

Notes to the Financial Statements 財務報告附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands under the Companies Law (Revised) Chapter 22 of the Cayman Islands as an exempted company with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Champion Technology Holdings Limited ("Champion"), a company which was originally incorporated in the Cayman Islands but subsequently re-domiciled to Bermuda, and its shares are also listed on the Stock Exchange.

The Company is an investment holding company. Its subsidiaries are principally engaged in sales of general systems products, provision of services and software licensing, leasing of systems products, investments in e-commerce projects and holding strategic investments in advanced technology product development companies.

2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

Since 2004, the Hong Kong Institute of Certified Public Accountants (the "HKICPA") issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards ("HKFRSs") and Interpretations (hereinafter collectively referred to as the "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005 except for HKFRS 3 "Business Combination". The Group has not early adopted these new HKFRSs in the financial statements for the year ended 30 June 2005.

HKFRS 3 is applicable to business combinations for which the agreement date is on or after 1 January 2005. The Group has not entered into any business combination for which the agreement date is on or after 1 January 2005. Therefore HKFRS 3 did not have any impact on the Group for the year ended 30 June 2005.

The Group has commenced considering the potential impact of other 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. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group made up to 30 June each year.

1. 簡介

本公司乃根據開曼群島之公司法例(經修訂)第二十二章在開曼群島註冊成立為獲豁免之公眾有限公司,其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司之最終控股公司冠軍科技集團有限公司(「冠軍」)亦為原先在開曼群島註冊成立,惟其後已遷冊往百慕達之公司,其股份亦於聯交所上市。

本公司乃一間投資控股公司。其附屬公司主要從事銷售一般系統產品、提供服務及軟件特許權、系統產品租賃、投資電子商貿項目,以及於高科技產品開發公司持有策略性投資。

2. 新近頒佈會計準則產生之潛在影響

自二零零四年起,香港會計師公會(「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準則(「香港財務報告準則」)與詮釋(下文統稱「新香港財務報告準則」)。除香港財務報告準則第3號「業務合併」外,該等新香港財務報告準則於二零零五年一月一日或以後開始之會計期間生效。本集團並無於截至二零零五年六月三十日止年度之財務報告提早採納該等新香港財務報告準則。

香港財務報告準則第3號適用於協議日期為二零零五年一月一日或以後之業務合併。本集團並無訂立任何協議日期為二零零五年一月一日或以後之業務合併。因此,香港財務報告準則第3號並無對本集團截至二零零五年六月三十日止年度構成任何影響。

本集團已著手考慮其他新香港財務報告準則之潛在影響,惟尚未釐定該等新香港財務報告準則會否對經營業績與財務狀況之編製及呈報方式構成重大影響。該等新香港財務報告準則或會導致未來業績及財務狀況之編製及呈報方式出現變動。

3. 主要會計政策

財務報告乃根據歷史成本慣例及香港普遍接納之會計準則而編製。所採用之主要會計政策如下:

綜合基準

綜合財務報告包括本集團截至每年六月三十日止之財務報告。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective dates of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group have been eliminated on consolidation.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill arising on acquisition prior to 1 July 2001 continues to be held in reserves and will be charged to the income statement at the time of disposal of the relevant subsidiary, or at such time as the goodwill is determined to be impaired.

Goodwill arising on acquisition after 1 July 2001, but before 1 January 2005, is capitalised and amortised on a straight line basis over its economic useful life. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has been passed.

Service income is recognised when the services are rendered.

Income from licensing is recognised when the relevant licensing agreements are formally concluded.

Income from certain e-commerce projects where the Group is contracted to receive a pre-determined minimum sum over the period of the projects is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment in these e-commerce projects. Income from other e-commerce projects are recognised when the Group's right to receive the distributions has been established.

Rental income, including rental invoiced in advance from assets under operating leases, is recognised on a straight line basis over the relevant lease term.

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

Dividend income is recognised when the Group's right to receive payment has been established.

Income from investments where the Group is contracted to receive a pre-determined minimum sum over a period of time is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment in these investments.

3. 主要會計政策 (續)

綜合基準 (續)

年內收購之附屬公司業績由收購生效日期起計入綜合損益表，至於出售之附屬公司則結算至出售生效日期止（如適用）。

所有集團內公司間之重大交易及結餘已於綜合賬目時對銷。

商譽

商譽乃指收購成本高於本集團於收購日期於附屬公司之可認定資產及負債之公平價值之權益之數額。

於二零零一年七月一日前進行收購所產生之商譽繼續持於儲備，並於出售有關附屬公司時或釐定商譽出現減值當時自損益表扣除。

於二零零一年七月一日後但於二零零五年一月一日前進行收購所產生之商譽乃撥充資本，並於其可用經濟年期按直線法予以攤銷。收購附屬公司所產生之商譽乃另行於資產負債表內獨立呈列。

收入之確認

貨物銷售乃於貨物付運及擁有權轉移時確認。

服務收入乃於提供服務時確認。

源自特許權之收入乃於有關特許權協議正式訂立後確認。

就本集團已訂約據此於項目期間收取預定最低金額之若干電子商貿項目而言，其收入乃於會計期間分配，以便於該等電子商貿項目之投資淨值反映固定之定期回報率。其他電子商貿項目之收入乃於本集團收取分派之權利獲得確立時予以確認。

租金收入（包括來自經營租賃項下資產之預收租金）乃根據直線法在租賃年內內確認。

利息收入乃根據所存放之本金額按存放時間以適用利率累計。

股息收入乃於本集團享有收取款項權利時確認。

就本集團已訂約據此於有關期間收取預定最低金額之投資而言，其收入乃於會計期間分配，以便於該等投資之投資淨值反映固定之定期回報率。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and amortisation and any accumulated impairment losses.

Depreciation and amortisation are provided to write off the cost of property, plant and equipment over their estimated useful lives, using the straight line method, at the following rates per annum:

Freehold land	Nil
Leasehold land and buildings	Over the shorter of the remaining unexpired terms of the relevant leases or 50 years
Plant and machinery and telecommunications networks	10% – 50%

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets, or the terms of the leases, where shorter.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation of the Group. The finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the rentals payable are charged to the income statement on a straight line basis over the relevant lease term.

Investments in subsidiaries

Investments in subsidiaries are included in the balance sheet of the Company at carrying value, less any identified impairment loss. Results of subsidiaries are accounted for by the Company on the basis of dividends received or receivable during the year.

3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備乃按成本減除折舊及攤銷及任何累計減值虧損後列賬。

物業、廠房及設備之成本值以直線法折舊及攤銷，按其估計可用年期予以撇銷，每年之折舊率如下：

永久業權土地 按契約持有之 土地及樓宇	無 有關契約之尚餘 年期或50年， 以較短者為準
廠房、機器及 電訊網絡	10%-50%

按融資租賃持有之資產乃按其估計可使用年期或按租賃年期(以較短者為準)以自置資產相同之基準計算折舊。

於資產出售或報銷時之收益或虧損乃按出售款項與資產之賬面值之差額釐定，並於損益表內予以確認。

租賃

凡租賃條款規定，將擁有租賃資產之所有風險及報酬大部分轉移至本集團之租賃，均列為融資租賃。根據融資租賃持有之資產，均按於收購日期之公平價值撥作資本。結欠出租人之相應債務(已扣除利息)以本集團融資租賃承擔計入資產負債表。融資費用(即租賃承擔總額與所收購資產之公平價值兩者間之差額)乃按有關租賃年期，自損益表扣除，以設定餘下租賃承擔於各會計期間之固定定期收費額。

所有其他租賃均列為經營租賃，其應付之租金以直線法按租賃年期自損益表扣除。

附屬公司之投資

附屬公司之投資乃按賬面值減任何經認定之減值虧損後計入本公司之資產負債表內。附屬公司之業績按本公司於年內之已收或應收股息為基準入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Systems and networks

Systems and networks are stated at cost less amortisation and any accumulated impairment losses.

Systems and networks represent all direct costs incurred by the Group in setting up systems and networks, including the cost of equipment, development cost and subcontracting expenditure. Such assets are recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Development cost that cannot fulfil the above conditions is recognised as an expense in the period in which it is incurred. Systems and networks which are developed and fulfil the above conditions are amortised on a straight line basis over their estimated useful lives, subject to a maximum of five years. Where the recoverable amount of systems and networks has declined below their carrying amount, the carrying amount is reduced to reflect the decline in value.

Systems and networks that are not yet available for use are stated at cost less any accumulated impairment losses. Impairment testing is performed at least annually.

Research and development costs

Research costs are charged to the income statement in the year in which they are incurred. Development costs are charged to the income statement in the year in which it is incurred except where a major project is undertaken and it is reasonably anticipated that development costs will be recovered through future commercial activity. Such development costs are deferred and written off over the life of the project from the date of commencement of commercial operation subject to a maximum of five years.

Investments in e-commerce projects

Investments in e-commerce projects represent the Group's investment costs incurred on internet-based business projects over which the Group receives distributions from these projects based on an agreed percentage of the net revenue of each project or a pre-determined guaranteed return over a fixed period of time. Payments receivables each year for projects with pre-determined guaranteed return are apportioned between income and reduction of the carrying value of the investments so as to reflect a constant periodic rate of return on the net investment in these e-commerce projects. Where the estimated recoverable amount of these investments falls below their carrying amount, the carrying amount of the investments, to the extent that it is considered to be irrecoverable, is written off immediately to the income statement.

3. 主要會計政策 (續)

系統及網絡

系統及網絡乃按成本減攤銷及任何累計減值虧損列賬。

系統及網絡為本集團於設立系統及網絡時所產生之所有直接成本，包括設備成本、開發成本及外判工作費用。該等資產僅於滿足下列條件時方會確認：

- 所設立之資產為可以辨認（如軟件及新程序）；
- 所設立之資產於日後可取得經濟利益；及
- 能可靠計算資產之開發成本。

未能滿足上述條件之開發成本於產生期間確認為支出。能滿足上述條件之已開發系統及網絡以直線法按其估計可使用年期（最多為五年）予以攤銷。倘系統及網絡之可收回款額減至低於其賬面值，則扣減其賬面值以反映有關減值。

尚未啟用之系統及網絡按成本減任何累計減值虧損列賬。最少每年進行一次減值測試。

研究及開發費用

研究費用於支銷之年內列入損益表。開發費用於支銷之年內列入損益表，若該期間內正進行一項重大計劃，且有理由預期開發成本將透過未來之商業活動得以收回，則該等開發成本將由該項計劃之商業活動開始日起遞延或於該計劃之年期內註銷，為期最長五年。

電子商貿項目投資

電子商貿項目投資指本集團就有關互聯網業務項目所產生之投資成本，而本集團根據各個項目收入淨額之協定百分比或固定期限之預定保證回報收取有關該等項目之分派。就設有預定保證回報之項目而言，每年之應收款項乃分配至收入及投資賬面值減幅，以便於該等電子商貿項目之投資淨值反映固定之定期回報率。倘若該等投資之估計可收回金額低於其賬面值，則該等投資之賬面值於被認為不可收回之前提下，會即時於損益表撇銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are recognised on a trade-date basis and are initially measured at cost.

