

## FINANCIAL RESULTS

In the financial year ended 31 March 2004, the Group recorded a turnover of HK\$163.1 million compared to HK\$230.3 million in the preceding financial year, a decrease of HK\$67.2 million, or 29.2 percent.

The revenue shortfall was consistent across the Group's operating divisions: sales and integration services, maintenance services and, contract services, due to the close functional link among them. The significant decline in turnover was the direct consequence of the major reorganization initiated in the late autumn of 2003. The reorganization was a strategic decision to enable the divisions to respond to client demand faster and in a more cost effective manner.

Gross margin generated in the financial year ended 31 March 2004 amounted to HK\$27.7 million, or 17.0 percent, compared with HK\$47.6 million and 20.7 percent, respectively, in the preceding financial year. Loss for the year was HK\$28.3 million, compared with a loss of HK\$86.5 million last year, a notable improvement. During the fiscal year, the Group operated under De-minimis Concession granted by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), due to the negative net tangible asset value of approximately HK\$6.0 million arising from operating losses in the preceding fiscal year. Negative net assets arising from operating losses amounted to HK\$8.3 million as of 31 March 2004.

## 財務業績

截至2004年3月31日止財政年度，本集團錄得營業額163,100,000港元，而上一財政年度則為230,300,000港元，減少67,200,000港元，跌幅為29.2%。

本集團之營運部門：銷售及綜合服務、維修服務及合約服務等部門之收益均下跌，乃由於有關部門之營運緊密連接所致。營業額大幅下跌乃2003年秋季末推行大規模重組之直接結果。重組乃一項策略性決定，令各部門以更具成本效益之方法快速回應客戶需求。

截至2004年3月31日止財政年度之毛利為27,700,000港元，或毛利率17.0%，上一財政年度則為47,600,000元，或20.7%。本年度虧損為28,300,000港元，去年虧損則為86,500,000港元，取得顯著改善。於本財政年度，本集團由於上一財政年度之有形負資產淨值（其中約6,000,000港元乃產生自經營虧損），而獲香港聯合交易所有限公司（「聯交所」）授予以最低豁免規定營運。於2004年3月31日，經營虧損產生之負資產淨值為8,300,000港元。



## BUSINESS REVIEW

The Company is an investment holding company. The Group has core competencies in the IT and financial services industries, with special emphasis on wealth management regarding the latter. In order to use the inherent synergies in TPTH and PFDH, the Group's subsidiaries in the PRC underwent an extensive reorganization. A new business model was introduced to augment the customer-oriented service concept that characterized the Group's operating philosophy. The new model requires entrepreneurial behavior from each and every member of the smaller business units serving specific customers. The team leaders have decision-making power to decide how best to serve their customers' needs, by finding the most suitable and cost-effective solutions for them. Also, each team leader is responsible for the operating profit his respective team will generate. This will lead to optimal use of the Group's resources, improve market timing and as a consequence, will boost the Group's competitiveness. The new model has already been benefiting the Company by drawing talented and experienced employees to the Group. An added benefit will be the expected decrease in operating expenses.

Traditionally, TPTH has been focusing on creating added value for its customers in the telecommunication and consumer products industries, as well as for the government sector, by offering them leading-edge network and operating systems solutions infrastructure with local customizability. Our total-system solutions are highly technical and custom-designed in many instances. By combining the ability of TPTH in providing innovative IT solutions by using the best technology available world-wide, and the experience of PFDH in wealth management related financial services, the Group is targeting to assist financial institutions in developing a thriving wealth management business segment. The Group is well equipped to provide basic sales training, instruction and implementation of CRM and SCM systems and, hardware and software sourcing. In addition, the Group can aid in, and improve of, the integration of wealth management services with the "traditional" banking business.

## 業務回顧

本公司為一家投資控股公司。本集團於資訊科技業及金融服務業（特別著重於財富管理）擁有核心優勢。為利用普納科技與普納天成間之協同作用，本集團於中國之附屬公司已進行廣泛重組，並推出一項嶄新業務模式，加強以客為本之服務理念作為本集團之營運哲學。新模式要求服務不同客戶的每一個業務單位的各成員都具備企業家態度。團隊領導擁有決策權，透過為客戶尋求最合適及具成本效益之解決方案，從而決定向客戶提供最能切合其需要之方案。此外，各團隊領導亦須為其團隊將產生之經營溢利負責。此舉將可善用本集團資源，加快對市場之回應，繼而提升本集團之競爭力。新模式已因吸納具才幹及經驗之僱員至本集團而使本公司受惠。另一效益為預期將削減之經營支出。

