Be Partners together
with one vision for our common interest

CONTENTS

The English text shall prevail over the Chinese text.

CORPORATE PROFILE

PRINTED CIRCUIT BOARDS ("PCB")

Listed on The Singapore Exchange Securities Trading Limited since 1994 and with eighteen offices worldwide and thirteen plants across Southeast Asia, Elec & Eltek International Company Limited is the flagship of our PCB Business.

With a track record in mass producing printed circuit boards ("PCBs") with microvia holes and ultra fine lines, up to 24 layers, our PCB Business has achieved an annual output capacity of approximately 30 million sq.ft. to supply high-density double-sided and multi-layered PCBs and successfully kept pace with the rapid technological developments in the production of microvia and backplane PCBs. Our diverse customer base includes various worldwide market leaders in communication/ networking sector including mobile products, computer and peripheral sectors, automotive sector and other electronic products.

Our mission is to be a leading PCB manufacturer that supplies quality high-tech PCBs in mass volume at competitive prices with excellent services.

LIQUID CRYSTAL DISPLAYS ("LCD")

Elec & Eltek Display Technology Limited designs and manufactures high quality LCD products including a variety of display mode (TN, HTN, STN and FSTN) as well as LCD module with different IC package forms (COG, COB, and TAB). Our plant in Guangzhou, China has approximately 1,000 experienced staff and manufactures over 1.5 million sq.ft. laminates annually for export sales.

We have a global network of independent sales representatives and distributors in the US, the UK, France, Germany, Singapore, Malaysia, Thailand, Japan and Korea. Our customers consist of OEM of multinational companies from various industries, including educational learning aids, medical equipments, timepiece, telecommunication, automotive, multi-media and electrical appliances.

Our LCD Business is committed to providing total satisfaction to our customers via maintaining high quality standards in our products and services.

MAGNETIC PRODUCTS

E & E Magnetic Products Limited has been positioned as a major supplier of high quality magnetic related products. With the worldwide presence of our engineering teams, we design and manufacture a wide range of products such as magnetic components, magnetic integrated connectors, DC/DC converters, and electronic modules. Products are widely used in computing, networking, telecommunications, industrial, automotive and consumer electronic applications.

As one of our key factors to success, our Magnetic Products Business has established a far-reaching sales and marketing network which well covers our customers located worldwide. In addition to our sales representatives and distributors, we have direct sales support offices in USA, Canada, Europe, Singapore, Taiwan, Hong Kong and China.

In order to fulfill our mission of providing the best value to our customers, Magnetic Products Business is committed to develop cutting-edge technology with our high-tech business partners, uphold stringent product quality and compliances with international industrial standards, provide on time deliveries and offer our products at most competitive pricings.

INFORMATION TECHNOLOGY ("IT")

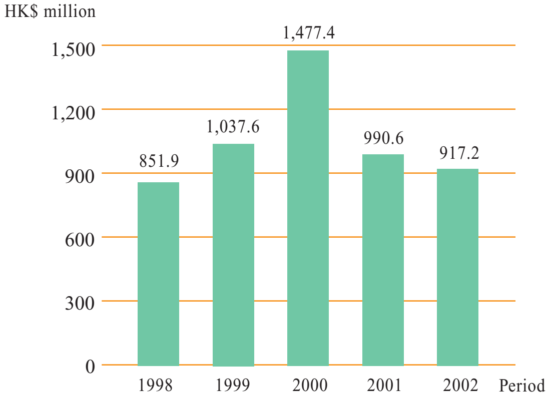
Elec & Eltek Technology Investment Limited is the technology flagship of the Elec & Eltek Group which extends our business presence to information technology industry.

Our IT Business will play an instrumental role inside our Group to assist us in transforming the business and technology structure to embrace e-Business and collaborative commerce. Besides, with its headquarter located in Hong Kong and regional office in Beijing, our IT Business is currently staffed with seasoned IT professionals offering a wide spectrum of services to external customers from total and integrated e-Business enabling solutions, IT application systems covering customer relationship management (CRM), enterprise resource planning (ERP) and supply chain management (SCM) to strategic IT consulting, business process re-engineering and professional services in Hong Kong and China regions.

