未經審核簡明財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）（亦包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定及聯交所創業板證券上市規則（「創業板上市規則」）之適用披露規定而編撰。財務報表乃按過往成本法編撰，惟財務工具乃按公平值入賬。

編製未經審核綜合損益表時所採用之會計政策，與本集團編製其截至二零一二年六月三十日止年度之年度賬目時所採用者貫徹一致。

會計政策

於本期間，本集團首次應用下列香港會計師公會所頒佈之本集團業務有關且於二零一二年七月一日起對本集團財務報表生效之新訂財務報告準則，修訂及詮釋：

香港會計準則第1號 修訂本	其他全面收益項目之呈列— 其他全面收益項目 呈列之修訂
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採納新訂及經修訂香港財務報告準則對如何編製及呈列當前或以往期間之業績並無任何重大影響。因此，無需就以往期間作出任何調整。

2. 收入

收入（亦為本集團之營業額）指從提供專業資訊科技合約及維修保養服務之發票淨值及電子商務及提供網上銷售平台之交易價值。

3. 融資成本

Notes:

1. BASIS OF PRESENTATION

The Company is a limited liability company incorporated in the Cayman Islands on 15 March 2000 under the Companies Law of the Cayman Islands. The shares of the Company were listed on the Growth Enterprise Market (the “GEM”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 2 August 2000.

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standard, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”). They have been prepared under the historical cost convention, except for financial instruments, which have been measured at fair value.

The accounting policies adopted in the preparation of the unaudited consolidated income statement are consistent with those adopted by the Group in its annual accounts for the year ended 30 June 2012.

Accounting Policies

During the current period, the Group has applied for the first time, the following new and revised HKFRSs standards, amendments and interpretations issued by HKICPA, which are relevant to the Group’s operations and effective for the Group’s financial statement beginning on 1 July 2012:

HKAS 1 Amendments	Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income
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The adoption of the new and amended HKFRSs had no material effect on how the results for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment is required.

2. REVENUE

Revenue, which is also the Group’s turnover, represents the net invoiced value of provision of professional IT contract and maintenance services and the net transaction price arising from E-commerce and provision of online sales platform.

3. FINANCE COSTS

截至九月三十日止三個月 For the three months ended 30 September	
二零一二年 2012 (未經審核) (Unaudited) 千港元 HK\$’000	二零一一年 2011 (未經審核) (Unaudited) 千港元 HK\$’000

銀行貸款及透支之利息開支 以實際利息計算可換股票據之 名義利息	Interest expenses on bank loans and overdrafts Notional interest on convertible notes at effective interest rate	—	—
		—	30
融資成本總額	Total finance costs	—	30

4. 所得稅費用

本期間稅項：	Current tax:
香港利得稅：	Hong Kong profits tax:
本期間	Current period
遞延稅務	Deferred tax
稅項支出總額	Total tax changed

香港利得稅及按期內之估計應課稅盈利以稅率16.5%計提撥備(二零一一年：16.5%)。

本集團於其他地區經營之公司之盈利稅項，已根據所在地之現行法例、詮釋及慣例，按各自稅務司法權區之現行稅率計算。

截至二零一二年九月三十日止三個月，本集團並無任何重大未撥備之遞延稅項負債(二零一一年：無)。

5. 股息

董事並不建議派發第一季度股息(二零一一年：無)。

6. 本公司普通股權益持有人應佔之每股盈利

每股基本及攤薄盈利按以下基準計算：

4. INCOME TAX EXPENSE

截至九月三十日止三個月	
For the three months ended	
30 September	
二零一二年	二零一一年
2012	2011
(未經審核)	(未經審核)
(Unaudited)	(Unaudited)
千港元	千港元
HK\$'000	HK\$'000

4,660	7,260
85	—
4,745	7,260

Hong Kong Profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the period (2011: 16.5%).

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

The Group did not have any significant unprovided deferred tax liabilities for the three months ended 30 September 2012 (2011: Nil).

5. DIVIDENDS

The Directors do not recommend the payment of first quarter dividend (2011: Nil).

6. EARNING PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculations of basic and diluted earning per share are based on:

截至九月三十日止三個月	
For the three months ended	
30 September	
二零一二年	二零一一年
2012	2011
(未經審核)	(未經審核)
(Unaudited)	(Unaudited)
千港元	千港元
HK\$'000	HK\$'000

用作計算每股基本盈利的歸屬於本公司普通股權益股東應佔盈利	Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculations	24,373	37,534
可換股票據之名義利息	Notional interest on convertible notes		30
用以計算每股攤薄盈利之收益	Profit for the purposes of diluted earnings per share		37,564

股份數目
九月三十日
**Numbers of shares
as at 30 September**

二零一二年 2012 (未經審核) (Unaudited)	二零一一年 2011 (未經審核) (Unaudited)
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股份 用以計算每股基本盈利 之期內已發行普通股加權 平均數	Shares Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	<u>5,313,599,570</u>	5,410,365,657
可攤薄潛在普通股之影響 — 可換股票據 — 購股權	Effect of dilutive potential ordinary shares — convertible notes — share options		32,737,391 <u>940,716</u>
計算每股攤薄盈利之普通股 加權平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share		<u>5,444,043,764</u>

由於截至二零一二年九月三十日止期間內，本公司概無任何潛在可攤薄普通股，故截至二零一二年九月三十日止期間並無呈列每股攤薄盈利(二零一一年：0.69港仙)。

No diluted earning per share for the period ended 30 September 2012 has been disclosed as the Company did not have any dilutive potential ordinary sharing during the period ended 30 September 2012 (2011: HK\$0.69 cents).

7. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業及員工宿舍。經協商之物業租賃期介乎一至三年。

7. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and staff quarters under operating lease arrangements. Such leases are negotiated for terms ranging from one to three years.

於二零一二年九月三十日，根據不可撤銷經營租約，本集團須按以下年期支付未來最低應付租金總額如下：

At 30 September 2012, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		(未經審核) (Unaudited) 九月三十日 As at 30 September	
		二零一二年 2012 千港元 HK\$'000	二零一一年 2011 千港元 HK\$'000
不遲於1年	Not later than 1 year	4,638	2,913
遲於1年但不遲於5年	Later than 1 year and not later than 5 years	<u>2,071</u>	<u>729</u>
		<u>6,709</u>	<u>3,642</u>

8. 報告日後事項

於二零一二年十一月九日，本公司已向聯交所提出正式申請，建議將其於創業板上市之股份轉往聯交所主板(「轉板之建議」)。董事相信，股份在主板上市有助提升本集團之企業形象並增強股份在市場上之交投量。董事亦認為其股份在主板上市將有利於本集團日後發展、財政上的靈活性及業務發展。直至本報告日期，聯交所尚未授予有關批准，且概不保證將可獲得聯交所的有關批准。

8. EVENTS AFTER THE REPORTING PERIOD

On 9 November 2012, the Company had submitted a formal application form to the Stock Exchange for the proposed transfer of listing of its shares from GEM to the Main Board (the "Proposed Transfer"). The Directors believe that the listing of the shares on the Main Board will help to enhance the profile of the Group and improve the trading liquidity of the shares. The Directors also consider that the Proposed Transfer will be beneficial to the future growth, financial flexibility and business development of the Group. As at the date of this report, an approval has not yet been granted by the Stock Exchange and there is no assurance that such approval will be obtained from the Stock Exchange.

9. 訴訟

於二零一二年八月十六日，原告Klipsch Group, Inc. (「原告」) 就(i)商標假冒；(ii)商標侵權；及(iii)虛假指定原產地在美利堅合眾國(「美國」)聯邦區域法院(「法院」)對若干被告(包括本集團網域之一(「被告人之網域」))提起訴訟(「訴訟」)。原告聲稱，彼等在美國註冊若干產品(「Klipsch品牌產品」)，而侵犯Klipsch品牌產品已透過被告人之網域售予美國之客戶。據此，原告於二零一二年八月二十七日指示貝寶凍結被告人之網域之相關貝寶賬戶2,000,000美元(「凍結金額」)。

於二零一二年九月十四日，本集團向法院遞交答覆，表示向美國客戶銷售侵犯Klipsch品牌產品之銷售額為數692美元(「銷售金額」)，數目不大；考慮到銷售金額，凍結金額實屬過多。法院命令本集團於二零一二年九月二十一日之前舉證，考慮到銷售金額，凍結金額實屬過多。於二零一二年十月十一日，法院頒令將凍結金額減少至20,000美元。原告已經就法院命令提出上訴，並已經取得暫緩法令，將凍結金額維持於2,000,000美元，有待上訴法庭進一步聆訊，而其尚未定出時間。於本報告日期，訴訟尚未結束。

本公司董事認為，(i)侵犯Klipsch品牌產品之銷售金額692美元對本集團綜合財務報表而言並不重大；及(ii)侵犯Klipsch品牌產品乃由彼等之一名供應商(「供應商」)提供，根據本集團與該名供應商所訂立之日期為二零一一年七月一日之供應商協議，該名供應商須悉數彌償本集團因以下原因所產生之所有負債、損失、成本及開支：(i)任何違反有關彼等產品之保證；及/或(ii)有關彼等產品之產品侵權、專利、版權、設計權及商標或其他知識產權之任何法律索償。因此，認為毋須在本集團截至二零一二年九月三十日止三個月之綜合財務報表內就該訴訟作出撥備。

10. 比較數字

若干比較數字已重列以符合本期間之呈列方式。

9. LITIGATION

On 16 August 2012, the plaintiff (the "Plaintiff"), Klipsch Group, Inc., filed a suit in the federal district court (the "Court") in the United States ("US") against certain defendants, including one of the web domains (the "Subject Domains") of the Group, in respect of (i) trademark counterfeiting, (ii) trademark infringement; and (iii) false designation of origin (the "Litigation"). The Plaintiff claimed that certain products (the "Klipsch-Branded Items") were registered by them in the US and that infringing Klipsch-Branded Items had been sold to customers in the US via the Subject Domains. Accordingly, the Plaintiff instructed Paypal to freeze the corresponding paypal account of US\$2,000,000 (the "Frozen Amount") of the Subject Domains on 27 August 2012.

On 14 September 2012, the Group filed a reply to the Court that the sales of infringing Klipsch-Branded Items to US customers in the amount of US\$692 (the "Sales Amount") are not material and the Frozen Amount was excessive in light of Sales Amount. The Court ordered the Group to demonstrate that the Frozen Amount was excessive in light of Sales Amount by 21 September 2012. On 11 October 2012, the Court entered an order reducing the Frozen Amount to US\$20,000. The Plaintiff has appealed the Court's Order and has obtained a stay order retaining the Frozen Amount of US\$2,000,000 pending further hearing at the Court of Appeals, which has not yet been scheduled. At the date of this report, the Litigation has not yet been closed.

