

For the period from 26th October, 2001 (Date of Incorporation)
To 31st March, 2002

1. GENERAL

The Company was incorporated in the Cayman Islands on 26th October, 2001 as an exempted company with limited liability and listed on the Stock Exchange on 15th May, 2002. The Company's ultimate holding company is Climax Park Limited ("Climax"), a company which is incorporated in the British Virgin Islands.

The Company is an investment holding company. It did not trade for the period between its date of incorporation on 26th October, 2001 and 31st March, 2002.

2. BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong.

3. RESULTS FOR THE PERIOD

The Company did not derive any income during the period. The expenses for the period which were necessary to maintain the Company, including auditors' remuneration, were borne by Access Power Group Limited which became the Company's subsidiary on 25th April, 2002.

4. TAXATION

No provision for taxation has been made in the financial statements as the Company had no income for the period.

5. AMOUNT DUE TO A DIRECTOR

The amount was unsecured, non-interest bearing and was fully repaid after the balance sheet date.

6. SHARE CAPITAL

The Company was incorporated on 26th October, 2001 with an authorised share capital of HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each.

On 8th November, 2001, 1,000,000 shares of HK\$0.10 each were allotted and issued nil paid.

Changes in share capital subsequent to 31st March, 2002 are set out in note 7.

7. POST BALANCE SHEET EVENTS

- (a) On 24th April, 2002, a written resolution was passed by the sole shareholder of the Company to sub-divide each share having a par value of HK\$0.10 each in the share capital of the Company into ten shares.
- (b) On 25th April, 2002, the following written resolutions were passed by the sole shareholder of the Company:
 - (i) the authorised share capital of the Company was increased from HK\$100,000 to HK\$200,000 by the creation of additional 10,000,000 shares with a nominal value of HK\$0.01 each;
 - (ii) the authorised share capital of the Company was then increased from HK\$200,000 to HK\$200,000,000 by the creation of a further addition of 19,980,000,000 shares with a nominal value of HK\$0.01 each; and
 - (iii) adoption of a share option scheme for the employees of the Company and its subsidiaries.
- (c) The companies comprising the Group underwent a reorganisation prior to and in preparation for the listing of the shares on the Stock Exchange of Hong Kong Limited. Pursuant to the agreement on 25th April, 2002, the Company acquired the entire issued share capital of Sino Prosper Group Limited from Climax in consideration of (i) allotting and issuing 10,000,000 shares to Climax credited as fully paid at par, and (ii) crediting as fully paid at par the 10,000,000 nil paid shares then held by Climax.