FINANCIAL HIGHLIGHTS

PCB BUSINESS

TURNOVER

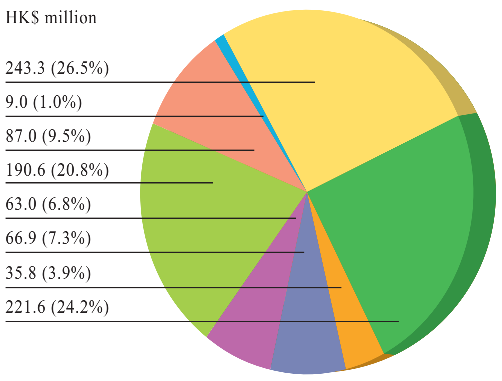


for the six months ended 31 December

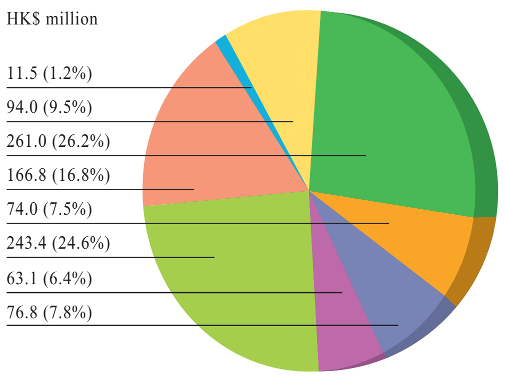
TURNOVER BY SHIPMENT LOCATION

for the six months ended 31 December

2002

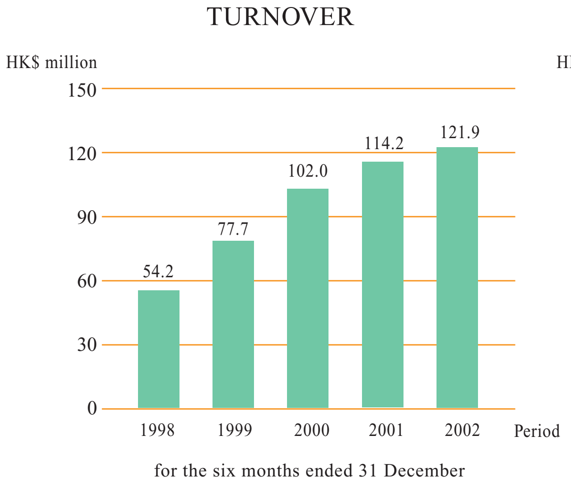


2001

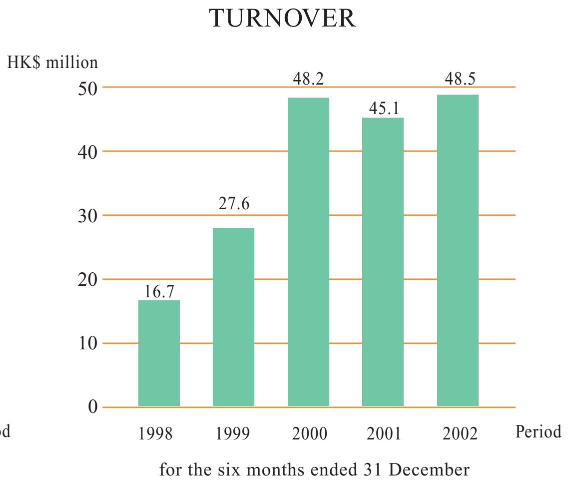


China
Malaysia
Hong Kong
Singapore
Other Asian Countries
Europe
North & Central America
Others

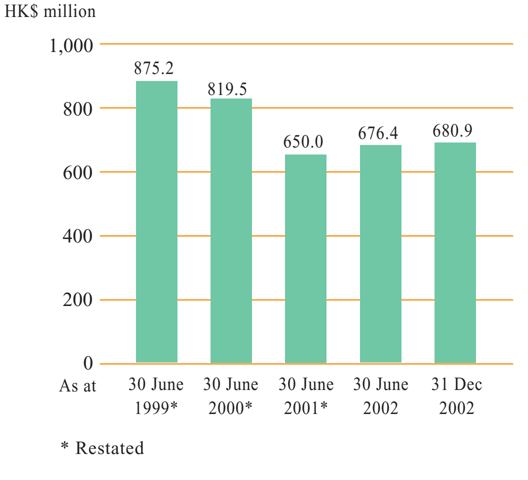
LCD BUSINESS



MAGNETIC PRODUCTS BUSINESS



SHAREHOLDERS' EQUITY



FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 31 December	
	Notes	**2002 (unaudited) HK$'000**	2001 (unaudited) HK$'000
TURNOVER	*2*	**1,087,871**	1,149,969
Cost of sales		**(847,493)**	(914,740)
Gross profit		**240,378**	235,229
Other revenue		**374**	3,125
Selling and distribution costs		**(37,308)**	(30,778)
Administrative expenses		**(99,068)**	(98,606)
Other operating expenses		**(9,060)**	(17,923)
PROFIT FROM OPERATING ACTIVITIES		**95,316**	91,047
Finance costs		**(11,203)**	(16,061)
Share of loss of a jointly-controlled entity		**(254)**	(431)
PROFIT BEFORE TAX	*3*	**83,859**	74,555
Tax	*4*	**(5,018)**	(6,188)
PROFIT BEFORE MINORITY INTERESTS		**78,841**	68,367
Minority interests		**(46,617)**	(51,995)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**32,224**	16,372
DIVIDENDS	*5*		
Interim dividend		**17,627**	11,751
		(HK cents)	(HK cents)
EARNINGS PER SHARE	*6*		
Basic		**2.74**	1.39
Diluted		**2.74**	1.39

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	31 December 2002 (unaudited) HK$'000	30 June 2002 (audited) HK$'000
NON-CURRENT ASSETS			
Fixed assets	*7*	**1,682,001**	1,729,675
Intangible assets		**4,333**	1,968
Interest in a jointly-controlled entity		**9,342**	9,651
		1,695,676	1,741,294
CURRENT ASSETS			
Inventories		**217,020**	242,380
Trade and bills receivables	*8*	**612,812**	582,994
Prepayments, deposits and other receivables		**107,619**	95,584
Cash and cash equivalents	*9*	**162,348**	133,529
		1,099,799	1,054,487
CURRENT LIABILITIES			
Trade and bills payables	*10*	**362,175**	316,898
Tax payable		**8,008**	14,480
Other payables and accruals		**125,574**	126,421
Trust receipt and export loans		**7,209**	4,199
Interest-bearing bank loans and other borrowings		**309,480**	247,461
		812,446	709,459
NET CURRENT ASSETS		**287,353**	345,028
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,983,029**	2,086,322
NON-CURRENT LIABILITIES			
Interest-bearing bank loans		**345,235**	431,332
Deferred tax		**12,073**	12,498
		357,308	443,830
MINORITY INTERESTS		**944,804**	966,103
		680,917	676,389
CAPITAL AND RESERVES			
Issued capital		**117,506**	117,506
Reserves		**465,294**	460,767
Contributed surplus		**80,490**	80,490
Dividends reserve		**17,627**	17,626
		680,917	676,389

STATEMENT OF CHANGES IN EQUITY

	Six months ended 31 December								
	Share capital	Share premium	Contributed surplus	Exchange reserve	Capital redemption reserve	Statutory and other reserves	Retained profits	Dividends reserve	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 July 2002	**117,506**	**36,444**	**80,490**	**(58,394)**	**26,178**	**8,562**	**447,977**	**17,626**	**676,389**
Currency translation differences	–	–	–	**(10,186)**	–	–	–	–	**(10,186)**
Net gains and losses not recognised in the profit and loss account	–	–	–	**(10,186)**	–	–	–	–	**(10,186)**
Exchange reserve released upon:									
Deemed disposal of interests in subsidiaries	–	–	–	**24**	–	–	–	–	**24**
Goodwill released upon deemed disposal of interests in subsidiaries	–	–	–	–	–	–	**92**	–	**92**
Net profit attributable to shareholders	–	–	–	–	–	–	**32,224**	–	**32,224**
Final dividend paid in respect of previous year	–	–	–	–	–	–	–	**(17,626)**	**(17,626)**
Interim dividend	–	–	–	–	–	–	**(17,627)**	**17,627**	–
At 31 December 2002	**117,506**	**36,444**	**80,490**	**(68,556)**	**26,178**	**8,562**	**462,666**	**17,627**	**680,917**
At 1 July 2001	117,506	36,444	80,490	(70,796)	26,178	8,562	428,122	23,501	650,007
Currency translation differences	–	–	–	(869)	–	–	–	–	(869)
Net gains and losses not recognised in the profit and loss account	–	–	–	(869)	–	–	–	–	(869)
Goodwill released upon deemed disposal of interests in subsidiaries	–	–	–	–	–	–	1,598	–	1,598
Net profit attributable to shareholders	–	–	–	–	–	–	16,372	–	16,372
Final dividend paid in respect of previous year	–	–	–	–	–	–	–	(23,501)	(23,501)
Interim dividend	–	–	–	–	–	–	(11,751)	11,751	–
At 31 December 2001	117,506	36,444	80,490	(71,665)	26,178	8,562	434,341	11,751	643,607

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Six months ended 31 December 2002 (unaudited) HK$'000	2001 (unaudited) HK$'000
Net cash inflow from operating activities		**287,298**	203,302
Net cash outflow from investing activities		**(62,608)**	(110,208)
Net cash inflow/(outflow) from financing activities		**(233,324)**	(21,109)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(8,634)**	71,985
Cash and cash equivalents at beginning of period		**104,968**	146,307
Effect of foreign exchange rate changes, net		**(1,190)**	184
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**95,144**	218,476
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	*9*	**162,348**	233,685
Bank overdrafts		**(67,204)**	(15,209)
		95,144	218,476

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These unaudited condensed consolidated interim financial statements of the Group have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited and with Hong Kong Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants.