The directors of the Company are of the opinion that the sales amount of the infringing Klipsch-Branded Items of US\$692 is not material to the consolidated financial statements of the Group; and (ii) the infringing Klipsch-Branded Items were supplied by one of their suppliers (the "Supplier"), pursuant to a supplier agreement dated 1 July 2011 entered between the Group and the Supplier, the Supplier shall indemnify the Group in full against all liability, damages, costs and expenses arising from (i) any breach of warranty in relation to their products; and/or (ii) any legal claims in respect of the product infringe, patent, copyright, design right and trade mark or other intellectual property right in relation to their products. Therefore, no provision is considered as necessary in the consolidated financial statements of the Group for the three months ended 30 September 2012.

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation.

財務回顧

截至二零一二年九月三十日止三個月（「期內」），本集團錄得未經審核綜合收入約318,106,000港元（二零一一年：約355,951,000港元）。收入下降主要由於外圍經濟持續不振引致消費需求減少所致。

期內錄得未經審核盈利約24,192,000港元（二零一一年：約37,498,000港元），盈利下調主要由於本集團的電子商務業務發展步入鞏固期，令投放於人員、海外市場拓展及市場推廣活動等的資源相應提升。本集團另一業務——專業資訊科技合約及維修保養服務，繼續維持穩定發展。

於期內，銷售成本及銷售及分銷成本減少主要是由於電子商務業務收入減少，因此相應的分銷成本減少。行政及其他費用增加主要由於本集團在期內增加市場推廣費用及增聘相關電子商務管理人員。

業務回顧

二零一二／一三年度第一季度對全球企業及本集團而言充滿挑戰。久未解決的歐債危機加深市場對環球經濟放緩的憂慮，儘管全球市場普遍出現調整，但前景仍未明朗。在這種多變的市場環境下，消費者需求低迷，令本集團的業績亦略受影響。

期內，旗下外貿B2C（企業對客戶）電子商務網站DealExtreme.com（「DX」）為本集團電子商務業務的主要收入來源。中國產品性價比高，於國際市場享有絕對競爭優勢，DX為中國質優價廉且多元化的時尚產品開闢網上銷售新管道。作為面對海外消費者的購物網站，DX大大減少中間商的環節，銷售價格比海外當地的零售價更具吸引力。網站不受地域、時間及貨架限制，配合現代都市人的生活節奏，讓消費者細緻體驗一站式服務平臺的便捷，於網上輕鬆地完成直接交易及全球免費送貨服務。繼DX於2012年年初為方便非英語系客戶而發佈的DX.com（「DX」）上線後，網站打造了高效接觸目標市場客戶的通道，包括本集團重點發展銷售業務的新興地區如南美及東歐等。進入電子數碼科技年代，電腦、通訊及消費類電子產品不斷推陳出新，市場對電子產品的流動設備及配件的需求殷切，而DX網站正好以銷售此類產品為主，因而對銷售收入起到支撐作用。

於2012年8月，神州數碼控股有限公司（「神州數碼」）入股本集團，成為本集團主要股東之一。

FINANCIAL REVIEW

For the three months ended 30 September 2012 (the "Period"), the Group recorded an unaudited consolidated revenue of approximately HK\$318,106,000 (2011: approximately HK\$355,951,000). The decrease in revenue was mainly attributable to a fall in consumer demand in the context of persistent economic fragility.

During the Period, the Group also recorded an unaudited profit of approximately HK\$24,192,000 (2011: approximately HK\$37,498,000) due to the e-commerce business of the Group has stepped into a period of consolidation and more resources have been devoted to staff, the development of overseas markets and marketing activities accordingly. The Group's professional IT contract and maintenance services business continued to develop steadily.

During the Period, the cost of sales and selling and distribution costs dropped primarily due to a decrease in revenue from e-commerce that caused a decrease in distribution costs accordingly. The increase in administrative and other expenses was mainly attributable to an increase in marketing costs and the Group's new recruitment of management for its e-commerce business during the Period.

BUSINESS REVIEW

The first quarter of 2012/13 was challenging to the Group and the enterprises worldwide. The unresolved European debt crisis has deepened the anxiety about the macroeconomic slowdown from the market. In spite of a gentle recovery in the global market, the economic outlook remains uncertain. In this changing market environment, the demand from consumers stayed weak, slightly affecting the overall performance of the Group.

During the Period, the B2C (Business-to-Customer) foreign trade e-commerce website, DealExtreme.com ("DX"), was the main source of income. The products manufactured in China are mostly cost-effective and enjoy absolute competitive advantages in international market. DX has opened up a brand new online sales channel for a wide range of high quality and fashionable products at a competitive price. As an online sales platform targeting overseas consumers, DX shortens the value chain bypassing the wholesalers and distributors, making the selling price more attractive than the local retail price in the overseas markets. Online platform is not bounded by any physical shelf, time and geographical constraints to cope with the fast-paced, modern cities. Consumers can easily complete the transaction directly and enjoy the global delivery service and convenience brought by a one-stop online service platform. Following the online establishment of DX.com ("DX") for the convenience of non-English speaking customers in early 2012, the website has created an effective channel to reach target customers, including in emerging regions like South America and Eastern Europe where are highlighted by the Group for future sales development. Entering the era of electronic digital technology, new models of computers, communications and consumer electronic products continue to be introduced to the market, leading to an increasing demand for mobile devices and accessories of electronic products that matches with DX's products portfolio. Therefore, DX plays a supporting role in the sales revenue of the Group.

