



高陽科技(中國)有限公司

**HI SUN TECHNOLOGY (CHINA) LIMITED**

(於百慕達註冊成立之有限公司) (Incorporated in Bermuda with limited liability)

Stock Code 股份代號 : 0818

INTERIM REPORT 2006  
中期報告

# Contents

## 目錄

Management Discussion and Analysis 管理層之討論與分析	2
Additional Information 其他資料	7
Condensed Consolidated Income Statement 簡明綜合損益表	17
Condensed Consolidated Balance Sheet 簡明綜合資產負債表	18
Condensed Consolidated Cash Flow Statement 簡明綜合現金流轉表	20
Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	21
Notes to Condensed Consolidated Financial Statements 簡明綜合財務報表附註	22

# Management Discussion and Analysis

## 管理層之討論與分析

The directors are pleased to present the Group's Interim Report and condensed consolidated financial statements for the six months ended 30 June 2006. The consolidated results, condensed consolidated cash flow statement and consolidated statement of changes in equity for the Group for the six months ended 30 June 2006, and the consolidated balance sheet as at 30 June 2006 of the Group, all of which are unaudited, along with selected explanatory notes, are set out on pages 15 to 46 of this report.

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Financial and business review

For the six months ended 30 June 2006, the Group achieved remarkable performance in the results and financial position. The Directors and the management are pleased to present, during the first half of year 2006, the Group recorded growth in turnover and profit attributable to the shareholders. The development of each business segments displayed a trend of balanced performance. It laid down a solid foundation for the future business further advancement for the Group.

For the first half of year 2006, the Group's turnover amounted to HK\$193.55 million, as compared to turnover of HK\$178.97 million for the corresponding period last year. The profit attributable to shareholders amounted to HK\$42.22 million, as compared to HK\$38.57 million of same period last year. The change of the revenue sharing scheme of IVR business did temporarily affect the earning of the Group. However, in the areas of EFT-POS terminals sales and the short term investment, the performance was encouraging. These contributed to the better overall performance over that of last year.

董事欣然提呈本集團截至二零零六年六月三十日止六個月之中期報告及簡明綜合財務報表。本集團截至二零零六年六月三十日止六個月之綜合業績、簡明綜合現金流轉表及綜合權益變動表以及本集團於二零零六年六月三十日之綜合資產負債表均為未經審核，連同選定之說明附註載於本報告第15至第46頁。

### 管理層之討論與分析

#### 財務及業務回顧

截至二零零六年六月三十日止六個月，本集團經營業績和財務狀況表現卓越。董事及管理層欣然報告，在二零零六年上半年，本集團在營業額和股東應佔溢利兩項財務指標方面都比上年同期取得增長。各分公司業務呈現均衡發展之態勢，為本集團未來業務的進一步提升奠定了扎實的基礎。

於二零零六年上半年度，本集團營業額達193,550,000港元，而去年同期營業額則為178,970,000港元。股東應佔溢利為42,220,000港元，去年同期則為38,570,000港元。儘管由於IVR業務分成比例下降對本集團的盈利產生短暫的回調之影響，但在電子支付產品（POS）以及資金短期投資領域都有卓越業績表現，帶動公司整體業績超過去年同期。

## MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

### Financial solutions, services and related products

During the period under review, the business segment recorded a turnover of HK\$49.33 million (2005 interim: HK\$49.10 million) and a loss of HK\$7.08 million (2005 interim: profit of HK\$0.76 million)

During the first half of this year, the Group increased expenses in new business lines. The expenses will bring about future benefits. However, increased expenses incurred during the period under review contributed to the loss.

During the period under review, the financial solutions and consultancy services for ICBC (Asia) in Hong Kong and Bank of Communications in China were implemented orderly. At the same time, the system integration services businesses for People's Bank of China and other banks were moving forward smoothly.

The Group was active in expanding into new business opportunities in the financial sector, achieving significant progress in signing cooperation agreement with bank. In certain cities, we have begun the installation and operation of ATM machines and have accomplished what we expected.

### Electronic payment solutions and products

This business segment recorded a turnover of HK\$83.42 million (2005 interim: HK\$48.10 million) and a profit of HK\$15.12 million (2005 interim : HK\$5.70 million). The management are pleased to note the remarkable performance in the turnover and profit demonstrated a development trend of advancing in unison.

The rapid growth of electronic payment products and services was benefited from the positive exploration of both the Mainland China market and the international market. In particular, the volume of shipment to China Union Pay was further boosted. During the reporting period, the shipment for Mainland China market accounted for 83% of the total. Out of which, the shipment to China Union Pay was 70% of the total shipment of the Mainland market, while that of international market was 17% of the total shipment.

The management believes that following the positive progress of the strategy of China, Olympic Game, the volume of credit card issuance in Mainland China will be growing rapidly. The environment / infrastructure of credit card usage will be further improved. These factors will sustain to drive the market demand for electronic payment product. In the coming future, it is envisaged the electronic payment products and services will attain a more considerable development.

## 管理層之討論與分析 (續)

### 金融解決方案、服務及相關產品

於回顧期內，此類業務類別錄得營業額為49,330,000港元（二零零五年中期：49,100,000港元）及虧損為7,080,000港元（二零零五年中期：溢利760,000港元）。

在今年上半年，公司在新的業務領域支出增加，這些支出會產生未來的收益，但對回顧期內產生了費用增加，造成上半年虧損。

於回顧期內，本集團與香港之中國工商銀行（亞洲）及中國之交通銀行的金融解決方案及諮詢服務繼續順利進行。同時與中國人民銀行等其他銀行的系統集成業務進展順利。

本集團積極拓展金融領域新的業務商機，在ATM及POS運營服務業務方面取得重要進展，與有關銀行簽訂了合作協定。在一些城市，我們已開始了ATM的鋪設和運營及已取得了預期的效果。

### 電子支付方案及產品

此業務類別錄得營業額為83,420,000港元（二零零五年中期：48,100,000港元）及溢利15,120,000港元（二零零五年中期：5,700,000港元）。管理層欣喜看到營業額和溢利都有卓越的表現，呈現齊頭並進的發展態勢。

本集團電子支付產品及服務業務的迅速增長，得益於積極開拓國內和國際兩方面的市場，特別是對中國銀聯出貨量有著進一步提升。於報告期內，國內市場出貨量佔總量83%，其中國內市場中對中國銀聯出貨佔70%，而海外市場則為17%。

管理層認為隨著中國奧運戰略的積極推進，國內信用卡發卡量的迅速攀升，使用信用卡環境的進一步改善，這些因素將不斷帶動電子支付產品的市場需求，預計未來電子支付產品及服務業務將取得更加長足的發展。

## MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

### Telecommunication solutions, services, information technology operation value-added services and related products

During the period under review, this business segment recorded a turnover of HK\$60.80 million (2005 interim: HK\$81.67 million) and a profit of HK\$30.19 million (2005 interim: HK\$50.50 million). The main reason for the decrease in turnover and profit was the change in the revenue sharing scheme.