(b) Adoption of new and revised SSAPs

The accounting policies and basis of presentation used in the preparation of these condensed consolidated interim financial statements are the same as those used in the Group's audited financial statements for the year ended 30 June 2002, except for the following new/revised SSAPs which are effective and have been adopted for the first time in the preparation of the current period's condensed consolidated financial statements:

SSAP 1 (Revised)	:	"Presentation of financial statements"
SSAP 11 (Revised)	:	"Foreign currency translation"
SSAP 15 (Revised)	:	"Cash flow statements"
SSAP 25 (Revised)	:	"Interim financial reporting"
SSAP 34	:	"Employee benefits"

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group's accounting policies and on the amounts disclosed in these condensed consolidated interim financial statements of adopting these SSAPs are summarised as follows:

SSAP 1 (Revised) prescribes the basis for the presentation of financial statements and sets out guidelines for their structure and minimum requirements for the content thereof. The principal impact of the revision to this SSAP is that a consolidated statement of changes in equity is now presented in the interim financial report in place of the consolidated statement of recognised gains and losses that was previously required.

SSAP 11 (Revised) prescribes the basis for the translation of foreign currency transactions in the financial statements. The principal impact of the revision of this SSAP on the condensed consolidated financial statements is that the profit and loss accounts of overseas subsidiaries are translated at weighted average exchange rates for the period, rather than translated at the applicable rates of exchange ruling at the balance sheet date as was previously required.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

SSAP 15 (Revised) prescribes the format for the cash flow statement. The principal impact of the revision of this SSAP is that cash flows are now presented under three headings, that is, cash flows from operating, investing and financing activities, rather than the five headings previously required. The format of the condensed cash flow statement set out in the interim financial statements has been revised in accordance with the new requirements. The cash flows of the Company's overseas subsidiaries are now translated using the exchange rates at the dates of the cash flows or, if applicable, at the weighted average exchange rates, whereas before, they were translated at the applicable rates of exchange ruling at the balance sheet date.

SSAP 25 (Revised) prescribes the presentation and disclosures following changes in SSAP 1 (Revised) and SSAP 15 (Revised). The condensed consolidated financial statements for the current interim period and comparative figures have been presented in accordance with this revised SSAP.

SSAP 34 prescribes the recognition and measurement criteria to apply to employee benefits, together with the required disclosures in respect thereof. The adoption of this SSAP has resulted in no change to the previously adopted accounting treatments for employee benefits.

2. SEGMENT INFORMATION

The Group engages in the businesses of manufacture and sale of electronic components, including double-sided and multi-layered printed circuit boards ("PCB"), liquid crystal displays ("LCD"), magnetic products ("Magnetic") and provision of information technology ("IT").

The business and geographical segments of the operations of the Group are as follows:

2. SEGMENT INFORMATION (continued)

Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments.

	PCB HK$'000	LCD HK$'000	Magnetic HK$'000	IT HK$'000	Corporate & others HK$'000	Group HK$'000
	Six months ended 31 December 2002					
Segment revenue (external)	917,202	121,946	48,461	262	–	1,087,871
Segment results	93,450	16,962	5,377	(2,671)	(18,011)	95,107
Interest income						374
Unallocated expenses						(165)
Profit from operating activities						95,316
Finance costs						(11,203)
Share of results of a jointly-controlled entity	–	–	–	(254)	–	(254)
Profit before tax						83,859
Tax						(5,018)
Profit before minority interests						78,841
Minority interests						(46,617)
Net profit from ordinary activities attributable to shareholders						32,224
Other segment information:						
Capital expenditure	58,441	9,567	1,991	9	601	70,609
Depreciation and amortisation	94,892	8,152	1,896	2	304	105,246
Provision/(write back of provision) for obsolete inventories	4,698	103	221	–	–	5,022
Provision/(write back of provision) for doubtful debts	369	(235)	–	–	–	134
Loss on disposal of fixed assets	555	–	–	–	–	555
Loss on deemed disposal of interests in subsidiaries	165	–	–	–	–	165
	As at 31 December 2002					
Segment assets	2,499,146	189,941	59,325	693	(38,981)	2,710,124
Interest in a jointly-controlled entity	–	–	–	9,342	–	9,342
Bank overdrafts and trust receipt loans with maturity of less than three months included in segment assets	198	7,209	–	–	67,006	74,413
Unallocated assets						1,596
Total assets						2,795,475
Segment liabilities	419,577	33,007	16,948	471	14,296	484,299
Bank overdrafts and trust receipt loans with maturity of less than three months included in segment assets	198	7,209	–	–	67,006	74,413
Unallocated liabilities						611,042
Total liabilities						1,169,754

2. SEGMENT INFORMATION (continued)

	PCB	LCD	Magnetic	IT	Corporate & others	Group
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
	Six months ended 31 December 2001					
Segment revenue (external)	990,549	114,205	45,071	144	–	1,149,969
Segment results	113,206	(5,446)	(1,546)	(5,118)	(8,188)	92,908
Interest income						604
Unallocated expenses						(2,465)
Profit from operating activities						91,047
Finance costs						(16,061)
Share of results of a jointly-controlled entity	–	–	–	(431)	–	(431)
Profit before tax						74,555
Tax						(6,188)
Profit before minority interests						68,367
Minority interests						(51,995)
Net profit from ordinary activities attributable to shareholders						16,372
Other segment information:						
Capital expenditure	175,340	5,075	2,255	107	478	183,255
Depreciation and amortisation	130,546	10,989	2,172	294	242	144,243
Provision/(write back of provision) for obsolete inventories	(20,089)	2,894	1,316	–	–	(15,879)
Provision/(write back of provision) for doubtful debts	(10,937)	564	–	–	–	(10,373)
Loss on disposal of fixed assets	95	–	29	650	–	774
Loss on deemed disposal of interests in subsidiaries	2,465	–	–	–	–	2,465
Write back of provision for management bonus	(15,275)	–	–	–	–	(15,275)