Investment securities without guaranteed return

Investments other than held-to-maturity debt securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in the net profit or loss for the year.

Investments with guaranteed return

Certain investments represent the Group's investment costs over which the Group receives distributions from the investees or other parties on a pre-determined guaranteed return over a fixed period of time. Payments receivables each year for investments with pre-determined return are apportioned between income and reduction of the carrying value of the investments so as to reflect a constant periodic rate of return on the net investment.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Convertible bonds

Convertible bonds are regarded as liabilities unless conversion actually occurs.

The costs incurred in connection with the issue of convertible bonds are charged immediately to the income statement.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable and deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策 (續)

投資

投資乃以交易日期基準確認及初步以成本值計算。

無保證回報之投資證券

投資(持至到期日之債務證券除外)乃列作投資證券及其他投資。

投資證券(就既定長期策略目的而持有之證券)乃於日後呈報日期按成本計算,並減去任何非暫時之減值虧損。

其他投資乃按公平價值計算,而未實現之收益及虧損乃計入有關年度之損益淨額。

有保證回報之投資

若干投資指本集團於固定期間按預定保證回報收取接受投資公司或其他方之分派之投資成本。每年按預定回報應收投資之款項乃於投資之收入與投資賬面值減少之間分配,以便於投資淨值反映固定之定期回報率。

存貨

存貨乃按成本值與可變現淨值兩者中之較低者入賬。成本按先入先出法計算。

可換股債券

除非可換股債券已獲確實兌換,否則乃視作負債。

因發行可換股債券所引致之費用即時自損益表扣除。

稅項

所得稅支出指現時應繳之稅項及遞延稅項。

現時應繳之稅項乃按年度之應課稅溢利計算。應課稅溢利與計入損益表之純利有別,因為其不包括其他年度之應課稅或可扣稅收支項目,且其不包括永不可課稅及扣稅之損益表項目。

遞延稅項指預期就財務報告中資產與負債之賬面值與計算應課稅溢利所用之相應稅基之間之差額所應付或可收回之稅項,並按資產負債表負債法計算。遞延稅項負債一般就所有臨時應課稅差額確認,而遞延稅項資產亦會予以確認,直至應課稅溢利將可用作抵銷可扣稅臨時差額。倘因商譽或因初步確認交易中(業務合併除外)資產與負債所產生之臨時差額並不影響應課稅溢利或會計溢利,則該等資產與負債乃不予確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Foreign currencies

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

In preparing the consolidated financial statements, the results of operations outside Hong Kong are translated using the average exchange rates for the year. The assets and liabilities of the operations outside Hong Kong are translated using the rates ruling on the balance sheet date. On consolidation, any differences arising on translation of operations outside Hong Kong are dealt with in the translation reserve.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃就於附屬公司之投資所產生之應課稅臨時差額予以確認，惟倘本集團能控制撥回臨時差額，且臨時差額可能將不會於可見將來撥回時則除外。

遞延稅項資產之賬面值乃於各結算日審閱，並於再無足夠之應課稅溢利將容許收回全部或部分資產時扣減。

當負債已清償或資產已變現時，遞延稅項乃按預期於期間適用之稅率計算。遞延稅項乃於損益表中扣除或計入，惟倘遞延稅項與直接計入股本或自股本中扣除項目有關時，則遞延稅項亦於股本中處理。

減值

於各結算日，本集團會審閱其資產之賬面值，以釐定是否有任何情況顯示該等資產已出現減值虧損。倘估計資產之可收回數額少於其賬面值，則資產之賬面值將會減少至其可收回數額。減值虧損乃即時確認作開支。

倘其後撥回減值虧損，則資產之賬面值會調高至重新估計之可收回數額，以使所增加之賬面值不會高於倘以往年度並無就資產確認減值虧損而原應釐定之賬面值。所撥回之減值虧損即時確認作收入。

外幣

以外幣結算之交易均按交易日期之概約匯率折算。以外幣結算之貨幣資產及負債均按結算日之匯率再折算。匯兌盈虧撥入損益表中處理。

於編製綜合財務報告時，香港以外地區業務之業績乃以年內之平均匯率換算。香港以外地區業務之資產與負債乃按結算日之適用匯率換算。於綜合賬目時，換算香港以外地區業務所產生之任何差額乃於換算儲備內處理。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit cost

Payments to the Group's defined contribution retirement benefit schemes are charged as expenses as they fall due.

For the Group's defined benefit retirement benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses which exceed 10% of the greater of the present value of the Group's pension obligations and the fair value of scheme assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the amended benefits become vested.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and as reduced by the fair value of scheme assets.

4. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold and services provided by the Group to outside customers, licensing fees received and receivable and distributions/dividend received and receivable from the Group's investments in e-commerce projects and strategic investments during the year.

3. 主要會計政策 (續)

退休福利成本

向本集團定額供款退休福利計劃支付供款於到期付款日列作支出。

就本集團之定額退休福利計劃而言，提供福利之成本乃以預計單位貸記法釐定，並於各結算日進行精算估值。精算收益及虧損如超出本集團公積金承擔之現值及計劃資產之公平價值（以較高者為準）10%，則會按參與計劃之僱員之預期餘下服務年期予以攤銷。過往之服務成本乃即時確認，惟以經已歸屬之福利為限，否則會於平均期間按直線基準攤銷，直至經修訂之福利收入歸屬為止。

於資產負債表所確認之金額指定額福利承擔之現值，並經就未確認之精算收益及虧損及未確認之過往服務成本作出調整，以及按計劃資產之公平價值扣減。

4. 營業額及分類資料

營業額指年內本集團就出售產品及向外界顧客提供服務之已收及應收款項淨額、已收及應收特許權費用以及已收及應收源自本集團電子商貿項目之投資及策略性投資之分派／股息。

Notes to the Financial Statements 財務報告附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. TURNOVER AND SEGMENT INFORMATION

(Continued)

(a) Business segments

For management purposes, the Group is currently organised into five main operating business – sales of general systems products, provision of services and software licensing, leasing of systems products, investments in e-commerce projects and holding strategic investments in advanced technology product development companies. These businesses are the basis on which the Group reports its primary segment information.

4. 營業額及分類資料 (續)

(a) 業務分類

為方便管理，本集團之業務現分為五項主要經營業務－銷售一般系統產品、提供服務及軟件特許權、租賃系統產品、電子商貿項目之投資，以及於高科技產品開發公司持有策略性投資。此等業務乃本集團主要分類資料之報告基準。

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Year ended 30 June 2005	截至二零零五年 六月三十日止年度						
TURNOVER	營業額						
External and total revenue	對外銷售及總收入	742,549	353,463	10,999	8,572	11,743	1,127,326
RESULTS	業績						
Segment result	分類業績	82,358	175,711	3,328	8,269	3,615	273,281
Interest income	利息收入						6,692
Unallocated corporate expenses	未分配公司開支						(2,570)
Profit from operations	經營溢利						277,403
Finance costs	財務成本						(9,051)
Profit before taxation	除稅前溢利						268,352
Taxation	稅項						(424)
Net profit for the year	本年度純利						267,928
As at 30 June 2005	於二零零五年六月三十日						
ASSETS	資產						
Segment assets	分類資產	892,998	121,867	7,436	85,633	145,305	1,253,239
Unallocated corporate assets	未分配公司資產						140,017
Consolidated total assets	綜合總資產						1,393,256
LIABILITIES	負債						
Segment liabilities	分類負債	129,047	34,942	7,743	8,580	–	180,312
Unallocated corporate liabilities	未分配公司負債						131,961
Consolidated total liabilities	綜合總負債						312,273
OTHER INFORMATION	其他資料						
Capital additions of property, plant and equipment	物業、廠房及設備之 資本添置	5,801	1,772	389	–	–	7,962
Capital additions of deposits	按金之資本添置	288,600	–	–	–	–	288,600
Depreciation and amortisation	折舊及攤銷	11,402	60,034	764	–	–	72,200
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 之虧損	123	–	–	–	–	123
Impairment loss recognised for investments	就投資所確認之減值虧損	–	–	–	–	7,997	7,997

4. TURNOVER AND SEGMENT INFORMATION

(Continued)

(a) Business segments (Continued)

4. 營業額及分類資料 (續)

(a) 業務分類 (續)

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Year ended 30 June 2004	截至二零零四年 六月三十日止年度						
TURNOVER	營業額						
External and total revenue	對外銷售及總收入	683,483	308,454	17,353	5,350	-	1,014,640
RESULTS	業績						
Segment result	分類業績	43,537	118,146	8,253	(8,116)	-	161,820
Interest income	利息收入						4,971
Unallocated corporate expenses	未分配公司開支						(2,098)
Profit from operations	經營溢利						164,693
Gain on disposal of a subsidiary	出售附屬公司之收益						18
Finance costs	財務成本						(9,502)
Profit before taxation	除稅前溢利						155,209
Taxation	稅項						(257)
Profit before minority interests	未計少數股東權益之溢利						154,952
Minority interests	少數股東權益						(85)
Net profit for the year	本年度純利						154,867
As at 30 June 2004	於二零零四年六月三十日						
ASSETS	資產						
Segment assets	分類資產	668,270	85,633	12,140	97,092	122,296	985,431
Unallocated corporate assets	未分配公司資產						78,966
Consolidated total assets	綜合總資產						1,064,397
LIABILITIES	負債						
Segment liabilities	分類負債	112,300	27,092	11,816	-	-	151,208
Unallocated corporate liabilities	未分配公司負債						86,049
Consolidated total liabilities	綜合總負債						237,257
OTHER INFORMATION	其他資料						
Capital additions of property, plant and equipment	物業、廠房及設備之 資本添置	5,382	1,322	566	-	-	7,270
Capital additions of deposits	按金之資本添置	136,500	-	-	-	-	136,500
Capital additions of systems and networks	系統及網絡之資本添置	132,600	-	-	-	-	132,600
Depreciation and amortisation	折舊及攤銷	11,692	86,254	4,479	-	-	102,425
Loss on disposal of systems and networks	出售系統及網絡之虧損	-	36,091	-	-	-	36,091
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 之虧損	93	-	-	-	-	93
Impairment loss recognised for interest in e-commerce projects	就電子商貿項目所確認 之減值虧損	-	-	-	12,749	-	12,749