The market size of the IVR business continued to expand further. Taking out the effect of the decrease of the revenue sharing percentage, the business volume operated under the Hi Sun's IVR platform achieved a growth of approximately 39% over the same period last year. The management considered that following the continuous expansion of the business scale and the centralization of the IVR platform, the IVR business will be able to achieve outstanding performance in the coming future.

During the reporting period, the nation-wide IVR business platform operation, the Group also expanded into regional network operation business. Several regional network business platform have been operated. It is expected that in the future, these regional network business will be able to bring new source of income to the Group.

## PROSPECTS

Looking forward, we are very confident in the future prospect of the Group. Following the completion of the construction of several commercial core banking systems in China and Hong Kong, the success of which enhanced our level of expertise and market position in this niche market. We will continue to strengthen our market position and technical expertise in the banking solution. Based on the established market position and experience, we have been engaged in the initial preparation for the ATM and electronic fund transfer POS operation services as well as outsourcing for the financial institutions

In the telecommunication front, we will keep innovating to adapt to the ever-changing environment in order to provide first class value-added platform operation for our partners. New technology based on 3G communication are well prepared and several new products and services for mobile service delivery are also under development. Further resources in these areas will be invested in the coming years.

## 管理層之討論與分析 (續)

### 電訊解決方案、服務、資訊科技運營增值服務及相關產品

與回顧期內，此類業務類別錄得營業額為60,800,000港元（二零零五年中期：81,670,000港元）及溢利為30,190,000港元（二零零五年中期：50,500,000港元）。造成營業額及溢利下調的主要原因是分成計劃調整。

IVR業務之市場規模繼續進一步擴充。不計及收益應佔百分比減少之影響，以Hi Sun IVR平台名義經營之營業額較去年同期增加約39%。管理層認為，隨著業務規模不斷擴充及IVR平台集中，IVR業務將於日後取得突出表現。

於報告期內，除全網IVR業務平臺運營外，本集團還在積極擴展地區網絡運營業務，並已開通了多家地區網絡業務平臺，預計未來這些地區網絡業務也會給集團帶來新的收益。

## 前景

向前看，我們對集團前景充滿信心。繼完成幾個在中國和香港之商業核心銀行業務系統的建設後，成功地提高我們在這特定市場上的專門技術和市場地位。我們將繼續加強我們在銀行業務解決方案上的市場位置和專門技術。基於已建立的市場位置和經驗，我們參與了為金融機構在銀行自動櫃員機和銷售點電子轉賬售點的運營服務以及外包的前期準備工作。

為了給我們的合作伙伴提供最佳增值平台運營，我們將繼續創新以適應不斷變更的環境。根據3G通信新技術，我們已作好準備並且為作為移動通訊業務運營支撐服務而研發的產品及服務也在進行中。在今後幾年，更多的資源將在這些領域增加投放。

### PROSPECTS (Continued)

Thanks to our partners of the capital market who are confident in our management and invest in our several rounds of equity financing this year. Not only is it strengthened our financial position to embark upon the new projects, it also boost our confidence to execute our plans. With all these support from our clients and partners, together with the endeavors of the management and staff, we are committed to dedicating our expertise and experience to pursuing our goal of being leading service player in the financial and telecommunication industries and to striving to satisfy the client and shareholders by making continuous progress and innovation, as well as sustainable growth and development.

### LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2006, the Group reported total assets of HK\$396.11 million (31 December 2005: HK\$313.74 million), which were financed by total liabilities of HK\$124.37 million (31 December 2005: HK\$186.31 million) and equity of HK\$271.74 million (31 December 2005: HK\$127.43 million). The net assets value was HK\$271.74 million (31 December 2005: HK\$127.43 million). The net assets value per share amounted to HK\$0.166 per share as compared to HK\$0.096 per share as at 31 December 2005.

As at 30 June 2006, the Group had cash of HK\$179.32 million (31 December 2005: HK\$156.58 million) and financial liability portion of convertible preference shares issued by a subsidiary of HK\$21.77 million (31 December 2005: HK\$21.17 million). As at 30 June 2006, the Group has no short term borrowings (31 December 2005: HK\$48.08 million). The net cash position as at that date was HK\$179.32 million as compared to HK\$108.50 million as at 31 December 2005. The gearing ratio (defined as total borrowings divided by shareholders' equity) was 0.08 as compared to 0.54 as at 31 December 2005.

### 前景 (續)

感謝我們在資本市場的合作夥伴，對管理團隊的信心及在今年幾次融資的投資，它不僅是加強我們開展新項目財力，而且促進我們執行該等計劃的信心。來自我們的客戶和伙伴所有支持，及管理團隊和職員的努力參與，我們承諾，為了追求作為在金融、電訊產業服務參與者的領導地位，奉獻我們的專門技能和經驗並透過取得持續的進步和革新，以及可延續的發展盡力回饋客戶和股東。

### 流動資金及財務資源

於二零零六年六月三十日，本集團錄得總資產396,110,000港元（二零零五年十二月三十一日：313,740,000港元），來自總負債124,370,000港元（二零零五年十二月三十一日：186,310,000港元）及權益271,740,000港元（二零零五年十二月三十一日：127,430,000港元）。資產淨值則為271,740,000港元（二零零五年十二月三十一日：127,430,000港元）。每股資產淨值為每股0.166港元，而於二零零五年十二月三十一日則為每股0.096港元。

於二零零六年六月三十日，本集團有現金179,320,000港元（二零零五年十二月三十一日：156,580,000港元）及一家附屬公司所發行可換股優先股之財務負債部分21,770,000港元（二零零五年十二月三十一日：21,170,000港元）。於二零零六年六月三十日，本集團並無任何短期借款（二零零五年十二月三十一日：48,080,000港元）。於該日之現金淨額狀況為179,320,000港元，而於二零零五年十二月三十一日則為108,500,000港元。資本負債比率（界定為借款總額除股東權益）為0.08，而於二零零五年十二月三十一日則為0.54。



## CAPITAL STRUCTURE AND DETAILS OF CHARGES

As at 30 June 2006, the Group has no short term borrowings.

As at 30 June 2006, the financial liability portion of convertible preference shares issued by a subsidiary was HK\$21.77 million which was denominated in Hong Kong dollars and the effective interest rate was 8.27% per annum.

Approximately HK\$48.04 million, HK\$125.81 million and HK\$5.47 million of the Group's cash balances were denominated in Renminbi, Hong Kong dollar and US dollar respectively as at 30 June 2006.

## NUMBER AND REMUNERATION OF EMPLOYEES, REMUNERATION POLICIES, BONUS AND SHARE OPTION SCHEMES AND TRAINING SCHEMES

The total number of employees of the Group as at 30 June 2006 was 705. The breakdown of employees by division is as follows:

Financial solutions, services and related products	金融解決方案、服務及相關產品	282
Electronic payment solutions and products	電子支付解決方案及產品	146
Telecommunication solutions, services, related products and others	電訊解決方案、服務、相關產品及其他	112
IVR operation	IVR業務	147
Corporate office	企業辦公室	18
		<hr/>
		705

The Group ensures that its remuneration packages are comprehensive and competitive. Employees are remunerated with a fixed monthly income plus annual performance related bonuses. The Group also sponsors selected employees to attend external training courses that suit the needs of the Group's business.