In August 2012, Digital China Holdings Limited ("Digital China") purchased shares of the Group, becoming one of the major shareholders of the Group.

前景

近年，全球電子商務日益活躍，目前正處快速發展時期，許多電子商務平臺於這股熱潮中湧現。本集團認為未來B2C平臺要突圍而出，除要確保產品品質外，優秀的客戶購物體驗是贏得消費者支持的關鍵所在，而服務細節決定了用戶體驗的優劣。DX已擁有一定的忠實客戶群，隨著本集團的規模擴大及品牌形象逐漸建立，未來本集團將投放更多資源為旗下的電子商務業務於海外市場進行「當地化」，包括建立符合當地語言的網站及相關配套、提供當地購物的支付方式及物色當地合作夥伴進行市場推廣，尋找當地的物流商合作縮短國際送貨時間，以更積極的海外拓展策略，吸引更多新客戶，提升本集團的市場份額。

同時，鑑於智慧手機可大幅度增加網上購物的交易，加上本集團預見未來移動購物的份額將持續增長，因此本集團將加強發展DX的智能手機應用程式的新版本，以更豐富的產品內容簡潔的購物流程吸引更多手機用戶直接通過手機到DX網站購物。儘管市場前景仍充滿陰霾，然而憑藉穩健的策略定位及優秀的盈利實力，本集團有信心克服逆境與挑戰。展望將來，本集團將透過加強電子商務業務的「當地化」工作、品牌建設及海外市場拓展，進一步鞏固及強化本集團於跨境電子商務B2C行業的領先地位。

流動資金及財務資源

於回顧期內，本集團一般以內部產生之現金流量及銀行提供之銀行融資，為其營運提供資金。

於二零一二年九月三十日，本集團之綜合股東資金、流動資產及流動資產淨值，分別為320,992,000港元（二零一一年：390,008,000港元）、332,292,000港元（二零一一年：319,407,000港元）及244,423,000港元（二零一一年：253,954,000港元）。

就本集團之流動資產而言，於二零一二年九月三十日為332,292,000港元（二零一一年：319,407,000港元），應收貿易賬款及票據（扣除呆賬撥備）25.7%（二零一一年：14.1%），而現金及現金等值項目則約佔44.7%（二零一一年：已抵押存款，現金及現金等值64.5%）。於二零一二年九月三十日，本集團之現金及現金等值項目為148,432,000港元（二零一一年：已抵押存款，現金及現金等值205,869,000港元）。本集團全部現金及現金等值項目乃以澳元、港元、英鎊、加元、人民幣、新加坡元及美元結算。

於二零一二年九月三十日，本集團並無銀行及其他之借款（二零一一年：無）。

於二零一二年九月三十日，本集團並無銀行之綜合銀行融資（二零一一年：本集團自銀行取得之綜合銀行融資總額約達3,600,000港元，其中並未動用）。

PROSPECTS

In recent years, global e-commerce has become increasingly active and is now undergoing a booming phase with numerous e-commerce platforms emerging. From the Group's perspective, a B2C platform not only requires to ensure product quality but also to provide superior customers' shopping experience as a key to gain supports from consumers and stand out from competitors in the future. In addition, the details of services would determine the merit of user experience. DX has already obtained a loyal customer base. With an expanding scale and a gradual brand image build-up, the Group will devote more resources into the "localization" strategy for its e-commerce business in overseas markets, including establishing a website with local languages and related supporting services, providing local terms of payment, as well as seeking local partners for marketing activities and logistics providers to shorten global delivery time. The Group will also proactively develop overseas market and attract more new customers so as to consolidate and enhance its market share.

In view of the increasing popularity of smartphones, the number of online transaction is expected to increase substantially. Together with the foreseeable trend of increase in mobile online shopping, the Group will strengthen its new smartphone application development of DX with rich product portfolio and easy procedure to attract more users to shop on DX by their smartphones directly. Even though the market future is still clouded, the Group believes it can overcome any challenges riding on its solid strategic positioning and strong profit capability. Looking forward, the Group will enhance its e-commerce business through "localization", brand building and market share expansion, further consolidating the Group's leading position in the cross-border, e-commerce B2C industry.

LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, the Group financed its operations by internally generated cash flow and banking facilities provided by banks.

As at 30 September 2012, the Group's consolidated shareholders' equity, current assets and net current assets were HK\$320,992,000 (2011: HK\$390,008,000), HK\$332,292,000 (2011: HK\$319,407,000) and HK\$244,423,000 (2011: HK\$253,954,000) respectively.

In respect of the Group's current assets of HK\$332,292,000 as at 30 September 2012 (2011: HK\$319,407,000), trade and bills receivable (net of provision for doubtful debts) account for 25.7% (2011: 14.1%) whilst cash and cash equivalents accounted for about 44.7% (2011: pledged desposits, cash and cash equivalents 64.5%). As at 30 September 2012, the Group's cash and cash equivalents amounted to HK\$148,432,000 (2011: pledged desposits, cash and cash equivalents HK\$205,869,000). All of the Group's cash and cash equivalents were denominated in Australian dollars, Hong Kong dollars, British Pounds, Canadian dollars, Renminbi, Singapore dollars and United States dollars.

As at 30 September 2012, the Group had no bank and other loan (2011: Nil).

As at 30 September 2012, the Group had no banking facilities from banks (2011: the Group had an aggregate composite banking facilities from banks of approximately HK\$3,600,000 which has no been utilised).