	PCB	LCD	Magnetic	IT	Corporate & others	Group
	As at 30 June 2002					
Segment assets	2,504,674	195,185	52,108	1,024	(640)	2,752,351
Interest in a jointly-controlled entity	–	–	–	9,651	–	9,651
Bank overdrafts and trust receipt loans with maturity of less than three months included in segment assets	278	3,648	–	–	28,283	32,209
Unallocated assets						1,570
Total assets						2,795,781
Segment liabilities	367,978	40,800	15,444	287	15,545	440,054
Bank overdrafts and trust receipt loans with maturity of less than three months included in segment assets	278	3,648	–	–	28,283	32,209
Unallocated liabilities						681,026
Total liabilities						1,153,289

2. SEGMENT INFORMATION (continued)

Geographical segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's geographical segments.

	Hong Kong	Singapore	PRC	Malaysia	Thailand	North & Central America	Europe	Other countries	Corporate & others	Group
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
	Six months ended 31 December 2002									
Segment revenue (external)	122,505	81,707	246,833	232,054	29,899	93,638	208,497	72,738	–	1,087,871
Segment results	11,287	4,548	22,386	32,370	7,410	9,543	18,727	6,847	(18,011)	95,107
Capital expenditure	2,186	12,931	55,266	–	206	20	–	–	–	70,609

	Hong Kong	Singapore	PRC	Malaysia	Thailand	North & Central America	Europe	Other countries	Corporate & others	Group
	As at 31 December 2002									
Other geographical information:										
Segment assets	727,900	2,802	1,704,240	–	283,312	1,212	–	–	–	2,719,466
Bank overdrafts and trust receipt loans with maturity of less than three months included in the segment assets	74,341	–	–	–	72	–	–	–	–	74,413
Unallocated assets										1,596
										2,795,475

2. SEGMENT INFORMATION (continued)

	Hong Kong HK$'000	Singapore HK$'000	PRC HK$'000	Malaysia HK$'000	Thailand HK$'000	North & Central America HK$'000	Europe HK$'000	Other countries HK$'000	Corporate & others HK$'000	Group HK$'000
	Six months ended 31 December 2001									
Segment revenue (external)	159,385	82,568	94,590	269,442	30,302	185,769	257,482	70,431	–	1,149,969
Segment results	412	9,691	11,806	26,736	16,445	12,968	19,173	3,865	(8,188)	92,908
Capital expenditure	20,249	142	158,735	–	3,725	404	–	–	–	183,255
	As at 30 June 2002									
Other geographical information:										
Segment assets	728,933	4,953	1,732,870	–	292,980	2,266	–	–	–	2,762,002
Bank overdrafts and trust receipt loans with maturity of less than three months included in the segment assets	32,103	–	–	–	106	–	–	–	–	32,209
Unallocated assets	–	–	–	–	–	–	–	–	–	1,570
										2,795,781

3. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	Six months ended 31 December	
	2002	2001
	HK$'000	HK$'000
Depreciation of fixed assets	**104,847***	143,859
Amortisation of intangible assets	**399**	384
Loss on disposal of fixed assets	**555**	774
Interest on bank loans, overdrafts and other		
borrowings wholly repayable within five years	**11,846**	19,119
Less: amount capitalised	**(643)**	(3,058)
Net interest expense	**11,203**	16,061
Exchange gains, net	**(51)**	(994)
Interest income	**(374)**	(604)
Provision/(write back of provision)		
for obsolete inventories	**5,022**	(15,879)
Provision/(write back of provision)		
for doubtful debts	**134**	(10,373)
Write back of provision for management bonus	**–**	(15,275)
Loss on deemed disposal of interests in subsidiaries	**165**	2,465
Severance payments for PCB business	**2,866**	12,378
Restructuring expenses of LCD business	**–**	12,568

* Refer to paragraph 8 of the Management Discussion and Analysis

4. TAX

	Six months ended 31 December	
	2002	2001
	HK$'000	HK$'000
Current period's provision for tax:		
The People's Republic of China		
Mainland	**2,525**	8,087
Hong Kong	**2,605**	–
Overseas	**314**	–
Prior period overprovision - Hong Kong	**–**	(830)
Deferred tax credit	**(426)**	(1,069)
Tax charge for the period	**5,018**	6,188

4. TAX (continued)

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable in other jurisdictions have been calculated at rates of tax prevailing in the jurisdictions in which the Group operates.

5. DIVIDENDS

	Six months ended 31 December	
	2002	2001
	HK$'000	HK$'000
Interim dividend of 1.5 HK cents (2001: 1.0 HK cent) per ordinary share	**17,627**	11,751

6. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the consolidated net profit attributable to shareholders for the period of HK$32,224,000 (2001: HK$16,372,000) and the weighted average of 1,175,062,408 (2001: 1,175,062,408) ordinary shares in issue during the period.

The calculation of diluted earnings per share is based on the adjusted consolidated net profit attributable to shareholders for the period of HK$32,217,000 (2001: HK$16,290,000) and the weighted average of 1,175,062,408 (2001: 1,175,062,408) ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential shares.

The adjusted consolidated net profit attributable to shareholders is calculated based on the consolidated net profit attributable to shareholders for the period of HK$32,224,000 (2001: HK$16,372,000) less the dilution in the shares of results of a subsidiary by HK$7,000 (2001: HK$82,000) arising from the deemed exercise of all of the outstanding employee share options of that subsidiary.

7. FIXED ASSETS

For the six months ended 31 December 2002, the Group has acquired fixed assets amounting to approximately HK$70,609,000 (six months ended 31 December 2001: HK$111,421,000) and has disposed of fixed assets amounting to approximately HK$13,720,000 (six months ended 31 December 2001: HK$9,875,000).

8. TRADE AND BILLS RECEIVABLES

The Group operates a credit policy and allows an average credit period of 30-90 days to its trade customers who satisfy the credit evaluation. The aging analysis of trade and bills receivables is as follows:

	31 December 2002 HK$'000	30 June 2002 HK$'000
Within credit period	**489,602**	467,793
Overdue 1-30 days	**76,549**	72,087
Overdue 31-60 days	**19,618**	25,755
Overdue more than 60 days	**27,043**	17,359
Total	**612,812**	582,994

9. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents is an amount of HK$10,773,273 (2001:Nil) held by a subsidiary under liquidation in Mainland China, the remittance of which is pending for approval of the relevant authorities in Mainland China.