## CONTINGENT LIABILITIES

The Group had no material contingent liability as at 30 June 2006.

## EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group derives most of its revenue from the PRC and Hong Kong and makes purchase and incurs expenses denominated mainly in US dollar, Renminbi and Hong Kong dollar. The Group's exposure to the fluctuation of exchange rate is minimal. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group's exchange rate risks.

## 資本架構及抵押詳情

於二零零六年六月三十日，本集團並無任何短期借款。

於二零零六年六月三十日，一家附屬公司發行之可換股優先股財務負債部分為21,770,000港元，有關款項以港元列值，實際息率為每年8.27厘。

於二零零六年六月三十日，本集團之現金結餘約48,040,000港元、125,810,000港元及5,470,000港元分別以人民幣、港元及美元列值。

## 僱員人數及薪酬、薪酬政策、花紅及購股權計劃與培訓計劃

本集團於二零零六年六月三十日之僱員總數為705人。僱員按部門細分如下：

本集團確保其薪酬待遇能顧及僱員全面需要且具競爭力。僱員之薪酬包括每月定額薪金，另加與表現掛鈎之年度花紅。本集團亦資助選定僱員參與符合本集團業務需要之外界培訓課程。

## 或然負債

於二零零六年六月三十日，本集團並無重大或然負債。

## 匯率波動風險及相關對沖

本集團大部分收益產生自中國及香港，而進行採購及產生費用主要以美元、人民幣及港元支付。本集團所面對匯率波動風險甚微。目前，本集團並無訂立任何協議或購買任何工具對沖本集團之匯率風險。

### SHARE OPTION SCHEME

#### (a) The Company

The Company operates a share option scheme (the "Scheme") for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme include the Group's full-time employees, and executive and non-executive Directors. The Scheme became effective on 29 November 2001 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date.

On 18 March 2004, 33,000,000 share options were granted to certain directors and employees at HK\$0.374 (the average closing price of the shares as quoted in the daily quotations sheets issued by the Stock Exchange of Hong Kong Limited for the five business days immediately preceding 18 March 2004) with an expiry date of 17 March 2014.

Pursuant to an ordinary resolution passed on 17 August 2005, a refreshment of the limit on grant of options under the Scheme was approved by the shareholders. Upon refreshing the 10 per cent limit on grant of options under the Scheme, 33,305,403 shares may be issued pursuant to the grant of further options under the Scheme.

On 26 September 2005, 33,300,000 share options were granted to certain directors and employees at HK\$0.768 (the average closing price of the shares as quoted in the daily quotations sheets issued by the Stock Exchange of Hong Kong Limited for the five business days immediately preceding 26 September 2005) with an expiry date of 25 September 2015.

The detailed terms of the Scheme were disclosed in the 2005 Annual Report. There are no changes in any term of the Scheme during the six months ended 30 June 2006.

### 購股權計劃

#### (a) 本公司

本公司設立購股權計劃（「該計劃」），旨在吸引、留聘及激勵有潛質之僱員，以助推動日後發展及擴充本集團業務。該計劃之合資格參與者包括本集團全職僱員以及執行及非執行董事。該計劃於二零零一年十一月二十九日生效，除另行取消或修訂外，將由該日起計10年期間仍然有效及生效。

於二零零四年三月十八日，本公司向若干董事及僱員授出33,000,000份購股權，行使價為0.374港元，即緊接二零零四年三月十八日前五個營業日香港聯合交易所有限公司發佈之每日報價表所報股份平均收市價，到期日為二零一四年三月十七日。

根據於二零零五年八月十七日通過之普通決議案，股東批准更新該計劃項下授出購股權之限額。更新該計劃項下授出購股權之10%限額後，可根據該計劃項下進一步授出之購股權發行33,305,403股股份。

於二零零五年九月二十六日，本公司向若干董事及僱員授出33,300,000份購股權，行使價為0.768港元，即緊接二零零五年九月二十六日前五個營業日香港聯合交易所有限公司發佈之每日報價表所報股份平均收市價，到期日為二零一五年九月二十五日。

該計劃之詳盡條款於二零零五年年報披露。該計劃之條款概無於截至二零零六年六月三十日止六個月內變更。



## SHARE OPTION SCHEME (Continued)

## (a) The Company (Continued)

As at 30 June 2006, the particulars of the options granted to each of the Directors and employees of the Company under the Scheme are as follows:

Movements in the Share Options:

Name 姓名	Date of grant 授出日期	Exercise price before share sub-division 股份分拆前行使價 (HK\$) (港元)	Exercise price after share sub-division 股份分拆後行使價 (HK\$) (港元)	Number of options held at 1 January 2006 於二零零六年一月一日所持購股權數目	Granted/lapsed during the period 已授出/已失效	Exercised before share sub-division 股份分拆前已行使	Adjustment for share sub-division 就股份分拆調整	Number of options held at 30 June 2006 於二零零六年六月三十日所持購股權數目
<b>Directors 董事</b>								
Mr. Kui Man Chun 渠萬春先生	18 March 2004*	0.374	0.0935	3,000,000	-	-	9,000,000	12,000,000
	26 September 2005**	0.768	0.192	3,300,000	-	-	9,900,000	13,200,000
Mr. Lo Siu Yu 羅韶宇先生	18 March 2004*	0.374	0.0935	3,300,000	-	-	9,900,000	13,200,000
	26 September 2005**	0.768	0.192	3,300,000	-	-	9,900,000	13,200,000
Mr. Xu Wensheng 徐文生先生	18 March 2004*	0.374	0.0935	3,300,000	-	-	9,900,000	13,200,000
	26 September 2005**	0.768	0.192	3,300,000	-	-	9,900,000	13,200,000
Mr. Li Wenjin 李文晉先生	18 March 2004*	0.374	0.0935	3,300,000	-	-	9,900,000	13,200,000
	26 September 2005**	0.768	0.192	3,300,000	-	-	9,900,000	13,200,000
Mr. Xu Chang Jun 徐昌軍先生	18 March 2004*	0.374	0.0935	3,300,000	-	-	9,900,000	13,200,000
	26 September 2005**	0.768	0.192	3,300,000	-	-	9,900,000	13,200,000
Mr. Chan Yiu Kwong 陳耀光先生	18 March 2004*	0.374	0.0935	1,500,000	-	-	4,500,000	6,000,000
	26 September 2005**	0.768	0.192	1,000,000	-	-	3,000,000	4,000,000
				35,200,000	-	-	105,600,000	140,800,000
<b>Employees 僱員</b>								
(In aggregate) (總計)	18 March 2004*	0.374	0.0935	15,300,000	-	(10,000,000)	15,900,000	21,200,000
	26 September 2005**	0.768	0.192	15,800,000	-	-	47,400,000	63,200,000
				66,300,000	-	(10,000,000)	168,900,000	225,200,000

## 購股權計劃 (續)

## (a) 本公司 (續)

於二零零六年六月三十日，根據該計劃向每名董事及本公司僱員授出之購股權詳情如下：

購股權變動：

## SHARE OPTION SCHEME (Continued)

## (a) The Company (Continued)

\* The exercisable period of the above share options is from 18 March 2004 to 17 March 2014 (both dates inclusive).