資本負債比率

於二零一二年九月三十日，本集團之資本負債比率(按負債總值除以資產總值)約23.0%(二零一一年：約14.7%)。

資本架構

本集團主要以內部資源為其業務撥資。本集團繼續對庫務政策實施嚴格控制。本公司擬以現有銀行結餘為本集團之未來業務、資本支出及其他資本需求撥資。

於二零一二年九月三十日，本集團並無銀行及其他之借款(二零一一年：無)。

除上述外，本集團之資本架構並無任何重大變動。

重大收購、出售事項及重大投資

於二零一二年六月二十九日，本集團與一名獨立第三者訂立買賣協議，以總代價45,000,000港元購入(「普暉收購」)幾間公司。有關普暉收購於二零一二年七月三日完成。詳細內容載於本公司於二零一二年六月二十九日刊發之公告內。

除上述外，截至二零一二年九月三十日止年度，本公司並無作出任何其他重大投資及重大收購或出售事項。

資產抵押

於二零一二年九月三十日，本集團並無銀行融資作出定期存款之抵押(二零一一年：約3,500,000港元)。

或然負債

於二零一二年九月三十日，本集團並無就本集團所提供之若干服務而簽署履約保證(二零一一年：約200,000港元)。

GEARING RATIO

As at 30 September 2012, the gearing ratio of the Group as a ratio of total liabilities over total assets was approximately 23.0% (2011: approximately 14.7%).

CAPITAL STRUCTURE

The Group mainly finances its operation with internal resources. The Group continued to exert stringent control over treasury policies. The Company intends to finance the Group's future operations, capital expenditure and other capital requirement with the existing bank balance available.

As at 30 September 2012, the Group had no bank and other loan (2011: Nil).

Save as the above, the capital structure of the Group had no material change.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

On 29 June 2012, the Group entered into a sale and purchase agreement with an independent third party, involving a total consideration of HK\$45,000,000 for the acquisition of certain companies (the "E-Perfect Acquisition") which was completed on 3 July 2012. Details of the E-Perfect Acquisition are set out in an announcement of the Company date 29 June 2012.

Save as the above, the Company had no other significant investments and material acquisitions or disposals for the Year ended 30 September 2012.

CHARGES ON ASSETS

As at 30 September 2012, there was no time deposits to be pledged by the Group to secure the banking facilities (2011: approximately HK\$3.5 million).

CONTINGENT LIABILITIES

As at 30 September 2012, the Group had no executed performance bonds (2011: approximately HK\$0.2 million) in respect of certain services provided by the Group.

根據證券及期貨條例（「證券及期貨條例」）第XV部披露權益

A. 董事及首席執行官

於二零一二年九月三十日，本公司董事及首席執行官於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊，或根據創業板上市規則第5.46條所載本公司董事進行買賣之規定標準須知會本公司及聯交所之權益及淡倉如下：

1. 於本公司股份之權益

董事姓名 Number of Director	身份 Capacity	好倉／淡倉 Long position/ Short position	佔已發行 股本百分比* Percentage of issued share capital*
黃少康先生 Mr. HUANG Shaokang	實益擁有人 Beneficial owner	好倉 Long	2.78%
	實益擁有人 Beneficial owner	淡倉 Short	3.76%
	受控制公司權益 Interest of controlled corporation	好倉 Long	14.57%
孟虎先生 Mr. MENG Hu	受控制公司權益 Interest of controlled corporations	好倉 Long	53.82%
周兆光先生 Mr. CHOW Siu Kwong	實益擁有人 Beneficial owner	好倉 Long	0.05%

附註：

- 該等773,966,942股本公司股份由China Dynamic Enterprises Limited（「China Dynamic」）擁有，China Dynamic由黃少康先生全資擁有。因此，根據證券及期貨條例第XV部，黃先生被視為於China Dynamic所持有之773,966,942股本公司股份中擁有權益。
- 該等2,860,000,000股本公司股份由ChangAn Investment Holdings II Limited（「ChangAn Investment」）擁有，ChangAn Investment由Wise Focus International Limited（「Wise Focus」）擁有55.13%權益，而Wise Focus由孟虎先生擁有66.67%權益，並為其唯一董事。因此，根據證券及期貨條例第XV部，孟先生被視為於ChangAn Investment所持有之2,860,000,000股本公司股份中擁有權益。

* 該百分比指擁有權益之普通股數目除以本公司於二零一二年九月三十日之已發行股份數目。

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

A. DIRECTORS AND CHIEF EXECUTIVES

As at 30 September 2012, the interests and short positions of the directors and chief executives of the Company in the shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

1. Interests in shares of the Company

好倉／淡倉 Long position/ Short position	擁有權益之 普通股數目 Number of ordinary shares interested	附註 Notes	佔已發行 股本百分比* Percentage of issued share capital*
好倉 Long	147,960,000		2.78%
淡倉 Short	200,000,000		3.76%
好倉 Long	773,966,942	(1)	14.57%
好倉 Long	2,860,000,000	(2)	53.82%
好倉 Long	2,880,000		0.05%

Notes:

- These 773,966,942 shares of the Company were held by China Dynamic Enterprises Limited ("China Dynamic"), a corporation wholly controlled by Mr. HUANG Shaokang. Accordingly, Mr. Huang was deemed to be interested in 773,966,942 shares of the Company held by China Dynamic pursuant to Part XV of the SFO.
- These 2,860,000,000 shares of the Company were held by ChangAn Investment Holdings II Limited ("ChangAn Investment"), a corporation owned as to 55.13% by Wise Focus International Limited ("Wise Focus"). Wise Focus was owned as to 66.67% by Mr. MENG Hu who is also its sole director. Accordingly, Mr. Meng was deemed to be interested in 2,860,000,000 shares of the Company held by ChangAn Investment pursuant to Part XV of the SFO.