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. TURNOVER AND SEGMENT INFORMATION

(Continued)

(b) Geographical segments

- (i) The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

		Revenue by geographical segment 按地區分類劃分之收入 Year ended 30 June 截至六月三十日止年度		Profit from operations 經營溢利 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	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
People's Republic of China, including Hong Kong and Macau	中華人民共和國·包括香港及澳門	711,207	652,369	218,512	113,342
Europe	歐洲	308,843	282,276	38,309	41,235
Others	其他	107,276	79,995	20,582	10,116
Consolidated total	綜合總計	1,127,326	1,014,640	277,403	164,693

- (ii) The following is an analysis of the carrying amount of segment assets, and capital additions to property, plant and equipment, systems and networks, interest in e-commerce projects and strategic investments in advanced technology product development companies, analysed by the geographical location to which the assets are located:

		Carrying amount of segment assets 分類資產之賬面值 30.6.2005 二零零五年 六月三十日 HK\$'000 千港元		Capital additions 資本添置 30.6.2005 二零零五年 六月三十日 HK\$'000 千港元	
		30.6.2005 二零零五年 六月三十日 HK\$'000 千港元	30.6.2004 二零零四年 六月三十日 HK\$'000 千港元	30.6.2005 二零零五年 六月三十日 HK\$'000 千港元	30.6.2004 二零零四年 六月三十日 HK\$'000 千港元
People's Republic of China, including Hong Kong and Macau	中華人民共和國·包括香港及澳門	762,486	453,562	32	132,630
Europe	歐洲	140,163	137,759	269	6,465
Others	其他	490,607	473,076	296,261	137,275
Consolidated total	綜合總計	1,393,256	1,064,397	296,562	276,370

5. OTHER OPERATING INCOME

Included in other operating income is interest income of HK\$6,692,000 (2004: HK\$4,971,000).

4. 營業額及分類資料 (續)

(b) 地區分類

- (i) 下表載列本集團按地區市場劃分之收入分析 (不論貨品/服務之來源地):

- (ii) 下表載列本集團按地區市場劃分之分類資產賬面值·以及物業·廠房及設備·系統及網絡·電子商貿項目權益以及於高科技產品開發公司之策略性投資之資本添置分析:

5. 其他經營收入

利息收入6,692,000港元 (二零零四年: 4,971,000港元) 乃列入其他經營收入內。

6. LOSS ON DISPOSAL OF SYSTEMS AND NETWORKS

In 2004, the Group transferred its interest in certain systems and networks with an aggregate carrying value of HK\$158,387,000 to various investment holding companies and in return obtained equity interests in these investment holding companies. The fair values of these investments in securities of HK\$122,296,000 were estimated based on expected cash flows projection from such investments resulting in a loss on disposal of HK\$36,091,000.

6. 出售系統及網絡之虧損

於二零零四年，本集團將其總面值為158,387,000港元於若干系統及網絡之權益轉讓至多家投資控股公司，並取得此等投資控股公司之股本權益作為回報。此等證券投資之公平值為122,296,000港元，乃按預期來自該等投資之現金流量而估計，導致產生出售虧損36,091,000港元。

7. PROFIT FROM OPERATIONS

7. 經營溢利

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Profit from operations has been arrived at after charging:	經營溢利已扣除：		
Directors' remuneration (Note)	董事酬金(附註)	726	179
Staff costs	職工成本	86,278	81,292
Actuarial losses recognised	已確認之精算虧損	-	446
Retirement benefit scheme contribution	退休福利計劃供款	7,540	3,634
Total staff costs	職工成本總額	94,544	85,551
Amortisation of systems and networks	系統及網絡之攤銷	56,585	83,330
Depreciation and amortisation of property, plant and equipment	物業、廠房及設備之折舊及攤銷		
Owned assets	自置資產	15,584	19,029
Assets under finance leases	融資租賃資產	31	66
Total depreciation and amortisation	折舊及攤銷總額	72,200	102,425
Auditors' remuneration	核數師酬金	1,550	1,820
Cost of inventories recognised	已確認存貨之成本	561,918	553,173
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	123	93
Minimum lease payments paid under operating leases in respect of:	按照經營租賃已付之最低租金包括：		
Rented premises	租賃物業	1,538	2,181
Machinery and equipment	機器及設備	1,479	1,546
and after crediting:	及已計入：		
Rental income from leasing of machinery and equipment	租賃機器及設備所得租金收入	15,325	17,352

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

7. PROFIT FROM OPERATIONS (Continued)

Note:

Information regarding directors' and employees' emoluments

Year ended 30 June 2005

		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及 其他福利 HK\$'000 千港元	Retirement benefits scheme contributions	Total directors' emoluments 董事酬金 總額 HK\$'000 千港元
				退休福利 計劃供款 HK\$'000 千港元	
Name of executive directors	執行董事姓名				
Mr. Paul Kan Man Lok	簡文樂先生	–	57	3	60
Mr. Lai Yat Kwong	黎日光先生	–	57	3	60
Mr. Fung Kin Leung	馮建良先生	–	–	–	–
Name of non-executive directors	非執行董事姓名				
Mr. Leo Kan Kin Leung	簡堅良先生	2	10	–	12
Prof. Liang Xiong Jian	梁雄健教授	5	5	–	10
Prof. Ye Pei Da	葉培大教授	5	5	–	10
Mr. Frank Bleackley	Frank Bleackley先生	5	15	–	20
Prof. Julia Tsuei Jo	崔玖教授	5	17	–	22
Mr. Ho Yiu Ming	何耀明先生	5	35	–	40
Mr. Paul Michael James Kirby	Paul Michael James Kirby先生	3	479	–	482
Ms. Shirley Ha Suk Ling	夏淑玲女士	2	8	–	10
		32	688	6	726

Year ended 30 June 2004

截至二零零四年六月三十日止年度

		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及 其他福利 HK\$'000 千港元	Retirement benefits scheme contributions	Total directors' emoluments 董事酬金 總額 HK\$'000 千港元
				退休福利 計劃供款 HK\$'000 千港元	
Name of executive directors	執行董事姓名				
Mr. Paul Kan Man Lok	簡文樂先生	–	57	3	60
Mr. Lai Yat Kwong	黎日光先生	–	57	3	60
Mr. Fung Kin Leung	馮建良先生	–	–	–	–
Name of non-executive directors	非執行董事姓名				
Mr. Leo Kan Kin Leung	簡堅良先生	–	–	–	–
Prof. Liang Xiong Jian	梁雄健教授	5	5	–	10
Prof. Ye Pei Da	葉培大教授	5	5	–	10
Mr. Frank Bleackley	Frank Bleackley先生	5	15	–	20
Prof. Julia Tsuei Jo	崔玖教授	4	10	–	14
Mr. Ho Yiu Ming	何耀明先生	1	4	–	5
		20	153	6	179

The remuneration for non-executive directors comprises directors' fees and other emoluments which vary with the number of committees on which they serve.

非執行董事之酬金包括董事袍金及其他酬金，視乎董事出任之委員會數目而有所不同。

7. 經營溢利(續)

附註:

有關董事與僱員酬金之資料

截至二零零五年六月三十日止年度

7. PROFIT FROM OPERATIONS (Continued)

Employees

The five highest paid individuals of the Group did not include any directors of the Company for both years. The emoluments of the five highest paid employees of the Group, not being directors of the Company, are as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Salaries and other benefits	薪酬及其他福利	5,960	5,545
Performance related incentive payments	按工作表現發放之獎金	181	68
Retirement benefit scheme contribution	退休福利計劃供款	640	310
		6,781	5,923

Emoluments of these employees were within the following band:

		Number of employees 僱員人數	
		2005 二零零五年	2004 二零零四年
HK\$1,000,001 – HK\$1,500,000	1,000,001港元–1,500,000港元	4	5
HK\$1,500,001 – HK\$2,000,000	1,500,001港元–2,000,000港元	1	–

8. FINANCE COSTS

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interest on	利息		
Bank and other borrowings	銀行及其他借貸		
– wholly repayable within five years	– 於五年內悉數償還	6,707	9,207
– not wholly repayable within five years	– 毋須於五年內悉數償還	–	175
Finance charges on finance leases	融資租賃之財務費用	37	120
Issue costs of convertible bonds	可換股債券之發行費用	2,307	–
		9,051	9,502

7. 經營溢利(續)

僱員

於兩個年度，本集團五位最高薪人士當中並無本公司董事。本集團五名最高薪人士（並非本公司之董事）之酬金如下：

此等僱員之酬金介乎下列範圍：

8. 財務成本

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9. TAXATION

9. 稅項

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
The charge comprises:	稅項支出包括:		
Hong Kong Profits Tax	香港利得稅		
– current year	– 本年度	–	80
– underprovision in prior years	– 過往年度之不足撥備	–	6
Taxation in other jurisdictions	其他司法地區之稅項	442	184
		442	270
Deferred taxation (note 30)	遞延稅項(附註30)	(18)	(13)
		424	257

Hong Kong Profits Tax was calculated at 17.5% (2004: 17.5%) on the estimated assessable profits derived from Hong Kong. Taxation in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

香港利得稅乃以源自香港之估計應課稅溢利按17.5%(二零零四年:17.5%)之稅率計算。其他司法地區之稅項乃按個別司法地區各自採用之稅率計算。

The low effective tax rate is attributable to the fact that a substantial portion of the Group's profit neither arises in, nor is derived from, Hong Kong and is accordingly not subject to Hong Kong Profits Tax and such profit is either exempted or not subject to taxation in any other jurisdictions.

實際稅率偏低之原因為本集團大部分溢利既非自香港賺取,亦非源自香港,故毋須繳納香港利得稅,而此等溢利已獲豁免或毋需繳納任何其他司法地區之稅項。

Details of deferred taxation for the year are set out in note 30.

