

ePRO

EPRO LIMITED
易寶有限公司

(Incorporated in the Cayman Islands with limited liability)



ANNUAL REPORT

2005

年報

Characteristics of The Growth Enterprise Market (the “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 of the Stock Exchange 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 at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板乃為帶有高投資風險之公司提供一個上市之市場。尤其在創業板上市之公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資之人士應了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老練投資者。

由於創業板上市公司新興之性質所然，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。

創業板所發佈之資料主要於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（網址：www.hkgem.com），以便取得創業板上市發行人之最新資料。

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BOARD OF DIRECTORS

Executive Directors

HUANG Shaokang (*Chairman*)
CHOW Siu Kwong, Daniel (*Chief Executive Officer*)
XIN Yi
LIU Lin
ZENG Weiren

Non-executive Director

YIP Sam Lo

Independent Non-executive Directors

LU Wei
CHEN Yen Yung
SHI Shu Su

COMPANY SECRETARY

LEE Wai Kuen *CPA (Practising), FCCA*

QUALIFIED ACCOUNTANT

LEE Wai Kuen *CPA (Practising), FCCA*

COMPLIANCE OFFICER

HUANG Shaokang

AUTHORISED REPRESENTATIVES

HUANG Shaokang
LEE Wai Kuen

AUDIT COMMITTEE

LU Wei
CHEN Yen Yung
SHI Shu Su

LEGAL ADVISERS TO THE COMPANY

David Lo & Partners

董事會

執行董事

黃少康 (主席)
周兆光 (首席執行官)
辛毅
柳林
曾為人

非執行董事

葉三閻

獨立非執行董事

魯煒
陳燕雲
時述蘇

公司秘書

李偉權 香港執業會計師，英國特許會計師資深會員

合資格會計師

李偉權 香港執業會計師，英國特許會計師資深會員

監察主任

黃少康

法定代表

黃少康
李偉權

審核委員會

魯煒
陳燕雲
時述蘇

本公司法律顧問

羅國貴律師事務所

CORPORATE INFORMATION

公 司 資 料

AUDITORS

CWCC Certified Public Accountants

REGISTERED OFFICE

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

PLACE OF BUSINESS

Room 1501,
15th Floor,
Tung Hip Commercial Building,
244-248 Des Voeux Road Central,
Hong Kong.

COMPANY WEBSITE

<http://www.epro.com.hk>

SHARE REGISTRARS AND TRANSFER OFFICES

Principal registrar

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

Branch registrar

Tengis Limited
G/F, Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank
The Shanghai Commercial Bank

核數師

陳黃鍾蔡會計師事務所

註冊辦事處

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

主要營業地點

香港
德輔道中244-248號
東協商業大廈
15樓
1501室

公司網址

<http://www.epro.com.hk>

股份過戶登記處

主要股份過戶登記處

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

股份過戶登記分處

登捷時有限公司
香港灣仔
告士打道56號
東亞銀行港灣中心地下

主要往來銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
上海商業銀行有限公司

The fiscal year 2005 was a challenging yet exciting one for EPRO. The recent economic upturn creates an improving market sentiment for businesses. However, competition in the IT industry remains fierce because of the conservative decision-making behaviours of IT investors.

BUSINESS REVIEW

The continuous evolution of technology products and services is an impetus for IT consumers. Customers are relying more on the expertise of IT professionals to provide services and solutions to resolve real business problems. Companies and IT departments are struggling to maintain a healthy operation cost structure while being pressured to provide the best support for their external and internal customers. We believe our competence and knowledge in the industry are the key success factors in this fierce competitive market place. Over the past financial year, we continued to focus on the systems integration and IT application development outsourcing businesses. We expanded our product portfolio with innovative solutions and services, as well as started seeking new business potentials in the US market.

QUALITY EXCELLENCY

As service quality is the underpinning reason for continuous customer loyalty, our mission is to provide excellent services to customers by exceeding industry standards. In mid-December 2004, our HK operation has successfully passed the CMM Level-3 certification, a well-recognized international software process management standards, from the Software Engineering Institute of the United States. Furthermore in May 2005, our Shanghai operation achieved the CMMI-Level 3 certification, an enhanced version of the CMM. This achievement is attributable to our accumulated knowledge and experience in offering professional services to our clients for the past 20 years.

OUTLOOK

In order to grasp market trends and business opportunities emerged from the latest economic rebound, we will keep our commitments to provide quality services to our customers. The Group is optimistic about continuous growth in our focus areas, namely systems integration services, IT development outsourcing services and professional IT services, which will be achieved through continuous development of a team of professionals with industry domain expertise, best in class technology, and strong strategic partner alliances.

二零零五年財政年度對易寶而言是一個頗具挑戰却令人振奮的一年。近期經濟好轉帶動市場商業氣氛持續向好；然而，由於資訊科技投資者依然採取謹慎策略，故資訊科技業繼續維持激烈競爭態勢。

業務回顧

不斷改善科技產品及服務可刺激資訊科技客戶之需求。客戶正愈來愈依賴資訊科技專才提供服務及解決方案，以解決實際業務問題。各大公司與資訊科技部門面對兩難局面，一方面須維持穩健的營運成本架構，而同時亦面臨為公司內外客戶提供最佳支援的壓力。吾等相信，本集團於該行業之能力及知識是吾等能成功立足於此激烈競爭市場之主要因素。於上個財政年度，吾等繼續專注於系統整合及資訊科技開發外判業務。吾等擴闊了本集團於創新解決方案及服務之產品組合，並開始在美國市場尋求新的潛在商機。

質素優勢

由於服務質素是維係客戶忠誠度之基礎，故吾等致力於為客戶提供超出行業標準之優質服務。於二零零四年十二月中旬，本集團之香港業務已成功通過美國軟件工程學院(Software Engineering Institute)之CMM三級認證，此乃獲廣泛認可之國際軟件程序管理標準。另外，於二零零五年五月，本集團之上海業務取得CMM之升級版CMMI三級認證。取得此項認證乃有賴於吾等於過去二十年向吾等之客戶提供專業服務所積累之知識及經驗。

展望

為能捕捉最近期經濟反彈所衍生之市場趨勢及商機，吾等將履行承諾，為吾等之客戶提供優質服務。本集團將透過繼續發展行業專才團隊、提供最好的各類技術及強大的策略夥伴聯盟，以促進吾等專注發展之業務(即系統整合服務、資訊科技開發外判服務及專業資訊科技服務)能夠持續不斷發展，本集團對此感到樂觀。

CHAIRMAN'S STATEMENT

主 席 報 告

APPRECIATION

I would like to take this opportunity to express my gratitude to all management teams and our colleagues for their dedication and significant contribution in the past year. I would also like to extend my sincere appreciation to all our fellow shareholders, customers and business partners for their continuous support and confidence to the Group.

On behalf of the Board

HUANG Shaokang

Chairman

26 September 2005

鳴謝

本人謹藉此機會，向本集團全體管理隊伍及本集團之同事致謝，感謝他們於過去一年所付出之努力及重大貢獻。本人亦謹此對本集團所有股東、客戶及業務夥伴衷心致謝，感謝他們不斷支持本集團，並對本集團充滿信心。

承董事會命

黃少康

主席

二零零五年九月二十六日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

財務回顧

For the financial year ended 30 June 2005, the Group recorded a turnover of HK\$54,822,000 (2004: HK\$85,148,000), representing a decrease of 36% from last year. The decrease in turnover resulted from the general weak demand in system integration services, reduced trading in thin-profit margin IT products and the vanishing of turnover attributed to subsidiaries disposed of last financial year.

截至二零零五年六月三十日止財政年度，本集團錄得營業額54,822,000港元（二零零四年：85,148,000港元），較去年減少36%。營業額減少是由於系統整合服務之整體需求下跌、邊際利潤微薄之資訊科技產品交易減少及於上個財政年度出售附屬公司所得之營業額已不復存在所致。

The total operating expenses were HK\$31,957,000 for 2005 (2004: HK\$43,317,000), representing a decrease of 26% compared to previous year. It was due to the disposal of subsidiaries in last year. In addition, the Group had exercised stringent control on staff costs and various operating expenses.

二零零五年之經營開支總額為31,957,000港元（二零零四年：43,317,000港元），較去年減少26%。經營開支減少是由於去年出售附屬公司所致。此外，本集團已對員工成本及各種經營開支實施嚴謹控制政策。

During the year, the Group disposed of its properties in Kwun Tong and recorded a gain of approximately HK\$6.2 million. This led to the reduction of the audited net loss attributable to shareholders from HK\$10,750,000 in 2004 to approximately HK\$4,397,000 in 2005.

於年內，本集團出售其於觀塘之物業，及錄得收益約為6,200,000港元。此出售事項使得股東應佔經審核虧損淨額由二零零四年10,750,000港元減少至二零零五年約4,397,000港元。

Comments on Segment Information

對分類資料之意見

The Directors consider that the Group's primary segment reporting basis is by business segment. During the current and the prior year, the Group's operations relate solely to the provision of professional IT contract services. No further business segment information is presented.

董事認為，業務分類為本集團之主要分類呈報基準。於本年度及上年度，本集團之業務只與提供專業資訊科技合約服務有關。並無進一步呈列其他業務分類資料。

Geographical segment turnover and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Approximately 33% and 57% (2004: 28% and 65%) of the Group's turnover were derived from Hong Kong and Mainland China respectively.

地區分類營業額及業績包括一項分類直接應佔之項目，以及該等可按合理基準分配予該項分類之項目。本集團營業額約33%及57%（二零零四年：28%及65%）乃分別自香港及中國內地所得。

Capital Structure

資本架構

The Group generally finances its operations with internally generated cashflows, banking facilities and loan/funding from a shareholder. The Group continued to exert stringent control over treasury policies. The Company intends to finance the Group's future operations, capital expenditure and the capital requirement with the existing banking facilities.

本集團一般以內部所得現金流量、銀行融資及股東貸款／資金為其業務撥資。本集團繼續對財資政策實施嚴格控制。本公司擬以現有銀行融資為本集團之未來業務、資本支出及資本需求撥資。

As at 30 June 2005, the interest rate of banking facilities was charged at the range of Hong Kong prime rate +1.5%/-1% (2004: the interest rate of banking and finance leases facilities was charged at the range of Hong Kong prime rate +/- 1%).

於二零零五年六月三十日，銀行融資之利率按香港最優惠利率加1.5厘／減1厘收取（二零零四年：銀行及融資租約融資之利率按香港最優惠利率加／減1厘收取）。

As at 30 June 2005, the amount of short term bank and other borrowings of the Group which were repayable within a year was HK\$6,566,000 (2004: HK\$11,220,000) and the amount

於二零零五年六月三十日，須於一年內償還之本集團短期銀行及其他借款為6,566,000港元（二零零四年：11,220,000港元）及須於一年後償還之本集

REVIEW OF OPERATIONS

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of long term bank and other borrowings of the Group which were repayable over a year was HK\$5,169,000 (2004: HK\$8,594,000).

During the year ended 30 June 2005, there was no change to the capital structure of the Company.

Charges on group assets

The banking facilities of the Group are secured by:

- (i) corporate guarantees amounting to an aggregate of HK\$28,300,000 executed by the Company (2004: HK\$28,300,000); and
- (ii) pledge of certain of the Group's time deposits amounting to HK\$11,868,000 (2004: HK\$6,501,000).

Significant Investment/Material Acquisitions/Disposals

In August 2004, a subsidiary of the Group, EPRO Systems Limited ("EPRO Systems"), and Mr. Yu Wei Bo ("Mr. Yu"), an independent third party subscribed 55 shares and 45 shares in Core Merit (BVI) Limited ("Core Merit") for a cash consideration of approximately HK\$ 1.8 million and HK\$ 1.4 million respectively. On 6 August 2004, Core Merit entered into an agreement with Power Gateway Limited, an independent third party for the subscription of 65% and 35% interests in a JV company, Digital China ePro Limited ("DC ePro"), for a cash consideration of approximately HK\$3.2 million and HK\$1.8 million respectively. Details of the transaction were made by the Company in the announcement dated 6 August 2004.

On 10 January 2005, EPRO Systems, entered into the agreements with independent third parties for the disposal of the land and buildings and investment properties for a cash consideration of approximately HK\$16.3 million. Details of the transaction were made by the Company in the announcement dated 11 January 2005.

On 17 June 2005, Core Merit entered into an agreement with Chance Right Limited, which was wholly owned by Mr. Yu, pursuant to which Core Merit agreed to issue 208 shares to this connected party for a cash consideration of approximately HK\$ 6.8 million. By virtue of this agreement, the Group's interest in Core Merit was diluted from 55% to approximately 17.9%. The Group treated such dilution as a deemed disposal of partial interest in Core Merit. Details of the transaction were made by the Company in the announcement dated 21 June 2005.

Final Dividend

The Directors do not recommend the payment of a final dividend by the Company for the financial year ended 30 June 2005 (2004: Nil).

團長期銀行及其他借款則為5,169,000港元(二零零四年: 8,594,000港元)。

截至二零零五年六月三十日止年度,本公司之資本架構並無任何變動。

以本集團資產作出之抵押

本集團之銀行融資乃以下列各項作抵押:

- (i) 本公司訂立之公司擔保合共28,300,000港元(二零零四年: 28,300,000港元);及
- (ii) 本集團若干定期存款合共11,868,000港元(二零零四年: 6,501,000港元)作出之抵押。

重大投資/重大收購/出售事項

於二零零四年八月,本集團之附屬公司易寶系統有限公司(「易寶系統」)與獨立第三方俞威波先生(「俞先生」)分別以現金代價約1,800,000港元及1,400,000港元認購55股及45股Core Merit (BVI) Limited(「Core Merit」)之股份。於二零零四年八月六日,Core Merit與獨立第三方Power Gateway Limited訂立一份協議,Core Merit與該獨立第三方分別以現金代價約3,200,000港元及1,800,000港元認購合營公司Digital China ePro Limited(「DC ePro」)之65%及35%權益。有關交易之詳情載於本公司於二零零四年八月六日刊發之公佈內。

於二零零五年一月十日,易寶系統與獨立第三方就出售土地及樓宇及投資物業而訂立協議,現金代價約為16,300,000港元。有關交易之詳情載於本公司於二零零五年一月十一日刊發之公佈內。

於二零零五年六月十七日,Core Merit與Chance Right Limited(其由俞先生全資擁有)訂立一份協議,據此,Core Merit同意發行208股股份予此關連方,現金代價約為6,800,000港元。於履行此協議後,本集團於Core Merit之權益由55%攤薄至約17.9%。本集團將上述攤薄處理為一項被視作出售於Core Merit之部分權益。交易之詳情載於本公司於二零零五年六月二十一日刊發之公佈內。

末期股息

董事不建議本公司就截至二零零五年六月三十日止財政年度派發任何末期股息(二零零四年: 無)。

REVIEW OF OPERATIONS

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Liquidity, Financial Resources and Gearing Ratio

During the year under review, the Group financed its operations by internally generated cash flow, banking facilities provided by banks and loan/funding from a shareholder.

As at 30 June 2005, the Group's consolidated shareholders' funds, current assets and net current assets were HK\$7,913,000 (2004: HK\$12,358,000), HK\$56,142,000 (2004: HK\$48,358,000) and HK\$10,721,000 (2004: HK\$7,832,000) respectively. The decrease in shareholders' funds was mainly due to the loss for the year.

In respect of the Group's current assets of HK\$56,142,000 as at 30 June 2005, trade and bills receivable (net of provision for doubtful debts) accounted for 28% whilst pledged deposit, cash and cash equivalents accounted for about 50%.

As at 30 June 2005, the Group's consolidated bank overdrafts and short-term bank borrowings were HK\$6,566,000 (2004: HK\$6,970,000) and HK\$Nil (2004: HK\$4,250,000) respectively.

As at 30 June 2005, the Group's long term loans and other borrowing totalling HK\$5,169,000 is not repayable within one year.

As at 30 June 2005 the Group's pledged deposit and cash and cash equivalents amounted to HK\$28,314,000 (2004: HK\$36,200,000).

All of the Group's pledged deposits, cash and cash equivalents, bank loans and other borrowings were denominated in Hong Kong dollars, Renminbi and United States dollars.

As at 30 June 2005, the Group's gearing ratio (basis: total liabilities over total assets) was 86% (2004: 80%). Although the gearing ratio is high, the Directors believe the Group has sufficient resources to discharge its debts and to satisfy its commitments and working capital requirements.

Foreign Exchange Exposure

The Group mainly earns revenue and incurs costs in Hong Kong dollars, Renminbi and Japanese Yen. The Directors consider the impact of foreign exchange exposure of the Group is not significant.

At 30 June 2005, the Group had outstanding foreign exchange forward contract to sell JPY18,810,900 (equivalent to HK\$1,358,000) and buy US\$182,453 (equivalent to HK\$1,423,000). The net unrealised profit of this outstanding foreign exchange forward contract at the balance sheet date amounted to HK\$65,000 and was credited to the income statement during the year and recorded in other receivables.

流動資金、財務資源及資本負債比率

於回顧年度內，本集團一般以內部產生之現金流量、銀行提供之銀行融資及股東貸款／資金，為其營運提供資金。

於二零零五年六月三十日，本集團之綜合股東資金、流動資產及流動資產淨值，分別為7,913,000港元（二零零四年：12,358,000港元）、56,142,000港元（二零零四年：48,358,000港元）及10,721,000港元（二零零四年：7,832,000港元）。股東資金減少主要是由於本年度錄得虧損所致。

就本集團之流動資產而言，於二零零五年六月三十日為56,142,000港元，應收貿易賬款及票據（扣除呆賬撥備）佔28%，而已抵押存款、現金及現金等值項目則約佔50%。

於二零零五年六月三十日，本集團之綜合銀行透支及短期銀行借款分別為6,566,000港元（二零零四年：6,970,000港元）及無（二零零四年：4,250,000港元）。

於二零零五年六月三十日，本集團之長期貸款及其他借款合共5,169,000港元毋須於一年內償還。

於二零零五年六月三十日，本集團之已抵押存款以及現金及現金等值項目為28,314,000港元（二零零四年：36,200,000港元）。

本集團全部已抵押存款、現金及現金等值項目、銀行貸款及其他借款乃以港元、人民幣及美元結算。

於二零零五年六月三十日，本集團之資產負債比率（基準：負債總額除以資產總值）為86%（二零零四年：80%）。儘管資產負債比率較高，董事相信，本集團有足夠資源償還其債務及履行其承擔，以及足以應付營運資金所需。

外匯風險

本集團之收入及成本主要以港元、人民幣及日圓結算。董事認為，本集團之外匯風險並無重大影響。

於二零零五年六月三十日，本集團有未償還之外匯遠期合約賣出18,810,900日圓（相當於1,358,000港元）及買入182,453美元（相當於1,423,000港元）。未償還之外匯遠期合約於結算日之未變現溢利淨額為65,000港元，已計入年內之損益表內，並列入其他應收款項內。

REVIEW OF OPERATIONS

業 務 回 顧

Contingent Liabilities

- (a) The Company had contingent liabilities in respect of corporate guarantees for banking and finance lease facilities granted to certain subsidiaries and an associate in the aggregate amount of HK\$28,300,000 (2004: HK\$29,695,000). At the balance sheet date, such facilities were utilised by the subsidiaries and an associate to the extent of HK\$4,710,000 (2004: HK\$11,894,000).
- (b) At 30 June 2005, the Group had executed performance bonds of HK\$8,880,000 (2004: HK\$8,880,000) in respect of certain services provided by the Group.