\*\* The option period commences on 26 September 2005 and expires 10 years thereafter. Options granted are vested as follows:

On 26 September 2005 Up to 50%

On 26 September 2006 Up to 100%

**Note:** The weighted average closing price immediately before the dates on which the options were exercised was HK\$2.27.

## (b) Employee incentive scheme of a subsidiary

On 4 April 2005, the Company approved its wholly-owned subsidiary, Turbo Speed Technology Limited ("Turbo Speed"), to adopt an employee incentive scheme (the "Employee Incentive Scheme") to motivate the employees of Turbo Speed and its subsidiaries. On 8 July 2005, 1,425,000 share options had been granted to certain directors and employees of its subsidiary to subscribe ordinary shares of Turbo Speed at an exercise price of HK\$1.922 per share. The exercisable period of these share options is from 8 July 2005 to 31 December 2008 (both dates inclusive). During the six months ended 30 June 2006, 1,245,000 share options have been lapsed and no share options have been exercised.

## 購股權計劃 (續)

## (a) 本公司 (續)

\* 上述購股權之行使期由二零零四年三月十八日至二零一四年三月十七日(首尾兩日包括在內)。

\*\* 購股權期間由二零零五年九月二十六日開始, 10年後到期。已授出購股權歸屬如下:

於二零零五年九月二十六日 最多50%

於二零零六年九月二十六日 最多100%

**附註:** 緊接購股權獲行使日期前加權平均收市價為2.27港元。

## (b) 一家附屬公司之僱員獎勵計劃

於二零零五年四月四日, 本公司批准其全資附屬公司 Turbo Speed Technology Limited (「Turbo Speed」) 採納僱員獎勵計劃(「僱員獎勵計劃」), 以獎勵 Turbo Speed 及其附屬公司之僱員。於二零零五年七月八日, 向其附屬公司若干董事及僱員授出 1,425,000 份購股權, 以按行使價每股 1.922 港元認購 Turbo Speed 普通股。此等購股權之行使期由二零零五年七月八日至二零零八年十二月三十一日(首尾兩日包括在內)。於截至二零零六年六月三十日止六個月, 1,245,000 份購股權已失效, 且並無任何購股權獲行使。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2006, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO"), as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company were as follows:

### (a) Ordinary shares of HK\$0.0025 each in the Company

## 董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零零六年六月三十日，各董事及行政總裁於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」））之股份、相關股份及債券中，擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或已知會本公司之權益及淡倉如下：

### (a) 本公司每股面值0.0025港元之普通股

Name of director 董事姓名	Personal interest 個人權益	Number of shares held 所持股份數目		Total 合計
		Corporate interest 公司權益		
Kui Man Chun 渠萬春	–	757,083,636 (Note) (附註)		757,083,636
Xu Sitao 許思濤	600,000	–		600,000

**Note:** These shares are held by Kui Man Chun through Hi Sun Limited, a company which Kui Man Chun holds a 99.16% interest, and Rich Global Limited, a wholly-owned subsidiary of Hi Sun Limited.

**附註：** 該等股份乃由渠萬春透過Hi Sun Limited（渠萬春持有99.16%權益之公司）及Hi Sun Limited之全資附屬公司Rich Global Limited持有。

**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)** 董事及行政總裁於股份、相關股份及債券之權益及淡倉 (續)

## (b) Ordinary shares in associated corporations

## (b) 相聯法團之普通股

Name of director 董事姓名	Name of associated corporation 相聯法團名稱	Number of shares held 所持股份數目	Category of interest 權益類別
Kui Man Chun 渠萬春	Rich Global Limited	2 ordinary shares 2股普通股	Corporate 公司
Kui Man Chun 渠萬春	Hi Sun Limited	30,245,000 ordinary shares 30,245,000股普通股	Personal 個人
Li Wenjin 李文晉	Hi Sun Limited	255,000 ordinary shares 255,000股普通股	Personal 個人

Save as disclosed above, none of the directors or chief executive had any interests or short positions in the shares, or underlying shares in, or debentures, of the Company or any of its associated corporations.

除上文披露者外，董事或行政總裁概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有任何權益或淡倉。

Save as disclosed under the heading "Share Option Scheme" above, at no time during the period was the Company, its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors and chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

除上文「購股權計劃」一節所披露者外，於期內任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使本公司董事及行政總裁可藉購買本公司或任何其他法人團體之股份或債券而獲益。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30 June 2006, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and chief executive.

### Name of shareholder 股東名稱

### Number of ordinary shares 普通股數目

Rich Global Limited ("RGL")	757,083,636
Hi Sun Limited ("HSL")	757,083,636 (Note) (附註)
Huge Rising Limited	264,000,000
Pacific Pilot Limited	120,000,000

**Note:** HSL is interested in the Company's share capital by virtue of its 100% shareholding in RGL.

**附註:** HSL因持有RGL之100%股權而於本公司股本擁有權益。

## PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

## 購買、出售或贖回股份

本公司於期內並無贖回其任何股份。期內，本公司或其任何附屬公司概無購買或出售任何本公司股份。

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers on terms no less exacting than the required standard set out in Appendix 10 of the Listing Rules (the "Model Code"). The Model Code sets a required standard against which directors and employees of the Company and its subsidiaries (the "Group") must measure their conduct regarding transactions in securities of the Company.

## 董事進行證券交易的標準守則

本公司已採納上市公司董事進行證券交易的標準守則，有關條款不寬鬆於上市規則附錄10所載規定準則（「標準守則」）。標準守則載有關於本公司及其附屬公司（「本集團」）董事及僱員於進行本公司證券交易時必須遵循之操守的規定準則。

Specific enquiry had been made to all the Directors and the Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2006.

經向全體董事作出具體查詢後，董事確認，彼等於截至二零零六年六月三十日止六個月一直遵守標準守則所載規定準則。

## CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2006, except for the deviation from code provision A.2.1, A.4.1 and E.1.2 of the CG Code.

Code provision A.2.1 stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The chairman of the board does not perform the duty of chief executive officer, however, six of the other executive directors who are also members of the senior management share the role of the Chief Executive Officer. The Board considers that due to the scale of operations of the Group and the daily operation of the Group’s business are delegated to the senior management and department heads, the appointment of a Chief Executive Officer is not necessary.

Code provision A.4.1 stipulates that non-executive director should be appointed for a specific term, subject to re-election. Although the independent non-executive directors are not appointed for a specific term, all directors of the Company are subject to retirement by rotation once every three years and any new director appointed to fill a causal vacancy shall submit himself/herself for re-election by shareholders at the first general meeting after appointment pursuant to the Company’s Bye-laws.

Code provision E.1.2 stipulates that the chairman of the Board should attend the annual general meeting. The Chairman did not attend the annual general meeting held on 23 May 2006, however, Mr. Li Wenjin, as an executive director of the Company, took the chair pursuant to the Bye-laws of the Company.

As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code.