本年度遞延稅項之詳情載於附註30。

The tax charge for the year can be reconciled to the profit per the income statement as follows:

本年度之稅項支出與損益表之溢利對賬如下:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Profit before taxation	除稅前溢利	268,352	155,209
Tax at Hong Kong Profits Tax rate of 17.5% (2004: 17.5%)	按香港利得稅率17.5%(二零零四年:17.5%)計算之稅項	46,962	27,162
Tax effect of profits exempted or not subject to taxation in other jurisdictions	於其他司法地區獲豁免繳稅或毋須課稅之溢利之稅務影響	(45,465)	(25,099)
Effect of different tax rates of subsidiaries operating in other jurisdictions	附屬公司於其他司法地區經營之不同稅率之影響	176	71
Tax effect on utilisation of tax losses previously not recognised	過往未確認動用稅項虧損之稅務影響	–	(661)
Tax effect of income not taxable for tax purposes	毋須就稅務目的繳稅之收入之稅務影響	(600)	(358)
Tax effect of expenses not deductible for tax purposes	不可就稅務目的扣減之開支之稅務影響	1,389	359
Underprovision in prior years	過往年度之不足撥備	–	6
Others	其他	(2,038)	(1,223)
Taxation for the year	本年度之稅項	424	257

10. DIVIDENDS

10. 股息

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Final dividend proposed in scrip form equivalent to HK1.1 cents (2004: HK0.65 cents) per share, with a cash option	按以股代息方式派發之擬派末期股息相等於每股1.1港仙(二零零四年:0.65港仙),可選擇現金	26,324	15,004
Interim dividend paid in scrip form equivalent to HK1.0 cents (2004: HK0.60 cents) per share, with a cash option	按以股代息方式派發之已付中期股息相等於每股1.0港仙(二零零四年:0.60港仙),可選擇現金	23,431	13,727
		49,755	28,731

The proposed final dividend for 2005 is based on 2,393,123,895 shares in issue at 30 June 2005.

二零零五年度擬派末期股息乃按於二零零五年六月三十日之已發行股份2,393,123,895股為基準計算。

11. EARNINGS PER SHARE

11. 每股盈利

The calculation of the basic and diluted earnings per share is based on the following data:

基本及經攤薄每股盈利乃按下列數據計算:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Earnings for the purpose of calculating basic earnings per share	以計算基本每股盈利之盈利	267,928	154,867
Effect of dilutive potential ordinary shares:	普通股之潛在攤薄影響:		
Interest on convertible bonds	可換股債券之利息	154	—
Issue costs of convertible bonds	可換股債券之發行費用	2,307	—
Earnings for the purpose of calculating diluted earnings per share	以計算經攤薄每股盈利之盈利	270,389	154,867
		Number of shares (In '000) 股份數目(以千股計)	
		2005 二零零五年	2004 二零零四年
Weighted average number of shares for the purpose of calculating basic earnings per share	以計算基本每股盈利之加權平均股份數目	2,326,353	2,250,223
Effect of dilutive potential ordinary shares:	普通股之潛在攤薄影響:		
Convertible bonds	可換股債券	53,212	
Options attached to convertible bonds	可換股債券所附購股權	15	
		53,227	
Weighted average number of shares for the purpose of calculating diluted earnings per share	以計算經攤薄每股盈利之加權平均股份數目	2,379,580	

There was no dilution effect on earnings per share for 2004 as there were no dilutive potential ordinary shares in issue in that year.

由於二零零四年並無具攤薄潛力之已發行普通股,故此對該年度之每股盈利並無攤薄影響。

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12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 千港元	Plant and machinery and telecommuni- cations networks 廠房、機器 及電訊網絡 HK\$'000 千港元	Total 總計 HK\$'000 千港元
THE GROUP	本集團			
COST	成本值			
At 1 July 2004	於二零零四年七月一日	22,086	341,165	363,251
Currency realignment	匯兌調整	(216)	(832)	(1,048)
Additions	添置	–	7,962	7,962
Disposals	出售	–	(24,091)	(24,091)
At 30 June 2005	於二零零五年六月三十日	21,870	324,204	346,074
DEPRECIATION AND AMORTISATION	折舊及攤銷			
At 1 July 2004	於二零零四年七月一日	5,139	306,995	312,134
Currency realignment	匯兌調整	(63)	(2,149)	(2,212)
Provided for the year	年內撥備	554	15,061	15,615
Eliminated on disposals	出售撇除	–	(23,780)	(23,780)
At 30 June 2005	於二零零五年六月三十日	5,630	296,127	301,757
NET BOOK VALUES	賬面淨值			
At 30 June 2005	於二零零五年六月三十日	16,240	28,077	44,317
At 30 June 2004	於二零零四年六月三十日	16,947	34,170	51,117

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

12. 物業、廠房及設備 (續)

		THE 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
The net book values of the Group's property interests comprise:	本集團之物業權益賬面淨值包括:		
Freehold properties held outside Hong Kong	於香港以外地區持有永久業權之物業	15,042	15,735
Properties held outside Hong Kong under long leases	於香港以外地區持有長期契約之物業	1,198	1,212
		16,240	16,947
Net book value of plant and machinery and telecommunications networks held under finance leases	按融資租賃持有之廠房及機器及電訊網絡之賬面淨值	133	871
The Group leases equipment to customers on operating lease terms. The net book value of such equipment, which is included in plant and machinery and telecommunications networks, is as follows:	本集團以經營租賃方式租賃器材予客戶。 有關器材之賬面淨值已包括在廠房及機器及電訊網絡內，茲分列如下:		
Customer equipment at cost	客戶器材 (按成本值)	110,060	117,506
Less: Accumulated depreciation	減: 累計折舊	(103,137)	(108,818)
Net book value	賬面淨值	6,923	8,688

At 30 June 2005, certain land and buildings of the Group with a net book value of HK\$10,277,000 (2004: HK\$10,467,000) were pledged to a bank as security for banking facilities granted to the Group.

本集團於二零零五年六月三十日賬面淨值為10,277,000港元(二零零四年: 10,467,000港元)之若干土地及樓宇已抵押予銀行，作為本集團獲得銀行融資之擔保。

13. INVESTMENTS IN SUBSIDIARIES

13. 附屬公司之投資

		THE 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 carrying value	非上市股份之賬面值	232,890	232,890

The carrying value of the unlisted shares is based on the book values of the underlying net assets of the subsidiaries at the time they became members of the Group under the group reorganisation in 1996.

非上市股份之賬面值乃以本集團於一九九六年重組時其附屬公司成為集團成員當日各附屬公司之相關資產賬面淨值為基準。

Details of the Company's principal subsidiaries at 30 June 2005 are set out in note 41.

本公司各主要附屬公司於二零零五年六月三十日之詳情載於附註41。

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14. AMOUNTS DUE FROM (TO) SUBSIDIARIES

THE COMPANY

The amounts are unsecured, interest-free and have no fixed repayment terms.

Included in amounts due from subsidiaries at 30 June 2005 is an amount of approximately HK\$14,369,000 (2004: HK\$13,854,000) which is subordinated to a bank borrowing related to credit facilities of approximately HK\$56,054,000 (2004: HK\$87,822,000) granted by a bank to a subsidiary during the year.

14. 應收(應付)附屬公司款項

本公司

該筆款項為無抵押、免息及無固定還款期。

於二零零五年六月三十日，包括於應收附屬公司款項之約14,369,000港元(二零零四年：13,854,000港元)，該等款項後償於一間銀行年內授予一間附屬公司約56,054,000港元(二零零四年：87,822,000港元)之銀行借貸融資。

15. SYSTEMS AND NETWORKS

15. 系統及網絡

		THE 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
COST	成本值		
At beginning of the year	年初	350,197	417,020
Transferred from deposits	按金撥出	136,500	39,000
Acquired during the year	年內收購	-	132,600
Transferred to investments	撥入投資	-	(238,423)
At end of the year	年結	486,697	350,197
AMORTISATION	攤銷		
At beginning of the year	年初	75,129	71,835
Provided for the year	本年度撥備	56,585	83,330
Eliminated on transfer to investments	撥入投資時抵銷	-	(80,036)
At end of the year	年結	131,714	75,129
NET BOOK VALUE	賬面淨值		
At end of the year	年結	354,983	275,068
Net book value of systems and networks under development	發展中之系統及網絡之賬面淨值	-	132,600

Systems and networks include all direct costs incurred in setting up and development of internet based knowledge systems and networks. The Group's systems and networks are amortised over the estimated economic lives of the projects from the date of commencement of commercial operations subject to a maximum of five years.

系統及網絡包括設立及開發有關互聯網為本知識系統及網絡之所有直接成本。本集團之系統及網絡按個別項目由投產日期起計之估計經濟年期(最多為五年)予以攤銷。

16. INTEREST IN E-COMMERCE PROJECTS

16. 於電子商貿項目之權益

		THE 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
Unlisted investments in e-commerce projects with guaranteed return, at cost	電子商貿項目之有保證回報 非上市投資，按成本值	127,052	127,052
Capital receipts from the investments	投資所收之資本	(26,140)	(9,081)
Impairment losses recognised	已確認減值虧損	(28,094)	(28,094)
		72,818	89,877

The Group has entered into agreements with third parties to invest in e-commerce projects. These agreements have contract terms of 20 years over which the Group has the right to receive distributions based on an agreed percentage of the net revenue of each of these projects.

In 2004, the Group assigned the interest in certain e-commerce projects with an aggregate carrying value of approximately HK\$55,994,000 to various investment holding companies and in return obtained certain equity interests in these investment holding companies. Under the terms of the sale and purchase agreements, the Group is contracted to receive pre-determined sums of not less than the original beneficial interest of the revenue sharing arrangement as stated in the original revenue sharing agreements for the e-commerce projects. The pre-determined sums will be received for a period of 5 years by half-yearly instalments as a return on the investments in accordance with the relevant sale and purchase agreements.

In 2004, the directors of the Company reviewed the carrying amount of the interest in e-commerce projects in light of the current market condition with reference to the financial results and business operated by the investees. The directors identified an impairment loss of HK\$12,749,000 on the interest in e-commerce projects, estimated by reference to the fair value of the investments based on expected cash flows projection from such investments.

In the opinion of the directors, the underlying values of the above investments are at least equal to their carrying values.