或然負債

- (a) 本公司就授予若干附屬公司及一間聯營公司之銀行及融資租賃融資額合共28,300,000港元(二零零四年: 29,695,000港元)提供公司擔保而有或然負債。於結算日,附屬公司及聯營公司已動用該等融資款額中之4,710,000港元(二零零四年: 11,894,000港元)。
- (b) 於二零零五年六月三十日,本集團已就本集團所提供之若干服務簽署履約保證8,880,000港元(二零零四年: 8,880,000港元)。

Employees and Remuneration Policies

As at 30 June 2005, the total number of full time employees of the Group was 148 (2004: 175). Employees are remunerated according to their performance and working experience. In addition to basic salaries and participation in the mandatory provident fund scheme, staff benefits include medical scheme and share options. Share options may be granted to employees based on performance evaluation in order to provide incentive and reward to them.

僱員及酬金政策

於二零零五年六月三十日,本集團全職僱員之總人數為148名(二零零四年: 175名)。僱員之酬金是按彼等之表現及工作經驗而釐定。除基本薪酬及參與強制性公積金計劃外,僱員福利包括醫療計劃及購股權。本集團根據僱員之表現,可能會向其授出購股權,作為鼓勵與表現獎勵。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層履歷

Biographical details of the directors of the Company and of the senior management of the Group are set out below.

有關本公司各董事及本集團高級管理層之履歷，其詳情載於下文。

DIRECTORS

董事

Executive Directors

執行董事

Mr. HUANG Shaokang (黃少康), aged 40, is the chairman of the Group. He joined the Group in 2002 and is responsible for overall strategy planning, management and development of the Group. Mr. Huang has over 14 years of experience in the management of various companies which invest mainly on the IT and electronic industry. He has solid experiences in trade and business in the People's Republic of China, Singapore and Hong Kong. Mr. Huang studies in the Physics Department in the University of Hui Zhou, the People's Republic of China from 1983 to 1986.

黃少康先生，現年40歲，為本集團主席。彼於二零零二年加入本集團，負責本集團之整體策略及企劃、管理及發展。黃先生擁有逾十四年管理多家公司之經驗，主要投資於資訊科技及電子業。彼於中華人民共和國、新加坡及香港之貿易及商業方面經驗豐富。黃先生由一九八三年至一九八六年在中華人民共和國惠州大學修讀物理系。

Mr. CHOW Siu Kwong, Daniel (周兆光), aged 35, is the chief executive officer of the Group. He joined the Group in 2000 and is responsible for development of Group's software technology and methodology. Mr. Chow has 13 years of experience in the IT industry and has worked for key IT solution providers before joining the Group. He graduated from Victoria University of Technology, Australia, with a Bachelor's degree and a Master's degree in Computer Science.

周兆光先生，現年35歲，本集團首席執行官。彼於二零零零年加入本集團，負責開發本集團之軟件科技及模式。周先生於資訊科技行業擁有十三年經驗，於加入本集團前曾在主要資訊科技解決方案供應商任職。彼畢業於澳洲維多利亞科技大學，持有電腦科學學士及碩士學位。

Mr. XIN Yi (辛毅), aged 34, is a vice president and a director of IT development outsourcing services of the Group. Mr. Xin has more than 11 years of experience in engineering and management, and he was previously a general manager of one of the PRC offices of Legend Holdings Limited. He holds a Bachelor's degree in Computer Science from Shan Dong University, the People's Republic of China.

辛毅先生，現年34歲，本集團副總裁及資訊科技發展外判服務部之總監。辛先生於工程及管理方面擁有逾十一年經驗，之前曾擔任聯想集團有限公司中國辦事處總經理。彼持有中華人民共和國山東大學計算機科學學士學位。

Mr. LIN Liu (柳林), aged 35, is an executive director of the Group and a director of Shanghai EPRO Software Company Limited. He joined the company in 2002 and had taken up various senior positions in IT companies in the People's Republic of China and the United States before joining the Group. Mr. Lin holds a Bachelor of Science in Computer Science from the Beijing University of Posts & Telecommunications and a Master of Science degree in Computer Science from Columbia University, the United States.

柳林先生，現年35歲，本集團之執行董事兼上海易寶軟件有限公司之董事。彼於二零零二年加入本公司，於加入本集團前，彼曾於中華人民共和國及美國之多間資訊科技公司擔任多個高級職位。柳先生持有北京郵電大學計算機學士學位及美國哥倫比亞大學計算機碩士學位。

Mr. ZENG Weiren (曾為人), aged 42, is an executive director of the Group. Mr. Zeng joined the Group in 2004. Mr. Zeng has over 16 years experience in private investment, and he was previously a director of a major electronic manufacturer in the People's Republic of China.

曾為人先生，現年42歲，為本集團執行董事。曾先生於二零零四年加入本集團。曾先生於私人投資擁有逾16年經驗，而彼之前為中華人民共和國一家主要電子製造商之董事。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層履歷

Non-executive Directors

Mr. YIP Sam Lo (葉三閻), aged 58, is a non-executive director of the Group. He joined the Group in 1992 responsible for the business development of the Group. Mr. Yip has over 23 years of experience in the IT industry. Prior to joining the Group, he was the regional manager of a major U.S. computer company. Mr. Yip graduated from the University of Texas, the US with a Bachelor's degree in Mathematics and from the Texas A & M University, the US with a Master's degree in Computing Science.

Independent Non-executive Directors

Mr. LU Wei (魯煒), aged 48, is an associate professor at University of Science and Technology of China. He has over 16 years of experience in financial management and many years of practical experience in management consulting for UN organizations and other international institutions. Mr. Lu was working with a Sino-Canadian Training and Consulting Institute since 1988 to 1994. He holds a Master's degree in engineering and currently a PhD Candidate in the University of Science and Technology of China.

Ms. CHEN Yen Yung (陳燕雲), aged 33. She has over 8 years' experience in accounting and finance field. She is a member of the Australian Society of Certified Public Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Ms. Chen is currently a qualified accountant and company secretary of Zhejiang Yonglong Enterprises Co., Ltd. She studied in The Hong Kong Polytechnic University for higher certificate in accountancy and holds a bachelor's degree in commerce (accounting) from the Curtin University of Technology, Western Australia.

Ms. SHI Shu Su (時述蘇), aged 51, is a partner in Hui Zhou Zhong Hong Xin Yue Long Certified Public Accounts since 2001. She has over 30 years of experience in accountancy and financial management. Ms. Shi is a registered accountant in the People's Republic of China.

非執行董事

葉三閻先生，現年58歲，為本集團非執行董事。彼於一九九二年加入本集團，負責本集團之業務發展。葉先生於資訊科技行業擁有逾二十三年經驗。於加入本集團前，彼曾為一間大型美國電腦公司之區域經理。葉先生先後畢業於美國德薩斯州大學及美國德薩斯州A & M大學，分別取得數學理學士學位及電腦科學碩士學位。

獨立非執行董事

魯煒先生，現年48歲，為中國科學技術大學之副教授。彼於財務管理擁有逾16年經驗，及於聯合國組織及其他國際機構擁有多年管理層顧問之實務經驗。魯先生曾一直於一九八八年至一九九四年於一間中國與加拿大資金共同開設之培訓及顧問機構工作。彼持有中國科學技術大學之工程碩士學位，及現時為該校之博士生。

陳燕雲女士，現年33歲。彼於會計及財務領域積逾八年經驗。彼為澳洲會計師公會之會員及香港會計師公會之聯席會員。陳女士現為浙江永隆實業股份有限公司之合資格會計師及公司秘書。彼於香港理工大學攻讀高級證書會計課程，並持有西澳洲科廷科技大學之商業會計學士學位。

時述蘇女士，現年51歲，自二零零一年起，為惠州中鴻信粵龍會計師事務所之合夥人。彼於會計及財務管理方面積逾三十年經驗。時女士為中華人民共和國之註冊會計師。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. CHIU Sin Ping, Patrick (趙善平), aged 47, is the general manager of the Hong Kong operation. He joined the Group in 2001. Prior to joining the Group, Mr. Chiu worked in a renowned multinational consulting firm and was responsible for project management and enterprise transformation for various business sectors. Mr. Chiu has over 22 years of experience in the IT field of the Asia-Pacific market. He holds a Master's degree in Applied Science, Information Science from the University of Technology, Australia.

Mr. HE Hua Guang (何華光), age 39, is the general manager of professional services of the Group. He joined the Group in 1997 and is responsible for the development and management of the Group's provision of IT professional services business. Mr. He has over 13 years of experience in the IT field. He graduated from the Harbin Institute of Technology, the People's Republic of China, with a Bachelor's degree in Mechanical & Electronic Engineering and a Master's degree in Engineering Management.

Mr. LEE Wai Kuen (李偉權), aged 31, is the finance manager, qualified accountant and company secretary of the Group. He has 9 years of experience in auditing, accounting and financial management. Before joining the Group, Mr. Lee worked for an international accounting firm and companies listed in Hong Kong and United Kingdom. Mr. Lee holds a Bachelor's degree in accountancy from The Hong Kong Polytechnic University, and is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants.

高級管理層

趙善平先生，現年47歲，為香港業務之總經理。彼於二零零一年加入本集團，之前曾於一間知名跨國顧問公司工作，負責多個業界之項目管理及公司轉型。趙先生於亞太市場之資訊科技範疇擁有逾二十二年經驗。彼擁有澳洲科技大學資訊科學之應用科學碩士學位。

何華光先生，現年39歲，為本集團專業服務之總經理。彼於一九九七年加入本集團，負責開發及管理本集團之資訊科技專業服務業務。何先生於資訊科技範疇之經驗超過十三年。彼畢業於中華人民共和國哈爾濱工業大學，持有機械電子工程學士學位及管理工程專業碩士學位。

李偉權先生，現年31歲，本集團之財務經理、合資格會計師及公司秘書。彼在核數、會計及財務管理方面積逾九年經驗。李先生於加入本集團前，曾在國際會計公司及香港與英國上市公司任職。李先生持有香港理工大學會計學士學位，並為香港會計師公會執業會計師及英國特許公認會計師公會資深會員。

REPORT OF THE DIRECTORS

董事會報告

The directors present their report and the audited financial statements of the Company and the Group for the year ended 30 June 2005.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 15 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS

The Group's loss for the year ended 30 June 2005 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 29 to 80.

SUMMARY FINANCIAL INFORMATION

RESULTS

		Year ended 30 June 截至六月三十日止年度				
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
TURNOVER	營業額					
Continuing operations	持續經營業務	54,822	85,148	126,494	177,129	348,532
Discontinued operations	已終止業務	-	-	-	25,359	82,106
		54,822	85,148	126,494	202,488	430,638
(LOSS)/PROFIT BEFORE TAX	除稅前（虧損）／溢利					
Continuing operations	持續經營業務	(4,352)	(10,322)	5,192	(73,032)	(26,990)
Discontinued operations	已終止業務	-	-	-	(4,581)	(22,190)
		(4,352)	(10,322)	5,192	(77,613)	(49,180)
Tax	稅項					
Continuing operations	持續經營業務	(45)	(180)	(2,044)	(430)	(1,080)
(LOSS)/PROFIT BEFORE MINORITY INTERESTS	未計少數股東權益 前（虧損）／溢利	(4,397)	(10,502)	3,148	(78,043)	(50,260)
Minority interests	少數股東權益	-	(248)	142	6,172	4,029
NET (LOSS)/PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務中 之（虧損）／溢利淨額	(4,397)	(10,750)	3,290	(71,871)	(46,231)

董事會謹提呈董事會報告，以及本公司及本集團截至二零零五年六月三十日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務詳情載於財務報表附註15。本集團之主要業務性質在本年度並無其他重大變動。

業績

本集團截至二零零五年六月三十日止年度之虧損及本公司與本集團於該日之財務狀況載於財務報表第29至第80頁。

財務資料概要

業績

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION

(Continued)

財務資料概要 (續)

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產、負債及少數股東權益

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Total assets	資產總值	58,503	61,726	89,878	108,876	229,161
Total liabilities	負債總額	(50,590)	(49,120)	(70,745)	(89,440)	(150,679)
Minority interests	少數股東權益	–	(248)	–	(1,930)	(8,505)
		7,913	12,358	19,133	17,506	69,977

FIXED ASSETS AND AN INVESTMENT PROPERTY

固定資產及投資物業

Details of movements in the fixed assets and an investment property of the Group during the year are set out in notes 13 and 14 to the financial statements.

本集團固定資產及投資物業於年內之變動詳情載於財務報表附註13及14。

SHARE CAPITAL AND SHARE OPTIONS

股本及購股權

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 24 and 25 to the financial statements.

年內，本公司之股本及購股權之變動詳情連同其原因載於財務報表附註24及25。

PRE-EMPTIVE RIGHTS

優先購買權

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

根據本公司之公司細則或開曼群島法例，並無規定本公司須按比例向現有股東發售新股份之優先購買權條文。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

購買、贖回或出售本公司上市證券

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

本公司或其任何附屬公司概無於本年度購買、贖回或出售本公司之任何上市證券。

RESERVES

儲備

Details of movements in the reserves of the Company and the Group during the year are set out in note 26 to the financial statements and in the consolidated statement of changes in equity as set out on pages 31 of this annual report.

本公司及本集團於年內之儲備變動詳情載於財務報表附註26及載於本年報第31頁之綜合權益變動表內。

REPORT OF THE DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES

The Company's share premium account, in accordance with the Companies Law (2000 Revision) of the Cayman Islands, is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares. At 30 June 2005, the Company did not have any reserves available for distribution.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 38% of the total sales for the year and the largest customer included therein amounted to 10%.

Purchases from the Group's five largest suppliers accounted for approximately 83% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 47%.

None of the directors of the Company or any of their associates or any shareholders, which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers or suppliers.

DIRECTORS

The Directors of the Company during the year were:

Executive directors:

Mr. Huang Shaokang
Mr. Xin Yi
Mr. Liu Lin
Mr. Zeng Weiren
Mr. Chow Siu Kwong (appointed on 12 August 2005)
Daniel

Non-executive directors:

Mr. Yip Sam Lo (re-designated from executive director on 14 December 2004)
Mr. Li Ming Lun* (resigned on 14 March 2005)
Mr. Lu Wei*
Ms. Chen Yen Yung* (appointed on 23 September 2004)
Ms. Shi Shu Su* (appointed on 14 March 2005)

* Independent non-executive directors

可供分派儲備

根據開曼群島公司法(二零零零年修訂本),倘本公司於緊隨擬派股息該日,本公司有能力償還其於日常業務之到期債項,則本公司之股份溢價賬可供分派予本公司股東。股份溢價賬亦可以繳足紅股形式分派。於二零零五年六月三十日,本公司並無任何可供分派儲備。

主要客戶及供應商

於回顧年度,本集團五名最大客戶佔本年度總銷售約38%,而向最大客戶(已包括於上述客戶)之銷售則佔10%。

向本集團五名最大供應商之購貨額佔本年度購貨總額約83%,而向最大供應商(已包括於上述供應商)之購貨額則約佔47%。

據董事所知,擁有本公司已發行股本5%以上之本公司董事或彼等之任何聯繫人士或任何股東,並無於本集團之五名最大客戶或供應商中擁有任何實益權益。

董事

年內,本公司之董事名單如下:

執行董事:

黃少康先生
辛毅先生
柳林先生
曾為人先生
周兆光先生 (於二零零五年八月十二日獲委任)

非執行董事:

葉三閻先生 (於二零零四年十二月十四日從執行董事轉任)
李名麟先生* (於二零零五年三月十四日辭任)
魯煒先生*
陳燕雲女士* (於二零零四年九月二十三日獲委任)
時述蘇女士* (於二零零五年三月十四日獲委任)

* 獨立非執行董事

REPORT OF THE DIRECTORS

董 事 會 報 告

DIRECTORS *(Continued)*

In accordance with articles 86 and 87 of the Company's articles of association, Mr. Yip Sam Lo, Mr. Lu Wei, Ms. Shi Shu Su and Mr. Chow Siu Kwong, Daniel will retire and, being eligible, will offer themselves for re-election at the Company's forthcoming annual general meeting.

The independent non-executive directors are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's articles of association.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors and the senior management of the Group are set out on pages 11 and 13 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTEREST IN CONTRACTS

Save as the related party transactions and connected transactions disclosed in note 31 to the financial statements, no director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its holding companies or any of its subsidiaries or fellow subsidiaries was a party during the year.

董事 (續)

根據本公司之公司細則第86及第87條，葉三閻先生、魯煒先生、時述蘇女士及周兆光先生將退任，惟將符合資格並願意於本公司應屆股東週年大會上膺選連任。

獨立非執行董事並無固定任期，惟須按本公司之公司細則輪流退任。

董事及高級管理層履歷

本集團董事及高級管理層之履歷詳情載於本年報第11至第13頁。

董事之服務合約

建議於應屆股東週年大會膺選連任之董事概無與本公司訂立可於一年內由本公司終止而毋須給予補償(法定補償除外)之服務合約。

董事於合約中之權益

除財務報表附註31關於關連人士交易及關連交易所披露者外，於本年度概無董事於本公司，或其任何控股公司、附屬公司或同系附屬公司所訂立對本集團業務而言屬重大之任何合約中直接或間接擁有任何重大權益。

REPORT OF THE DIRECTORS

董事會報告

DISCLOSURE OF INTERESTS UNDER PART XV OF THE SECURITIES AND FUTURES ORDINANCE

根據證券及期貨條例第XV部披露權益

A. DIRECTORS AND CHIEF EXECUTIVES

At 30 June 2005, the interests or short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) disclosed in accordance with the GEM Listing Rules were as follows:

I. DIRECTORS

1. Aggregate long position in shares (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)
- a. Interests in shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds)
- (i) the Company

Name of director	Capacity	Number of ordinary shares interested 擁有權益之 普通股數目	Notes	Percentage of issued share capital 佔已發行股 本百分比
董事姓名	身份		附註	
Mr. Huang Shaokang 黃少康先生	Beneficial owner 實益擁有人	161,083,400	(1)	10.06%
	Interest in corporation 公司權益	266,800,000	(1)	16.67%
Mr. Yip Sam Lo 葉三閻先生	Founder of a discretionary trust 全權信託之創辦人	262,577,201	(2)	16.40%
Mr. Liu Lin 柳林先生	Interest in corporation 公司權益	96,094,897	(3)	6.00%

A. 董事及行政總裁

於二零零五年六月三十日，本公司董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）之股份、相關股份及債券中擁有須根據創業板上市規則披露之權益或淡倉如下：

I. 董事

1. 於本公司及其相聯法團之股份（就根據股本衍生工具持有之倉盤）、相關股份及債券中之好倉總計
- a. 於股份之權益（就根據股本衍生工具（例如購股權、可認購之認股權證或可換股債券）者除外）
- (i) 本公司

REPORT OF THE DIRECTORS

董事會報告

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

根據證券及期貨條例第XV部披露權益 (續)

Notes:

- (1) Mr. Huang Shaokang was deemed to be interested in 266,800,000 shares of the Company which were held through China Dynamic Enterprises Limited ("China Dynamic"), a corporation wholly-owned by Mr. Huang. Apart from the above, Mr. Huang personally held 161,083,400 shares of the Company.