## 企業管治

截至二零零六年六月三十日止六個月，本公司一直遵守上市規則附錄14所載企業管治常規守則（「企業管治守則」）之守則條文，惟下述偏離企業管治守則之守則條文A.2.1、A.4.1及E.1.2之情況除外。

守則條文A.2.1規定，主席及行政總裁職責應有所區分，不應由同一人擔任。董事會主席並無擔任行政總裁之職務，職務由本公司其他六名身兼高級管理人員之執行董事分擔。董事會認為，鑑於本集團業務規模及日常營運授權高級管理人員及部門主管負責，故無需要委任行政總裁。

守則條文A.4.1訂明非執行董事須按特定任期委任，並須膺選連任。儘管獨立非執行董事並非按特定任期委任，本公司全體董事均須每三年輪值告退一次，而任何就填補臨時空缺委任之新任董事，須根據本公司之公司細則，於獲委任後首個股東大會由股東重選。

根據守則條文E.1.2，董事會主席須出席股東週年大會。儘管主席並無出席於二零零六年五月二十三日舉行之股東週年大會，然而，本公司執行董事李文晉先生根據本公司之公司細則出任大會主席。

因此，本公司認為已採取足夠措施，確保本公司之企業管治常規不寬鬆於企業管治守則。



### AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Xu Sitao. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated financial statements for the six months ended 30 June 2006 with the directors.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the directors of the Company have an interest in any business constituting a competing business to the Group.

### PENSION SCHEME

The subsidiaries operating in Hong Kong are required to participate in a defined contribution retirement scheme of the Group or Company set up in accordance with the Hong Kong Mandatory Provident Fund Ordinance. Under the scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HK\$1,000 and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of the employee's monthly salaries up to a maximum of HK\$1,000 (the "mandatory contributions"). The employees are entitled to 100% of the employer's mandatory contributions upon their retirement at the age of 65 years old, death or total incapacity.

In addition, pursuant to the government regulations in the People's Republic of China ("PRC"), the Group is required to contribute an amount to certain retirement benefit schemes based on approximately 7% to 20% of the wages for the year of those workers in the PRC. The local municipal government undertakes to assume the retirement benefits obligations of those workers of the Group.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, the directors confirmed that the Company has maintained the amount of public float as required under the Listing Rules throughout the six months ended 30 June 2006.

### 審核委員會

審核委員會由三名獨立非執行董事譚振輝先生、梁偉民先生及許思濤先生組成。審核委員會已與管理層審閱本集團所採納會計原則及慣例，並討論內部監控及財務申報事宜，包括與董事審閱截至二零零六年六月三十日止六個月之未經審核簡明財務報表。

### 董事於競爭業務的權益

概無任何董事於任何與本集團構成競爭的業務中持有任何權益。

### 退休金計劃

於香港營運之附屬公司須參加本集團或本公司根據香港強制性公積金條例成立之定額供款退休計劃。根據計劃，僱員須按月薪5%作出供款，上限為1,000港元，而彼等可選擇作出額外供款。僱主每月供款按僱員月薪5%計算，上限為1,000港元（「強制性供款」）。僱員年屆65歲退休或身故或喪失工作能力時，享有全部僱主供款。

此外，根據中華人民共和國（「中國」）政府法規規定，本集團須按中國僱員該年薪金約7%至20%，向若干退休福利計劃作出供款。當地市政府承擔向本集團該類僱員支付退休福利之責任。

### 足夠公眾持股量

根據本公司現有公開資料及就董事所知，董事確認，本公司於截至二零零六年六月三十日止六個月維持上市規則規定之公眾持股量。

## SUBSEQUENT EVENTS

### Issue of convertible preference shares by a subsidiary

On 21 August 2006, Emerging Technology Limited (“Emerging Technology”), a wholly-owned subsidiary of the Company, entered into a subscription agreement with certain independent third party subscribers in relation to the subscription of 760,778 new convertible preference shares (“Convertible Preference Shares”) of US\$1.00 each in the share capital of Emerging Technology at a total subscription price of US\$18 million (equivalent to approximately HK\$140 million) (the “Subscription”). The Convertible Preference Shares represent approximately 9.9% of the existing issued share capital of Emerging Technology and 9.0% of the issued share capital of Emerging Technology as enlarged by the Subscription. Under certain circumstances as described in the subscription agreement, Emerging Technology is required to issue to the subscribers additional new convertible preference shares of up to approximately 3% of its issued share capital if those circumstances are fulfilled.

The Subscribers are entitled to convert the Convertible Preference Shares at any time during a period of two years from the date of completion into either the ordinary shares of Emerging Technology or the ordinary shares of the Company.

The subscription price will be settled in cash on completion. The completion of the Subscription is conditional upon the fulfilment of (a) amendment to the Memorandum of Association of Emerging Technology as may be required to create the Convertible Preference Shares of Emerging Technology; (b) permission to deal in the Conversion Shares having been granted by the Listing Committee of The Stock Exchange of Hong Kong Limited; (c) the approval of the subscription agreement and the transactions contemplated thereunder in a manner by the shareholders as required by the Listing Rules; and (d) the execution of all documents required to be duly executed on or before completion. If any of the conditions above has not been fulfilled or waived (save that item (b) and (c) above shall not be capable of being waived) in writing by the subscribers on or prior to 16 October 2006 (or such later date as the Company, Emerging Technology and the subscribers may agree in writing), the Subscription shall terminate.

### 結算日後事項

#### 一家附屬公司發行可換股優先股

於二零零六年八月二十一日，本公司全資附屬公司 Emerging Technology Limited (「Emerging Technology」) 與若干獨立第三方認購人訂立認購協議，以按總認購價 18,000,000 美元 (約相當於 140,000,000 港元) 認購 Emerging Technology 股本中每股面值 1.00 美元之新可換股優先股 (「可換股優先股」) 760,778 股 (「認購事項」)。可換股優先股佔 Emerging Technology 現有已發行股本約 9.9%，另佔經認購事項擴大之 Emerging Technology 已發行股本 9.0%。在認購協議所述若干情況下，倘符合有關條件，Emerging Technology 須向認購人發行最多佔其已發行股本約 3% 之額外新可換股優先股。

認購人有權於完成日期起計兩年期間隨時將可換股優先股轉換為 Emerging Technology 普通股或本公司普通股。

認購價將於完成時以現金支付。認購事項須待下列條件達成方告完成：(a) 就增設 Emerging Technology 可換股優先股而可能需要修訂 Emerging Technology 之組織章程大綱；(b) 香港聯合交易所有限公司上市委員會批准買賣換股股份；(c) 股東以上市規則規定之方式批准認購協議及據此所涉及之交易；及 (d) 簽立所有須於完成之時或之前正式簽立之文件。倘上述任何條件未能於二零零六年十月十六日 (或本公司、Emerging Technology 及認購人可能以書面協定之該等較後日期) 或之前達成或獲認購人以書面豁免 (上文 (b) 及 (c) 項不可豁免)，認購事項將會終止。

**SUBSEQUENT EVENTS** (Continued)

**Issue of convertible preference shares by a subsidiary**  
(Continued)

The Subscription and the transactions contemplated herein above will be subject to the approval of the shareholders of the Company at the special general meeting to be convened on 25 September 2006 as set out in the announcement of the Company dated 8 September 2006.

