

APPENDIX II ADDITIONAL FINANCIAL INFORMATION ON THE GROUP

The information set out below does not form part of the Accountants' Report prepared by PKF, the auditors and reporting accountants of the Company, set out in Appendix I to this prospectus and is included for information purposes only. Terms used in this section have the same meaning as used in the Accountants' Report.

PRO FORMA COMBINED RESULTS

The following is a summary of the pro forma combined results of the Company and its existing subsidiaries for the Relevant Period prepared on the basis set out in note 1 below:–

	Year ended 31st March, 2000 HK\$'000	Year ended 31st March, 2001 HK\$'000
Turnover (<i>Note 3</i>)	–	120
Other revenue	5	190
	<u>5</u>	<u>310</u>
Staff costs	(594)	(1,253)
Depreciation	(1)	(88)
Operating lease rental	(319)	(321)
Other operating expenses	(435)	(977)
	<u>(1,344)</u>	<u>(2,329)</u>
Loss from ordinary activities before taxation	(1,344)	(2,329)
Taxation	–	–
	<u>(1,344)</u>	<u>(2,329)</u>
Loss for the year	(1,344)	(2,329)
Minority interests	–	50
	<u>(1,344)</u>	<u>(2,279)</u>
Loss attributable to shareholders	<u>(1,344)</u>	<u>(2,279)</u>

Notes:

1. Basis of preparation

The results for each of the two years ended 31st March, 2001 presented above include the results of the companies currently comprising the Group upon completion of the Reorganisation with effect from 1st April, 1999 or since their respective dates of incorporation/establishment, where this is a shorter period, on the basis that the current group structure had been in existence throughout the said period. All significant intra-group transactions have been eliminated on combination.

2. Principal accounting policies

The principal accounting policies as set out in notes 2(b) to 2(k) of the Accountants' Report have been adopted in preparing the above financial information.

3. Turnover represents revenue recognised from the provision of enterprise solution services, net of business tax.