- (2) These shares were held by Araucarea Holdings Ltd. ("Araucarea"), a corporation wholly-owned by TUYF Company Limited as trustee of The TUYF Unit Trust, a unit trust of which all of the units in issue are owned by HSBC International Trustee Limited in its capacity as the trustee of The TUYF Family Trust, a discretionary family trust of which the objects include the family members of Mr. Yip Sam Lo.

Accordingly, Mr. Yip, as founder of The TUYF Family Trust was deemed to be interested in the shares of the Company held by Araucarea.

- (3) Mr. Liu Lin was deemed to be interested in 96,094,897 shares of the Company which were held through Kingston View International Limited ("Kingston View"), a corporation wholly-owned by Mr. Liu.

附註：

- (1) 黃少康先生被視為於266,800,000股本公司股份中擁有權益，該等股份乃透過黃先生全資擁有之公司China Dynamic Enterprises Limited (「China Dynamic」) 持有。除上述者外，黃先生個人持有161,083,400股本公司股份。

- (2) 該等股份由TUYF Company Limited之全資公司Araucarea Holdings Ltd. (「Araucarea」) (作為The TUYF Unit Trust的信託人) 持有。The TUYF Unit Trust為單位信託，其全部已發行單位由HSBC International Trustee Limited (作為The TUYF Family Trust的信託人身份) 擁有。The TUYF Family Trust為全權家族信託，其全權信託對象包括葉三閻先生的家族成員。

因此，葉先生 (作為The TUYF Family Trust的創辦人) 被視為於Araucarea持有之本公司股份中擁有權益。

- (3) 柳林先生被視為於96,094,897股本公司股份中擁有權益，該等股份乃透過柳先生全資擁有之公司Kingston View International Limited (「Kingston View」) 持有。

REPORT OF THE DIRECTORS

董 事 會 報 告

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

根據證券及期貨條例第XV部披露權益 (續)

- (ii) Associated corporation -EPRO Systems Limited
(an indirect wholly-owned subsidiary of the Company)

- (ii) 相聯法團－EPRO Systems Limited
(本公司之間接全資附屬公司)

Name of director	Capacity	Number of non-voting deferred shares interested in associated corporation 於相聯法團擁有權益之無投票權遞延股份數目	Note	Percentage of total issued non-voting deferred shares 佔已發行無投票權遞延股份總數百分比
董事姓名	身份		附註	
Mr. Yip Sam Lo 葉三閻先生	Founder of a discretionary trust 全權信託之創辦人	5,112,991	(1)	33.86%

Note:

附註：

- (1) These shares were held by Araucarea, a corporation wholly-owned by TUYF Company Limited as trustee of The TUYF Unit Trust, a unit trust of which all of the units in issue are owned by HSBC International Trustee Limited in its capacity as the trustee of The TUYF Family Trust, a discretionary family trust of which the objects include the family members of Mr. Yip Sam Lo.

Accordingly, Mr. Yip, as founder of The TUYF Family Trust was deemed to be interested in the shares of the Company held by Araucarea.

- (1) 該等股份由 TUYF Company Limited的全資公司Araucarea (作為The TUYF Unit Trust的信託人) 持有。The TUYF Unit Trust為單位信託，其全部已發行單位由 HSBC International Trustee Limited (作為The TUYF Family Trust的信託人身份) 擁有。The TUYF Family Trust為全權家族信託，其全權信託對象包括葉三閻先生的家族成員。

因此，葉先生 (作為The TUYF Family Trust的創辦人) 被視為於 Araucarea持有之本公司股份中擁有權益。

- b. Interests in debentures
The Company or its associated corporations had not issued any debentures.

- b. 於債券中之權益
本公司或其相聯法團並無發行任何債券。

REPORT OF THE DIRECTORS

董事會報告

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

根據證券及期貨條例第XV部披露權益 (續)

- c. Interests in underlying shares (in respect of positions held pursuant to equity derivatives)
- (i) the Company (physically settled equity derivatives)

- c. 於相關股份中之權益 (就根據股本衍生工具持有之倉盤)
- (i) 本公司 (實物交付股本衍生工具)

Name of director	Capacity	Number of underlying ordinary shares interested 擁有權益之相關普通股數目	Percentage of issued share capital 佔已發行股本百分比
董事姓名	身份		
Mr. Yip Sam Lo 葉三閻先生	Beneficial owner 實益擁有人	19,863,670 [#]	1.24%

[#] Details of the above share options as required to be disclosed by the GEM Listing Rules have been disclosed in note 25 to the financial statements.

[#] 上述按創業板上市規則規定須披露之購股權詳情已於財務報表附註25披露。

- (ii) Associated corporation
- No such interest was reported by the Directors.

- (ii) 相聯法團
- 董事呈報並無該權益。

2. Aggregate short position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)

2. 於本公司及其相聯法團之股份及 (就根據股本衍生工具持有之倉盤) 相關股份及債券中之淡倉總額

No such short position was reported by the Directors.

董事呈報並無該淡倉。

REPORT OF THE DIRECTORS

董事會報告

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

根據證券及期貨條例第XV部披露權益 (續)

II. CHIEF EXECUTIVES

1. Aggregate long position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)

No such interest was reported by any chief executive of the Company.

2. Aggregate short position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares and in debentures of the Company and its associated corporation(s)

No such short position was reported by any chief executive of the Company.

In addition to the above, some Directors are holding shares in the Hong Kong subsidiaries of the Company in a non-beneficial interest to meet the minimum shareholder requirements.

Save as disclosed above, as at 30 June 2005, none of the Directors or the chief executive of the Company had, under Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interest which were required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or any interest which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

II. 行政總裁

1. 於本公司及其相聯法團之股份及(就根據股本衍生工具持有之倉盤)相關股份及債券中之好倉總額

本公司之任何行政總裁呈報並無該權益。

2. 於本公司及其相聯法團之股份及(就根據股本衍生工具持有之倉盤)相關股份及債券中之淡倉總額

本公司之任何行政總裁呈報並無該淡倉。

除上文所述者外，若干董事以非實益權益於本公司之香港附屬公司中持有股份，以符合最低股東規定。

除上文所披露者外，於二零零五年六月三十日，本公司董事或主要行政人員概無根據證券及期貨條例第十五部第7及第8分部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(或根據證券及期貨條例之有關規定被認為或視作擁有)任何權益或淡倉，或任何必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，或任何根據創業板上市規則第5.46條所載上市公司董事之規定買賣標準必須向本公司及聯交所申報之權益。

REPORT OF THE DIRECTORS

董事會報告

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

根據證券及期貨條例第XV部披露權益 (續)

B. SUBSTANTIAL SHAREHOLDERS

As at 30 June 2005, the interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

1. Aggregate long position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares of the Company
- a. Interests in shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds)

B. 主要股東

於二零零五年六月三十日，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及相關股份中之權益或淡倉如下：

1. 於本公司股份及(就根據股本衍生工具持有之倉盤)相關股份中之好倉總數
- a. 於股份之權益(就根據股本衍生工具(例如購股權、可認購之認股權證或可換股債券)者除外)

Name capital	Capacity	Number of ordinary shares interested 擁有權益之 普通股數目	Notes 附註	Percentage of issued share 已發行股本 百分比
名稱	身份			
China Dynamic	Beneficial owner 實益擁有人	266,800,000	(1)	16.67%
Ms. Yip Chi Yu 葉志如女士	Interest of spouse 配偶權益	427,883,400	(2)	26.73%
Araucarea	Beneficial owner 實益擁有人	262,577,201	(3)	16.40%
TUYF Company Limited	Trustee 信託人	262,577,201	(4)	16.40%
HSBC International Trustee Limited	Trustee 信託人	262,577,201	(4)	16.40%
Ms. Tai Fung 戴鳳女士	Founder of a discretionary trust 全權信託之創辦人	262,577,201	(4)	16.40%
Kenn &K (BVI) Limited	Beneficial owner 實益擁有人	101,168,489	(5)	6.31%
Kwong Chak Chung 鄺澤松	Interest in corporation 公司權益	101,168,489	(5)	6.31%
Ms. Lau King Sau, Kenzie 劉競秀女士	Interest of spouse 配偶權益	101,168,489	(6)	6.31%
Kingston View	Beneficial owner 實益擁有人	96,094,897	(7)	6.00%
Ms. Ma Li 馬力女士	Interest of spouse 配偶權益	96,094,897	(8)	6.00%

REPORT OF THE DIRECTORS

董事會報告

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

根據證券及期貨條例第XV部披露權益 (續)

Notes:

- (1) The interest of China Dynamic has also been disclosed as the interests of Mr. Huang Shaokang in the above paragraph under “Disclosure of interests under Part XV of the Securities and Futures Ordinance – Directors and Chief Executives”.
- (2) Ms. Yip Chi Yu was deemed to be interested in the 427,883,400 shares of the Company through interests of her spouse, Mr. Huang Shaokang.
- (3) The interest of Araucarea has also been disclosed as the interests of Mr. Yip Sam Lo in the above paragraph under “Disclosure of interests under Part XV of the Securities and Futures Ordinance – Directors and Chief Executives”.
- (4) These shares were held by Araucarea, a corporation wholly-owned by TUYF Company Limited as trustee of The TUYF Unit Trust, a unit trust of which all of the units in issue are owned by HSBC International Trustee Limited in its capacity as the trustee of The TUYF Family Trust, a discretionary family trust of which the objects include the family members of Ms. Tai Fung. Accordingly, Ms. Tai, as founder of The TUYF Family Trust was deemed to be interested in the shares of the Company held by Araucarea.
- (5) Mr. Kwong Chak Chung was deemed to be interested in 101,168,489 shares of the Company which were held through Kenn &K (BVI) Limited, a corporation wholly-owned by Mr. Kwong.
- (6) Ms. Lau King Sau, Kenzie was deemed to be interested in the 101,168,489 shares of the Company through interests of her spouse, Mr. Kwong Chak Chung.
- (7) The interest of Kingston View has also been disclosed as the interests of Mr. Liu Lin in the above paragraph under “Disclosure of interests under Part XV of the Securities and Futures Ordinance – Directors and Chief Executives”.
- (8) Ms. Ma Li was deemed to be interested in the 96,094,897 shares of the Company through interests of her spouse, Mr. Liu Lin.

附註：

- (1) China Dynamic之權益亦已於上段「根據證券及期貨條例第XV部披露權益－董事及行政總裁」披露為黃少康先生之權益。
- (2) 葉志如女士被視為透過其配偶黃少康先生之權益而於本公司427,883,400股股份擁有權益。
- (3) Araucarea之權益亦已於上段「根據證券及期貨條例第XV部披露權益－董事及行政總裁」披露為葉三閻先生之權益。
- (4) 該等股份由TUYF Company Limited之全資公司Araucarea (作為The TUYF Unit Trust之信託人) 持有。The TUYF Unit Trust為單位信託，其全部已發行單位由HSBC International Trustee Limited (作為The TUYF Family Trust之信託人身份) 擁有。The TUYF Family Trust為全權家族信託，其全權信託對象包括戴鳳女士之家族成員。因此，戴鳳女士 (作為The TUYF Family Trust之創辦人) 被視為於Araucarea持有之本公司股份中擁有權益。
- (5) 鄺澤松先生被視為透過其全資公司Kenn &K (BVI) Limited持有本公司之101,168,489股股份中擁有權益。
- (6) 劉競秀女士被視為透過其配偶鄺澤松先生之權益而於本公司101,168,489股股份擁有權益。
- (7) Kingston View之權益亦已於上段「根據證券及期貨條例第XV部披露權益－董事及行政總裁」披露為柳林先生之權益。
- (8) 馬力女士被視為透過其配偶柳林先生之權益而於本公司96,094,897股股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

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

根據證券及期貨條例第XV部披露權益 (續)

- b. Interests in underlying shares (in respect of positions held pursuant to equity derivatives)
- (i) the Company (physically settled equity derivatives)

- b. 於相關股份之權益 (就根據股本衍生工具持有之倉盤)
- (i) 本公司 (實物交付股本衍生工具)

Name of substantial shareholder	Capacity	Number of underlying ordinary shares interested	Notes	Percentage of issued share capital
主要股東姓名	身份	擁有權益之相關普通股數目	附註	佔已發行股本百分比
Ms. Tai Fung 戴鳳女士	Interest of spouse 配偶權益	19,863,670 [#]	(1)	1.24%

Notes:

附註

- (1) Ms. Tai Fung was deemed to be interested in 19,863,670 share options through interests of her spouse, Mr. Yip Sam Lo.

- (1) 戴鳳女士被視為透過其配偶葉三閻先生之權益而於19,863,670份購股權中擁有權益。

[#] Details of the above share options as required to be disclosed by the GEM Listing Rules have been disclosed in note 25 to the financial statements.

[#] 上述按創業板上市規則規定須披露之購股權詳情已於財務報表附註25披露。

2. Aggregate short position in shares and (in respect of positions held pursuant to equity derivatives) underlying shares of the Company

2. 於本公司股份及 (就根據股本衍生工具持有之倉盤) 相關股份中之淡倉總數並無向本公司呈報該權益。

No such interest was reported to the Company.

本公司未獲申報有關權益。

Save as disclosed above, as at 30 June 2005, 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 – 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.

除上文所披露者外，於二零零五年六月三十日，除上段「根據證券及期貨條例第XV部披露權益－董事及行政總裁」所載董事之權益外，並無任何人士已登記於本公司股份或相關股份中之權益或淡倉須根據證券及期貨條例第336條予以記錄。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from as disclosed in the share option scheme in note 25 to the financial statements, at no time during the year 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 holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire such rights in any other body corporate.

SHARE OPTION SCHEMES

Details of movements in share options during the year are set out in note 25 to the financial statements.

INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, none of the directors, the management shareholders of the Company, or any of their respective associates, have engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests within the Group.

POST BALANCE SHEET EVENTS

Details of the significant post balance sheet events of the Group are set out in note 32 to the financial statements.

CORPORATE GOVERNANCE

The Company complied with the corporate governance matters as set out in Rules 5.34 to 5.45 of the GEM Listing Rules which were in force until 1 January 2005.

As Rules 5.34 to 5.45 of the GEM Listing Rules incorporated amendments in relation to the Code On Corporate Governance Practices which became effective on 1 January 2005 subject to the transitional arrangements, the Company has been taking action to follow the code provisions set out therein.

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all directors, all directors confirmed that they have complied with required standard of dealings and code of conduct regarding securities transactions by directors of the Company.

The Company has received, from each independent non-executive director, an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules.

董事收購股份之權利

除於財務報表附註25購股權計劃內所披露者外，於本年度任何時間概無授予任何董事或彼等各自之配偶或未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；而本公司或其控股公司、附屬公司或同系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。

購股權計劃

年內購股權計劃之變動載於財務報表附註25。

競爭業務之權益

於本年度直至本報告刊發日期為止，本公司董事，管理層股東，或任何彼等各自之聯繫人概無從事任何與本集團業務構成競爭或可能構成競爭或與本集團權益產生任何其他衝突之任何業務。

結算日後事項

有關本集團重大之結算日後事項詳情載於財務報表附註32。

企業管治

本公司已遵守創業板上市規則第5.34至5.45條所載之企業管治事項(其有效期至二零零五年一月一日止)。

鑑於創業板上市規則第5.34至第5.45條之規則已就企業管治常規守則作出修訂，而企業守則已於二零零五年一月一日生效，並作出若干過渡安排，本公司正採取措施以符合該守則所載之守則條文。

有關董事進行證券買賣之行為守則方面，本公司採納比創業板上市規則第5.48至第5.67條所述交易要求準則更為嚴格之條款。在對全體董事作出個別查詢後，全體董事確認彼等已遵守有關本公司董事進行證券買賣之交易標準及行為守則。

本公司已收到各獨立非執行董事根據創業板上市規則第5.09條而發出之獨立身份年度確認書。

REPORT OF THE DIRECTORS

董事會報告

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 three independent non-executive directors, Mr. Lu Wei, Ms. Chen Yen Yung and Ms. Shi Shu Su. The Group’s financial statements for the year ended 30 June 2005 have been reviewed by the Committee, who were of the opinion that such statements complied with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures had been made. The Committee held four meetings since July 2004.

AUDITORS

Ernst & Young acted as auditors of the Company for the year ended 30 June 2003 and 2004. CWCC acted as the auditors of the Company for the year ended 30 June 2005.