Management is in the process of assessing the financial impact of the Subscription of the Convertible Preference Shares to the Group.

**結算日後事項 (續)**

**一家附屬公司發行可換股優先股 (續)**

誠如本公司日期為二零零六年九月八日之公佈所載，上文所述認購事項及據此所涉及之交易須待本公司股東將於二零零六年九月二十五日召開之股東特別大會批准，方可作實。

管理層現正評估認購可換股優先股對本集團之財務影響。

# Condensed Consolidated Income Statement

## 簡明綜合損益表

For the six months ended 30 June 2006  
截至二零零六年六月三十日止六個月

**Unaudited**  
**Six months ended 30 June**  
未經審核  
截至六月三十日止六個月

		Note 附註	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Turnover	營業額	4	<b>193,554</b>	178,968
Cost of sales	銷售成本	5	<b>(111,839)</b>	(74,487)
Gross profit	毛利		<b>81,715</b>	104,481
Selling expenses	銷售開支	5	<b>(15,451)</b>	(15,968)
Administrative expenses	行政費用	5	<b>(37,713)</b>	(47,115)
Operating profit	經營溢利		<b>28,551</b>	41,398
Other gains	其他收益	4	<b>19,377</b>	558
Finance costs	融資成本	7	<b>(1,902)</b>	(894)
Profit before income tax	除所得稅前溢利		<b>46,026</b>	41,062
Income tax expense	所得稅開支	8	<b>(3,805)</b>	(2,494)
Profit attributable to the equity holders of the Company	本公司權益持有人應佔溢利		<b>42,221</b>	38,568
Earnings per share for profit attributable to the equity holders of the Company:	本公司權益持有人應佔溢利之每股盈利:			(Restated) (重列)
– Basic	– 基本	10	<b>HK\$0.028</b>	HK\$0.029
– Diluted	– 攤薄	10	<b>HK\$0.025</b>	HK\$0.028

The notes on pages 22 to 48 form an integral part of these condensed consolidated financial statements.

第22至48頁之附註構成此等簡明綜合財務報表其中部分。

# Condensed Consolidated Balance Sheet

## 簡明綜合資產負債表

As at 30 June 2006 and 31 December 2005  
於二零零六年六月三十日及二零零五年十二月三十一日

		Note 附註	Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	11	<b>50,134</b>	37,760
Leasehold land	租賃土地	12	<b>204</b>	208
			<b>50,338</b>	37,968
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		<b>23,822</b>	21,607
Trade receivables	應收賬款	13	<b>116,631</b>	78,291
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		<b>25,879</b>	19,146
Due from a related company	應收一家關連公司款項	16, 21	<b>67</b>	150
Due from a fellow subsidiary	應收一家同系附屬公司款項	16, 21	<b>49</b>	–
Cash and cash equivalents	現金及現金等價物		<b>179,321</b>	156,579
			<b>345,769</b>	275,773
<b>Total assets</b>	<b>總資產</b>		<b>396,107</b>	313,741
<b>EQUITY</b>	<b>權益</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>	<b>本公司權益持有人應佔股本及儲備</b>			
Share capital	股本	17	<b>4,090</b>	3,330
Other reserves	其他儲備		<b>267,650</b>	124,104
<b>Total equity</b>	<b>權益總額</b>		<b>271,740</b>	127,434

The notes on pages 22 to 48 form an integral part of these condensed consolidated financial statements.

第22至48頁之附註構成此等簡明綜合財務報表其中部分。

# Condensed Consolidated Balance Sheet (Continued)

## 簡明綜合資產負債表 (續)

As at 30 June 2006 and 31 December 2005  
於二零零六年六月三十日及二零零五年十二月三十一日

		Note 附註	Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Financial liability portion of convertible preference shares issued by a subsidiary	一家附屬公司發行可換股優先股之財務負債部分	15, 19	21,770	21,173
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付賬款	14	47,569	40,305
Other payables and accruals	其他應付款項及應計負債		52,421	75,647
Due to a fellow subsidiary	應付一家同系附屬公司款項	21	-	390
Taxation payable	應繳稅項		2,607	715
Short term borrowings	短期借款	15	-	48,077
			102,597	165,134
<b>Total liabilities</b>	<b>負債總額</b>		124,367	186,307
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		396,107	313,741
<b>Net current assets</b>	<b>流動資產淨值</b>		243,172	110,639
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		293,510	148,607

On behalf of the Board  
代表董事會

**Lo Siu Yu**  
羅韶宇  
Director  
董事

**Li Wenjin**  
李文晉  
Director  
董事

The notes on pages 22 to 48 form an integral part of these condensed consolidated financial statements.

第22至48頁之附註構成此等簡明綜合財務報表其中部分。



# Condensed Consolidated Cash Flow Statement

## 簡明綜合現金流轉表

For the six months ended 30 June 2006  
截至二零零六年六月三十日止六個月

**Unaudited**  
**Six months ended 30 June**  
未經審核  
截至六月三十日止六個月

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 <b>HK\$'000</b> 千港元
Net cash (outflow)/inflow from operating activities	經營業務所得現金 (流出)／流入淨額	<b>(10,570)</b>	342
Net cash outflow from investing activities	投資活動所得現金流出淨額	<b>(18,229)</b>	(7,404)
Net cash inflow from financing activities	融資活動所得現金流入淨額	<b>51,541</b>	77,929
Increase in cash and cash equivalents	現金及現金等價物增加	<b>22,742</b>	70,867
Cash and cash equivalents at beginning of period	期初之現金及現金等價物	<b>156,579</b>	47,649
Cash and cash equivalents at end of period	期末之現金及現金等價物	<b>179,321</b>	118,516
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘之分析		
Bank balances and cash	銀行結存及現金	<b>179,321</b>	118,516

The notes on pages 22 to 48 form an integral part of these condensed consolidated financial statements.

第22至48頁之附註構成此等簡明綜合財務報表其中部分。

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

For the six months ended 30 June 2006  
截至二零零六年六月三十日止六個月

		Unaudited 未經審核						
		Share capital	Share premium	Contributed surplus	Other reserve	Exchange reserve	Accumulated losses	Total
		股本	股份溢價	實繳盈餘	其他儲備	外匯儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2006	於二零零六年一月一日	3,330	100,556	125,310	15,627	872	(118,261)	127,434
Profit for the period	期內溢利	-	-	-	-	-	42,221	42,221
Shares issued under share options scheme of the Company (Note 17(c))	根據本公司購股權 計劃發行股份 (附註17(c))	100	3,640	-	-	-	-	3,740
Issue of new shares (Note 17(a))	發行新股份 (附註17(a))	660	95,700	-	-	-	-	96,360
Share issuance expenses	股份發行開支	-	(60)	-	-	-	-	(60)
Share premium reduction (Note 18)	削減股份溢價 (附註18)	-	(100,556)	43,125	-	-	57,431	-
Employee share option scheme – value of employee services (Note 17(c))	僱員購股權計劃— 僱員服務價值 (附註17(c))	-	-	-	1,612	-	-	1,612
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司 財務報表產生之 匯兌差額	-	-	-	-	433	-	433
At 30 June 2006	於二零零六年 六月三十日	4,090	99,280	168,435	17,239	1,305	(18,609)	271,740
At 1 January 2005	於二零零五年一月一日	3,330	100,556	125,310	-	-	(180,565)	48,631
Profit for the period	期內溢利	-	-	-	-	-	38,568	38,568
Issue of convertible preference shares by a subsidiary (Note 19)	一家附屬公司發行 可換股優先股 (附註19)	-	-	-	11,134	-	-	11,134
At 30 June 2005	於二零零五年 六月三十日	3,330	100,556	125,310	11,134	-	(141,997)	98,333

The notes on pages 22 to 48 form an integral part of these condensed consolidated financial statements.