10. TRADE AND BILLS PAYABLES

The aging of trade and bills payables is as follows:

	31 December 2002 HK$'000	30 June 2002 HK$'000
Less than 30 days	**164,778**	131,193
31-60 days	**79,748**	87,537
61-90 days	**61,889**	56,378
Over 90 days	**55,760**	41,790
Total	**362,175**	316,898

11. COMMITMENTS

(a) Capital commitments

	31 December 2002 HK$'000	30 June 2002 HK$'000
Contracted for	**33,791**	38,096
Authorised, but not contracted for	**13,984**	19,078
	47,775	57,174
Commitments for capital contributions in subsidiaries	**262,287**	280,215
	310,062	337,389

	31 December 2002 HK$'000	30 June 2002 HK$'000
Future guaranteed profit to minority shareholders pursuant to joint venture agreements	**28,228**	22,849

(b) Commitments under operating leases

The Group leases certain of its properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	31 December 2002 HK$'000	30 June 2002 HK$'000
Within one year	**5,897**	6,934
In the second to fifth year inclusive	**1,799**	3,599
	7,696	10,533

CHAIRMAN'S LETTER

RESULTS

The global business environment remained challenging in the first half of the current financial year 2003 in light of uncertain economic and political climates. In the US and Europe, demands for electronic products and appliances continued to be sluggish. Competition was much keener than that in the second half of the last financial year, due to the prolonged slump market and excessive production capacities. Pressure on selling prices affected operating margin and profit. Despite these unfavourable factors, the total turnover of the Group for the six months ended 31 December 2002 (the "Period") stood at HK$1,087.9 million, a slight decrease of 5.4% or HK$62.1 million as compared with HK$1,150.0 million for the six months ended 31 December 2001 (the "Previous Period").

The net profit from ordinary activities attributable to shareholders for the Period was HK$32.2 million, an increase of HK$15.8 million or 96.3% from HK$16.4 million in the Previous Period. During the Period, both Liquid Crystal Displays ("LCD") and Magnetic Products Businesses achieved promising operating results and contributed to the Group's profit.

Basic earnings per share for the Period was 2.74 HK cents, an increase of 1.35 HK cents or 97.1 % from 1.39 HK cents for the Previous Period.

BUSINESS REVIEW

Printed Circuit Boards

Prevailing economic conditions in Asia and in the global market remained challenging at the beginning of the current financial year. The upsurge of business in March and April 2002 proved to be transient and unsustainable. Starting from May 2002, Original Equipment Manufacturers ("OEMs"), Original Design Manufacturers ("ODMs") and Equipment Manufacturing Service Providers ("EMS") had reduced their printed circuit board ("PCB") requirements, as the finished goods inventory remained excessive. This resulted in a slow start for the current financial year, with PCB plant utilization rate averaging at between 60% and 65% in the first quarter of the current financial year.

Turnover of the PCB Business for the Period was approximately HK$917.2 million, a 7.4% decrease over the Previous Period. The pre-tax operating profits of the PCB Business for the Period was HK$93.5 million, a decline of approximately 17.4% from HK$113.2 million for the Previous Period. The results included a HK$2.9 million redundancy payment as part of continuing rationalization of the operation of the PCB Business.

However, the PCB Business started to gradually improve from October 2002 onwards as a result of, firstly, the continuous out-sourcing of PCB requirements from high cost regions, such as North America, Europe and Japan, into China. Secondly, the OEMs, ODMs and EMS have been aggressively relocating their design and manufacturing bases into China following the accession of China into the World Trade Organisation in order to gain an early foothold on China market and more importantly, to enjoy lower labour and local component costs, so as to face keen market competition after the internet bubble burst.

This is particularly relevant to ODMs and EMS in Taiwan as they take advantage of a new government ruling that allow them to manufacture higher-end computer and communication products such as notebooks and network equipment in China. This latest move to liberalise trade and investment between the two regimes took effect in August 2001.

As the Group maintains the largest PCB manufacturing capacities in China, we become a clear beneficiary of this industry trend and the Group's continuous strategy and efforts to grow the China market continue to bear fruit.

Thus, the PCB Business saw an improved utilization rate in the second quarter of the current financial year at around 80% to 85%. In addition to increased PCB demand in China, this was achieved through late seasonal buying that started pushing up orders from October 2002 onwards.

During the Period, average selling prices for PCBs declined by about 6.2%, compared to those in the second half of the last financial year. However, pressure on selling prices eased towards the end of the Period.

Compared to the Previous Period, the sales grew by around 9% in the 2-layer and 4-layer products, as we made gains in the automotive, consumer and computer sectors but recorded fewer orders for 6-layer and 8-layer products due to depressed business conditions in the communication sector. Sales in the 10-layer and above products grew around 5% largely from newly-developed higher-end computer products and backplane business, when compared to the second half of the last financial year.

As a result of the Group's robust China strategy which leverages on the China's economic growth, PCB shipments to Asia for the Period stood at HK$630.5 million or 69% of total PCB turnover, against HK$568.9 million or 57% and HK$567.5 million or 61% of total PCB turnover for the first and second half of the last financial year respectively.

In view of emerging business opportunities, the Group restarted the two plants which were temporarily suspended, KaiPing Plant Phase I reopened in October 2002 and Guangzhou Plant Phase IV resumed operations in December 2002.

Liquid Crystal Displays

Turnover of the LCD Business for the Period was HK$121.9 million, an increase of HK$7.7 million or 6.7% from HK$114.2 million for the Previous Period. The increase in turnover came mainly from growth in sales of modules and chip-on-glass ("COG") products, amounting to HK$21.0 million for the Period against HK$9.5 million for the Previous Period.

Operating profit of the LCD Business for the Period was HK$17.0 million, a significant turnaround from the loss of HK$5.4 million for the Previous Period. Loss for the Previous Period included HK$12.6 million restructuring costs for the closure of the Dongguan Plant. Operating margin for the Period was 13.9% as compared with 6.3%, if excluding the restructuring costs, for the Previous Period. Improved operating profit was made possible by the increase in sales of high-end LCD products with higher profit margin produced by the Huangpu Plant, and the reduction of fixed overhead costs since the closure of the Dongguan Plant.

Due to the global excessive production capacity and the sluggish demand, average selling prices of LCD products dropped by about 9% during the Period when compared with prices a year ago. However, with technology advancement and improvement in production skills, our marketing and sales team was able to shift from low-end to high-end market segments which offer better profit margins. Production and sales of high-end STN/HTN products for the Period increased by about half from the Previous Period.