CWCC retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

HUANG Shaokang
Chairman

Hong Kong
26 September 2005

審核委員會

本公司根據創業板上市規則之規定成立審核委員會（「委員會」），並書面列明其職權範圍。委員會之主要職責為審核及監管本集團之財務呈報程序及內部控制。委員會由三名獨立非執行董事魯偉先生、陳燕雲女士及時述蘇女士組成。本集團截至二零零五年六月三十日止年度之財務報表已由委員會審閱，而其認為該財務報表已遵守適用之會計準則及聯交所和法律規定，且已作出足夠披露。自二零零四年七月以來，委員會召開過四次會議。

核數師

安永會計師事務所於截至二零零三及二零零四年六月三十日止年度擔任本公司之核數師。陳黃鍾蔡會計師事務所於截至二零零五年六月三十日止年度擔任本公司之核數師。

陳黃鍾蔡會計師事務所退任，於應屆股東週年大會上將提呈再委任其為本公司核數師之決議案。

代表董事會

黃少康
主席

香港
二零零五年九月二十六日

REPORT OF THE AUDITORS

核 數 師 報 告



陳黃鍾蔡會計師事務所
CWCC

To the members
ePRO Limited
(Incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 29 to 80 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF OPINION

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

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

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2005 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

CWCC
Certified Public Accountants

Hong Kong
26 September 2005

致ePRO Limited (易寶有限公司)
(於開曼群島註冊成立之有限公司)
列位股東

本核數師已審核載於第29至第80頁按照香港公認會計原則編製之財務報表。

董事及核數師各自之責任

貴公司董事有責任編製真實與公平之財務報表。在編製該等真實與公平之財務報表時，董事必須貫徹選擇與採用合適之會計政策。本核數師之責任是根據本核數師審核工作之結果，對該等財務報表表達獨立之意見，並只向整體股東匯報我們之意見。除此以外，我們之報告書不可用作其他用途。我們概不就本報告書之內容，對任何其他人士負責或承擔法律責任。

意見基礎

本核數師按照香港會計師公會發出之核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評估董事於編製該等財務報表時所作之重大估計及判斷、所釐訂之會計政策是否適合貴公司及貴集團之具體情況，以及是否貫徹應用並足夠披露該等會計政策。

本核數師在策劃和進行審核工作時，均以取得一切本核數師認為必需之資料及解釋為目標，使本核數師能獲得充份之憑證，就該等財務報表是否存在重要錯誤陳述，作出合理之確定。在表達我們之意見時，本核數師亦已衡量該等財務報表所載之資料在整體上是否足夠。本核數師相信，本核數師之審核工作已為我們之意見建立合理之基礎。

意見

本核數師認為財務報表均真實及公平地反映貴公司及貴集團於二零零五年六月三十日之財務狀況及貴集團截至該日止年度之虧損以及現金流量，並已按照香港公司條例之披露規定而適當編製。

陳黃鍾蔡會計師事務所
執業會計師

香港
二零零五年九月二十六日

CONSOLIDATED INCOME STATEMENT

綜 合 損 益 表

		<i>Notes</i> 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
TURNOVER	營業額	5	54,822	85,148
Other revenue and gains	其他收入及收益	5	6,763	2,698
Cost of goods sold	貨品銷售成本		(33,562)	(54,664)
Selling and distribution costs	銷售及分銷成本		(906)	(1,423)
Technical expenses	技術開支		(11,489)	(14,305)
Administrative expenses	行政開支		(19,543)	(27,386)
Other operating expenses, net	其他經營開支，淨額		(19)	(203)
LOSS FROM OPERATING ACTIVITIES	經營活動之虧損	6	(3,934)	(10,135)
Surplus on revaluation of leasehold land and buildings	重估租賃土地及樓宇之盈餘		—	687
Finance costs	融資成本	9	(952)	(1,037)
Share of profits of associates	分佔聯營公司之溢利		534	163
LOSS BEFORE TAX	除稅前虧損		(4,352)	(10,322)
Tax	稅項	10	(45)	(180)
LOSS BEFORE MINORITY INTERESTS	未計少數股東權益前虧損		(4,397)	(10,502)
Minority interests	少數股東權益		—	(248)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務中之虧損淨額	11	(4,397)	(10,750)
LOSS PER SHARE (HK cents) :	每股虧損 (港仙) :			
Basic	基本	12	(0.27)	(0.73)
Diluted	攤薄		N/A	N/A
			不適用	不適用

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Fixed assets	固定資產	13	1,362	8,796
Investment property	投資物業	14	–	3,150
Interests in associates	聯營公司中之權益	16	682	1,105
Other assets	其他資產		317	317
			2,361	13,368
CURRENT ASSETS	流動資產			
Inventories	存貨	17	7,501	1,820
Trade and bills receivables	應收貿易賬款及票據	18	15,583	6,078
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		4,463	3,979
Tax recoverable	可收回稅項		281	281
Pledged deposits	已抵押存款	19	11,868	6,501
Cash and cash equivalents	現金及現金等值項目	19	16,446	29,699
			56,142	48,358
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付貿易賬款及票據	20	12,073	4,737
Other payables and accruals	其他應付款項及應計負債	21	17,530	16,181
Deposits received	已收按金		1,258	751
Deferred revenue	遞延收益		2,087	1,730
Tax payable	應付稅項		5,907	5,907
Interest-bearing bank and other borrowings	計息銀行及其他借款	22	6,566	11,220
			45,421	40,526
NET CURRENT ASSETS	流動資產淨值		10,721	7,832
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		13,082	21,200
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借款	22	5,169	8,594
MINORITY INTERESTS	少數股東權益		–	248
			7,913	12,358
CAPITAL AND RESERVES	股本及儲備			
Issued capital	已發行股本	24	16,008	16,008
Reserves	儲備	26(a)	(8,095)	(3,650)
			7,913	12,358

HUANG Shaokang
黃少康
Director
董事

LIU Lin
柳林
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

		Notes	Issued share capital 已發行 股本 HK\$'000 千港元	Share premium account 股份 溢價賬 HK\$'000* 千港元*	Capital reserve 股本儲備 HK\$'000* 千港元*	Accumulated losses 累計虧損 HK\$'000* 千港元*	Exchange fluctuation reserve 外匯 浮動儲備 HK\$'000* 千港元*	Total 合計 HK\$'000 千港元
At 1 July 2003	於二零零三年七月一日		110,400	7,025	479	(99,093)	322	19,133
Foreign exchange adjustments	外匯調整		—	—	—	—	(50)	(50)
Net loss not recognised in the income statement	損益表中並無確認 之虧損淨額		—	—	—	—	(50)	(50)
Reduction of capital	削減股本	24(a)	(99,360)	—	—	99,360	—	—
Issue of shares	發行股份	24(b)	4,968	497	—	—	—	5,465
Share issue expenses	股份發行開支	24(b)	—	(1,402)	—	—	—	(1,402)
Release upon partial disposal of subsidiaries	出售附屬公司部分 權益時解除	27(a)	—	—	(144)	—	106	(38)
Net loss for the year	年內虧損淨額		—	—	—	(10,750)	—	(10,750)
At 30 June 2004	於二零零四年六月三十日		16,008	6,120	335	(10,483)	378	12,358
At 1 July 2004	於二零零四年七月一日		16,008	6,120	335	(10,483)	378	12,358
Foreign exchange adjustments	外匯調整		—	—	—	—	(48)	(48)
Net loss not recognised in the income statement	損益表中並無確認 之虧損淨額		—	—	—	—	(48)	(48)
Net loss for the year	本年度虧損淨額		—	—	—	(4,397)	—	(4,397)
At 30 June 2005	於二零零五年六月三十日		16,008	6,120	335	(14,880)	330	7,913
Reserves retained by:	由下列公司保留之儲備：							
Company and subsidiaries	本公司及附屬公司		16,008	6,120	287	(15,471)	330	7,274
Associates	聯營公司		—	—	48	591	—	639
At 30 June 2005	於二零零五年六月三十日		16,008	6,120	335	(14,880)	330	7,913
Reserves retained by:	由下列公司保留之儲備：							
Company and subsidiaries	本公司及附屬公司		16,008	6,120	287	(10,585)	403	12,233
Associates	聯營公司		—	—	48	102	(25)	125
At 30 June 2004	於二零零四年六月三十日		16,008	6,120	335	(10,483)	378	12,358

* These reserve accounts comprise the consolidated negative reserves in aggregate of HK\$8,095,000 (2004: HK\$3,650,000) in the consolidated balance sheet.

* 此等儲備賬包括綜合資產負債表內所列合共為數8,095,000港元(二零零四年：3,650,000港元)之綜合負儲備。

The share premium account of the Group includes (i) the premium arising from the new issue of the shares in the prior years net of share issue expenses; and (ii) the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the group reorganisation upon listing in July 2000 over the nominal value of the share capital of the Company issued in exchange therefor. Further details of the group reorganisation are set out in the prospectus of the Company dated 27 July 2000.

本集團之股份溢價賬包括(i)過往年度發行新股產生之溢價扣除股份發行費用；及(ii)根據集團重組所收購之附屬公司股份於二零零零年七月上市時之面值與發行作為交換之本公司股本之面值之間之差額。集團重組之其他詳情載於本公司於二零零零年七月二十七日刊發之招股章程。

The capital reserve represents negative goodwill arising on acquisition of subsidiaries which remains credited to the capital reserve.

股本儲備為收購附屬公司時產生而仍然列於股本儲備內之負商譽。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量報表

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	Notes 附註			
CASH FLOWS FROM OPERATING ACTIVITIES		經營業務之現金流量		
Loss before tax		除稅前虧損	(4,352)	(10,322)
Adjustments for:		經以下調整：		
Finance costs	9	融資成本	952	1,037
Share of profits of associates		分佔聯營公司之溢利	(534)	(163)
Surplus on revaluation of leasehold land and buildings		重估租賃土地及 樓宇之盈餘	—	(687)
Interest income	5	利息收入	(140)	(85)
Depreciation	6	折舊	1,069	1,786
(Gain)/loss on disposal of fixed assets	5, 6	出售固定資產 之(收益)/虧損	(6,283)	13
Gain on disposal of subsidiaries	5	出售附屬公司之收益	—	(2,260)
Fixed assets written off	6	固定資產撇銷	184	—
Provision for impairment of investment in non-consolidated subsidiary	6	於未合併附屬公司 之投資減值 撥備	1,788	—
Provision for amount due from an associate	6	應收一間聯營公司 款項撥備	—	101
Reversal of provision for inventories	6	存貨撥備撥回	(112)	(269)
Provision for other receivables	6	其他應收款項撥備	—	3,195
Provision for doubtful debts	6	呆賬撥備	27	483
Write back of provision for doubtful debts	6	撥回呆賬撥備	(354)	(3,413)
Operating loss before working capital changes – page 33		未計營運資金變動前 經營虧損 – 第33頁	(7,755)	(10,584)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量報表

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	Notes 附註			
Operating loss before working capital changes – page 32	未計營運資金變動前經營虧損 – 第32頁		(7,755)	(10,584)
Increase in inventories	存貨增加		(5,569)	(11,511)
(Increase)/decrease in trade and bills receivables	應收貿易賬款及票據(增加)／減少		(8,265)	13,871
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加		(484)	(7,302)
Decrease in amounts due to contract customers	應付合約客戶款項減少		–	(496)
Increase in trade and bills payables	應付貿易賬款及票據增加		7,181	8,589
Increase in other payables and accruals	其他應付款項及應計負債增加		1,348	5,864
Increase/(decrease) in deposits received	已收按金增加／(減少)		506	(2,082)
Increase/(decrease) in deferred revenue	遞延收益增加／(減少)		357	(363)
Decrease in balances with associates	與聯營公司結餘減少		–	1,092
Foreign exchange adjustments	外匯調整		(309)	(96)
Cash used for operations	經營業務所用現金		(12,990)	(3,018)
PRC tax paid	已付中國稅項		–	(1,383)
Net cash outflow from operating activities	經營業務之現金流出淨額		(12,990)	(4,401)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量			
Interest received	已收利息	5	140	85
Purchases of fixed assets	購置固定資產	13	(637)	(504)
Proceeds from disposal of fixed assets and investment property	出售固定資產及投資物業所得款項		16,264	362
Investment in a non-consolidated subsidiary	於未合併附屬公司之投資額	15(d)	(1,788)	–
Disposal of subsidiaries	出售附屬公司	27(a)	–	(272)
Proceeds from disposal of a jointly-controlled entity	出售共同控權合資公司所得款項	27(b)	–	8,920
Proceeds from disposal of an associate	出售一間聯營公司所得款項	27(b)	–	2,817
Increase in investment in an associate	增加於一間聯營公司之投資		–	(190)
(Increase)/decrease in pledged deposits	已抵押存款(增加)／減少		(5,367)	3,218
Net cash inflow from investing activities	投資活動之現金流入淨額		8,612	14,436

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量報表

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
	Notes 附註			
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
Interest paid on loans and overdrafts	支付貸款及透支之利息	9	(952)	(1,037)
Proceeds from issue of share capital	發行股本所得款項	24(b)	–	5,465
Share issue expenses	股份發行開支	24(b)	–	(1,402)
Repayment of long term bank and other loans	償還長期銀行貸款及其他貸款		(7,675)	(4,034)
Increase/(decrease) in trust receipt loans	信託收據貸款增加／（減少）		156	(2,819)
Net cash outflow from financing activities	融資活動之現金流出淨額		(8,471)	(3,827)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目（減少）／增加淨額		(12,849)	6,208
Cash and cash equivalents at beginning of year	年初現金及現金等值項目		22,729	16,521
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等值項目		9,880	22,729
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析			
Cash and bank balances	現金及銀行結餘	19	6,608	23,918
Time deposits with original maturity of less than three months when acquired	存放時到期日少於三個月之定期存款		9,838	5,781
Bank overdrafts, secured	銀行透支，有抵押	22	(6,566)	(6,970)
			9,880	22,729

BALANCE SHEET

資 產 負 債 表

		<i>Notes</i> <i>附註</i>	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Interest in subsidiaries	附屬公司中之權益	15	—	—
CURRENT ASSETS	流動資產			
Due from subsidiaries	應收附屬公司款項	15	—	—
Other receivables	其他應收款項		1	—
Pledged deposits	已抵押存款	19	6,528	6,501
Cash and cash equivalents	現金及現金等值項目	19	10,512	15,796
			17,041	22,297
CURRENT LIABILITIES	流動負債			
Due to a subsidiary	應付一間附屬公司款項	15	143	—
Other payables and accruals	其他應付款項及應計負債	21	740	500
Bank overdrafts	銀行透支		24	16
			907	516
NET CURRENT ASSETS	流動資產淨值		16,134	21,781
			16,134	21,781
CAPITAL AND RESERVES	股本及儲備			
Issued capital	已發行股本	24	16,008	16,008
Reserves	儲備	26(b)	126	5,773
			16,134	21,781

HUANG Shaokang
黃少康
Director
董事

LIU Lin
柳林
Director
董事

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 15 March 2000 under the Companies Law (2000 Revision) 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.

During the year, the Group was involved in the provision of professional information technology (“IT”) contract services.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

In year 2004, the Hong Kong Institute of Certified Public Accountants (“HKICPA”) issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (hereinafter collectively referred to as “new HKFRSs”) which are effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 30 June 2005.

The Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of leasehold land and buildings and investment property which are stated at professional valuation, as further explained below.

1. 公司資料

本公司於二零零零年三月十五日根據開曼群島公司法(二零零零年修訂本)在開曼群島註冊成立為獲豁免有限公司。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。

本集團於本年度之業務涉及提供專業資訊科技(「資訊科技」)合約服務。

2. 採納香港財務報告準則

於二零零四年，香港會計師公會頒佈多項新訂或經修訂香港會計準則及香港財務報告標準(下文統稱「新香港財務報告準則」)，並於二零零五年一月一日或之後開始之會計期間生效。本集團並無就截至二零零五年六月三十日止年度之財務報表提早採納該等新香港財務報告準則。

本集團已開始考慮新香港財務報告準則之潛在影響，惟尚未能確定該等新香港財務報告準則會否對如何編製及呈列其經營業績及財務狀況構成重大影響。該等新香港財務報告準則將來可能引致有關如何編製及呈列其經營業績及財務狀況之變動。

3. 重大會計政策概要

編製基準

該等財務報表乃根據香港會計實務準則、香港公認會計原則及香港公司條例之披露規定而編製。除定期重估租賃土地及樓宇乃以下文所述之專業估值列賬外，該等財務報表乃按歷史成本法編製。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 30 June 2005. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

Subsidiaries

A subsidiary is a company, other than a jointly-controlled entity, whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is a company, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting less any impairment losses. Goodwill arising from the acquisition of associates, is included as part of the Group's interests in associates.

3. 重大會計政策概要 (續)**綜合基準**

綜合財務報表包括本公司及其附屬公司截至二零零五年六月三十日止年度之財務報表。年內收購或出售之附屬公司之業績在財務報表內綜合，分別由其收購之生效日期起計或計至其出售之生效日期止。集團內公司間之一切重大交易及結餘已在綜合賬目時撇銷。

少數股東權益

少數股東權益指集團外股東於本公司附屬公司之業績及資產淨值中所佔之權益。

附屬公司

附屬公司為財務及經營政策受本公司直接或間接控制從而受惠於其業務之公司（不包括共同控權合資公司）。

附屬公司之業績（以已收及應收股息為限）載於本公司之損益表內。本公司於附屬公司之權益以成本減任何減值虧損列賬。

聯營公司

聯營公司並非附屬公司或共同控權合資公司，而本集團擁有該公司一般不少於股本投票權之20%之長期權益及處於可行使重大影響力之位置。

本集團應佔聯營公司之收購後業績及儲備已分別計入綜合損益表及綜合儲備內。本集團於聯營公司之權益，乃根據權益會計法，計算以本集團應佔之資產淨值減去任何減值虧損，並於綜合資產負債表內列賬。收購聯營公司產生之商譽乃作為本集團於聯營公司之權益之一部分入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***Goodwill**

Goodwill arising on the acquisition of subsidiaries and associates represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of five years. In the case of associates, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset in the consolidated balance sheet.

On disposal of subsidiaries or associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

3. 重大會計政策概要 (續)**商譽**

收購附屬公司及聯營公司產生之商譽，指於收購日支付附屬公司之收購成本超出本集團所佔所收購之可識別資產及負債之公平值之數額。

收購產生之商譽在綜合資產負債表確認為一項資產及以直線法按其估計可使用年期五年攤銷。就聯營公司而言，任何未攤銷商譽乃計入聯營公司之賬面值，而非於綜合資產負債表中以獨立可識別資產列示。

出售附屬公司或聯營公司之收益或虧損根據出售日之資產淨值計算，包括應佔尚未攤銷商譽及有關儲備（如適用）。於收購時自綜合儲備撇銷之任何應佔商譽，會撥回及於計算出售收益或虧損時計入。

商譽（包括仍然自綜合儲備撇銷之商譽）之賬面值每年審閱，如有需要，賬面值將減值撇賬。之前就商譽確認之減值虧損不能回撥，除非有關之減值虧損是由預計不會再發生之個別外圍特殊事件引發，而其後發生之外圍事件逆轉了上述事件之影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***Negative goodwill**

Negative goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entities represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

Prior to the adoption of SSAP 30 "Business combinations" in 2001, negative goodwill arising on acquisitions was credited to the capital reserve in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such negative goodwill to remain credited to the capital reserve. Negative goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 negative goodwill accounting policy above.