普納科技傳統上集中為電訊及消費品行業，以及政府部門等客戶提供切合本地需要之先進網絡及操作系統解決方案基礎建設，從而為有關客戶增值。本集團之全面系統解決方案在若干方面均屬高科技及度身訂造產品。透過將普納科技利用全球頂尖創新資訊科技解決方案之能力，結合普納天成於金融服務財富管理之經驗，本集團將目標定為協助金融機構發展日漸蓬勃之財富管理業務。本集團已準備就緒，提供基本銷售培訓、指導及推行CRM及SCM系統，以及採購軟硬件。此外，本集團協助及改良「傳統」銀行業務之財富管理服務整合。

## SIGNIFICANT EVENTS

On 5 December 2003, the Company entered into a conversion agreement with one of its creditors to convert a contingent liability of the Company, in the amount of RMB21.2 million into ordinary shares. Twenty million shares were issued to the benefit of the creditor, for discharging the liability in full. The conversion price was set at HK\$1.0, which represented a premium of approximately 1,689 percent over the average closing price of HK\$0.0559 prevailing during the ten trading days prior to the signing of the conversion agreement.

On 7 November 2003, the Company executed a debenture to Showa Leasing (Hong Kong) Limited ("Showa Leasing"), for securing debts of approximately HK\$6.4 million.

## FUTURE PROSPECTS

Management strongly believes that augmenting the Company's strategy by launching its services in the financial services industry, notably in the wealth management segment, and the streamlining of the organization to maximize the impact of that strategy were the most important steps taken in the past financial year. Integrating the IT and financial services expertise and know-how will open lines of communication and expand opportunities for the Group as a whole and for our employees as individuals.

The demand for financial services goes hand-in-hand with economic growth. As China's economy and the disposable income per household continue to grow, so does the demand for financial services. Domestic banks and financial institutions need to transform their business model and mode of operations to capture the demand for financial services and reap profits from wealth management. They are in the process of bringing their structure and operations in line with international standards in order to become competitive with multinational financial institutions.

## 重大事項

於2003年12月5日，本公司與其債權人之一訂立一份換股協議，將本公司之或然負債人民幣21,200,000元兌換為普通股。本公司向債權人發行二千萬股股份以全數抵銷債務承擔。換股價設定為1.0港元，較簽訂換股協議前十個交易日之股份均收市價0.0559港元溢價約1,689%。

於2003年11月7日，本公司向 Showa Leasing (Hong Kong) Limited (「Showa Leasing」) 簽署一份債權證，以作為數約6,400,000港元債務之抵押。

## 未來展望

管理層深信要拓展本公司策略，須透過為金融服務業提供服務（尤指財富管理部份），同時透過精簡組織以增加有關策略之成效，均為上一財政年度至關重要之一步。結合資訊科技、金融服務專才及專業知識，將全面為本集團及個別員工開拓渠道及拓展商機。

對金融服務之需求隨經濟增長而上升。鑑於中國經濟及每戶可用收入持續增長，故對金融服務之需求亦隨之遞增。國內銀行及金融機構須轉變其業務模式及經營方式，藉此把握對金融服務之需求，並從財富管理中獲益。有關機構現正將其架構及運作達致國際水平，使之可與跨國金融機構競爭。



New forms of information and operation technology are required by banks and financial institutions to enable them to meet and satisfy future demand. Technology itself is, however, just one of the means of successful competition in the field of financial services, especially in wealth management. First-rate client service is a pivotal requirement to achieve success. Goal-oriented sales skills, client knowledge, product knowledge and service-mindedness are just some of the attributes necessary to expand the customer base. In addition to IT solutions, the Group has developed training programs aimed specifically at bank employees with careers in wealth management. We have already conducted a four-week training program for selected employees of one of the Big Four banks in PRC; another session is to start in the beginning of August 2004. Discussions are under way with two other financial institutions to conduct training programs for them, in addition to providing IT solutions for state-of-the-art wealth management system components.

Capitalizing on the changes implemented in the past financial year, the following fundamental strengths will be the key to growth: continued service of the highest quality and innovation, strong financial position and, talented and dedicated employees. Looking ahead, we believe that solid, profitable growth is achievable by the Group over the next few years.

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2004, the Group had net current liabilities of approximately HK\$39.3 million, compared to the net current liabilities of approximately HK\$42.3 million as at 31 March 2003.

As at 31 March 2004, the Company had outstanding convertible bonds amounted to US\$1.8 million (equivalent to approximately HK\$14 million), of which the maturity date is 31 December 2004. Details of the convertible bonds is set out in note 23 to the financial statements.