* The percentage represents the number of ordinary shares interested divided by the number of issued shares of the Company as at 30 September 2012.

2. 於相聯法團之股份權益—ChangAn Investment
(本公司之控制公司)

董事姓名 Number of Director	身份 Capacity	好倉／淡倉 Long position/ Short position
孟虎先生 Mr. MENG Hu	受控制公司權益 Interest of controlled corporations	好倉 Long

附註：

- 該等25,875,000股ChangAn Investment 股份由Wise Focus擁有，Wise Focus由孟虎先生擁有66.67%權益，並為其唯一董事。因此，根據證券及期貨條例第XV部，孟先生被視為於Wise Focus 所持有之25,875,000股ChangAn Investment股份中擁有權益。

* 該百分比指擁有權益之股份數目除以ChangAn Investment於二零一二年九月三十日之已發行股份數目。

除上文所披露者外，於二零一二年九月三十日，本公司董事或首席執行官概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有須列入本公司根據證券及期貨條例第352條予以存置之登記冊內之權益或淡倉，或根據創業板上市規則第5.46條所載本公司董事進行買賣之規定標準須向本公司及聯交所申報之權益或淡倉。

2. Interests in shares of the associated corporation of the Company – ChangAn Investment (a controlled corporation of the Company)

於相聯法團擁有 權益之普通股數目 Number of ordinary shares interested in associated corporation	附註 Note	佔ChangAn Investment 已發行股本百分比* Percentage Of ChangAn Investment's issued share capital*
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25,875,000 (1) 55.13%

Note:

- These 25,875,000 shares of ChangAn Investment were held by Wise Focus, a corporation owned as to 66.67% by Mr. MENG Hu who is also its sole director. Accordingly, Mr. Meng was deemed to be interested in 25,875,000 shares of ChangAn Investment held by Wise Focus pursuant to Part XV of the SFO.

* The percentage represents the number of shares interested divided by the number of issued shares of ChangAn Investment as at 30 September 2012.

Save as disclosed above, as at 30 September 2012, none of the directors nor the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

B. 主要股東

於二零一二年九月三十日，以下人士根據證券及期貨條例第336條規定本公司存置之登記冊所記錄於本公司股份中擁有5%或以上之權益：

B. SUBSTANTIAL SHAREHOLDERS

As at 30 September 2012, the following parties had interests of 5% or more in the shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東名稱 Number of substantial shareholder	身份 Capacity	好倉／淡倉 Long position/ Short position	擁有權益之普通股數目 Number of ordinary shares interested	附註 Notes	佔已發行股本百分比* Percentage of issued share capital*
ChangAn Investment	實益擁有人 Beneficial owner	好倉 Long	2,860,000,000	(1) & (2)	53.82%
IDG-Accel China Growth Fund II L.P.	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	2,860,000,000	(1)	53.82%
IDG-Accel China Growth Fund II Associates L.P.	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	2,860,000,000	(1)	53.82%
IDG-Accel China Growth Fund GP II Associates Ltd. ("IDG")	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	2,860,000,000	(1)	53.82%
HO Chi Sing先生 Mr. HO Chi Sing	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	2,860,000,000	(1)	53.82%
周全先生 Mr. ZHOU Quan	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	2,860,000,000	(1)	53.82%
Wise Focus	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	2,860,000,000	(2)	53.82%
葉志如女士 Ms. YIP Chi Yu	配偶權益 Interest of spouse	好倉 Long	921,926,942	(3)	17.35%
	配偶權益 Interest of spouse	淡倉 Short	200,000,000	(3)	3.76%
China Dynamic	實益擁有人 Beneficial owner	好倉 Long	773,966,942	(4)	14.57%
Innopac Holdings Limited (「Innopac」)	實益擁有人 Beneficial owner	好倉 Long	532,940,000	(5)	10.03%
陳靈健先生 Mr. CHEN Ling Sonny	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	532,940,000	(5)	10.03%
Lime Development Limited (「Lime Development」)	實益擁有人 Beneficial owner	好倉 Long	370,144,000	(6)	6.97%

主要股東名稱 Number of substantial shareholder	身份 Capacity	好倉／淡倉 Long position/ Short position	擁有權益之普通股數目 Number of ordinary shares interested	附註 Notes	佔已發行股本百分比* Percentage of issued share capital*
康健國際投資有限公司 (「康健國際」) Town Health International Investments Limited (“Town Health”)	於受控制之法團之權益 Interest of controlled corporations	好倉 Long	380,656,000	(6)	7.16%
Talent Gain Developments Limited (「Talent Gain」)	實益擁有人 Beneficial owner	好倉 Long	266,000,000	(7)	5.01%
Digital China (BVI) Limited	於受控制之法團之權益 Interest of controlled corporation	好倉 Long	266,000,000	(7)	5.01%
Digital China Holdings Limited	於受控制之法團之權益 Interest of controlled corporations	好倉 Long	266,000,000	(7)	5.01%