On disposal of subsidiaries, associates and jointly controlled entities, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated income statement and any relevant reserves as appropriate. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

3. 重大會計政策概要 (續)**負商譽**

收購附屬公司、聯營公司及共同控權合資公司所產生之負商譽，指本集團於收購日應佔所收購之可辨認資產及負債之公平價值超逾收購成本之數額。

倘若負商譽與預期之未來虧損及開支(於計劃收購事項時確認)有關，且可以可靠地量度，則該部份之負商譽將於未來虧損及開支獲確認時，於綜合損益賬中確認為收入，惟僅以於收購當日非為可辨認負債之負商譽為限。

於收購當日與可辨認預計未來虧損及開支無關之負商譽，乃以系統基準按已收購之可折舊／可攤銷資產之餘下平均使用年期，於綜合損益賬中確認。任何高於已收購之非現金資產公平價值之負商譽款額將即時確認為收入。

於二零零一年採納會計實務準則第30號「業務合併」前，收購時產生之負商譽乃於收購之年度計入資本儲備內。在採納會計實務準則第30號後，本集團採納會計實務準則之過渡性條文，容許該負商譽繼續與資本儲備對銷。於採納該會計準則後進行收購產生之負商譽乃根據上述會計實務準則第30號之負商譽會計政策處理。

出售附屬公司、聯營公司及共同控權合資公司時，出售盈虧乃參照出售日之資產淨值而計算，包括仍未於綜合損益表及任何有關儲備(如適當)確認之負商譽之應佔款額。任何以往在收購時計入資本儲備之應計負商譽均撥回及在計算出售收益或虧損時計算在內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***Impairment of assets**

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated at the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 重大會計政策概要 (續)**資產減值**

本集團於每個結算日就下列作出評估：是否有任何資產出現減值跡象，或是否有任何跡象顯示資產於過往年度已確認之減值虧損可能不再存在或可能已減少。如有出現任何該等現象，則就該資產之可收回數額作出估計。資產之可收回數額乃按使用中資產之價值或其出售淨價兩者之較高者計算。

當資產之賬面值超逾其可收回金額時，減值虧損方予確認。當減值虧損根據有關會計政策就重估資產列賬時，除非該資產以重估數額列賬，否則減值虧損於其發生期間之損益表內扣除。

於先前確認之減值虧損只限於釐定資產之可收回數額之估計出現變動時方可撥回；惟在假設於過往年度並無就該資產確認減值虧損，高出於此情況下所釐定之賬面值之數額（扣除任何折舊／攤銷）則不得撥回。當減值虧損之撥回根據有關會計政策就重估資產列賬時，除非該資產以重估數額列賬，否則任何減值虧損之撥回於其發生期間於損益表內扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed assets and depreciation

Fixed assets are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Changes in the values of fixed assets are dealt with as movements in the revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land	Over the lease terms
Buildings	2%-5%
Leasehold improvements	20%-50%
Furniture, fixtures and equipment	20%
Computer equipment and software	18%-33 ¹ / ₃ %
Motor vehicles	20%

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

3. 重大會計政策概要 (續)

固定資產及折舊

固定資產按成本值或估值減累計折舊及任何減值虧損列賬。資產成本值包括其購買價，及任何令資產達致作為預期用途之運作狀況及地點所招致之直接應計成本。在固定資產投入運作後引致之支出(如維修及保養費用)通常於產生期間自損益表中扣除。在清楚顯示有關支出可能增加固定資產之未來經濟效益之情況下，支出將撥充資本作為該資產之額外成本。

固定資產之價值轉變作為重估儲備變動處理。如儲備總額不足以彌補虧絀(以個別資產為基準)，則不足之數自損益表中扣除。其後任何重估盈利乃以先前扣除之虧絀為限計入損益表中。於出售重估資產時，有關先前重估儲備變現之有關部份轉撥入保留盈利作為儲備變動。

折舊乃按各項資產之估計可使用年期，將資產之成本以直線法撇銷成本值或估值計算，就此用途所採用之主要年率如下：

租賃土地	於租賃年期期間
樓宇	2%-5%
租賃裝修	20%-50%
傢俬、裝置及設備	20%
電腦設備及軟件	18%-33 ¹ / ₃ %
汽車	20%

在損益表內確認之出售或報廢之固定資產之收益或虧損，指銷售所得款項淨額與有關資產賬面值之差額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year.

Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the income statement.

Other assets

Other assets represent corporate membership held for long term which are stated at cost less any impairment losses.

Research and development costs

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

Expenditure incurred on projects to develop new products is capitalised and deferred only when the projects are clearly defined; the expenditure is separately identifiable and can be measured reliably; there is reasonable certainty that the project are technically feasible; and the products have commercial value. Product development expenditure which does not meet these criteria is expensed when incurred.

3. 重大會計政策概要 (續)

投資物業

投資物業指建築工程及發展已完成之土地及樓宇之權益，並因該等土地及樓宇有投資潛力而擬長期持有，任何租金收入則按公平基準磋商釐定。投資物業不予折舊，而根據各財政年度結算日之專業估值之公開市場價值入賬。

投資物業之價值變動乃於投資物業重估儲備中處理，倘按組合計算虧絀高於該儲備之總額，超出之虧絀數額贖在損益表中扣除。隨後之任何重估盈餘乃以先前扣除之虧絀為限計入損益表。

投資物業出售後，就以往估值變現之投資物業重估儲備之有關部份乃撥入損益表。

其他投資

其他資產指長期持有之公司會籍，並按成本值減任何減值虧損列賬。

研究及開發成本

一切研究成本均於產生時在損益表中扣除。

開發新產品項目所產生之開支，僅於該等項目獲清楚界定时、開支可獨立識辨並以可靠方式計算、在合理情況下確定有關項目在技術上可行，以及該等產品具商業價值等情況下，方可撥充資本及遞延。不符合以上準則之產品開發支出於產生時支付。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***Leased assets**

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in fixed assets and depreciated over the shorter of the lease terms and estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of the assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under such operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Inventories

Inventories represent trading merchandise and direct costs incurred for IT contract work in progress and are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less estimated costs expected to be incurred to disposal.

Contract accounting

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments arising from professional IT contract services. Contract costs incurred comprise equipment and material costs, subcontracting costs, direct labour and an appropriate proportion of variable and fixed overheads.

Revenue from fixed price contracts is recognised on the percentage of completion method, measured by reference to the proportion of work completed to date to the estimated total work of the relevant contract.

3. 重大會計政策概要 (續)**租賃資產**

除法定業權外，凡將本集團資產擁有權之絕大部分收益及風險撥歸本集團之租約均列為財務租約。於財務租約開始後，所租賃資產成本按租約應付最低租金之現值撥作資本，連同租賃承擔一同記錄（不包括利息部分），以反映購買價及財務費用。按資本化財務租約持有之資產計入固定資產內，並按租賃年期或該等資產之估計可使用年期（以較短者為準）計算折舊。該等租約之財務成本於損益表中扣除，以得出固定週期支銷率，按租約年期支銷。

凡將資產擁有權之絕大部分收益及風險保留予出租方之租約均列為經營租約。如本集團為出租方，則按經營租約出租之資產包含在非流動資產中，經營租約下應收之租金按租約年期以直線法於損益賬中確認為收入。如本集團為承租方，則經營租約下應付之租金按租約年期以直法於損益表中確認為費用。

存貨

存貨指待銷商品及進行之資訊科技合約工程所產生之直接成本，按成本值或可變現淨值兩者中較低者列賬。成本值按先入先出法計算。可變現淨值乃根據估計售價減去預期達致銷售時所產生之估計成本計算。

合約會計法

合約收入包括協定合約金額及自修改訂單所得之適當數額、索償及因專業資訊科技合約服務產生之獎金。所產生之合約成本包括設備及物料費用、分包費用、直接人工及可變動與定額費用之適當數額。

自定價合約所得之收入乃按完成方法之百分比確認，乃參照現時已完成工程佔有關合約之估計工程總量之比例計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract accounting (Continued)

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers.

Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Deferred revenue

Deferred revenue represents service fees received in advance. Revenue is recognised and deferred revenue is released to the income statement when the corresponding services are rendered.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

3. 重大會計政策概要 (續)

合約會計法 (續)

盡可能於管理層預計產生可預見虧損時作出提撥。

倘目前所產生之合約成本加已確認溢利減已確認虧損超出按進度付款，盈餘將被視作應收合約客戶款項處理。

倘按進度付款超出目前所產生之合約成本加已確認溢利減已確認虧損，盈餘將被視作應付合約客戶款項處理。

現金及現金等值項目

就綜合現金流量報表而言，現金及現金等值項目指手頭現金及往來存款，以及可以隨時兌換為已知數額現金及僅承受輕微價值變動風險之短期高流動性投資項目（於購入時起計三個月內到期），減去須應要求償還及構成本集團現金管理之內部部分之銀行透支。

就資產負債表而言，現金及現金等值項目包括手頭現金及銀行存款（包括定期存款），以及性質類似現金之資產（其用途並不受限制）。

遞延收益

遞延收益指預先收取之服務費用。於提供相關服務時，收益將獲確認且該等遞延收益會於損益表中處理。

所得稅

所得稅包括本期稅項及遞延稅項。倘所得稅涉及於同期或不同期間直接於權益賬內確認之項目，則所得稅於損益表內或權益帳內確認。

遞延稅項採用負債法，對所有於結算日就資產及負債之計稅基礎與用於財務報告之賬面值之不同而引致之臨時差異作出撥備。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

3. 重大會計政策概要 (續)

所得稅 (續)

遞延稅項負債乃就所有應課稅臨時差異予以確認：

- 惟倘於進行某項交易時因商譽或初步確認資產或負債而產生遞延稅項負債，且該項交易並非一項業務合併時，並無對會計溢利及應課稅溢利或虧損構成影響則作別論；及
- 就與附屬公司、聯營公司投資及合資公司權益相關之應課稅臨時差異而言，惟倘撥回臨時差異之時間可予控制，且臨時差異可能不會於可見將來撥回則作別論。

遞延稅項資產乃按所有可抵扣臨時差異、未用稅項資產及已用稅項虧損之結轉予以確認，惟將可抵扣臨時差異、未用稅項資產及未用可抵扣稅項虧損之結轉確認為遞延資產之最高上限應以可供抵銷之應課稅溢利總額為限：

- 惟倘於進行某項交易時關於負商譽或初步確認資產或負債之可扣減臨時差異產生遞延稅項資產，且該項交易並非一項業務合併時，並無對會計溢利及應課稅溢利或虧損構成影響則作別論；及
- 就與附屬公司、聯營公司之投資及合資公司權益相關之可扣減臨時差異而言，遞延稅項資產僅在臨時差異可能於可見將來撥回，及應課稅溢利可予動用抵銷臨時差異時始予確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the provision of professional IT contract services, based on the stage of completion of the respective IT contracts, which is determined with reference to the terms of the contracts;
- (b) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;
- (c) management fee income, when the services are rendered;
- (d) rental income, on a time proportion basis over the lease terms.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the income statement.

3. 重大會計政策概要 (續)

所得稅 (續)

遞延稅項資產之面值乃於每一結算日審核，並將減少至不再可能有充裕應課稅溢利使全部或部分遞延稅項資產獲得動用時為止。相反，先前未確認之遞延稅項資產將予以確認，致使有充裕應課稅溢利使全部或部分遞延稅項資產獲得動用。

遞延稅項資產及負債乃根據預期適用於變現資產或償還債項期間之稅率計算，按於結算日已制定或實質上已制定之稅率(及稅務法例)計算。

收入確認

當經濟效益可能流向本集團和當收入能可靠地計算時，收入會按下列基準確認：

- (a) 於提供專業資訊科技合約服務時，根據各自之資訊科技合約之完成階段，並經參考合約之條款；
- (b) 利息收入，按時間比例基準，按未償還本金額及實際適用利率計算；
- (c) 管理費收入，於提供服務時確認；
- (d) 租金收入，按租賃期以時間比例基準確認。

外幣

外幣交易按交易日適用之匯率記錄。於結算日以外幣計價之貨幣資產及負債按該日之適用匯率換算為港元。匯兌差額在損益表中處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Foreign currencies *(Continued)*

On consolidation, the financial statements of overseas subsidiaries and associates are translated into Hong Kong dollars using the net investment method. The income statement of overseas subsidiaries and associates are translated to Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated to Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated to Hong Kong dollars at the exchange rates at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated to Hong Kong dollars at the weighted average exchange rates for the year.

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

3. 重大會計政策概要 (續)

外幣 (續)

在合併賬目時，以外幣計價之海外附屬公司及聯營公司之財務報表按投資淨額法換算為港元。海外附屬公司及聯營公司之損益表，乃按年度加權平均匯率換算為港元，而其資產負債表則按結算日之匯率換算為港元。所產生之換算差額列入滙兌浮動儲備內。

就綜合現金流量報表而言，海外附屬公司之現金流量按計算現金流量日期之匯率換算為港元。於整個年度內，海外附屬公司經常性產生之現金流量，則按年度加權平均匯率換算為港元。

關連人士

倘一方有能力直接或間接控制另一方，或可對另一方之財務及業務決策行使重大影響力，則雙方會被視作關連人士。倘該等人士受共同控制及受相同之重大影響時，亦被視作為關連人士。關連人士可為個別人士或實體。

僱員福利

結轉有薪假期

本集團根據僱傭合約按公曆年基準向僱員提供有薪年假。在若干情況下，於結算日有關僱員尚未使用之假期可結轉及可在下一年度使用。於結算日，本集團就有關僱員在年內累計及結轉之有薪假期涉及之預期未來費用，提撥預提費用。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

Retirement benefits scheme

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

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

3. 重大會計政策概要 (續)

僱員福利 (續)

僱傭條例長期服務金

本集團若干僱員已為本集團服務至指定年數，倘終止僱用根據香港僱傭條例彼等符合資格在離職時獲發長期服務金。本集團只須於僱員離職時符合僱傭條例所指定之情況才支付有關款項。

已就預期可能支付之未來長期服務款項確認計提撥備。撥備乃按照僱員自加入本集團服務至結算日為止所應享有之可能未來款項之最佳估計計算。

退休福利計劃

本集團根據強制性公積金計劃條例之規定，為該等合資格參加強積金計劃之僱員設立定額供款之強制性公積金退休福利計劃（「強積金計劃」）。按照強積金計劃之條款，本集團根據有關僱員之基本薪金之某一百分點作出供款，並於作出供款時在損益表中扣除。強積金計劃之資產乃由獨立管理之基金與本集團之資產分開持有。本集團對強積金計劃作出之僱主供款乃全數歸入有關僱員。

本集團於中國內地經營之附屬公司之僱員，須參與由當地市政府設立之中央退休計劃。該等中國附屬公司須將薪酬成本若干百分比作為中央退休計劃之供款。供款於根據中央退休金計劃規則須支付時在損益表內扣除。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Share option scheme

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the income statement or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

4. SEGMENT INFORMATION

The directors consider that the Group's primary segment reporting basis is by business segment. During the current and the prior year, the Group's operations related solely to the provision of professional IT contract services and accordingly, no further business segment information is presented.

Geographical segments

The following table presents turnover, certain asset and capital expenditure information for the Group's geographical segments.

Group

	Hong Kong 香港		Mainland China 中國內地		Singapore 新加坡		Japan 日本		Eliminations 抵銷		Consolidated 綜合	
	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue: 分類收入:												
Sales to external customers 集團外客戶之銷售額	17,874	24,180	31,482	55,656	4,344	4,138	1,122	1,218	-	(44)	54,822	85,148
Segment assets 分類資產	39,192	52,709	17,532	24,337	1,779	1,360	-	414	-	(17,094)	58,503	61,726
Capital expenditure 資本開支	354	341	237	163	46	-	-	-	-	-	637	504

3. 重大會計政策概要 (續)

僱員福利 (續)

購股權計劃

本公司設立購股權計劃，目的是向所有對本集團成功營運有所貢獻之合資格參與者，提供獎勵和回報。在購股權行使前，根據購股權計劃授出之購股權之財務影響不會記錄在本公司或本集團之資產負債表內，並且不會在損益表或資產負債表內記錄其成本。於購股權獲行使時，本公司會按股份之面值，將因此發行之股份，記錄為額外股本，而本公司會將每股股份行使價超逾每股股份面值之金額，計入股份溢價賬內。本公司會在尚未行使購股權登記冊內，刪除在行使日前註銷(或失效)之購股權。

4. 分類資料

董事認為，本集團以業務類別作為主要分類呈報基準。於本年度及上年度，本集團之業務只與提供專業資訊科技合約服務有關，因此並無呈列進一步之業務分類資料。

地區分類

下表呈列本集團按地區分類之營業額、若干資產及資本開支之資料。

本集團

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

5. TURNOVER, OTHER REVENUE AND GAINS

Turnover represents the value of professional IT contract services rendered and the net invoiced value of goods sold, net of value-added tax, returns and allowances. An analysis of turnover, other revenue and gains is as follows:

5. 營業額、其他收入及收益

營業額指所提供之專業資訊科技合約服務之價值以及銷售貨品之發票淨值(扣除增值稅、退貨及折扣)。營業額，其他收入及收益之分析如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		Notes 附註	
Turnover:	營業額：		
Professional IT contract services	專業資訊科技合約服務	54,822	85,148
Other revenue and gains:	其他收入及收益：		
Interest income	利息收入	140	85
Management fee income	管理費收入	134	312
Gross rental income	租金收入總額	206	41
Gain on disposal of subsidiaries	出售附屬公司之收益	27(a) —	2,260
Gain on disposal of fixed assets	出售固定資產之收益	6,283	—
		6,763	2,698

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

6. LOSS FROM OPERATING ACTIVITIES

The Group's loss from operating activities is arrived at after charging/(crediting) :

6. 經營活動之虧損

本集團之經營活動之虧損乃於扣除／(計入) 下列各項後計算：

			Group 本集團	
			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		Notes 附註		
Depreciation	折舊	13	1,069	1,786
Minimum lease payments under operating leases in respect of land and buildings	根據土地及樓宇之經營租約之最低租約款項		1,733	2,003
Fixed assets written off *	固定資產撇銷*		184	—
Provision for impairment of investment in non-consolidated subsidiary*	於未合併附屬公司之投資減值撥備*	15(d)	1,788	—
Provision for amount due from an associate*	應收一間聯營公司款項撥備*	16	—	101
Provision for other receivables**	其他應收款項撥備**		—	3,195
Reversal of provision for inventories*	存貨撥備撥回*		(112)	(269)
Auditors' remuneration	核數師酬金		460	580
Staff costs (including directors' remuneration in note 7) :	員工成本 (包括附註7所述之董事酬金) :			
Wages and salaries**	工資及薪金**		19,971	27,163
Pension scheme contributions	退休金計劃供款		1,448	1,777
Less:Forfeited contributions	減：被沒收供款		(35)	(703)
Net pension contributions**	退休金供款淨額**		1,413	1,074
Loss on disposal of fixed assets	出售固定資產之虧損		—	13
Exchange gains,net	外匯收益，淨額		(10)	(129)
Unrealised (profit)/loss on foreign exchange forward contract*	外匯遠期合約之未變現(溢利)／虧損*		(65)	106
Net rental income	租金收入淨額		(206)	(38)
Provision for doubtful debts*	呆賬撥備*		27	483
Write back of provision for doubtful debts*	撥回呆賬撥備*		(354)	(3,413)

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

6. LOSS FROM OPERATING ACTIVITIES

(Continued)

* Included in "Other operating expenses, net" on the face of the consolidated income statement.

** At 30 June 2005, no forfeited contributions were available to the Group to reduce its contributions to the pension scheme in future years (2004: Nil).