Magnetic Products

Turnover of the Magnetic Products Business for the Period was HK$48.5 million, a 7.5% or HK$3.4 million increase from HK$45.1 million for the Previous Period. Operating result for the Period was a profit of HK$5.4 million, a turnaround from HK$1.5 million loss for the Previous Period.

A stagnant global electronics market and keen competition put downward price pressure for magnetic products. However, the negative impact was alleviated by our successful cost reduction program involving material cost savings and process improvements to maintain price competitiveness.

By providing the best value support to our customers, the Magnetic Products Business was able to gain market share from competitors and to sustain growth in turnover and operating profits during the period under review. The Magnetic Products Business was nominated preferred supplier by some of our major multinational customers, thus paving the way for continuous growth in future.

Customers responded positively to the new range of magnetic integrated connectors launched in the second half of the last financial year which had brought in volume production orders. In addition, development of custom-designed electronic modules for telecommunication infrastructure also started in the period under review.

Information Technology

During the Period, the Information Technology ("IT") Business continued to focus on the development of web-based enterprise software for customers in manufacturing industries and internally, for companies within the Group.

During the Period, Beijing Yilaida Information Technology Limited ("Yilaida"), the IT Business's joint venture investment in China, continued to provide consultancy services for a number of local and overseas customers. The information portal "www.chinacomponents.com.cn" developed by Yilaida grew in popularity since its inception in August 2002. The portal continued to provide valuable and up-to-date information for buyers and sellers of electronic components around the world.

FUTURE PROSPECTS

The Group is cautiously optimistic that the US economy is showing realistic signs of stability, although the possible war with Iraq may create short-term uncertainties or at least dampen efforts to revive the global economy. This predicates a cautious approach by businesses across sectors, as they continue to deal with managing high business costs. The Group's existing strategy first implemented some ten years ago, of investing in and building a quality manufacturing presence in China has proven to be right. This has helped the Group in weathering the current difficulties such as selling price erosion and will also help us in positioning the Group for future growth.

Printed Circuit Boards

Further consolidation of PCB manufacturing activities is expected to continue in the coming years in high-cost regions as more and more manufacturers shift to low-cost regions like China.

The Group will deploy even more resources in immediate and medium terms in order to maximize gains from the opportunities and growth in demand for PCBs brought on by investments of OEMs, ODMs and EMS in China in the past two years, and from the out-sourcing of high value-added PCB manufacturing by OEMs, ODMs and EMS from high-cost regions to qualified producers with both capability and capacity in cost-effective regions like China.

The Group is beginning to see positive results from these two fronts, with new business orders translating into a capacity utilization of around 78% to 83% at the beginning of the second half of the current financial year, even after the end of seasonal demand. The Group is confident that our focus on these areas will gradually offset adverse impact of uncertainties in the world economy.

The Group is also taking proactive steps to improve and upgrade the manufacturing operations. Investments in good quality PCB machines that became available as production facilities in high-cost regions closed down due to the consolidation trend will improve our PCB production capabilities, optimize existing manufacturing and critical processes, and reduce bottlenecks in the plants.

Barring unforeseen circumstances, the Directors believe the worst is behind us and the result of the PCB Business is expected to be better in the second half than that in the first half of the current financial year.

Liquid Crystal Displays

The LCD market faces ongoing price pressure as demand continues to be weak at best. Nevertheless, with persistent efforts and focus on research and development, the Group is confident that growth will continue, in particular through sales increase in modules and COG products.

As part of our strategic plan, the Huangpu Plant has further upgraded the LCD process equipment gearing for the production of high-end products at effective yield rates. This, coupled with our ongoing cost reduction program, gives the LCD Business added strength in overcoming difficulties of a highly competitive market.

Magnetic Products

To further strengthen the Magnetic Products Business, the Group will ensure services of the highest quality are delivered to customers in developing and supporting various ranges of discrete magnetic components. With our continuing joint efforts with our world-class customers on developing magnetic integrated connectors, this line of products will contribute significantly to the revenue stream in future.

In addition, the development of custom-designed electronic modules will help to broaden our customer base and further boost the revenue of the Magnetic Products Business. With continuous improvement in automation and optimization of manufacturing capacities, our products will satisfy most if not all of the challenging requirements in different market segments, from volume consumer items to high-end telecommunication products.

Information Technology

Despite the sluggish economic climate, the need for web-based software products remains. The IT Business will continue to focus on the development of industry-specific software solutions and consultancy services. The IT Business believes that its ability to fulfill customers' needs by providing an entire range of software solutions as well as its substantial expertise is its main competitive advantage.

The healthy economy in China delivers opportunities to Yilaida to serve both local and overseas customers in the electronic components market in collaboration with the China Electronic Component Association.

CHAIRMAN'S HIGHLIGHT

Strengthening the Board Structure

Global investors are asking for more information and transparency - in short, corporate governance of the highest standard. The Group has always believed in responsible corporate governance as well as transparency and accountability, as an important commitment to investors and shareholders and makes efforts on further strengthening our corporate governance practice.

CHAIRMAN'S LETTER

Following substantial deliberations and detailed studies by the Board of Directors, the Board has decided to increase the ratio of non-executive directors on the Board and will introduce three new committees: Strategic, Nomination and Remuneration Committees in addition to the existing Audit Committee.

The mandates and responsibilities of the three new Committees are as follows:

(1) Strategic Committee

Comprising members of the Board, this Committee's primary function is to assist the Board in reviewing and evaluating issues and proposals that concern overall Group businesses, policies and investment matters. As a result of these reviews, evaluations and deliberations, the Strategic Committee will submit its recommendations to the Board that will serve the best interest of the Group.

(2) Nomination Committee

Comprising members of the Board, this Committee's primary responsibilities are to assist the Board in identifying and recruiting Board members and making recommendations to the Board on directors' appointments and dismissals, and to review, appraise, monitor and consider all matters and proposals concerning staffing and people policies of the Group.

(3) Remuneration Committee

Comprising members of the Board, this Committee's key role is to assist the Board in reviewing, evaluating and submitting recommendations to the Board on remuneration packages for Board members and senior executives of the Group. It would also be responsible for studying, reviewing, and proposing recommendations on the Group's overall remuneration policies and strategies.

The Group will deploy more human resources in discharging internal audit functions for the existing Audit Committee so that internal control system within the Group would perform more effectively.

In addition, to provide wider market perspectives for the Group a new Advisory Panel will be established with successful business leaders and eminent technology experts of related disciplines as members. This panel of excellence is expected to provide invaluable advice and counsel on the Group's future direction and development.