銀行及金融機構要求新形式的資訊及操作技術，使其可符合及滿足將來的需求。然而，科技本身僅為於金融服務業（尤指財富管理）脫穎而出之工具之一。出色之客戶服務方為成功關鍵。目標為本之銷售技巧、客戶知識、產品知識及無微不至之服務均為拓展客戶基礎之若干要素。除資訊科技解決方案外，本集團亦發展培訓計劃，尤其切合於財富管理發展之銀行僱員。本集團已為國內四大銀行之一的經甄選僱員提供四週培訓；另一次培訓亦將於2004年8月展開。現時正與另外兩家金融機構進行磋商，除提供頂尖財富管理系統組合之資訊科技解決方案外，亦向有關金融機構提供培訓。

憑藉上一財政年度實施之改革，持續提供最優質及創新之服務、強勁之財務狀況以及富才幹和努力不懈之僱員等基本優勢將為增長之關鍵。展望未來，本集團相信未來幾年將可取得豐碩之增長。

### 流動資金、財務資源及資本架構

於2004年3月31日，本集團之流動負債淨額約39,300,000港元，於2003年3月31日之流動負債淨值則約42,300,000港元。

於2004年3月31日，本公司的可換兌債券之結餘共1,800,000美元（相等於約14,040,000港元），其到期日為2004年12月31日。可換兌債券詳情載於財務報表附註23。

The Group's total borrowings (excluding the above mentioned convertible bonds) amounted to approximately HK\$42.9 million (2003: HK\$53.8 million). The total borrowings will be due as to approximately HK\$40.4 million (2003: HK\$48.8 million) repayable within one year, as to approximately HK\$2.2 million (2003: HK\$2.1 million) repayable in the second year and the remaining of approximately HK\$0.3 million (2003: HK\$2.9 million) repayable between three to five years.

The Group had bank balances of approximately HK\$6.7 million as at 31 March 2004 (2003: HK\$6.8 million).

As at 31 March 2004, the Group's current ratio as ratio of current assets to current liabilities, was 0.76 (2003: 0.77) and the gearing ratio, as a ratio of total liabilities to total assets, was 1.07 (2003: 1.06).

The Group had limited exposure to foreign exchange rate fluctuation as most of its transactions, including borrowings, were mainly conducted in Hong Kong dollars, US dollars or Renminbi and the exchange rates of these currencies were relatively stable throughout the year.

## SIGNIFICANT INVESTMENTS

Details of significant investments of the Group are set out in note 20 to the financial statements.

## PLEDGE OF ASSETS

Details of pledge of assets of the Company are set out in note 30 to the financial statements.

## CONTINGENT LIABILITIES

Details of the contingent liabilities of the Company are set out in note 32 to the financial statements.

本集團之借貸總額(除卻上述可換兌債券外)約42,900,000港元(2003年:53,800,000港元)。借貸總額其中約40,400,000港元(2003年:48,800,000港元)將須於一年內到期償還。其中2,200,000港元(2003年:2,100,000港元)將須於第二年內到期償還,餘額約300,000港元(2003年:2,900,000港元)將須於第三至第五年內到期償還。

本集團於2004年3月31日之銀行結餘約6,700,000港元(2003年:6,800,000港元)。

於2004年3月31日,本集團之流動比率(即流動資產對流動負債之比率)為0.76(2003年:0.77),而資產負債比率(即負債總額對資產總值之比率)則為1.07(2003年:1.06)。

由於本集團大部份交易(包括借貸)均主要以港元、美元或人民幣進行,而此等貨幣之匯率於年內相對穩定,故本集團所承受的外匯波動風險有限。

## 重要投資

本集團之重要投資詳情載於財務報表附註20。

## 資產抵押

本公司之資產抵押詳情載於財務報表附註30。

## 或然負債

本公司之或然負債詳情載於財務報表附註32。



### LITIGATION

Details of legal actions are set out in note 33 to the financial statements.

### EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2004, the Group had approximately 120 (2003: 350) employees. Total staff costs (including directors' emoluments) incurred during the year amounted to approximately HK\$17.8 million (2003: HK\$20.6 million). Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are normally reviewed and bonuses paid on an annual basis based on performance appraisals and other relevant factors. Staff benefit plans maintained by the Group include mandatory provident fund scheme, share option scheme and medical insurance.

The Company has a share option scheme (the "Scheme") whereby the board may at its absolute discretion, grant options to employees and executive directors of the Company and any of its subsidiaries to subscribe for shares of the Company. The subscription price, exercisable period and the maximum number of options to be granted are determined in accordance with the terms of the Scheme. Details of the Scheme are set out in note 26 to the financial statements.

### 訴訟

法律訴訟詳情載於財務報表附註33。

### 僱員及酬金政策

於2004年3月31日，本集團僱用約120名（2003年：350名）僱員。於年內支銷之員工成本總額（包括董事酬金）約達17,800,000港元（2003年：20,600,000港元）。酬金一般乃參考市場情況及個別員工表現而制訂。薪金通常按表現評估，而花紅則按表現評估及其他相關因素按年派付。本集團所設之員工福利計劃包括強制性公積金計劃、購股權計劃及醫療保險。

本公司設立一項購股權計劃（「該計劃」），據此董事會可按其絕對酌情權向本公司及其任何附屬公司之僱員及執行董事授出購股權以認購本公司之股份。認購價、行使期及將予授出購股權最高數目均依據該計劃之條款釐定。該計劃詳情載於財務報表附註26。