附註：

- 該等2,860,000,000股本公司股份由ChangAn Investment擁有。ChangAn Investment由IDG-Accel China Growth Fund II L.P.控制39.63%權益，而IDG-Accel China Growth Fund II L.P.由IDG-Accel China Growth Fund II Associates L.P.控制。IDG-Accel China Growth Fund II Associates L.P.由IDG控制，而IDG由周全先生及HO Chi Sing先生控制。因此，根據證券及期貨條例第XV部，IDG-Accel China Growth Fund II L.P.、IDG-Accel China Growth Fund II Associates L.P.、IDG、周全先生及HO Chi Sing先生被視為於ChangAn Investment所持有之2,860,000,000股股份中擁有權益。
- ChangAn Investment由Wise Focus控制55.13%權益，Wise Focus由孟虎先生控制66.67%權益。因此，根據證券及期貨條例第XV部，Wise Focus及孟先生被視為於ChangAn Investment所持有之股份中擁有權益。有關權益亦已於上文「根據證券及期貨條例第XV部披露權益 - A.董事及首席執行官」一段披露為孟先生之權益。
- 根據證券及期貨條例第XV部，葉志如女士透過其配偶黃少康先生之權益被視為於本公司之921,926,942股股份(好倉)及200,000,000股股份(淡倉)中擁有權益。
- 該等773,966,942股本公司股份由China Dynamic擁有，China Dynamic由黃少康先生全權控制。有關權益亦已於上文「根據證券及期貨條例第XV部披露權益 - A.董事及首席執行官」一段披露為黃先生之權益。
- 該等532,940,000股本公司股份由Innopac擁有，Innopac由陳靈健先生全權控制。因此，根據證券及期貨條例第XV部，陳先生被視為於Innopac所持有之本公司532,940,000股股份中擁有權益。
- 該等370,144,000股本公司股份由Lime Development擁有，Lime Development由康健國際全權控制。因此，根據證券及期貨條例第XV部，康健國際被視為於Lime Development所持有之370,144,000股股份中擁有權益。

Notes:

- These 2,860,000,000 shares of the Company were held by ChangAn Investment. ChangAn Investment was controlled as to 39.63% by IDG-Accel China Growth Fund II L.P. which was controlled by IDG-Accel China Growth Fund II Associates L.P.. IDG-Accel China Growth Fund II Associates L.P. was controlled by IDG, which was in turn controlled by Mr. ZHOU Quan and Mr. HO Chi Sing. Accordingly, IDG-Accel China Growth Fund II L.P., IDG-Accel China Growth Fund II Associates L.P., IDG, Mr. ZHOU Quan and Mr. HO Chi Sing were deemed to be interested in 2,860,000,000 shares held by ChangAn Investment pursuant to Part XV of the SFO.
- ChangAn Investment was controlled as to 55.13% by Wise Focus which was controlled as to 66.67% by Mr. MENG Hu. Accordingly, Wise Focus and Mr. Meng were deemed to be interested in the shares held by ChangAn Investment pursuant to Part XV of the SFO. Such interest was also disclosed as the interests of Mr. Meng in the above paragraph under “Disclosure of Interests under Part XV of the Securities and Futures Ordinance – A. Directors and Chief Executives”.
- Ms. YIP Chi Yu was deemed to be interested in 921,926,942 shares (long position) and 200,000,000 shares (short position) of the Company through the interests of her spouse, Mr. HUANG Shaokang, pursuant to Part XV of the SFO.
- These 773,966,942 shares of the Company were held by China Dynamic, a corporation wholly controlled by Mr. HUANG Shaokang. Such interest was also disclosed as the interest of Mr. Huang in the above paragraph under “Disclosure of Interests under Part XV of the Securities and Futures Ordinance – A. Directors and Chief Executives”.
- These 532,940,000 shares of the Company were held by Innopac, a corporation wholly controlled by Mr. CHEN Ling Sonny. Accordingly, Mr. Chen was deemed to be interested in 532,940,000 shares of the Company held by Innopac pursuant to Part XV of the SFO.
- These 370,144,000 shares of the Company were held by Lime Development, a corporation wholly controlled by Town Health. Accordingly, Town Health was deemed to be interested in 370,144,000 shares held by Lime Development pursuant to Part XV of the SFO.

除上述外，根據證券及期貨條例第XV部，康健國際透過其控制之公司擁有10,512,000股本公司股份。

7. 該等266,000,000股本公司股份由Talent Gain擁有，Talent Gain由Digital China (BVI) Limited全權控制。Digital China (BVI) Limited則由Digital China Holdings Limited全權控制。因此，根據證券及期貨條例第XV部，Digital China (BVI) Limited及Digital China Holdings Limited被視為於Talent Gain所持有之266,000,000股股份中擁有權益。

* 該百分比指擁有權益之普通股數目除以本公司於二零一二年九月三十日之已發行股份數目。

除上文所披露者外，於二零一二年九月三十日，據本公司董事或首席執行官所知悉，除上文「根據證券及期貨條例第XV部披露權益—A.董事及首席執行官」一段所載權益之董事外，並無任何人士已登記須根據證券及期貨條例第336條予以記錄之本公司股份或相關股份中之權益或淡倉。

購股權計劃

於二零一二年九月三十日，購股權計劃並無任何尚未行使之購股權。於本報告期內，本購股權計劃概無授出／行使／失效／取消任何購股權。

董事收購股份之權利

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

足夠公眾持股量

根據本公司獲得之公開資料及據董事所知，於本報告日期，公眾人士持有本公司已發行股本總額至少25%。

報告日後事項

除了未經審核綜合財務報表附註8外，本集團於報告日後並無重大事項。

訴訟

本集團之訴訟詳情載於未經審核財務報表附註9。

董事於競爭業務之權益

本公司董事、上市時管理層股東或彼等各自之聯繫人士概無於任何對本集團業務構成競爭或可能構成競爭之業務中擁有權益。

Apart from the above, Town Health was interested in 10,512,000 shares of the Company which were held by its controlled corporations pursuant to Part XV of the SFO.