In 2004, the provision was made during the year for a receivable of EPRO Computer Systems (Guangzhou) Company Limited and prior to the Group's disposal of its 75% held therein. The provision was made in accordance with the provisioning policy for accounts and other receivables.

** The research and development costs in 2004 at HK\$2,687,000 represented HK\$2,036,000 staff costs and HK\$651,000 other costs. During the year ended 30 June 2005, the items were reclassified to conform with current year's presentation.

6. 經營活動之虧損 (續)

* 列入綜合損益表之「其他經營開支，淨額」項下。

** 於二零零五年六月三十日，概無被沒收供款可供本集團動用作減少於未來須作出之退休金計劃供款 (二零零四年：無)。

於二零零四年，撥備乃就本集團出售其於易寶電腦系統(廣州)有限公司之75%權益前該公司之應收款項而作出。有關撥備乃根據應收貿易賬款及其他應收款項之撥備準則而作出。

** 於二零零四年之研究及開發成本2,687,000港元包括員工成本2,036,000港元及其他成本651,000港元。於截至二零零五年六月三十日止年度內，為符合本年度之呈列方式，該等項目已重新分類。

7. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and Section 161 of the Companies Ordinance is as follows:

7. 董事酬金

根據聯交所創業板證券上市規則及公司條例第161條須予披露之本年度董事酬金如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Fees:	袍金：		
Executive directors	執行董事	—	—
Non-executive directors	非執行董事	40	—
Other emoluments:	其他酬金：		
Executive directors:	執行董事：		
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	379	379
Pension scheme contributions	退休金計劃供款	—	4
		419	383

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

7. DIRECTORS' REMUNERATION

(Continued)

The emoluments of all the executive directors and non-executive directors fell within the band of nil to HK\$1,000,000.

7. 董事酬金 (續)

所有執行董事及非執行董事酬金介乎零至1,000,000港元範圍內。

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Executive director A	執行董事A	—	4
Executive director B	執行董事B	379	379
Executive director C	執行董事C	—	—
Executive director D	執行董事D	—	—
Independent non-executive director A [#]	獨立非執行董事A [#]	—	—
Independent non-executive director B	獨立非執行董事B	20	—
Independent non-executive director C*	獨立非執行董事C*	15	—
Independent non-executive director D*	獨立非執行董事D*	5	—
Non-executive director A**	非執行董事A**	—	—
		419	383

* Newly appointed in the current year.

* 本年度新委任

** Re-designated from executive director during the year.

** 年內從執行董事轉任

[#] Resigned during the year.

[#] 年內辭任

No further emoluments were paid by the Group to the executive and non-executive directors, either as an inducement upon joining or to join the Group, or as compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

本集團概無向此等執行董事及非執行董事支付任何其他酬金，以作為其加入或於加入本集團時之獎勵或作為離職之賠償。年內，董事並無根據任何安排放棄或同意放棄任何酬金。

During the year, there were no share options granted to the directors in respect of their services to the Group.

年內，概無向董事就彼等服務於本集團而授予購股權。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

8. FIVE HIGHEST PAID INDIVIDUALS

No director was included in the five highest paid individuals during the year (2004:Nil). Details of the directors' emoluments are set out in note 7 above. The details of the emoluments of the five highest paid employees are as follows:

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	3,447	3,536
Pension scheme contributions	退休金計劃供款	82	80
		3,529	3,616

The number of non-director, highest paid employees whose emoluments fell within the following bands is as follows:

酬金介乎下列範圍內之最高薪非董事僱員之數目載於下文：

		2005 二零零五年 Number of employees 僱員人數	2004 二零零四年 Number of employees 僱員人數
Nil – HK\$1,000,000	零至1,000,000港元	5	4
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至 1,500,000港元	–	1

9. FINANCE COSTS

9. 融資成本

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interest expenses on bank loans and overdrafts	銀行貸款及透支之利息開支	587	616
Interest expenses on other loans	其他貸款之利息開支	365	421
Total finance costs	融資成本總額	952	1,037

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

10. TAX

No Hong Kong profits tax has been provided as the Group did not generate any assessable profits arising in Hong Kong during the year (2004: Nil).

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

10. 稅項

由於本集團年內並無在香港產生任何應課稅溢利，因此並無作出香港利得稅撥備（二零零四年：無）。

本集團於其他地區經營之公司之溢利稅項，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。

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Group:	本集團：		
Current -charge for the year	本年度支出		
Mainland China	中國內地	—	119
Share of tax attributable to:	應佔以下公司之稅項：		
An associate	一間聯營公司	45	61
Total tax charge for the year	年內稅項支出總額	45	180

A reconciliation of the tax expense applicable to loss before tax using the statutory rates for the countries in which the Company and its subsidiaries and associates are domiciled to the tax expenses at the effective rates for the year is as follows:

適用於除稅前虧損以本公司及其附屬公司及聯營公司所註冊國家之法定稅率計算之稅項開支與年內實際稅率計算者之對賬如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss before tax	除稅前虧損	(4,352)	(10,322)
Tax at the domestic tax rates applicable to losses in the countries concerned	按適用於有關國家之虧損之國內稅率計算之稅項	(614)	(2,680)
Income not subject to tax	免稅收入	(1,653)	(254)
Expenses not deductible for tax	不用扣稅之開支	430	2,859
Unrecognised deferred tax assets	未確認遞延稅項資產	1,882	255
Tax charge at the Group's effective tax rate of (1%) (2004: (1.7%))	按本集團實際稅率(1%) (二零零四年：(1.7%))計算之稅項支出	45	180

10. TAX (Continued)

During the year ended 30 June 2005, a PRC subsidiary of the Group was eligible for the exemption from corporate income tax ("CIT") for the two years starting from the first year in which assessable profits were generated, and a 50% exemption from CIT for the following three years expiring on 31 December 2006. In addition, another PRC subsidiary was eligible for a concessionary CIT rate of 15% for the three years ending 31 December 2005.

11. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders for the year ended 30 June 2005 dealt with in the financial statements of the Company was HK\$5,647,000 (2004: HK\$2,141,000) (note 26(b)).

12. LOSS PER SHARE

The calculation of basic loss per share is based on the net loss attributable to shareholders for the year of HK\$4,397,000 (2004: HK\$10,750,000) and the weighted average number of 1,600,800,000 (2004: 1,478,952,329) ordinary shares in issue during the year.

Since the exercise price of the Company's share options was higher than the average market price of the Company's shares during the years ended 30 June 2005 and 2004 respectively, there were no dilutive potential ordinary shares outstanding during the years and accordingly, no diluted loss per share amount was presented.

10. 稅項 (續)

截至二零零五年六月三十日止年度，本集團之一間中國附屬公司可於首個錄得應課稅溢利年度開始，首兩年獲豁免繳付企業所得稅（「企業所得稅」），並於其後三個年度獲寬減50%，直至二零零六年十二月三十一日止。此外，截至二零零五年十二月三十一日止三個年度，另一間中國附屬公司享有優惠企業所得稅率15%。

11. 股東應佔日常業務中之虧損淨額

於本公司截至二零零五年六月三十日止年度之財務報表中處理之股東應佔日常業務之虧損淨額為5,647,000港元（二零零四年：2,141,000港元）（附註26(b)）。

12. 每股虧損

每股基本虧損乃根據年內股東應佔虧損4,397,000港元（二零零四年：10,750,000港元），以及年內已發行普通股之加權平均數1,600,800,000股（二零零四年：1,478,952,329股）計算。

由於本公司購股權之行使價分別高於截至二零零五年及二零零四年六月三十日止年度本公司股份之平均市價，該等年度並無尚未行使之具攤薄作用之潛在普通股，因此並無呈列每股攤薄虧損。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

13. FIXED ASSETS

13. 固定資產

Group

本集團

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Computer equipment and software 電腦設備 及軟件 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost or valuation:	成本或估值：						
At beginning of year	年初	6,850	3,657	2,793	21,422	586	35,308
Additions	增添	–	269	97	271	–	637
Disposals	出售	(6,850)	(1,992)	(110)	(252)	(429)	(9,633)
Write off	撇帳	–	(1,101)	(460)	(9,391)	–	(10,952)
Exchange adjustment	滙兌調整	–	–	–	13	–	13
At 30 June 2005	於二零零五年 六月三十日	–	833	2,320	12,063	157	15,373
Accumulated depreciation and impairment:	累計折舊及 減值：						
At beginning of year	年初	–	3,039	2,397	20,630	446	26,512
Provided during the year	年內提撥	241	126	215	443	44	1,069
Disposals	出售	(241)	(1,785)	(106)	(241)	(429)	(2,802)
Write off	撇帳	–	(974)	(443)	(9,351)	–	(10,768)
At 30 June 2005	於二零零五年 六月三十日	–	406	2,063	11,481	61	14,011
Net book value:	賬面淨值：						
At 30 June 2005	於二零零五年 六月三十日	–	427	257	582	96	1,362
At 30 June 2004	於二零零四年 六月三十日	6,850	618	396	792	140	8,796

During the current year, the Group's leasehold land and buildings and its investment property (as disclosed in note 14) were disposed to an independent third party at a gain of HK\$6,283,000.

於本年度，本集團將若干租賃土地及樓宇以及其投資物業（如附註14所披露）售予獨立第三方，相關交易所產生之溢利為6,283,000港元。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

14. INVESTMENT PROPERTY

14. 投資物業

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
At valuation:	按估值：		
At beginning of year	年初	3,150	—
Transfer from leasehold land and buildings	從租賃土地及樓宇轉撥	—	3,150
Disposal	出售	(3,150)	—
At 30 June 2005	於二零零五年六月三十日	—	3,150

15. INTERESTS IN SUBSIDIARIES

15. 附屬公司中之權益

		Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	45,459	45,459
Provision for impairment	減值撥備	(45,459)	(45,459)
Due from subsidiaries	應收附屬公司款項	—	—
Provision for amounts due from subsidiaries	應收附屬公司款項撥備	75,498	71,019
		(75,498)	(71,019)
Due to a subsidiary	應付一間附屬公司款項	—	—
		(143)	—
		(143)	—

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

附屬公司結餘為無抵押、免息及無固定還款期。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

15. INTERESTS IN SUBSIDIARIES (Continued)

15. 附屬公司中之權益 (續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司之詳情如下：

Name 名稱	Place of incorporation registration/ and operations 註冊成立／ 註冊及經營 業務之地點	Nominal value of issued and fully paid share capital/ registered share capital 已發行及繳足 股本／註冊 股本之面值	Percentage of issued capital/ registered capital held by the Company 由本公司持有之 已發行股本／ 註冊資本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
ePRO (BVI) Limited	British Virgin Islands 英屬處女群島	Nil 無	100	—	Investment holding 投資控股
EPRO Systems Limited 易寶系統有限公司	Hong Kong 香港	Ordinary HK\$2; Non-voting deferred HK\$15,099,769 2港元普通股； 15,099,769港元 無投票權遞延股份	—	100	Investment holding and provision of management services 投資控股及 提供管理服務
EPRO Systems (HK) Limited 易寶系統(香港) 有限公司	Hong Kong 香港	HK\$100,000 100,000港元	—	100	Investment holding and provision of professional IT contract services 投資控股及提供專業 資訊科技合約服務
EPRO Systems (China) Limited 易寶系統(中國) 有限公司	Hong Kong 香港	HK\$925,000 925,000港元	—	100	Investment holding and provision of professional IT contract services 投資控股及 提供專業資訊 科技合約服務
EPRO Technology Limited 易寶科技有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	—	100	Provision of professional IT contract services 提供專業資訊 科技合約服務
EPRO Computer Systems (Shanghai) Company Limited (notes a & b) 易寶電腦系統(上海) 有限公司(附註a及b)	Mainland China 中國內地	US\$200,000 200,000美元	—	100	Provision of professional IT contract services 提供專業資訊 科技合約服務

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

15. INTERESTS IN SUBSIDIARIES (Continued)

15. 附屬公司中之權益 (續)

Name 名稱	Place of incorporation/ registration/ and operations 註冊成立／ 註冊及經營 業務之地點	Nominal value of issued and fully paid share capital/ registered share capital 已發行及繳足 股本／註冊 股本之面值	Percentage of issued capital/ registered capital held by the Company 由本公司持有之 已發行股本／ 註冊資本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
EPRO Computer Systems (Beijing) Company Limited (notes a & b) 易實電腦系統(北京) 有限公司(附註a及b)	Mainland China 中國內地	US\$700,000 700,000美元	—	100	Provision of professional IT contract services 提供專業資訊 科技合約服務
EPRO Systems (S) Pte. Limited (note b) (附註b)	Singapore 新加坡	S\$400,000 400,000新加坡元	—	90	Provision of professional IT contract services 提供專業資訊 科技合約服務
Shanghai EPRO Software Company Limited (notes b & c) 上海易實軟件 有限公司(附註b及c)	Mainland China 中國內地	US\$200,000 200,000美元	—	90	Provision of professional IT contract services 提供專業資訊 科技合約服務

Notes:

附註：

- (a) These subsidiaries are registered as wholly-foreign owned enterprises under the PRC law.
- (b) Not audited by CWCC Hong Kong.
- (c) This subsidiary is registered as a foreign investment enterprise under the PRC law.

- (a) 該等附屬公司乃根據中國法律註冊為外商獨資企業。
- (b) 並非由香港陳黃鍾蔡會計師事務所審核。
- (c) 此附屬公司根據中國法律登記為外商投資企業。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

15. INTERESTS IN SUBSIDIARIES (Continued)

(d) In August 2004, a subsidiary of the Group, EPRO Systems Limited ("EPRO Systems"), and an independent third party namely Chance Right Limited, subscribed 55 shares and 45 shares in Core Merit (BVI) Limited ("Core Merit") for a cash consideration of approximately HK\$ 1.8 million and HK\$ 1.4 million respectively. On 6 August 2004, Core Merit entered into an agreement with Power Gateway Limited, an independent third party for the subscription of 65% and 35% interests in a JV company, Digital China ePro Limited ("DC ePro"), for a cash consideration of approximately HK\$3.2 million and HK\$1.8 million respectively. Details of the transaction were made by the Company in the announcement dated 6 August 2004.

On 17 June 2005, Core Merit entered into an agreement with Chance Right Limited, which had become a connected party, pursuant to which Core Merit agreed to issue 208 shares to this connected party for a cash consideration of approximately HK\$ 6.8 million. By virtue of this agreement, the Group's interest in Core Merit was diluted from 55% to approximately 17.9%. The Group treated such dilution as a deemed disposal of partial interest in Core Merit. Details of this transaction were made by the Company in the announcement dated 21 June 2005.

After the deemed disposal of partial interest in Core Merit, the Group re-assessed the recoverable amount of the remaining 17.9% interest in Core Merit and made full provision for the expected impairment loss at HK\$1,788,000.

16. INTERESTS IN ASSOCIATES

Share of net assets	分佔資產淨值
Due from associates	應收聯營公司款項
Less: Provision for amounts due from associates	減：應收聯營公司款項之撥備

The balances with the associates in 2004 were unsecured, interest-free and had no fixed terms of repayment.

15. 附屬公司中之權益 (續)

(d) 於二零零四年八月，本集團之附屬公司易寶系統有限公司（「易寶系統」）及一名獨立第三方Chance Right Limited分別認購55股及45股Core Merit (BVI) Limited（「Core Merit」）股份，就此所涉及之代價分別約為1,800,000港元及1,400,000港元。於二零零四年八月六日，Core Merit與另一名獨立第三方訂立一份協議，以認購合營公司數碼中國易寶有限公司（「數碼中國易寶」）之65%及35%權益，就此所涉及之代價分別約為3,200,000港元及1,800,000港元。交易之詳情載於二零零四年八月六日刊登之廣告。

於二零零五年六月十七日，Core Merit與已成為關連人士之Chance Right Limited訂立一份協議，據此，Core Merit同意按一筆現金代價約6,800,000港元向此關連人士發行208股股份。由於此份協議，本集團於Core Merit之權益從55%攤薄至約17.9%。本集團將有關攤薄作視為出售Core Merit之部份權益處理。是項交易之詳情載於二零零五年六月二十一日刊登之公佈內。

於視為出售Core Merit之部份權益後，本集團重新評估於Core Merit之餘下17.9%權益之可收回數額，並就預期之減值虧損1,788,000港元作出全數撥備。

16. 聯營公司中之權益

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Share of net assets	分佔資產淨值	682	1,105
Due from associates	應收聯營公司款項	—	128
Less: Provision for amounts due from associates	減：應收聯營公司款項之撥備	—	(128)
		—	—
		682	1,105

於二零零四年，聯營公司結餘為無抵押、免息及無固定還款期。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

16. INTERESTS IN ASSOCIATES (Continued)

Particulars of the principal associates are as follows:

16. 聯營公司中之權益 (續)

主要聯營公司之詳情載列如下：

Name	Business structure	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營 業務之地點	Percentage of ownership interest attributable to the Group		Principal activities
			2005 二零零五年	2004 二零零四年	
Eprosonic Solutions Limited	Corporate 公司	Hong Kong 香港	38	38	Provision of professional IT contract services 提供專業資訊科技合約服務
EPRO Computer Systems (Guangzhou) Company Limited 易寶電腦系統(廣州)有限公司	Corporate 公司	Mainland China 中國內地	25	25	Provision of professional IT contract services 提供專業資訊科技合約服務
ePROgistics Limited 易寶物流科技有限公司	Corporate 公司	Hong Kong 香港	30	30	Provision of logistic IT contract services 提供物流資訊科技合約服務
eTradeGo Limited	Corporate 公司	British Virgin Islands 英屬處女群島	30	30	Investment holding 投資控股
2GoTrade Limited 易高科技有限公司	Corporate 公司	Hong Kong 香港	30	30	Provision of application services 提供應用程式服務及 供應商服務

The Group's interests in the associates are indirectly held through wholly-owned subsidiaries. The Group is entitled to the same percentage of voting power and profit sharing as denoted in the ownership percentage.

本集團於聯營公司之權益乃透過全資附屬公司間接持有。本集團擁有同一百分比之投票權及如擁有權百分比所示攤分溢利。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

17. INVENTORIES

17. 存貨

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Contract work in progress	進行中之合約工程	1,888	1,535
Goods in transit	在運輸途中之存貨	4,843	–
Merchandise for sale	待銷商品	770	285
		7,501	1,820
Contract work in progress	進行中之合約工程		
Gross amount due from contract customers	應收合約客戶款項總額	1,888	1,535
Contract costs incurred plus recognised profits less recognised losses to date	目前所產生合約成本加已確認溢利減已確認虧損	5,878	8,149
Less:Progress billings	減：按進度付款	(3,990)	(6,614)
		1,888	1,535

18. TRADE AND BILLS RECEIVABLES

18. 應收貿易賬款及票據

An aged analysis of trade and bills receivables as at the balance sheet date, based on invoice date, is as follows:

應收貿易賬款及票據於結算日按發票日期計之賬齡分析如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current to 3 months	即期至3個月	10,901	5,303
4 to 6 months	4至6個月	4,270	1,008
7 to 9 months	7至9個月	674	126
10 to 12 months	10至12個月	260	252
Over 1 year	一年以上	8,717	8,955
		24,822	15,644
Less:Provision for doubtful debts	減：呆賬撥備	(9,239)	(9,566)
		15,583	6,078

The credit terms given to the customers vary, and are generally around three months and granted based on the financial strength of the individual customers. In order to effectively manage the credit risks associated with trade debtors, credit evaluations of customers are performed periodically by management.