Recruiting Talent for Future Success

Over the past three decades, the Group has made great strides from modest beginnings. It went on to become a global electronic component manufacturer and a public listing on the Hong Kong Stock Exchange Limited in 1984, followed by a spin-off of its PCB Business on the Stock Exchange of Singapore in 1994. Its manufacturing presence grew out of Hong Kong to reach key cities in China – Guangzhou, Kaiping, Shenzhen, Nanjing – and Thailand. The Group has successfully developed an impressive customer base in the three continents of America, Europe and Asia, each with its own sales and marketing offices.

The Group's success and achievements would not have been possible without a dedicated workforce that gave their utmost at all levels of the company. Neither would it be possible if not for its close relationship with shareholders, customers and suppliers – one that is founded on trust, partnership, mutual respect and benefit. However, the Group will not rest on its laurels. Building on its solid 30-year foundation, it is positioning itself for the next 30 years and beyond.

Organizations today are focusing more than ever on building and nurturing their human capital. Talent has always been a core competence among successful companies. This is particularly true in the volatile and fast-changing electronics industry. The Group is committed to recruiting the best talent and to strengthening the Board, to ensure that it is ready to tackle new challenges, maximizes opportunities and continues to thrive into the future.

INTERIM DIVIDEND

The Board announced to pay an interim dividend of 1.5 HK cents (2001: 1.0 HK cent) per share in respect of the six months ended 31 December 2002 to shareholders whose names appear on the Registers of Members on 21 March 2003. Dividend warrants will be sent to shareholders on or about 28 March 2003.

CLOSURE OF REGISTERS OF MEMBERS

The Registers of Members will be closed from 20 March 2003 to 21 March 2003, both dates inclusive. In order to qualify for the interim dividend, transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 pm on 19 March 2003.

By Order of the Board
David So Cheung Sing
Chairman

Hong Kong, 26 February 2003

MANAGEMENT DISCUSSION AND ANALYSIS

(1) LIQUIDITY AND FINANCIAL RESOURCES

The Group continues to maintain its financial strength mainly due to positive cash flow generated from operation during the Period. At 31 December 2002, the shareholders' equity was HK$680.9 million.

(2) THE TREASURY POLICIES

The Group adopted conservative treasury policy where foreign currency transaction exposures, mainly trade payables denominated in Japanese Yen, is managed by utilizing forward contracts. At 31 December 2002, about JPY31 million payables was hedged by a three months forward contract.

The Group's bank borrowings are mainly denominated in United States Dollars and Hong Kong Dollars, and carry interest rates with reference to Singapore Interbank Offer Rate ("SIBOR") and Hong Kong dollar best lending rates. At 31 December 2002, approximately HK$304.2 million equivalent of the US dollar term loan outstanding was hedged by an arrangement of a US dollar average SIBOR interest rate swap contract. Management is still actively evaluating various other alternative financial instruments on hedging interest rate exposures.

(3) SIGNIFICANT INVESTMENTS

During the Period, new capital investment of approximately HK$0.5 million was contributed to a newly established jointly-controlled entity. Furthermore, additional injections to contributed capital amounting to approximately HK$44 million in total were made to three existing PCB plants to increase working capital. Funds were either from internal source or general bank borrowings.

Management plans to make more capital injection to existing plants should future situation require.

(4) MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARY

The Group had no material acquisition and disposal of subsidiary and associate during the Period.

(5) EMPLOYEES

At 31 December 2002, the Group had approximately 9,500 (30 June 2002: 8,700) employees worldwide. Headcount increased mainly due to re-opening of two PCB plants. There was no change in the Group's employee remuneration policy, which continued to be structured by reference to the market terms and industry practice. Other staff benefits such as option and incentive schemes, bonus, and insurance policies also remained the same.

(6) GEARING RATIO

Gearing ratio, as at 31 December 2002, expressed as a percentage of total net bank borrowings to total shareholders' equity, improved to less than 1.00, as compared with 1.01 as at 30 June 2002. This was due to net repayment of bank loans during the Period from internally generated funds.

(7) CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2002.

(8) FIXED ASSETS AND DEPRECIATION

Decrease in depreciation charge in the Period over the Previous Period was primarily due to change in depreciation method from straight line to unit-of-production by the PCB Business amounting to HK$32.1 million which was made in the second half of the last financial year. The change in depreciation method for plant and machinery has had no significant impact on the depreciation charge for other businesses.

The Group's fixed assets are free from charge.

(9) PROPOSAL FOR CHANGES IN ACCOUNTING ESTIMATES

Management is considering to further refine the measurement basis for the unit-of-production depreciation methodology in order to improve the transparency of the operational contributions of individual PCB and LCD plants. The proposed refinement will measure the depreciation of each plant and its machinery based on its actual output over the total unit output throughout its assessed service life which will be subject to a periodic technical evaluation.

The new basis will assist in pricing and costing our products more competitively thus improving the Group's agility in responding to a volatile and fast-changing market place.

Management plans to introduce the revised measurement basis in the second half of the current financial year after careful technical assessment and evaluation.

DIRECTORS' INTERESTS IN SHARE CAPITAL

At 31 December 2002, the interest of the Directors and their associates had the following beneficial interests in the share capital of the Company as recorded in the register required to be kept under Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"):

	Number of shares of HK$0.10 each in the Company		
Name of director	**Personal Interests**	**Family Interests**	**Total**
David So Cheung Sing	–	1,636,800	1,636,800
Marcus Tsang Ming Pui	22,632,775	–	22,632,775
Wilson Tam Kam Ho	7,200,000	–	7,200,000
Johnny Ng Ho Kin	13,878,104	415,800	14,293,904

At 31 December 2002, certain of the Company's Directors and their associates also held shares in Elec & Eltek International Company Limited ("EEICL"), a subsidiary of the Company and shares of which are listed on the Singapore Exchange Securities Trading Limited (the "Singapore Exchange"), as follows:

	Number of shares of S$0.80 each in EEICL		
Name of director	**Personal Interests**	**Family Interests**	**Total**
Marcus Tsang Ming Pui	–	540,000	540,000
Wilson Tam Kam Ho	–	300,000	300,000
Johnny Ng Ho Kin	386,400	–	386,400
Canice Chung Tai Keung	1,564,800	–	1,564,800

DIRECTORS' RIGHTS TO ACQUIRE SHARES

(A) Directors' Interests in Share Options of the Company

At 31 December 2002, certain of the Company's Directors held share options of the Company and particulars of those outstanding share options were as follows:

Name of director	Date of grant	Exercise period	Number of share options: Outstanding at beginning of period	Number of share options: Granted during period	Number of share options: Outstanding at end of period	Subscription price HK$	Closing price immediately preceding the date of grant HK$
David SO Cheung Sing	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
Marcus TSANG Ming Pui	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
Wilson TAM Kam Ho	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
Johnny NG Ho Kin	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
Canice CHUNG Tai Keung	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
Peter LEE Yip Wah	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
Eugene LEE	30 July 2002	30 January 2003 to 29 July 2004	–	5,000,000	5,000,000	0.91	0.88
			–	35,000,000	35,000,000		

(B) Directors' Interests in Share Options of EEICL

At 31 December 2002, certain of the Company's Directors held share options of EEICL granted under the 1997 EEICL Scheme as defined hereinbelow and particulars of those outstanding share options granted were as follows:

Name of Director	Date of grant	Exercise period	Number of outstanding share options At beginning of period	Number of outstanding share options At end of period	Subscription price US$
Johnny NG Ho Kin	9 April 1998	10 April 1999 to 8 April 2003	120,000	120,000	4.833
	19 April 1999	20 April 2000 to 18 April 2004	120,000	120,000	3.100
			240,000	240,000	
Canice CHUNG Tai Keung	9 April 1998	10 April 1999 to 8 April 2003	135,600	135,600	4.833
	19 April 1999	20 April 2000 to 18 April 2004	156,000	156,000	3.100
			291,600	291,600	
			531,600	531,600	

Other than nominee shares in certain subsidiaries held by certain Directors in trust for the Company or its subsidiaries, no Director held any interests in the share capital of the Company's subsidiaries or associated companies, except as disclosed above. Furthermore, neither any of the Directors or their respective spouse or children under the age of 18 years were granted any rights or options to subscribe for shares in the Company or its associated corporations.

SUBSTANTIAL SHAREHOLDERS

At 31 December 2002, the following shareholders were interested in 10% or more of the issued share capital of the Company:

	Number of shares held
Elec & Eltek Investments Limited ("EEIL")	521,921,359
Kingboard Chemical Holdings Limited	232,299,000

The shareholders of EEIL are as follows:

Name of shareholder	**Percentage of shareholding in EEIL**
Plenty Gain Limited	30.97%
Champion Oriental Inc.	29.98%
Goldful Holdings Limited	29.98%
Expert Gold Inc.	9.07%
	100.00%

Plenty Gain Limited is ultimately 100% owned by a discretionary trust, the eligible beneficiaries of which include the family members of Mr David So Cheung Sing, other than Mr David So Cheung Sing himself.

Champion Oriental Inc. holds the shares of EEIL as trustee for a unit trust, of which 99.9999948% of the units are owned by a discretionary trust, the eligible beneficiaries of which include the family members of Mr Marcus Tsang Ming Pui, other than Mr Marcus Tsang Ming Pui himself, with the remaining units being owned by Mr Marcus Tsang Ming Pui directly.

Goldful Holdings Limited is ultimately 100% owned by a discretionary trust, the eligible beneficiaries of which include the family members of Mr Wilson Tam Kam Ho, other than Mr Wilson Tam Kam Ho himself.

Expert Gold Inc. holds the shares of EEIL as trustee for a unit trust, of which 99.99998% of the units are owned by a discretionary trust, the eligible beneficiaries of which include the family members of Mr Johnny Ng Ho Kin, other than Mr Johnny Ng Ho Kin himself.

Save for the shares referred above, no person, other than a director of the Company, whose interests are set out above, had registered an interest in the share capital of the Company that was required to be recorded in the register maintained pursuant to Section 16(1) of the SDI Ordinance.

AUDIT COMMITTEE

The Audit Committee engaged the external auditors to assist the Audit Committee in its review of the interim accounts. The external auditors' review consisted of management enquiries and analytical review procedures, but was neither an audit nor a review under the guidelines of SAS700 issued by the Hong Kong Society of Accountants. On 25 February 2003, the Audit Committee met with the management and the external auditors to review the interim accounts and consider the significant accounting policies, and to discuss with the management about the Group's internal control system.

SHARE OPTION SCHEME

(A) Employees' share option scheme of the Company

On 29 October 2001, the Company adopted the existing employees' share option scheme (the "Scheme"). During the Period, share options were granted under the Scheme and particulars of those share options granted to employees, other than the Directors as disclosed hereinabove, were as follows:–

Date of grant	Exercise period	Subscription price HK$	Number of share options: Outstanding at beginning of period	Granted during period	Exercised during period	Lapsed during period	Outstanding at end of period	Closing price immediately preceding the date of grant HK$
30 July 2002	30 January 2003 to 29 July 2004	0.91	–	15,000,000	–	290,000	14,710,000	0.88

(B) Employees' share option scheme of EEICL

During the Period, there were no options outstanding, granted, exercised, cancelled or lapsed under the employees' share option scheme adopted by EEICL on 12 November, 2002 (the "EEICL Scheme"). During the Period, employees of EEICL, other than the Directors of the Company as disclosed hereinabove, held share options granted under the two previous EEICL employee's share options schemes adopted on 30 November 1999 (the "1999 EEICL Scheme") and 2 December 1997 (the "1997 EEICL Scheme") respectively and particulars of those share options were as follows:–

Employees' share option scheme	Date of grant	Exercise period	Subscription price US$	Number of share options: Outstanding at beginning of period	Exercised during period	Lapsed during period	Outstanding at end of period	Closing price immediately preceding the date of exercise US$
1997 EEICL Scheme	9 April 1998	10 April 1999 to 8 April 2003	4.833	544,800	–	(78,000)	466,800	–
	19 April 1999	20 April 2000 to 18 April 2004	3.100	650,400	–	(81,600)	568,800	–
				1,195,200	–	(159,600)	1,035,600	
1999 EEICL Scheme	25 May 2000	26 May 2002 to 24 May 2005	1.308	89,500	(50,000)	(700)	38,800	2.04
				1,284,700	(50,000)	(160,300)	1,074,400	

The Directors consider that, since it would be misleading to give the value of the share options due to the absence of a readily available market value for the share options on the Company's shares, any calculation of the value of share options will not be meaningful and may be misleading to shareholders.

CORPORATE GOVERNANCE

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by the interim report, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

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

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

GLOBAL PRESENCE

全球業務駐點

加拿大Canada
渥太華Ottowa
波士頓Boston
美國USA
妠帕Napa
森尼韋爾Sunnyvale
沙羅特Charlotte
聖荷西 San Jose
亨茨維爾Huntsville
橙縣Orange County