第22至48頁之附註構成此等簡明綜合財務報表其中部分。

# Notes to Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

### 1. GENERAL INFORMATION

The principal activity of Hi Sun Technology (China) Limited (the “Company”) is investment holding.

The Company and its subsidiaries (together the “Group”), are principally engaged in the sales of electronic payment products and services, information technology products, provision of financial solutions and services, provision of telecommunications solutions and services, and information technology operation valued-added services. The Group has operations mainly in countries within the Peoples’ Republic of China (“PRC”), Hong Kong and South East Asia.

The Company is a limited liability company incorporated in Bermuda and having its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company has its primary listing on the main board with The Stock Exchange of Hong Kong Limited.

These condensed consolidated financial statements were approved for issue on 15 September 2006.

### 2. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements for the six months ended 30 June 2006 (“Condensed Interim Accounts”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants.

These Condensed Interim Accounts should be read in conjunction with the annual financial statements for the year ended 31 December 2005.

### 1. 一般資料

高陽科技(中國)有限公司(「本公司」)之主要業務為投資控股。

本公司及其附屬公司(合稱為「本集團」)主要從事銷售電子支付產品與服務及資訊科技產品、提供金融解決方案及服務、提供電訊解決方案及服務以及資訊科技運營增值服務。本集團主要於中華人民共和國(「中國」)、香港及東南亞國家經營業務。

本公司為一家於百慕達註冊成立的有限公司，其註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司以香港聯合交易所有限公司主板為第一上市地。

此等簡明綜合財務報表於二零零六年九月十五日獲批准刊發。

### 2. 編製基準

此等截至二零零六年六月三十日止六個月之未經審核簡明綜合財務報表(「簡明中期賬目」)乃按香港會計師公會頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

此等簡明中期賬目應與截至二零零五年十二月三十一日止年度之年度財務報表一併閱讀。

### 3. ACCOUNTING POLICIES

The accounting policies used in the preparation of these Condensed Interim Accounts are consistent with those used in the annual financial statements for the year ended 31 December 2005.

The following new standards, amendments to standards and interpretations, which have become effective for accounting periods beginning on or after 1 January 2006, are mandatory for financial year ending 31 December 2006. The Group adopted those which are relevant to its operations.

- HKAS 19 (Amendment) “Actuarial Gains and Losses, Group Plans and Disclosures”;
- HKAS 21 (Amendment) “Net investment in a foreign operation”;
- HKAS 39 (Amendment) “Cash Flow Hedge Accounting of Forecast Intragroup Transactions”;
- HKAS 39 (Amendment) “The Fair Value Option”;
- HKAS 39 and HKFRS 4 (Amendment) “Financial Guarantee Contracts”.

The adoption of the above HKAS did not result in substantial changes to the Group’s results of operations and financial position.

Certain new standards, amendments and interpretations to existing standards have been published but not effective for the financial year ending 31 December 2006 and which the Group has not early adopted. The Group is in the process of making an assessment of the impact of these Hong Kong Financial Reporting Standards (“HKFRS”) and is not yet in a position to state what impact all these new HKFRS would have on its results of operations and financial position.

### 3. 會計政策

編製此等簡明中期賬目所採納之會計政策與截至二零零五年十二月三十一日止年度之年度財務報表所用者貫徹一致。

下列新訂準則、準則修訂及詮釋於二零零六年一月一日或之後開始之會計期間生效，並須於截至二零零六年十二月三十一日止財政年度強制採納。本集團採納該等與其業務有關之準則、修訂及詮釋。

- 香港會計準則第19號（修訂本）「精算損益、集團計劃及披露」；
- 香港會計準則第21號（修訂本）「於海外業務之投資淨額」；
- 香港會計準則第39號（修訂本）「預測集團內交易之現金流量對沖會計法」；
- 香港會計準則第39號（修訂本）「公平價值選擇權」；
- 香港會計準則第39號及香港財務報告準則第4號（修訂本）「財務擔保合約」。

採納上述香港會計準則不會對本集團之經營業績及財務狀況造成重大影響。

若干新訂準則、現行準則之修訂及詮釋已頒佈，惟於截至二零零六年十二月三十一日止財政年度尚未生效，故本集團並無提早採納。本集團現正評估此等香港財務報告準則（「香港財務報告準則」）之影響，惟尚未能指出所有此等新香港財務報告準則對其經營業績及財務狀況之影響。

#### 4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING

The Group is principally engaged in the sales of electronic payment products and services, information technology products, provision of financial solutions and services, provision of telecommunications solutions and services, and information technology operation value-added services. Turnover and other gains recognised are as follows:

#### 4. 營業額、其他收入及分類資料

本集團的主要業務為銷售電子支付產品與服務及資訊科技產品、提供金融解決方案及服務、提供電訊解決方案及服務，以及資訊科技運營增值服務。已確認之營業額及其他收入如下：

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
		未經審核	
		截至六月三十日止六個月	
		<b>2006</b>	2005
		二零零六年	二零零五年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Turnover	營業額		
Sales of electronic payment and information technology products	銷售電子支付及資訊科技產品	<b>103,329</b>	72,956
Provision of information system solutions and services	提供資訊系統解決方案及服務	<b>32,821</b>	27,596
Information technology operation value-added services	資訊科技運營增值服務	<b>57,404</b>	78,416
		<b>193,554</b>	178,968
Other gains	其他收益		
Interest income	利息收入	<b>1,410</b>	520
Realised gain on financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產之已變現收益	<b>17,938</b>	-
Others	其他	<b>29</b>	38
		<b>19,377</b>	558
Total turnover and other gains	總營業額及其他收益	<b>212,931</b>	179,526

**4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING** (Continued)

The Group is organised into four main business segments:

- (a) Financial solutions, services and information technology products – provision of customised information system consultancy and integration services and sales of information technology products to financial institutions and banks;
- (b) Telecommunication solutions, services and information technology products – provision of customised information system consultancy and integration services and sales of information technology products to the telecommunications industries;
- (c) Electronic payment products and services – sales of electronic fund transfer point-of-sale (“EFT-POS”) terminals; and
- (d) Information technology operation value-added services – provision of Interactive Voice Response (“IVR”) services.