本集團已與第三者訂立協議，以投資於電子商貿項目。此等協議之合約期為20年，期間，本集團有權按各項此等項目之收入淨額之協定百分比收取分派。

於二零零四年，本集團將其總賬面值約55,994,000港元之若干電子商貿項目之權益轉讓予多家投資控股公司，並已獲得此等投資控股公司之若干股本權益作為回報。根據買賣協議之條款，本集團已訂約收取預定金額，數額不少於收入分佔安排之原定實益權益（見電子商貿項目之原定收入分佔協議所述）。根據有關買賣協議，預定金額將於5年期間內每半年分期收取作為投資回報。

於二零零四年，本公司董事已因應現行市場情況，並參考被投資者之財務業績及經營業務，審閱電子商貿項目之權益之賬面值。董事就電子商貿項目之權益認定減值虧損12,749,000港元，此乃基於預計該等投資所得現金流量，參考投資之公平價值而估計。

董事認為，上述投資之相關價值最少相等於其賬面值。

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17. INVESTMENTS
THE GROUP17. 投資
本集團

	Investments with guaranteed return		Investment securities without guaranteed return		Total		
	有保證回報 之投資		無保證回報 之證券投資		總計		
	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	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	
Unlisted equity securities, at cost/carrying value	非上市股本證券·按 成本值/賬面值	157,396	122,296	3,887	3,887	161,283	126,183
Capital receipts from the investments	投資所收之資本	(19,932)	-	-	-	(19,932)	-
Impairment loss recognised	已確認減值虧損	(7,997)	-	(3,887)	(3,887)	(11,884)	(3,887)
		129,467	122,296	-	-	129,467	122,296

In 2004, the Group transferred its interest in certain systems and networks to various investment holding companies and in return obtained certain equity interests in these investment holding companies with an aggregate carrying value of approximately HK\$122,296,000. Under the terms of the sale and purchase agreements, the Group is contracted to receive pre-determined sums for a period of 5 years by half-yearly instalments as a return on the investments in accordance with the relevant sale and purchase agreements.

During the year, the directors of the Company reviewed the carrying amount of the investments in light of the current market condition with reference to the financial results and business operated by the investees. The directors identified an impairment loss of HK\$7,997,000 on the investments, estimated by reference to the fair value of the investments based on expected cash flows projection from such investments.

In the opinion of the directors, the underlying values of the above investments are at least equal to their carrying values.

於二零零四年，本集團將若干系統及網絡之權益轉讓予多家投資控股公司，並取得該等投資控股公司之股本權益總賬面值約122,296,000港元作為回報。根據買賣協議之條款，本集團已訂約於五年期間內每半年分期付款之形式收取預定金額，作為根據有關買賣協議於該等投資之回報。

年內，本公司董事已因應現行市場情況，並參考被投資者之財務業績及經營業務，審閱投資之賬面值。董事已就投資確認減值虧損7,997,000港元，此乃基於預計等投資所得現金流量，參考投資之公平價值而估計。

董事認為，上述投資之相關價值最少相等於其賬面值。

18. DEPOSITS

Deposits were paid in connection with projects relating to the following:

18. 按金

有關以下項目已付之按金：

		THE 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
Systems and networks	系統及網絡	288,600	136,500

19. INVENTORIES

19. 存貨

		THE 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
Raw materials	原料	13,047	15,047
Work in progress	在製品	2,326	2,193
Finished goods	製成品	8,265	6,067
		23,638	23,307

All inventories are stated at cost.

所有存貨以成本值列賬。

20. TRADE AND OTHER RECEIVABLES

20. 應收貿易及其他賬款

		THE 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
Trade receivables	應收貿易賬款		
Guaranteed distribution receivables	應收保證分派	28,653	7,215
Others	其他	215,247	164,899
		243,900	172,114
Other receivables	其他應收賬款	95,690	115,327
		339,590	287,441

The Group maintains a well-defined credit policy regarding its trade customers dependent on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 to 180 days. The aged analysis of trade receivables at the reporting date is as follows:

本集團就其貿易客戶實行明確之信貸政策。根據彼等之信用、服務及貨品之性質、行內規範及市場情況而給予30至180日之信貸期。應收貿易賬款於報告日期之賬齡分析如下：

		THE 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
0 – 60 days	0 – 60日	217,558	107,272
61 – 90 days	61 – 90日	17,811	40,310
91 – 180 days	91 – 180日	1,724	20,933
> 180 days	> 180日	6,807	3,599
		243,900	172,114

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21. DEPOSITS, BANK BALANCES AND CASH

21. 存款、銀行結存及現金

		THE GROUP 本集團		THE 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
Interest bearing deposits	計息存款	122,484	66,864	52,373	–
Bank balances and cash	銀行結存及現金	16,889	11,499	178	11
		139,373	78,363	52,551	11

22. TRADE AND OTHER PAYABLES

At 30 June 2005, the balance of trade and other payables included trade payables of HK\$10,632,000 (2004: HK\$10,845,000). The aged analysis of trade payables at the reporting date is as follows:

22. 應付貿易及其他賬款

於二零零五年六月三十日，應付貿易及其他賬款之結餘中包括10,632,000港元（二零零四年：10,845,000港元）之應付貿易賬款。應付貿易賬款於報告日期之賬齡分析如下：

		THE 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
0 – 60 days	0 – 60日	5,877	5,259
61 – 90 days	61 – 90日	622	1,570
91 – 180 days	91 – 180日	1,300	855
> 180 days	> 180日	2,833	3,161
		10,632	10,845

23. WARRANTY PROVISION

23. 保養撥備

		THE 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 1 July 2004	於二零零四年七月一日	1,766	2,058
Currency realignment	匯兌調整	(8)	129
Provided during the year	年內已撥備	2,870	2,291
Utilised during the year	年內已動用	(2,912)	(2,712)
At 30 June 2005	於二零零五年六月三十日	1,716	1,766

The warranty provision represents the management's best estimate of the Group's liability under 12 month warranties granted on manufactured products, based on prior experience and industry average for defective products.

保養撥備指管理層按照過往經驗及業內對有瑕疵產品之慣常做法，根據就製成品給予之12個月保養期而對本集團責任作出之最佳評估。

24. RETIREMENT BENEFITS SCHEMES

Defined contribution scheme

Certain subsidiaries of the Company have a retirement benefit scheme covering a portion of their employees. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee.

The retirement benefit scheme contributions charged to the consolidated income statement represent contributions payable to the funds by the Group at rates specified in the rules of the scheme. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contribution payable by the Group is reduced by the amount of forfeited contributions.

Commencing from December 2000, the Group enrolled all eligible employees in Hong Kong into a mandatory provident fund (the "MPF") scheme. The retirement benefit cost of the MPF scheme charged to the consolidated income statement represents contributions to the MPF scheme by the Group at rates specified in the rules of the MPF scheme.

During the year, retirement benefits scheme contributions paid for the above schemes, net of nil (2004: nil) forfeited contributions, amounted to HK\$152,000 (2004: HK\$275,000).

Defined benefit scheme

Certain subsidiaries of the Company operates a self-administered, funded pension scheme. The scheme provides defined pension benefits related to service, and final earnings and capital sums on death. Membership is optional for all staff paid monthly and aged over 21 years.

The contributions which are determined by a qualified actuary on the basis of triennial valuations using the projected unit credit method are charged to the income statement. Under the scheme, the employees are entitled to a pension between 1.67% and 2.50% of final salary for each year of pensionable service at a normal age of 65. No other post-retirement benefits are provided. The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligations were carried out at 31 December 2003 by Ms. Alison Bostock, Fellow of the Institute of Actuaries, and were updated to 30 June 2005 for the accounting reporting purpose. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries, pensions and share dividends.

The main actuarial assumptions used were as follows:

		30.6.2005 二零零五年 六月三十日	30.6.2004 二零零四年 六月三十日
Discount rate	貼現率	5.00%	5.70%
Expected return on scheme assets	預期之計劃資產回報	6.40%	7.60%
Expected rate of salary increase	預期之薪金升幅	2.80%	3.00%
Future pension increases	未來之退休金升幅	2.80%	3.00%

24. 退休福利計劃

定額供款計劃

本公司屬下若干附屬公司為大部分僱員設立一項退休福利計劃。該項計劃之資產與本集團之資產分開持有，並存於由獨立受託人控制之基金內。

自綜合損益表扣除之退休福利計劃供款乃本集團按計劃規則指定之比率向有關基金支付之供款。倘僱員於合資格領取全部供款之前退出計劃，本集團應付之供款將以已沒收之供款扣減。

自二零零零年十二月起，本集團規定其於香港之所有合資格僱員參與強制性公積金（「強積金」）計劃。於綜合損益表扣除之強積金計劃退休福利費用指本集團按強積金計劃規則規定之比率對強積金計劃作出之供款。

於年內，上述計劃已支付之退休福利計劃供款（扣除金額為零（二零零四年：零）之沒收供款後）為152,000港元（二零零四年：275,000港元）。

定額福利計劃

本公司屬下若干附屬公司設立一項自行管理之退休福利計劃。上述計劃乃提供有關僱員服務期間之定額退休福利、僱員身故時之最後損益及撫恤金。以月薪計及年滿21歲之所有僱員可選擇參加上述計劃。

根據合資格精算師每隔三年按預計單位貸記法進行估值加以評估之供款，乃於損益表中扣除。根據該計劃，僱員一般於年屆65歲時就每年提供可獲退休金之服務應得之退休金介乎最終薪金之1.67%至2.50%之間。本集團並無提供其他退休後福利。最近之計劃資產精算估值及定額福利承擔現值乃於二零零三年十二月三十一日由精算學會成員Alison Bostock女士進行，並已於二零零五年六月三十日更新，以便進行會計申報事宜。對估值結果最具影響之假設乃有關投資回報率及薪金、退休金與股息之增加比率方面之假設。

所用之主要精算假設如下：

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24. RETIREMENT BENEFITS SCHEMES (Continued)

Defined benefit scheme (Continued)

The actual valuation updated to 30 June 2005 showed that the market value of the scheme assets was HK\$207,735,000 (2004: HK\$189,951,000) and that the actuarial value of these assets represented 61% (2004: 65%) of the benefits that had accrued to members. The shortfall of HK\$12,777,000, which is the excess of net unrecognised actuarial losses over the greater of 10% of the fair value of scheme assets and 10% of the present value of funded obligations, is to be cleared over the estimated remaining service period of current membership of 10 years.

Amounts recognised in the consolidated income statement in respect of the defined benefit pension scheme are as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current service cost	現行服務成本	7,394	3,365
Actuarial losses recognised	已確認之精算虧損	-	446
		7,394	3,811

The charge for the year has been included in general and administrative expenses.