給予客戶之信貸期各有不同，一般約為三個月，並按個別客戶之財務實力而給予。為有效管理與應收貿易賬款有關之信貸風險，管理層定期進行客戶之信貸評估。

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

19. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

19. 現金及現金等值項目及已抵押存款

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	6,608	23,918	673	10,015
Time deposits	定期存款	21,706	12,282	16,367	12,282
		28,314	36,200	17,040	22,297
Less: Pledged time deposits for banking facilities (note 22)	減：就銀行融資而抵押之定期存款 (附註22)	(11,868)	(6,501)	(6,528)	(6,501)
Cash and cash equivalents	現金及現金等值項目	16,446	29,699	10,512	15,796

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$4,197,000 (2004: HK\$3,310,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於結算日，本集團以人民幣為單位之現金及銀行結餘為4,197,000港元（二零零四年：3,310,000港元）。人民幣不可以自由兌換為其他外幣，然而，根據內地中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准通過獲授權進行外匯交易之銀行將人民幣兌換為其他外幣。

20. TRADE AND BILLS PAYABLES

20. 應付貿易賬款及票據

An aged analysis of trade and bills payables as at the balance sheet date, based on invoice date and payment due date, respectively, is as follows:

應付貿易賬款及票據於結算日分別按發票日期及付款到期日計之賬齡分析如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within 3 months	3個月內	10,666	2,589
4 to 6 months	4至6個月	9	7
7 to 12 months	7至12個月	7	58
Over 1 year	一年以上	1,391	2,083
		12,073	4,737

NOTES TO FINANCIAL STATEMENTS

財務報表附註

21. OTHER PAYABLES AND ACCRUALS

21. 其他應付款項及應計負債

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Other payables	其他應付款項	3,572	4,452	—	—
Accruals	應計負債	13,958	11,729	740	500
		17,530	16,181	740	500

22. INTEREST-BEARING BANK AND OTHER BORROWINGS

22. 計息銀行及其他借款

			Group 本集團	
			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		Notes 附註		
Bank overdrafts, secured	銀行透支，有抵押	(a)	6,566	6,970
Bank loans, secured	銀行貸款，有抵押	(a)	—	4,675
Loan from a related company, unsecured	貸自關連公司之款項，無抵押	(b)	—	3,000
Loan from a director, unsecured	一名董事貸款，無抵押	(c)	5,169	5,169
			11,735	19,814
Wholly repayable within one year:	下列各項於一年內應全數償還：			
Bank loans, overdrafts and trust receipt loans	銀行貸款、透支及信託收據貸款		6,566	8,220
Loan from a related company	貸自關連公司之款項		—	3,000
			6,566	11,220
Repayable in the second year	第二年內應償還之款項		5,169	6,471
Repayable in the third to fifth years, inclusive	第三年至第五年內應償還之款項 (包括首尾兩年)		—	2,025
Repayable beyond five years	五年後應償還之款項		—	98
			11,735	19,814
Less:Portion classified as current liabilities	減：列作流動負債之部分		(6,566)	(11,220)
Long-term portion	長期部分		5,169	8,594

NOTES TO FINANCIAL STATEMENTS

財 務 報 表 附 註

22. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

Notes:

- (a) The banking facilities of the Group are secured by:
- (i) mortgages over the Group's land and buildings and investment property situated in Hong Kong, which have an aggregate carrying value at 30 June 2005 of HK\$nil (2004: HK\$6,850,000) (note 13) and HK\$nil (2004: 3,150,000) (note 14), respectively;
 - (ii) corporate guarantees amounting to an aggregate of HK\$28,300,000 executed by the Company (2004: HK\$28,300,000); and
 - (iii) the pledge of certain of the Group's time deposits amounting to HK\$11,868,000 (2004: HK\$6,501,000).
- (b) The loan from a related company in 2004 was unsecured, bore interest at Hong Kong dollar prime rate per annum, and had no fixed terms of repayment.
- (c) The loan from a director is unsecured, bears interest at Hong Kong dollar prime rate per annum, and is not repayable on or before 26 September 2006.

23. DEFERRED TAX

The principal components of the Group's deferred tax assets not provided for, calculated at deferred tax rates in Hong Kong, Singapore and the PRC of 17.5% (2004: 17.5%), 22% (2004: 22%) and 7.5% (2004: 7.5%), respectively, on the cumulative temporary differences at the balance sheet date, are as follows:

22. 計息銀行及其他借款 (續)

附註：

- (a) 本集團之銀行融資乃以下列各項作為抵押：
- (i) 以本集團位於香港於二零零五年六月三十日之賬面總值分別為無(二零零四年：6,850,000港元)(附註13)及無(二零零四年：3,150,000港元)(附註14)之土地及樓宇以及投資物業作出之按揭；及
 - (ii) 本公司簽署總額為28,300,000港元(二零零四年：28,300,000港元)之公司擔保。
 - (iii) 本集團定期存款之若干抵押11,868,000港元(二零零四年：6,501,000港元)。
- (b) 去年貸自關連公司之款項乃無抵押、按港元最優惠利率年息計算之利率計息，並無特定償還條款。
- (c) 一名董事貸款之款項為無抵押、按港元最優惠利率年息計算之利率計息，並於二零零六年九月二十六日或之前毋須償還。

23. 遞延稅項

按於結算日之累計臨時差異，根據香港、新加坡及中國之遞延稅率分別為17.5%(二零零四年：17.5%)、22%(二零零四年：22%)及7.5%(二零零四年：7.5%)計算本集團未撥備之遞延稅項資產之主要成份如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Tax losses	稅務虧損	19,126	17,307
Accelerated depreciation allowances	加速折舊免稅額	37	(430)
		19,163	16,877

NOTES TO FINANCIAL STATEMENTS

財務報表附註

23. DEFERRED TAX (Continued)

At the balance sheet date, the Group had tax losses arising in Hong Kong and Singapore of approximately HK\$99,616,000 (2004: HK\$93,468,000) and HK\$3,128,000 (2004: HK\$3,236,000), respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group's tax losses arising in the PRC that are available for offsetting against the following five years' taxable profits of the companies in which the losses arose are approximately HK\$5,600,000 (2004: HK\$3,172,000). Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time.

At 30 June 2005, there was no significant unrecognised deferred tax liability (2004: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries or associates as the Group has no liability to additional tax should such amounts be remitted.

24. SHARE CAPITAL

Shares

Authorised:

100,000,000,000 shares
of HK\$0.01 each

法定：

100,000,000,000股每股
面值0.01港元之股份

Issued and fully paid:

1,600,800,000 shares
of HK\$0.01 each

已發行及繳足：

1,600,800,000股每股
面值0.01港元之股份

2005
二零零五年
HK\$'000
千港元

2004
二零零四年
HK\$'000
千港元

1,000,000

1,000,000

16,008

16,008

A summary of the movements in the Company's issued share capital and share premium account during the year is as follows:

年內，本公司之已發行股本及股份溢價賬之變動概要載列如下：

			Number of shares in issue 已發行 股份數目	Issued share capital 已發行 股本 HK\$'000 千港元	Share premium account 股份 溢價賬 HK\$'000 千港元	Total 總額 HK\$'000 千港元
		Notes 附註				
At 1 July 2003	於二零零三年 七月一日		1,104,000,000	110,400	7,025	117,425
Reduction of share capital	削減股本	(a)	—	(99,360)	—	(99,360)
Rights issue	供股	(b)	496,800,000	4,968	497	5,465
Share issue expenses	股份發行開支	(b)	—	—	(1,402)	(1,402)
At 30 June 2004 and 2005	於二零零四年及 二零零五年 六月三十日		1,600,800,000	16,008	6,120	22,128

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24. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to a special resolution on 28 August 2003, the nominal value of all issued and unissued shares in the share capital of the Company was reduced from HK\$0.10 to HK\$0.01 per share (the "Capital Reduction"). The authorised share capital of the Company of HK\$1,000,000,000 divided into 10,000,000,000 shares of HK\$0.1 each was reduced to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each. The issued share capital of the Company of HK\$110,400,000 was reduced to HK\$11,040,000 as a result of the change in par value of shares in issue and the credit of HK\$99,360,000 arising from the Capital Reduction was eliminated against the accumulated losses of the Company during the year (note 26(b)). Immediately after the Capital Reduction, the authorised share capital was increased from HK\$100,000,000 to HK\$1,000,000,000 by the creation of 90,000,000,000 new shares of nominal value of HK\$0.01 each.
- (b) A rights issue of nine rights share for every twenty existing shares held by members whose names appear on the register of members on 9 January 2004 was made, at a subscription price of HK\$0.011 per rights share, resulting in the issue of 496,800,000 shares of HK\$0.01 each for a total cash consideration of approximately HK\$5,465,000 before share issue expenses of HK\$1,402,000, which were debited to the share premium account as set out above. Share options were granted on the same basis of the rights issue above, which resulted in the increase of 24,135,188 share options during the year (note 25).

Share options

Details of the Company's share option schemes and the share options issued under the schemes are included in note 25 to the financial statements.

24. 股本 (續)

附註：

- (a) 根據於二零零三年八月二十八日通過之特別決議案，本公司股本中所有已發行及未發行股份之面值已由每股0.10港元削減至0.01港元（「削減股本」）。本公司之法定股本由1,000,000,000港元，分為10,000,000,000股每股面值0.1港元之股份，削減至100,000,000港元，分為10,000,000,000股每股面值0.01港元之股份。由於已發行股份之面值改變，本公司之已發行股本由110,400,000港元，已削減至11,040,000港元，削減股本產生之進賬99,360,000港元已與本公司本年之累計虧損對銷（附註26(b)）。緊隨股本削減後，法定股本透過增設90,000,000,000股每股面值0.01港元之新股由100,000,000港元增加至1,000,000,000港元。
- (b) 本公司向於二零零四年一月九日名列股東名冊之股東，按每持有20股現有股份獲發9股供股股份之基準進行供股，認購價為每股供股股份0.011港元，導致發行496,800,000股每股面值0.01港元之股份，並將因此而獲得之現金代價總額（未扣除股份發行開支1,402,000港元）約5,465,000港元列入股份溢價賬，已按上述供股之相同基準授出購股權，導致年內增加購股權24,135,188份（附註25）。

購股權

本公司購股權計劃及根據該等計劃發行之購股權詳情載於財務報表附註25。

25. SHARE OPTION SCHEME

(a) Pre-IPO share option plan

In recognising the contribution of certain directors of the Company to the growth of the Group and/or the listing of the shares of the Company on the GEM of the Stock Exchange, the shareholders adopted a Pre-IPO share option plan (the "Pre-IPO Plan") on 24 July 2000. Pursuant to the terms of the Pre-IPO Plan, 25,725,752 options to subscribe for shares of the Company were granted to three directors on 26 July 2000, at an exercise price of HK\$0.70, with a vesting period starting from six months after 2 August 2000 until 23 July 2010. However, each of the grantees is not allowed to exercise in aggregate in excess of 25% of all the options granted within any six-month period. The Pre-IPO Plan expired on 2 August 2000, but the granted options remain exercisable.

As a result of the rights issue of 496,800,000 shares on 9 January 2004 (note 24(b)), the exercise price of the aforesaid outstanding share options was adjusted and the number of share options outstanding increased in accordance with the terms of the Pre-IPO Plan.

25. 購股權計劃

(a) 首次公開招股前購股權計劃

為嘉許本集團若干董事令本集團得以增長及／或令本公司股份得以在聯交所創業板上市所作之貢獻，遂於二零零零年七月二十四日採納首次公開招股前購股權計劃（「首次公開招股前計劃」）。根據首次公開招股前計劃之條款，本公司已於二零零零年七月二十六日向三位董事授出可認購本公司股份之購股權25,725,752份，行使價為0.70港元，歸屬期由二零零零年八月二日起計六個月後至二零一零年七月二十三日止。然而，各承授人不得於任何六個月內行使合共超過全部獲授購股權25%之購股權。首次公開招股前計劃於二零零零年八月二日到期，惟已授出之購股權仍可予行使。

基於二零零四年一月九日進行供股發行496,800,000股股份（附註24(b)），根據首次公開招股前計劃，上述尚未行使之購股權之行使價已作調整，而尚未行使購股權之數目亦已增加。

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25. SHARE OPTION SCHEME (Continued)

(a) Pre-IPO share option plan (Continued)

The following share options were outstanding under the Pre-IPO Plan during the year:

Name or category of participant 參與者名稱及所屬類別	Number of share options 購股權數目			Exercisable period of share options 購股權之行使期	Date of grant of share options# 授出購股權日期#	Exercise price of share options## 購股權之行使價## HK\$ 港元
	At 1 July 2004 於二零零四年七月一日	Lapsed during the year 本年度失效**	At 30 June 2005 於二零零五年六月三十日			
Directors 董事						
Mr. Yip Sam Lo 葉三閏先生	19,863,670	–	19,863,670	2 February 2001 to 23 July 2010 二零零一年二月二日至二零零一年七月二十三日	26 July 2000 二零零零年七月二十六日	0.557
Mr. Kwong Chak Chung* 鄺澤松先生*	11,907,459	(11,907,459)	–	2 February 2001 to 23 July 2010 二零零一年二月二日至二零零一年七月二十三日	26 July 2000 二零零零年七月二十六日	0.557
Mr. Leung Yiu Chown, Desmond* 梁耀燦先生*	5,531,211	(5,531,211)	–	2 February 2001 to 23 July 2010 二零零一年二月二日至二零零一年七月二十三日	26 July 2000 二零零零年七月二十六日	0.557
	37,302,340	(17,438,670)	19,863,670			

* Mr. Kwong Chak Chung and Mr. Leung Yiu Chown, Desmond resigned as directors on 28 April 2004. Pursuant to the Pre-IPO Plan, Mr. Kwong and Mr. Leung had the right to exercise the share options within the period of 3 months following the said date of resignation. The option was lapsed during the year.

No options were exercised under the Pre-IPO Plan during the year.

The vesting period of the share options is from the date of grant until the commencement of the exercise period.

The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital. The exercise price of share options had been adjusted as a result of the rights issue (note 24(b)) on 9 January 2004.

25. 購股權計劃 (續)

(a) 首次公開招股前購股權計劃 (續)

以下為於本年度根據首次公開招股前計劃授出而未獲行使之購股權：

Name or category of participant 參與者名稱及所屬類別	Number of share options 購股權數目			Exercisable period of share options 購股權之行使期	Date of grant of share options# 授出購股權日期#	Exercise price of share options## 購股權之行使價## HK\$ 港元
	At 1 July 2004 於二零零四年七月一日	Lapsed during the year 本年度失效**	At 30 June 2005 於二零零五年六月三十日			
Directors 董事						
Mr. Yip Sam Lo 葉三閏先生	19,863,670	–	19,863,670	2 February 2001 to 23 July 2010 二零零一年二月二日至二零零一年七月二十三日	26 July 2000 二零零零年七月二十六日	0.557
Mr. Kwong Chak Chung* 鄺澤松先生*	11,907,459	(11,907,459)	–	2 February 2001 to 23 July 2010 二零零一年二月二日至二零零一年七月二十三日	26 July 2000 二零零零年七月二十六日	0.557
Mr. Leung Yiu Chown, Desmond* 梁耀燦先生*	5,531,211	(5,531,211)	–	2 February 2001 to 23 July 2010 二零零一年二月二日至二零零一年七月二十三日	26 July 2000 二零零零年七月二十六日	0.557
	37,302,340	(17,438,670)	19,863,670			

* 鄺澤松先生及梁耀燦先生於二零零四年四月二十八日辭任董事職務。根據首次公開招股前計劃，鄺先生及梁先生可於上述辭任日期後三個月內行使購股權。年內股權同時失效。

年內，並無購股權根據首次公開招股前計劃予以行使。

購股權之歸屬期是由授出日期至行使期開始為止。

購股權之行使價可視乎供股或發行紅股，或本公司股本之其他類似變動而可予調整。購股權之行使價因二零零四年一月九日進行供股(附註24(b))而已作調整。

25. SHARE OPTION SCHEME (Continued)

(b) Share option scheme

The Company adopted a share option scheme (the "Scheme") on 24 July 2000 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Pursuant to the Scheme, the board of directors of the Company is authorised, at its absolute discretion, to invite any employees, including any executive directors of the Company or any of its subsidiaries, to take up options to subscribe for shares of the Company. The Scheme became effective for a period of 10 years commencing on the listing of the Company's shares on 2 August 2000. Further details of the Scheme are also set out in the Prospectus dated 27 July 2000.

The maximum number of shares in respect of which options may be granted under the Scheme, together with the options so granted under the Pre-IPO Plan, may not exceed 10% of the issued share capital of the Company or to a maximum of 30% should the shareholder renew the 10% limit from time to time which have been duly allotted and issued.

The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 25% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting of the Company.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, whichever is earlier.

25. 購股權計劃 (續)

(b) 購股權計劃

本公司於二零零零年七月二十四日採納一項購股權計劃(「該計劃」)，旨在向曾對本集團成功經營之業務作出貢獻之合資格參與者給予獎勵及回報。根據該計劃，本公司董事會獲授權酌情邀請任何僱員，包括本公司或其任何附屬公司任何執行董事接納購股權，以認購本公司股份。該計劃於二零零零年八月二日本公司股份上市時生效，有效期為十年。該計劃詳情亦載於二零零零年七月二十七日所刊發之招股章程。

本公司根據該計劃可能授出之購股權所涉及之最高股份數目，連同根據首次公開招股前計劃授出之購股權，不得超過本公司不時已發行股本面值10%；倘股東不時重續已正式配發及發行本公司股本10%上限，則最高為30%。

於任何12個月期間，根據購股權可發行予該計劃各合資格參與者之最高股份數目，概以本公司任何時候之已發行股份25%為限。如再授出超過此上限之購股權，必須經股東於本公司股東大會上批准。

授出購股權之要約可供由要約日期起計28日內接納，而承授人須支付總數額1港元作為象徵式代價。已授出購股權之行使期由董事釐定，並於若干歸屬期後開始及最遲由購股權要約日期起計五年內或該計劃到期日(以較早者為準)。

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25. SHARE OPTION SCHEME (Continued)

(b) Share option scheme (Continued)

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

The directors are aware that some of the terms of the Scheme do not comply with the requirements of Chapter 23 of the GEM Listing Rules which became effective on 1 October 2001. If the Company intends to grant options under the Scheme, the directors will ensure that any of such grant of options complies with the requirements of the said Chapter 23 of the GEM Listing Rules.