7. These 266,000,000 shares of the Company were by Talent Gain, a corporation wholly controlled by Digital China (BVI) Limited. Digital China (BVI) Limited, which was in turn wholly controlled by Digital China Holdings Limited. Accordingly, Digital China (BVI) Limited and Digital China Holdings Limited were deemed to be interested in 266,000,000 shares held by Talent Gain pursuant to Part XV of the SFO.

* The percentage represents the number of ordinary shares interested divided by the number of issued shares of the Company as at 30 September 2012.

Save as disclosed above, as at 30 September 2012, so far as is known to any director or chief executive of the Company, no person, other than the directors whose interests are set out in the above paragraph under “Disclosure of Interests under Part XV of the Securities and Futures Ordinance – A. Directors and Chief Executives”, had registered an interest or a short position in the shares or underlying shares of the Company that was required to be recorded under Section 336 of the SFO.

SHARE OPTION SCHEME

As at 30 September 2012, there was no option outstanding under the Share Option Scheme. No options were granted/exercised/lapsed/cancelled under the Share Option Scheme during the reporting period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

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

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

EVENTS AFTER THE REPORTING PERIOD

Except for the note 8 to the unaudited consolidated financial statements, the Group did not have any significant events after the reporting period.

LITIGATION

Details of the litigation of the Group are set out in note 9 to the unaudited consolidated financial statements.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the directors, initial management shareholders or their respective associates of the Company has an interest in a business which competes or may compete with the business of the Group.

購買、出售或贖回本公司上市證券

截至二零一二年九月三十日止三個月，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

董事進行之證券交易

本集團已遵照創業板上市規則第5.48條至第5.67條之規定採納規管董事進行證券交易之嚴格常規。可能擁有本集團尚未發表之股價敏感資料之相關僱員亦須遵照不遜於該等規則所載者之指引。截至二零一二年九月三十日止三個月，並未出現任何未獲遵守之情況。

企業管治常規守則

於截至二零一二年九月三十日止整個三個月內，本公司一直遵守創業板上市規則附錄十五所載之企業管治守則之守則條文。

審核委員會

本公司成立審核委員會（「委員會」），其書面職權範圍乃遵照創業板上市規則釐定。委員會之首要職務為審核及監督本集團之財務呈報過程及內部監控系統。委員會由四名獨立非執行董事魯煒先生、方福偉先生、李觀保先生及麥日騰先生組成。本集團截至二零一二年九月三十日止三個月之第一季度報告所載之資料並未經審核，但經由委員會審閱，而其認為該報告已遵守適用之會計準則及聯交所規定和法律規定，且已作出足夠披露。

董事會常規及程序

截至二零一二年九月三十日止三個月，本公司一直遵守創業板上市規則第5.34條至5.45條所載之董事會常規及程序。

董事

於本報告刊發日期，執行董事為黃少康先生、周兆光先生、孟虎先生及羅嘉先生，非執行董事為高翔先生及張震先生，而獨立非執行董事為魯煒先生、方福偉先生、李觀保先生及麥日騰先生。

承董事會命

主席
黃少康

香港，二零一二年十一月十二日

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

During the three months ended 30 September 2012, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the of the Company listed securities.

SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted stringent procedures governing director's securities transaction in compliance with Rules 5.48 to 5.67 of the GEM Listing Rules. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with guidelines with no less exacting terms than those set out in the Rules. No incidence of non-compliance was noted for the three months ended 30 September 2012.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code set out in Appendix 15 of the GEM Listing Rules throughout the three months ended 30 September 2012.

AUDIT COMMITTEE

The Company set up an audit committee (the "Committee") with written terms of reference in compliance with the requirements of the GEM Listing Rules. The primary duties of the Committee are to review and provide supervision over the financial reporting process and internal control of the Group. The Committee comprises four independent non-executive directors, Mr. LU Wei, Mr. FONG Fuk Wai, Mr. LI Guanbao and Mr. MAK Yat Tang Anthony. The information contained in the Group's first quarterly report for the three months ended 30 September 2012 has not been audited but has been reviewed by the Committee, who was of opinion that such report compiled with the applicable accounting standards, and the GEM Listing Rules and legal requirements and that adequate disclosures had been made.

BOARD PRACTICES AND PROCEDURES

During the three months ended 30 September 2012, the Company has complied with the board practices and procedures as set out in Rules 5.34 to 5.45 of the GEM Listing Rules.

DIRECTORS

As at the date of this report, the executive directors are Mr. HUANG Shaokang, Mr. CHOW Siu Kwong, Mr. MENG Hu and Mr. LUO Jia, the non-executive directors are Mr. GAO Xiang and Mr. ZHANG Zhen, and the independent non-executive directors are Mr. LU Wei, Mr. FONG Fuk Wai, Mr. LI Guanbao and Mr. MAK Yat Tang Anthony.

By order of the Board

HUANG Shaokang
Chairman

Hong Kong, 12 November 2012