The amount included in the balance sheet arising from the Group's obligations in respect of its defined benefit pension scheme 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
Fair value of scheme assets	計劃資產之公平值	207,735	189,951
Present value of funded obligations	資金承擔之現值	(339,292)	(294,417)
Net unrecognised actuarial losses	未確認之精算虧損淨額	46,706	18,697
		(84,851)	(85,769)

Movements in the net liability in the both years were as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
At beginning of the year	年初	(85,769)	(78,114)
Currency realignment	匯兌調整	1,151	(7,370)
Amount charged to the consolidated income statement	在綜合損益表扣除之款項	(7,394)	(3,811)
Contributions	供款	7,161	3,526
At end of the year	年結	(84,851)	(85,769)

24. 退休福利計劃 (續)

定額福利計劃 (續)

更新至二零零五年六月三十日之精算估值顯示，計劃之資產市值為207,735,000港元（二零零四年：189,951,000港元），而該等資產之精算價值為僱員應得福利之61%（二零零四年：65%）。為數12,777,000港元之缺額，即未確認精算虧損淨額高於計劃資產公平值之10%或已注資承擔現值之10%（以較高者為準）之數額，於現職僱員之預計剩餘服務年期（以10年估計）內清還。

就定額福利退休計劃於綜合損益表中確認之金額如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current service cost	現行服務成本	7,394	3,365
Actuarial losses recognised	已確認之精算虧損	-	446
		7,394	3,811

本年度支出已計入一般及行政開支。

因本集團之定額福利退休計劃承擔而產生之金額已計入資產負債表，載述如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Fair value of scheme assets	計劃資產之公平值	207,735	189,951
Present value of funded obligations	資金承擔之現值	(339,292)	(294,417)
Net unrecognised actuarial losses	未確認之精算虧損淨額	46,706	18,697
		(84,851)	(85,769)

兩個年度之負債淨額變動如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
At beginning of the year	年初	(85,769)	(78,114)
Currency realignment	匯兌調整	1,151	(7,370)
Amount charged to the consolidated income statement	在綜合損益表扣除之款項	(7,394)	(3,811)
Contributions	供款	7,161	3,526
At end of the year	年結	(84,851)	(85,769)

25. AMOUNT DUE TO ULTIMATE HOLDING COMPANY THE GROUP AND THE COMPANY

The amount is unsecured and interest-free.

25. 應付最終控股公司款項 本集團及本公司

該筆款項為無抵押及免息。

26. BANK BORROWINGS

26. 銀行借貸

		THE 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
Bank borrowings comprise the following:	銀行借貸包括下列各項:		
Bank loans	銀行貸款	56,054	62,326
Mortgage loan	按揭貸款	2,347	2,970
Bank overdrafts	銀行透支	519	50
		58,920	65,346

Included in above were bank borrowings of HK\$2,866,000 (2004: HK\$3,020,000), which were secured by the Group's land and buildings with a net book value of HK\$10,277,000 (2004: HK\$10,467,000).

包括於上述款項為銀行借貸2,866,000港元(二零零四年:3,020,000港元)·已由本集團以賬面淨值為10,277,000港元(二零零四年:10,467,000港元)之土地及樓宇作抵押。

		THE 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
Bank borrowings bear interest at prevailing market rates and are repayable as follows:	按現行市場利率計息之 銀行借貸之還款期如下:		
On demand or within one year	按通知或一年內	57,202	62,984
Between one to two years	一至兩年內	672	647
Between two to five years	兩至五年內	1,046	1,715
		58,920	65,346
Less: Amount due within one year shown under current liabilities	減:一年內到期並已列作流動 負債之金額	(57,202)	(62,984)
Amount due after one year	一年後到期之金額	1,718	2,362

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27. OTHER BORROWINGS

27. 其他借貸

		THE 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
The other borrowings represent block discounting loans and are repayable as follows:	其他借貸指大宗折扣貸款， 還款期如下：		
Within one year	一年內	4,309	7,425
Between one to two years	一至兩年內	2,594	4,355
Between two to five years	兩至五年內	2,299	4,757
Over five years	於五年後	—	189
		9,202	16,726
Less: Amount due within one year shown under current liabilities	減：一年內到期並已列作 流動負債之金額	(4,309)	(7,425)
Amount due after one year	一年後到期之金額	4,893	9,301

28. OBLIGATIONS UNDER FINANCE LEASES
THE GROUP28. 融資租賃承擔
本集團

		Minimum lease payments 租賃最低付款額		Present value of minimum lease payments 租賃最低付款額之現時價值	
		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
Amounts payable under finance leases:	根據融資租賃於 以下期間應付之金額：				
Within one year	一年內	20	239	16	203
Between one to two years	一至兩年內	—	55	—	52
Between two to five years	兩至五年內	—	94	—	94
		20	388	16	349
Less: Finance charges	減：財務費用	(4)	(39)	—	—
Present value of lease obligations	租賃承擔現時價值	16	349	16	349
Less: Amount due within one year shown under current liabilities	減：一年內到期並已列作 流動負債之金額			(16)	(203)
Amount due after one year	一年後到期之金額			—	146

28. OBLIGATIONS UNDER FINANCE LEASES

(Continued)

THE GROUP (Continued)

The Group entered into finance leases to acquire certain of its plant and machinery and telecommunications networks. The term of the finance leases ranged from 3 to 5 years and the average effective borrowing rate was 11.75% (2004: 12.11%). Interest rate was fixed at the contract date. The leases were on a fixed repayment basis and no arrangement had been entered into for contingent rental payments.

29. CONVERTIBLE BONDS

1% convertible bonds issued during the year and balance at end of the year

年內已發行之1厘可換股債券及年結結餘

THE GROUP AND THE COMPANY	
本集團及本公司	
2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
62,400	—

On 1 April 2005, the Company entered into a subscription agreement (the "Subscription Agreement") with an independent third party (the "Bondholder") for the subscription of an aggregate principal amount of up to US\$24,000,000 1% convertible bonds due 2008 (the "Convertible Bonds") issued by the Company. The principal terms of the Convertible Bonds are as follows:

- (a) The outstanding principal amount of the Convertible Bonds may be converted at the option of the Bondholders in whole or in part into shares of HK\$0.1 each in the Company at any time from the date of issue of the Convertible Bonds up to one week prior to 1 April 2008, the maturity date of the Convertible Bonds, at a price equal to either 125% of the average of the closing prices per share for the 30 consecutive business days immediately prior to the date of the Subscription Agreement, subject to adjustment (the "Fixed Conversion Price") or 93% of the average of any five consecutive closing prices per share as selected by the Bondholder during the 30 consecutive business days immediately prior to the date on which notice of exercise of the bondholder is received by the Company (the "Floating Conversion Price"), provided that both the Fixed Conversion Price and the Floating Conversion Price shall not be less than the par value of the Company's shares.
- (b) The Convertible Bonds bear interest at the rate of 1% per annum and interest will be payable semi-annually in arrears in June and December in each year.
- (c) Unless previously redeemed, converted or purchased and cancelled, the Convertible Bonds will be redeemed at 100% of the principal amount at maturity.

28. 融資租賃承擔 (續)

本集團 (續)

本集團已訂立融資租賃，以購入其若干廠房、機器及電訊網絡。融資租賃年期由三年至五年不等，而實際平均借貸率為11.75厘（二零零四年：12.11厘）。利率已於訂約日期釐訂。租金乃按固定還款基準繳付，且並無就或然租金款項訂立任何安排。

29. 可換股債券

於二零零五年四月一日，本公司已就認購本公司所發行於二零零八年到期，本金總額多至24,000,000美元之1厘可換股債券（「可換股債券」）與獨立第三者（「債券持有人」）訂立認購協議（「認購協議」）。可換股債券之主要條款如下：

- (a) 可換股債券之尚未償還金額可按債券持有人之意願，自可換股債券發行日期至二零零八年四月一日可換股債券到期前一個星期期間內任何時間，按相等於股份於緊接認購協議日期前30個連續營業日之每股平均收市價之125%之價格（可予調整）（「固定兌換價」），或緊接本公司取得債券持有人之行使通知前30個連續營業日期間，債券持有人所選擇之任何連續五個每股收市價平均數之93%之價格（「浮動兌換價」），全部或部分兌換為本公司每股面值0.1港元之股份，惟固定兌換價及浮動兌換價兩者均不得低於本公司股份之面值。
- (b) 可換股債券乃按年利率1厘計息，而利息於每年六月及十二月每半年分期支付。
- (c) 除非可換股債券已於早前贖回、兌換或購入及註銷，否則可換股債券於到期時可贖回全數本金。

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29. CONVERTIBLE BONDS (Continued)

As part of the Subscription Agreement, the Company has also granted to the Bondholder the right to subscribe for up to 30,437,073 new shares in the Company at a subscription price of HK\$0.3844 per share.

Pursuant to the Subscription Agreement, the Company issued part of the Convertible Bonds with an aggregate principal amount of US\$8,000,000, the Bondholder has an option to require the Company to issue additional Convertible Bonds of US\$8,000,000 within a defined period and the Company was also granted an option to issue and require the Bondholder to subscribe an aggregate principal amount of Convertible Bonds of US\$8,000,000 within a defined period.

Subsequent to the balance sheet date and up to date of this report, US\$3,400,000 of the issued Convertible Bonds was converted into 74,160,000 shares of HK\$0.1 each of the Company at price ranged from HK\$0.3274 to HK\$0.3637 per share.

30. DEFERRED TAXATION

The movement for the year comprises the taxation effect of the difference between depreciation allowances claimed for tax purposes and depreciation charged in the financial statements.

At the balance sheet date, deferred taxation represented the taxation effect of the excess of depreciation allowances claimed for tax purposes over depreciation charged in the financial statements.

At the balance sheet date, the Group has unused tax losses of approximately HK\$28,604,000 (2004: HK\$28,913,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. These tax losses may be carried forward indefinitely.

There was no significant unprovided deferred taxation for the Company during the year or at the balance sheet date.