As a result of the rights issue of 496,800,000 shares on 9 January 2004 (note 24(b)), the exercise price of the outstanding share options was adjusted and the number of share options outstanding increased in accordance with the terms of the Scheme.

The following share options were outstanding under the Scheme during the year:

Category of participant 參與者所屬類別	Number of share options 購股權數目			Date of grant of share options# 授出購股權 之日期#	Exercise period of share options 購股權之行使期	Exercise price of share options## 購股權之 行使價## HK\$ 港元
	At 1 July 2004 於二零零四年 七月一日	Expired during the year 本年度到期	At 30 June 2005 於二零零五年 六月三十日			
Other employees 其他僱員	9,146,600	(9,146,600)	—	19 December 2001 二零零一年 十二月十九日	19 December 2001 to 18 December 2004 二零零一年十二月十九日 至二零零四年十二月十八日	0.092

25. 購股權計劃 (續)

(b) 購股權計劃 (續)

購股權之行使價乃由董事釐定，惟不得低於以下三者之較高者：(i)本公司股份於購股權要約日期在聯交所之收市價；及(ii)本公司股份於緊接購股權要約日期前五個交易日在聯交所之平均收市價及(iii)本公司股份之面值。

董事注意到，該計劃部份條款並不符合於二零零一年十月一日生效之創業板上市規則第23章之規定。倘本公司擬根據該計劃授出購股權，董事將確保授出購股權一事符合上述創業板上市規則第23章之規定。

因二零零四年一月九日進行供股發行496,800,000股股份(附註24(b))，根據該計劃之條款，尚未行使購股權之行使價已作調整，而尚未行使購股權之數目亦已增加。

以下為本年度根據該計劃尚未行使之購股權：

25. SHARE OPTION SCHEME (CONTINUED)

(b) Share option scheme (continued)

The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital. The exercise price of share options had been adjusted as a result of the rights issue (note 24(b)) on 9 January 2004.

At the balance sheet date, the Company had 19,863,670 outstanding share options, which represented approximately 1.2% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 19,863,670 additional ordinary shares of HK\$0.01 each, with aggregate proceeds before related issue expenses of approximately HK\$11,064,000.

26. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 31 of this annual report.

As detailed in note 3 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted negative goodwill in respect of acquisitions which occurred prior to the adoption of the SSAP, to remain credited to the capital reserve. The amount of the negative goodwill remaining in consolidated reserves, arising from acquisition of subsidiaries (one of which has become associate in last year) prior to the adoption of SSAP 30 is HK\$335,000 as at 30 June 2005 (2004: HK\$335,000), which is stated at cost.

25. 購股權計劃 (續)

(b) 購股權計劃 (續)

購股權之歸屬期由授出日期起至行使期開始時止。

購股權之行使價可視乎供股或發行紅股，或本公司股本之其他類似變動而可予調整。購股權之行使價因二零零四年一月九日進行供股 (附註24(b)) 而已作調整。

於結算日，本公司有19,863,670份尚未行使購股權，相當於本公司於當日發行之股份約1.2%。根據本公司現時股本架構，悉數行使尚未行使購股權將導致發行19,863,670股每股面值0.01港元之額外普通股，所得款項總額 (扣除相關發行開支前) 約11,064,000港元。

26. 儲備

(a) 本集團

本集團於現年及過往年度之儲備及其變動數額載於本年報第31頁之綜合權益變動表。

誠如財務報表附註3所述，於二零零一年採納會計實務準則第30號後，本集團引用會計實務準則第30號之過渡性條文，准許於採納該會計實務準則前進行之收購所產生之負商譽仍於股本儲備入賬。於二零零五年六月三十日，在採納該會計實務準則第30號前收購附屬公司 (其中一間已於去年變為聯營公司) 而產生之負商譽為335,000港元 (二零零四年：335,000港元)，仍存於綜合儲備內並以成本值列賬。

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26. RESERVES (Continued)

(b) Company

		Share premium account 股份溢價賬 HK\$'000 千港元	Accumulated losses 累積虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2003	於二零零三年七月一日	24,999	(115,540)	(90,541)
Reduction of share capital (note 24(a))	削減股本 (附註24(a))	–	99,360	99,360
Rights issue (note 24(b))	供股 (附註24(b))	497	–	497
Share issue expenses (note 24(b))	股份發行開支 (附註24(b))	(1,402)	–	(1,402)
Net loss for the year	本年度虧損淨額	–	(2,141)	(2,141)
At 30 June 2004	於二零零四年六月三十日	24,094	(18,321)	5,773
Net loss for the year	本年度虧損淨額	–	(5,647)	(5,647)
At 30 June, 2005	於二零零五年六月三十日	24,094	(23,968)	126

The share premium account of the Company includes (i) premium arising from the new issue of shares in the current and prior years netted of share issue expenses; and (ii) the difference between the consolidated net assets of the subsidiaries acquired pursuant to the group reorganisation upon listing in July 2000 over the nominal value of the share capital of the Company issued in exchange therefor.

In accordance with the Companies Law (2000 Revision) of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

26. 儲備 (續)

(b) 本公司

本公司之股份溢價賬包括(i)本年度及上年度發行新股產生之溢價扣除股份發行開支；及(ii)根據於二零零零年七月上市時進行之集團重組所收購之附屬公司當時之綜合資產淨值與發行作為交換之本公司股本之面值之差額。

根據開曼群島之公司法(二零零零年修訂本)，倘本公司於緊隨擬派股息該日，本公司有能力償還其於日常業務之債項，則股份溢價賬可供分派予本公司股東。股份溢價亦可以繳足紅股形式分派。

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財務報表附註

27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

27. 綜合現金流量報表附註

(a) Disposal of subsidiaries

(a) 出售附屬公司

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Net assets disposed of:	出售以下各項之淨資產：		
Fixed assets	固定資產	—	705
Inventories	存貨	—	16,891
Trade receivables	應收貿易賬款	—	4,022
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	—	6,974
Cash and bank balances	現金及銀行結存	—	2,282
Trade payables	應付貿易賬款	—	(15,057)
Amount due to a shareholder	應付一名股東款項	—	(1,193)
Accrued liabilities	應計負債	—	(11,673)
Bank overdrafts	銀行透支	—	(10)
		—	2,941
Reserves released upon disposal	出售時解除之儲備	—	(38)
Gain on disposal of subsidiaries	出售附屬公司之收益	—	2,260
		—	5,163

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Satisfied by:	以下列各項支付：		
Cash	現金	—	4,375
Reclassification to interests in associates from interests in subsidiaries*	由附屬公司權益重新分類至聯營公司權益*	—	788
		—	5,163

* Exchange fluctuation reserve of HK\$25,000, which was retained on disposal of the subsidiaries, was net off against the reclassification amount of HK\$788,000.

* 於出售附屬公司時保留之兌換波動儲備25,000港元已用作抵銷重新分類金額788,000港元。

The disposed subsidiaries contributed HK\$20,567,000 to the Group's turnover and loss of HK\$171,000 to the Group's consolidated loss after tax and before minority interests for the year ended 30 June 2004.

截至二零零四年六月三十日止年度，出售附屬公司為本集團之營業額貢獻20,567,000港元，並為本集團之綜合除稅後但未計少數股東權益前虧損帶來171,000港元之虧損。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(a) Disposal of subsidiaries (Continued)

An analysis of net outflow of cash and cash equivalents in respect of disposal of subsidiaries is as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash and bank balances disposed of	出售之現金及銀行結餘	—	(2,282)
Bank overdrafts acquired	已收購之銀行透支	—	10
Cash consideration	現金代價	—	2,000
Net outflow of cash and cash equivalents in respect of disposal of subsidiaries	出售附屬公司之現金及現金等值項目流出淨額	—	(272)

During the year ended 30 June 2004, the Group disposed of partial interests in certain subsidiaries at consideration of HK\$4,375,000, HK\$1,000,000 and HK\$2,000,000 were received during the year ended 30 June 2005 and 2004 respectively. At the balance sheet date, the aggregate outstanding sales proceeds receivable of HK\$1,375,000 were included in prepayment, deposits and other receivables.

(b) Disposal of a jointly-controlled entity and an associate

The amounts represent the settlement of balance of the proceeds from the disposal of the jointly-controlled entity and an associate during the year ended 30 June 2003.

27. 綜合現金流量報表附註 (續)

(a) 出售附屬公司 (續)

出售附屬公司之現金及現金等值項目流出淨額之分析載列如下：

本集團於截至二零零四年六月三十日止年度出售若干附屬公司之部份權益，代價為4,375,000港元，其中1,000,000港元及2,000,000港元已分別於截至二零零五年及二零零四年六月三十日止年度收取。於結算日，尚未收取之銷售所得款項為1,375,000港元，已計入預付款項、按金及其他應收款項。

(b) 出售共同控權合資公司及聯營公司

該等款項為於截至二零零三年六月三十日止年度出售一間共同控權合資公司及一間聯營公司而所得之款項餘額。

28. CONTINGENT LIABILITIES

(a) The Company had contingent liabilities in respect of corporate guarantees for banking and finance lease facilities granted to certain subsidiaries and an associate in the aggregate amount of HK\$28,300,000 (2004: HK\$29,695,000). At the balance sheet date, such facilities were utilised by the subsidiaries and an associate to the extent of the aggregate amount of HK\$4,710,000 (2004: HK\$11,894,000).

(b) At 30 June 2005, the Group had executed performance bonds of HK\$8,880,000 (2004: HK\$8,880,000) in respect of certain services provided by the Group.

28. 或然負債

(a) 本公司就若干附屬公司及一間聯營公司獲批出之銀行及融資租約貸款作出之公司擔保方面而有或然負債總額達28,300,000港元(二零零四年：29,695,000港元)。於結算日，附屬公司及一間聯營公司已動用該等貸款中合共4,710,000港元(二零零四年：11,894,000港元)。

(b) 於二零零五年六月三十日，本集團就本集團提供之若干服務已簽立履約保證8,880,000港元(二零零四年：8,880,000港元)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

29. OPERATING LEASE ARRANGEMENTS

29. 經營租約安排

(a) As lessor

The Group leases its investment property (note 14) under an operating lease arrangement, with a lease negotiated for a term of two years. The terms of the lease generally also requires the tenant to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 30 June 2005, the Group had total future minimum lease receivables under a non-cancellable operating lease with its tenant falling due as follows:

(a) 作為出租人

本集團根據經營租約安排出租其投資物業(附註14)，經協商之租期為兩年。租約條款一般亦規定租客須支付擔保按金及可根據當時之市況定期調整租金。

於二零零五年六月三十日，根據本集團與租客訂立之不可撤銷經營租約須按以下年期收取之未來最低應收租金總額如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within one year	一年內	8	247
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	—	216
		8	463

(b) As lessee

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.

At 30 June 2005, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

(b) 作為承租人

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。

於二零零五年六月三十日，根據不可撤銷經營租約，本集團須按以下年期支付之未來最低應付租金總額如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within one year	一年內	1,209	684
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	557	218
		1,766	902

NOTES TO FINANCIAL STATEMENTS

財務報表附註

30. COMMITMENTS

At 30 June 2005, the Group had outstanding foreign exchange forward contract to sell JPY18,810,900 (equivalent to HK\$1,358,000) and buy US\$182,453 (equivalent to HK\$1,423,000). The net unrealised profit of this outstanding foreign exchange forward contract at the balance sheet date amounted to HK\$65,000 and the amount is insignificant hence it was credited to the income statement during the year.

31. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, during the year, the Group had the following transactions with an associate and related companies in which certain directors of the Company have beneficial interests:

30. 承擔

於二零零五年六月三十日，本集團擁有尚未行使之外匯遠期合約，賣出18,810,900日圓（相等於1,358,000港元）及買入182,453美元（相等於1,423,000港元）。於結算日，此項尚未行使之外匯遠期合約之未變現溢利為65,000港元，該筆款項並不重大，故計入本年度之損益表。

31. 關連人士交易

除此等財務報表所詳述之交易及結餘外，於本年度，本集團與聯營公司及關連公司進行以下本公司若干董事擁有實益權益之交易：

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		Notes 附註		
Management fees received from an associate	自一間聯營公司收取之管理費	(a)	—	312
Interest paid to related companies and a director	支付予關連公司及一名董事之利息	(b)	365	421
Disposal of a subsidiary controlled by a director	出售一間由一名董事控制之附屬公司	(c)	—	2,625

Notes:

- (a) Management fees were charged to an associate in respect of the administrative support provided by the Group which was determined by mutual negotiation with reference to the actual costs incurred.
- (b) Interest was charged on the amounts advanced by related companies and a director at Hong Kong dollar prime rate per annum.

附註：

- (a) 管理費乃就本集團提供之行政支援而向一間聯營公司收取，並參考所產生之實際成本經雙方商討後釐定。
- (b) 利息乃關連公司及一名董事所墊付之款項按港元最優惠利率年息計算。

31. RELATED PARTY TRANSACTIONS

(Continued)

Notes: (Continued)

(c) In 2004, the Group disposed of its 75% equity interest in EPRO GZ to a company, 15% and 85% of the equity interests of which were held by employees of EPRO GZ and a close family member of a director of the Company, respectively, who has resigned during the year ended 30 June 2004, for a consideration of HK\$2,625,000, and resulting in a gain of HK\$1,253,000. The aforesaid director was also a key management personnel of EPRO GZ during the year ended 30 June 2004. Pursuant to the sales and purchase agreement, the Group waived the repayment from EPRO GZ of an aggregate amount of HK\$13,244,000 due to certain subsidiaries of the Group. Of the total consideration of HK\$2,625,000, HK\$1,000,000 was received during last year and the outstanding sales proceeds receivable of HK\$1,625,000, to be settled by June 2005, has been included in prepayment, deposits and other receivables as at 30 June 2004. The consideration of the disposal transaction was mutually agreed by both parties.

(d) In August 2004, a subsidiary of the Group, EPRO Systems Limited ("EPRO Systems"), and Mr. Yu Wei Bo ("Mr. Yu"), an independent third party subscribed 55 shares and 45 shares in Core Merit (BVI) Limited ("Core Merit") for a cash consideration of approximately HK\$1.8 million and HK\$1.4 million respectively. On 6 August 2004, Core Merit entered into an agreement with Power Gateway Limited, an independent third party for the subscription of 65% and 35% interests in a JV company, Digital China ePro Limited ("DC ePro"), for a cash consideration of approximately HK\$3.2 million and HK\$1.8 million respectively. Details of the transaction were made by the Company in the announcement dated 6 August 2004.

On 17 June 2005, Core Merit entered into an agreement with Chance Right Limited ("Chance Right"), which was wholly owned by Mr. Yu, pursuant to which Core Merit agreed to issue 208 shares to Chance Right for a cash consideration of approximately HK\$6.8 million. By virtue of this agreement, the Group's interest in Core Merit was diluted from 55% to approximately 17.9%. The Group treated such dilution as a deemed disposal of partial interest in Core Merit. Given that Chance Right is a substantial shareholder of Core Merit, Chance Right is a connected person of the Company. Therefore, the deemed disposal constituted a connected transaction of EPRO Ltd. No consideration was paid by EPRO Ltd and EPRO Systems. Details of this transaction were made by the Company in the announcement dated 21 June 2005.

31. 關連人士交易 (續)

附註：(續)

(c) 本集團於二零零四年度向一間公司出售75%易寶廣州股權，其中15%及85%分別由易寶廣州之僱員以及本公司一名董事(已於截至二零零四年六月三十日止年度辭任)之近親持有，代價為2,625,000港元，因此產生收益1,253,000港元。截至二零零四年六月三十日止年度，上述董事亦為易寶廣州之主要管理人員。根據買賣協議，本集團放棄收取易寶廣州償還應付本集團若干附屬公司合共13,244,000港元之款項。為數2,625,000港元之總代價當中，1,000,000港元已於去年度收取，而尚未收取之應收銷售所得款項1,625,000港元(將於二零零五年六月前清償)已於二零零四年六月三十日計入預付款項、按金及其他應收款項。出售交易之代價獲得雙方同意。

(d) 於二零零四年八月，本集團之附屬公司易寶系統有限公司(「易寶系統」)與獨立第三方俞威波先生(「俞先生」)分別以現金代價約1,800,000港元及1,400,000港元認購55股及45股Core Merit (BVI) Limited(「Core Merit」)之股份。於二零零四年八月六日，Core Merit與獨立第三方Power Gateway Limited訂立一份協議，Core Merit與該獨立第三方分別以現金代價約3,200,000港元及1,800,000港元認購合營公司Digital China ePro Limited(「DC ePro」)之65%及35%權益。有關交易之詳情載於本公司於二零零四年八月六日刊發之公佈內。

於二零零五年六月十七日，Core Merit與Chance Right Limited(「Chance Right」)，其由俞先生全資擁有)訂立一份協議，據此，Core Merit同意發行208股股份予Chance Right，現金代價約為6,800,000港元。於履行此協議後，本集團於Core Merit之權益由55%攤薄至約17.9%。本集團將上述攤薄處理為一項被視作出售於Core Merit之部分權益。鑑於Chance Right乃Core Merit之主要股東，Chance Right乃本公司之關連人士。因此，被視作出售事項構成易寶有限公司之關連交易。易寶有限公司及易寶系統未支付任何代價。此交易之詳情載於本公司於二零零五年六月二十一日刊發之公佈內。

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32. POST BALANCE SHEET EVENT

On 20 July 2005, a subsidiary of the Group, EPRO Systems (China) Limited (“EPRO China”) entered into the agreement with ICTs Hong Kong Limited pursuant to which EPRO China agreed to sell its remaining 25% interest in an associate company, EPRO Computer System (Guangzhou) Limited (“GZ EPRO”) for a consideration of HK\$875,000. The Group will not share any profit or loss generated by GZ EPRO upon completion of the disposal of the 25% interest in GZ EPRO. Details of the transaction were made by the Company in the announcement and circular dated 20 July 2005 and 11 August 2005 respectively.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 September 2005.

32. 結算日後事項

於二零零五年七月二十日，本集團之附屬公司易寶系統(中國)有限公司(「易寶中國」)與ICTs Hong Kong Limited訂立一份協議，據此，易寶中國同意按一筆代價875,000港元出售其於一間聯營公司易寶電腦系統(廣州)有限公司(「廣州易寶」)之餘下25%權益。本集團於將其於廣州易寶之25%權益出售後將不分佔廣州易寶所產生之任何溢利或虧損。交易之詳情載於本公司分別於二零零五年七月二十日及二零零五年八月十一日刊發之公佈及通函內。

33. 財務報表之批准

財務報表於二零零五年九月二十六日獲董事會批准及授權發出。