29. 可換股債券 (續)

作為認購協議之一部分，本公司亦已授予債券持有人權利，以按認購價每股0.3844港元認購多至30,437,073股本公司新股份。

根據認購協議，本公司已發行部分本金總額為8,000,000美元之可換股債券。債券持有人有權要求本公司於指定期間內發行額外8,000,000美元之可換股債券，而本公司亦已獲授予一項期權，可於指定期限內發行及要求債券持有人認購本金總額為8,000,000美元之可換股債券。

於結算日後直至本報告日期，3,400,000美元之已發行可換股債券已按介乎每股0.3274港元至0.3637港元之價格兌換為本公司74,160,000股每股面值0.1港元之股份。

30. 遞延稅項

		THE 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
Balance at beginning of the year	年初結餘	193	190
Currency realignment	匯兌調整	18	16
Movement for the year (note 9)	年內變動(附註9)	(18)	(13)
Balance at end of the year	年終結餘	193	193

年內之變動乃指因就稅項目的而呈報之折舊免稅額與財務報告內折舊支出之差額而引起之稅務影響。

於結算日，遞延稅項乃指因就稅項目的而呈報之折舊免稅額超逾財務報告內之折舊支出所引起之稅務影響。

於結算日，本集團可供抵銷未來溢利之未動用稅項虧損約28,604,000港元(二零零四年:28,913,000港元)。由於未能預測日後溢利之流向，故並無確認任何遞延稅項資產，該等稅項虧損或將無限期承前結轉。

於年內或於結算日，本公司並無任何未撥備之重大遞延稅項。

31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised share capital of HK\$0.10 each: Balance at 30 June 2004 and 30 June 2005	每股面值0.10港元之法定股本: 於二零零四年六月三十日及 二零零五年六月三十日之結餘	3,000,000	300,000
Issued and fully paid share capital of HK\$0.10 each:	每股面值0.10港元之已發行及 繳足股本:		
Balance at 1 July 2003	於二零零三年七月一日之結餘	2,220,962	222,096
Issue of shares as 2003 final scrip dividend	發行股份作為二零零三年 末期以股代息	66,804	6,680
Issue of shares as 2004 interim scrip dividend	發行股份作為二零零四年 中期以股代息	20,575	2,058
Balance at 30 June 2004	於二零零四年六月三十日之結餘	2,308,341	230,834
Issue of shares as 2004 final scrip dividend	發行股份作為二零零四年 末期以股代息	34,769	3,477
Issue of shares as 2005 interim scrip dividend	發行股份作為二零零五年 中期以股代息	50,014	5,001
Balance at 30 June 2005	於二零零五年六月三十日之結餘	2,393,124	239,312

During the year, the following changes in the share capital of the Company took place:

本年度內，本公司之股本出現下列變動：

- (a) In January 2005, 34,768,560 shares of HK\$0.1 each were issued at a price of HK\$0.23 per share upon election by shareholders to receive shares in the Company in lieu of the 2004 final dividend pursuant to the scrip dividend scheme as detailed in a circular dated 20 December 2004; and
- (b) In June 2005, 50,013,866 shares of HK\$0.1 each were issued at a price of HK\$0.316 per share upon election by shareholders to receive shares in the Company in lieu of the 2005 interim dividend pursuant to the scrip dividend scheme as detailed in a circular dated 12 April 2005.

- (a) 於二零零五年一月，股東選擇根據日期為二零零四年十二月二十日之通函所述之以股代息股息計劃收取本公司股份代替二零零四年末期股息，本公司按每股0.23港元之價格發行34,768,560股每股面值0.1港元之股份；及
- (b) 於二零零五年六月，股東選擇根據日期為二零零五年四月十二日之通函所述之以股代息股息計劃收取本公司股份代替二零零五年中期股息，本公司按每股0.316港元之價格發行50,013,866股每股面值0.1港元之股份。

All shares issued rank pari passu with the then existing shares in issue in all respects.

所有已發行股份與當時之現有已發行股份於各方面均擁有同等權益。

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32. SHARE OPTION SCHEMES

On 29 November 2002, the Company adopted the share option scheme (the "Scheme") which will expire on 28 November 2012. The purpose of the Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the Scheme, the directors may grant options to any eligible persons of the Group, including directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the Company, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Group, to subscribe for shares in the Company. Options granted are exercisable at any time for a period determined by its directors which will be less than ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

The exercise price (subject to adjustment as provided therein) of the option shares under the Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which the options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at the date of approval of the Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue on the last date of such 12-month period, without prior approval from the Company's shareholders. No share option under the Scheme was granted since its adoption.

32. 購股權計劃

於二零零二年十一月二十九日，本公司採納購股權計劃（「計劃」），而計劃將於二零一二年十一月二十八日屆滿。計劃之目的在於吸引及挽留優秀人員及其他人士，並為彼等提供獎勵，激發彼等對本集團之業務及運作作出貢獻。根據計劃，董事可向本集團任何合資格人士，包括涉及本公司、其附屬公司或聯屬公司之業務、營運、管理、技術、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及本集團之客戶及供應商授出購股權，以認購本公司股份。已授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。

根據計劃，購股權之行使價（可按其中規定而予以調整）等於(i)股份面值；(ii)股份於授出日期（必須為營業日）在聯交所每日報價表所報之每股收市價；及(iii)股份於緊接授出日期前五個營業日在聯交所每日報價表所報之每股平均收市價，三者以最高者為準。根據計劃授出之購股權所涉及之股份數目上限不得超出本公司於計劃批准日期之已發行股本10%。然而，因行使全部尚未行使購股權而可予發行之股份總數上限不得超出本公司於任何時間內之已發行股本之30%。在未經本公司股東事先批准前，於任何十二個月期間，向任何個別人士授出購股權所涉及之股份數目，不得超出本公司在該十二個月期間最後一日之已發行股份1%。自計劃採納至今，並無根據計劃授出任何購股權。

33. RESERVES

33. 儲備

		Share premium 股份溢價 HK\$'000 千港元	Dividend reserve 股息儲備 HK\$'000 千港元	Goodwill reserve 商譽儲備 HK\$'000 千港元	Translation reserve 換算儲備 HK\$'000 千港元	Accumulated profits 累計溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE GROUP	本集團						
At 1 July 2003	於二零零三年七月一日	-	13,326	(44,036)	(455)	501,225	470,060
Exchange difference arising on translation of operations outside Hong Kong	因海外業務之幣值換算 所產生之匯兌差額	-	-	-	(8,602)	-	(8,602)
Premium arising from issue of shares on distribution of scrip dividend	因派付以股代息股息而 發行股份所產生 之溢價	6,940	-	-	-	-	6,940
Net profit for the year	本年度純利	-	-	-	-	154,867	154,867
Dividends for the year	本年度股息						
- interim	- 中期	-	13,727	-	-	(13,727)	-
- final	- 末期	-	15,004	-	-	(15,004)	-
Dividends paid	已派發股息	-	(11,375)	-	-	-	(11,375)
Issue of shares as scrip dividend	發行股份作為以股 代息股息	-	(15,678)	-	-	-	(15,678)
At 30 June 2004 and 1 July 2004	於二零零四年六月三十日及 二零零四年七月一日	6,940	15,004	(44,036)	(9,057)	627,361	596,212
Exchange difference arising on translation of operations outside Hong Kong	因海外業務之幣值換算 所產生之匯兌差額	-	-	-	550	-	550
Premium arising from issue of shares on distribution of scrip dividend	因派付以股代息股息而 發行股份所產生 之溢價	15,323	-	-	-	-	15,323
Net profit for the year	本年度純利	-	-	-	-	267,928	267,928
Dividends for the year	本年度股息						
- interim	- 中期	-	23,431	-	-	(23,431)	-
- final	- 末期	-	26,324	-	-	(26,324)	-
Dividends paid	已派發股息	-	(14,634)	-	-	-	(14,634)
Issue of shares as scrip dividend	發行股份作為以股代息 股息	-	(23,801)	-	-	-	(23,801)
At 30 June 2005	於二零零五年六月三十日	22,263	26,324	(44,036)	(8,507)	845,534	841,578

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33. RESERVES (Continued)

33. 儲備 (續)

		Share premium 股份溢價 HK\$'000 千港元	Dividend reserve 股息儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Accumulated profits 累計溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE COMPANY	本公司					
At 1 July 2003	於二零零三年七月一日	-	13,326	195,874	14,529	223,729
Premium arising from issue of shares on distribution of scrip dividend	因派付以股代息股息而 發行股份所產生 之溢價	6,940	-	-	-	6,940
Net profit for the year	本年度純利	-	-	-	38,393	38,393
Dividends for the year	本年度股息					
- interim	- 中期	-	13,727	-	(13,727)	-
- final	- 末期	-	15,004	-	(15,004)	-
Dividends paid	已派發股息	-	(11,375)	-	-	(11,375)
Issue of shares as scrip dividend	發行股份作為以股 代息股息	-	(15,678)	-	-	(15,678)
At 30 June 2004 and 1 July 2004	於二零零四年六月三十日及 二零零四年七月一日	6,940	15,004	195,874	24,191	242,009
Premium arising from issue of shares on distribution of scrip dividend	因派付以股代息股息而 發行股份所產生 之溢價	15,323	-	-	-	15,323
Net profit for the year	本年度純利	-	-	-	65,981	65,981
Dividends for the year	本年度股息					
- interim	- 中期	-	23,431	-	(23,431)	-
- final	- 末期	-	26,324	-	(26,324)	-
Dividends paid	已派發股息	-	(14,634)	-	-	(14,634)
Issue of shares as scrip dividend	發行股份作為以股 代息股息	-	(23,801)	-	-	(23,801)
At 30 June 2005	於二零零五年六月三十日	22,263	26,324	195,874	40,417	284,878

The special reserve represents the difference between the book values of the underlying net assets of subsidiaries at the date on which the shares of these companies were acquired by the Company together with the capitalisation of a shareholder's loan of HK\$100,000,000, and the nominal amount of the Company's shares issued for the acquisition.

特別儲備即在本公司收購附屬公司之日，該等公司之相關資產賬面淨值連同一筆撥作資本之股東貸款100,000,000港元與本公司為上述收購所發行股份之面值兩者相比所得之差額。

The Company's reserves available for distribution to shareholders as at 30 June 2005 amounted to HK\$262,615,000 (2004: HK\$235,069,000) which comprise dividend reserve, special reserve and accumulated profits.

本公司於二零零五年六月三十日可供分派予股東之儲備為262,615,000港元(二零零四年: 235,069,000港元)，包括股息儲備、特別儲備及累計溢利。

34. DISPOSAL OF A SUBSIDIARY

		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:	已出售資產淨值:		
Amount due from a fellow subsidiary	應收同系附屬公司金額	-	76
Gain on disposal of subsidiaries	出售附屬公司之收益	-	18
		-	94
Satisfied by:	支付方式:		
Cash	現金	-	94

In 2004, the subsidiary disposed of contributed HK\$664,000 to the Group's financing cash flows and had insignificant operating and investing cash flows. The subsidiary disposed of contributed HK\$6,000 to the Group's turnover and made a net loss amounting to HK\$664,000.

Prior to the disposal of the subsidiary, operations of the subsidiary were taken up by other group companies.

34. 出售附屬公司

於二零零四年，已出售附屬公司為本集團之融資現金流量帶來664,000港元，而對經營及投資現金流量之貢獻並不重大。已出售附屬公司為本集團之營業額帶來6,000港元，並帶來虧損淨額664,000港元。

於出售附屬公司前，附屬公司之業務已轉讓予其他集團公司。

35. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Deposits, bank balances and cash	存款、銀行結存及現金	139,373	78,363
Bank overdrafts	銀行透支	(519)	(50)
		138,854	78,313

35. 現金及現金等額之結餘分析

36. CONTINGENT LIABILITIES

		THE 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
Guarantees given to banks and financial institutions in respect of credit facilities granted to subsidiaries	為附屬公司所獲批之信貸融資而向銀行及財務機構作出之擔保	182,987	226,081

36. 或然負債

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36. CONTINGENT LIABILITIES (Continued)

In addition, the Company and a subsidiary issued a guarantee and provided indemnity in favour of an independent third party in respect of a block discounting facility granted to another subsidiary and the amount utilised as at 30 June 2005 was disclosed in note 27.

The Group did not have any significant contingent liabilities at the balance sheet date.

36. 或然負債(續)

此外，本公司及一間附屬公司就授予另一間附屬公司之大宗折扣融資，向獨立第三方作出擔保及提供賠償保證。截至二零零五年六月三十日已動用之金額載於附註27。

本集團於結算日概無任何重大或然負債。

37. CAPITAL COMMITMENTS

Capital expenditure in respect of property, plant and equipment and systems and networks authorised but not contracted for	物業、廠房及設備與系統及網絡之已授權但未訂合約資本開支
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The Company did not have any capital commitments at the balance sheet date.

37. 資本承擔

THE 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
112,375	98,464

本公司於結算日概無任何資本承擔。

38. OPERATING LEASE ARRANGEMENTS

The Group as lessee

At the balance sheet date, the Group had future minimum lease payments payable under non-cancellable operating leases in respect of rented premises and machinery and equipment which fall due as follows:

38. 經營租賃安排

本集團作為承租人

於結算日，本集團多項有關租用物業與機器及設備之不可註銷經營租賃於日後應付之租賃最低付款額之到期情況如下：

		2005 二零零五年		2004 二零零四年	
		Land and buildings 土地及樓宇 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元	Land and buildings 土地及樓宇 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元
Within one year	一年內	190	274	150	328
In the second to fifth years inclusive	第二至第五年 (首尾兩年包括在內)	1,333	1,238	2,493	5,733
		1,523	1,512	2,643	6,061

Leases are negotiated for terms of one to four years and rentals are fixed for terms of one to four years.

經協商後之租賃年期由一至四年不等，而租金乃按一至四年之年期釐訂。

38. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessor

At the balance sheet date, the Group contracted with tenants in respect of leasing of plant and machinery and telecommunications networks which fall due as follows:

		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	11,236	11,315
In the second to fifth years inclusive	第二至第五年(首尾兩年包括在內)	18,855	18,531
Over five years	於五年後	2,017	1,737
		32,108	31,583

39. POST BALANCE SHEET EVENTS

The following events occurred subsequent to the balance sheet date:

- (a) On 27 August 2005, a wholly owned subsidiary of the Company entered into a conditional acquisition and subscription agreement (the "Agreement") with independent third parties and Aspire Management Limited ("AML") for the acquisition of 660,000 shares, representing 60% of the existing issued share capital of AML, at an aggregate cash consideration of HK\$52,000,000. Under the Agreement, the subsidiary of the Company and the independent third parties will contemporaneously subscribe for an aggregate of 400,000 subscription shares, in proportion to their respective shareholdings in AML upon completion, for cash at the aggregate consideration of HK\$30,000,000 upon completion of the acquisition.

On 4 October 2005, the acquisition was successfully completed upon fulfilment of the conditions contemplated under the Agreement.

- (b) On 22 September 2005, the Company entered into a placing and subscription agreement (the "Placing and Subscription Agreement") with Lawnside International Limited ("Lawnside") and an independent placing agent, agreeing to place up to 240,000,000 existing shares of the Company to independent third parties at HK\$0.73 per share (the "Placing"). Under the Placing and Subscription Agreement, Lawnside also conditionally agreed to subscribe for new shares of the Company which number shall be equal to that of the placing shares successfully placed under the Placing at HK\$0.73 per share (the "Subscription"). The net proceeds from the subscription of approximately HK\$168 million will be used by the Group for future development of the e-lottery business and for general working capital.

The Placing was completed on 26 September 2005 and the Subscription is conditional upon the fulfilment of the conditions contemplated under the Placing and Subscription Agreement.

38. 經營租賃安排(續)

本集團作為出租人

於結算日，本集團已就租賃廠房、機器及電訊網絡與租戶訂立合約，其到期日如下：

39. 結算日後事項

於結算日後發生以下事項：

- (a) 於二零零五年八月二十七日，本公司全資附屬公司與獨立第三方及Aspire Management Limited (「AML」) 就按總現金代價52,000,000港元收購660,000股股份(相當於AML現有已發行股本60%)訂立有條件收購及認購協議(「協議」)。根據協議，於收購完成後，本公司附屬公司及獨立第三方將同時按於完成後彼等於AML之股權比例，以總代價30,000,000港元認購合共400,000股認購股份，以換取現金。

於二零零五年十月四日，收購於達成協議項下條件後成功完成。

- (b) 於二零零五年九月二十二日，本公司與Lawnside International Limited (「Lawnside」) 及獨立配售代理訂立配售及認購協議(「配售及認購協議」)，同意按每股0.73港元向獨立第三方配售最多240,000,000股本公司現有股份(「配售」)。根據配售及認購協議，Lawnside亦有條件同意認購本公司新股份，有關數目須相等於根據配售按每股0.73港元成功配售之配售股份數目(「認購」)。認購所得款項淨額約168,000,000港元將由本集團用作電子彩票業務日後發展及一般營運資金。

配售已於二零零五年九月二十六日完成，而認購須待配售及認購協議項下條件達成後，方告完成。

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40. RELATED PARTY TRANSACTIONS

During the year, the Group has transactions with Champion and its subsidiaries other than the Group as follows:

Nature of transactions	交易類別	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Fees paid by the Group to Champion and its subsidiaries for the provision of office premises and facilities, and management services	本集團向冠軍及其附屬公司支付使用辦公室及其設備及管理服務之費用	100	100
Sales of pagers and equipment by the Group to subsidiaries of Champion	本集團向冠軍之附屬公司出售傳呼機及器材	52	42
Purchases of telecommunications equipment by the Group from subsidiaries of Champion	本集團向冠軍之附屬公司購置電訊器材	129	169

These transactions were carried out after negotiation between the Group and the respective related parties. The fees paid for the provision of office premises and facilities, and management services were in accordance to the management agreement entered into between the Company and Champion. The sales and purchases were determined on a cost plus basis.

此等交易由本集團與各有聯繫公司洽商後進行。有關使用辦公室及其設備及管理服務所支付之費用乃根據本公司與冠軍訂立之管理協議之規定支付。買賣價分別按成本加利潤之基準釐定。

41. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 30 June 2005 are as follows:

Name of company	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital 已發行股本面值	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Kantone (UK) Limited	United Kingdom 英國	Ordinary £ 5,500,000 普通股 – 5,500,000英鎊	100%	Investment holding 投資控股
Keen Pacific Limited*	Samoa 薩摩亞群島	Ordinary US\$1 普通股 – 1美元	100%	Provision of treasury services 提供財政服務
M.C. Holdings Limited*	Cayman Islands 開曼群島	Ordinary £ 5,500,002 普通股 – 5,500,002英鎊	100%	Investment holding 投資控股
Multitone Electronica Limitada	Brazil 巴西	Ordinary R\$300,000 普通股 – 300,000巴西貨幣	100%	Distribution of telecommunications equipment 分銷電訊器材

40. 聯繫人士交易

本年度內，本集團與冠軍及其附屬公司（本集團除外）曾進行下列交易：

41. 主要附屬公司

於二零零五年六月三十日，本公司各主要附屬公司之詳情如下：

41. PRINCIPAL SUBSIDIARIES (Continued)

41. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital 已發行股本面值	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Multitone Electronics PLC	United Kingdom 英國	Ordinary £ 3,830,107 普通股 – 3,830,107英鎊	100%	Investment holding, design and manufacture of paging and telecommunications equipment 投資控股、設計及生產 傳呼及電訊器材
Multitone Electronics Sdn. Bhd.	Malaysia 馬來西亞	Ordinary MR285,000 普通股 – 285,000馬來亞元	100%	Manufacturing of paging equipment 生產傳呼器材
Multiton Elektronik GmbH	Germany 德國	Ordinary DM2,000,000 普通股 – 2,000,000馬克	100%	Distribution of paging equipment 分銷傳呼器材
Multitone Rentals Limited	United Kingdom 英國	Ordinary £ 100 普通股 – 100英鎊	100%	Leasing of paging systems 傳呼系統租賃
Peak Vantage Limited*	British Virgin Islands/ Macau 英屬維爾京群島/ 澳門	Ordinary US\$1 普通股 – 1美元	100%	Provision of treasury services 提供財政服務
Smart Delta Inc.*	Samoa 薩摩亞群島	Ordinary US\$1 普通股 – 1美元	100%	Provision of treasury service 提供財政服務
Smart (Macao Commercial Offshore) Limited	Macau 澳門	Ordinary MOP100,000 普通股 – 100,000澳門幣	100%	Provision of services, software licensing and trading in telecommunications equipment 提供服務、軟件特許權及 買賣電訊器材
Wollaston Limited*	Samoa 薩摩亞群島	Ordinary US\$1 普通股 – 1美元	100%	Investment Holding 投資控股
Zonal Care Incorporated*	British Virgin Islands/ Macau 英屬維爾京群島/ 澳門	Ordinary US\$2 普通股 – 2美元	100%	Investments in e-commerce projects 投資電子商貿項目

* Directly held by the Company

* 由本公司直接持有

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or constituted a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表所列之本公司附屬公司乃董事認為能夠反映本集團本年度業績或佔有本集團資產淨值重大部分之附屬公司。董事認為，倘將其他附屬公司之詳情一併列出，則會令資料過於冗長。

None of the subsidiaries had any debt securities subsisting at 30 June 2005 or at any time during the year.

各附屬公司於二零零五年六月三十日或年內任何時間均無任何債務證券。