In determining the Group’s geographical segments, revenues and results are attributed to the segments based on the location of the customers.

**4. 營業額、其他收入及分類資料** (續)

本集團分為四大業務分類：

- (a) 金融解決方案、服務及資訊科技產品 – 向財務機構及銀行提供訂製之資訊系統諮詢及集成服務和銷售資訊科技產品；
- (b) 電訊解決方案、服務及資訊科技產品 – 向電訊行業提供訂製之資訊系統諮詢及集成服務和銷售資訊科技產品；
- (c) 電子支付產品及服務 – 銷售電子轉賬售點（「EFT-POS」）終端機；及
- (d) 資訊科技運營增值服務 – 提供語音互動（「IVR」）服務。

於釐定本集團之地區分類時，收入及業績乃按客戶地區分類。



## 4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (Continued)

An analysis of the Group's revenue and results for the period by business segment is as follows:

## 4. 營業額、其他收入及分類資料 (續)

本集團期內之收入及業績按業務分類分析如下：

Unaudited  
Six months ended 30 June 2006  
未經審核  
截至二零零六年六月三十日止六個月

		Financial solutions, services and information technology products 金融解決方案及資訊科技產品 HK\$'000 千港元	Telecom-munications solutions, services and information technology products 電訊解決方案及資訊科技產品 HK\$'000 千港元	Electronic payment products and services 電子支付產品及服務 HK\$'000 千港元	Information technology operation value-added services 資訊科技運營增值服務 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Group 本集團 HK\$'000 千港元
Turnover	營業額	49,331	3,395	83,424	57,404	-	193,554
Segment results	分類業績	(7,077)	1,661	15,122	28,531	(9,686)	28,551
Unallocated income	未分配收入						19,377
Finance costs	融資成本						(1,902)
Profit before income tax	除所得稅前溢利						46,026
Income tax expense	所得稅開支						(3,805)
Profit attributable to the equity holders of the Company	本公司權益持有人應佔溢利						42,221

#### 4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (Continued) 4. 營業額、其他收入及分類資料 (續)

		Unaudited Six months ended 30 June 2005 未經審核 截至二零零五年六月三十日止六個月					
		Financial solutions, services and information technology products 金融解決方案及資訊科技產品 HK\$'000 千港元	Telecommunication solutions, services and information technology products 電訊解決方案及資訊科技產品 HK\$'000 千港元	Electronic payment products and services 電子支付產品及服務 HK\$'000 千港元	Information technology operation value-added services 資訊科技運營增值服務 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Group 本集團 HK\$'000 千港元
Turnover	營業額	49,102	3,253	48,097	78,416	100	178,968
Segment results	分類業績	757	2,224	5,704	48,274	(15,561)	41,398
Unallocated income	未分配收入						558
Finance costs	融資成本						(894)
Profit before income tax	除所得稅前溢利						41,062
Income tax expense	所得稅開支						(2,494)
Profit attributable to the equity holders of the Company	本公司權益持有人應佔溢利						38,568

#### 4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (Continued)

##### Secondary reporting format – Geographical segments

The Group's four business segments operate in two main geographical areas:

Hong Kong and South East Asia	– financial solutions, services and information technology products, and electronic payment products and services
PRC	– financial solutions, services and information technology products, telecommunications solutions, services and information technology products, electronic payment products and services, and information technology operation value-added services

There are no sales or other transactions between the geographical segments.

#### 4. 營業額、其他收入及分類資料 (續)

##### 次要呈報方式 – 地區分類

本集團之四項業務分類在兩個主要地區經營：

香港及東南亞	– 金融解決方案、服務及資訊科技產品以及電子支付產品及服務
中國	– 金融解決方案、服務及資訊科技產品、電訊解決方案、服務及資訊科技產品、電子支付產品及服務以及資訊科技運營增值服務

各地區分類之間並無銷售或其他交易。

Hong Kong and South East Asia	香港及東南亞
PRC	中國
Operating profit	經營溢利

Unaudited Six months ended 30 June 2006 未經審核 截至二零零六年六月三十日止六個月	
Turnover 營業額 HK\$'000 千港元	Segment results 分類業績 HK\$'000 千港元
30,079	(2,578)
163,475	31,129
<b>193,554</b>	<b>28,551</b>

**4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING** (Continued)**Secondary reporting format – Geographical segments**  
(Continued)

		Unaudited Six months ended 30 June 2005 未經審核 截至二零零五年六月三十日止六個月	
		Turnover 營業額 HK\$'000 千港元	Segment results 分類業績 HK\$'000 千港元
Hong Kong and South East Asia	香港及東南亞	26,381	(1,398)
PRC	中國	152,587	42,796
Operating profit	經營溢利	178,968	41,398

**5. EXPENSES BY NATURE**

Expenses included in cost of sales, selling expenses and administrative expenses are analysed as follows:

**5. 以性質區分之開支**

於銷售成本、銷售開支及行政費用計入之開支分析如下：

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Auditors' remuneration	核數師酬金	857	500
Depreciation	折舊	5,855	4,352
Amortisation of leasehold land	租賃土地攤銷	4	-
Employee benefit expense (including directors' emoluments) (Note 6)	僱員福利開支 (包括董事酬金) (附註6)	41,176	48,133
Less: employee benefit expense capitalised into contract work in progress	減：撥充在建合約工程 資本之僱員福利 開支	-	(3,130)
Cost of inventories sold	售出存貨成本	69,904	54,004
Operating lease rentals for land and buildings	土地及樓宇之 營業租賃租金	4,922	4,371
Operating lease rentals for equipment	設備營業租賃租金	4,494	3,160
Research and development costs	研究及開發成本	1,643	452
Loss on disposal and write-off of fixed assets	出售及撇銷固定資產 之虧損	-	6
Provision for doubtful debts	呆賬撥備	41	1,302
Write-off of obsolete inventories	撇銷過時存貨	117	207
Refund of value-added tax	增值稅退款	(639)	(2,142)

## 6. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) 6. 僱員福利開支 (包括董事酬金)

**Unaudited**  
**Six months ended 30 June**  
未經審核  
截至六月三十日止六個月

	<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 <b>HK\$'000</b> 千港元
Wages and salaries	<b>34,454</b>	43,658
Social security costs	<b>2,905</b>	2,596
Employee share option scheme – value of employee services (Note 17(c))	<b>1,612</b>	–
Pension costs – defined contribution plans	<b>2,205</b>	1,879
	<b>41,176</b>	48,133

## 7. FINANCE COSTS

## 7. 融資成本

**Unaudited**  
**Six months ended 30 June**  
未經審核  
截至六月三十日止六個月

	<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 <b>HK\$'000</b> 千港元
Interest on bank loans and overdrafts	<b>883</b>	791
Interest on financial liability portion of convertible preference shares issued by a subsidiary (Note 19)	<b>1,019</b>	103
	<b>1,902</b>	894

**8. INCOME TAX EXPENSE**

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

Current Income tax	現時所得稅
– Hong Kong profits tax (Note (a))	– 香港利得稅 (附註(a))
– Overseas taxation (Note (b))	– 海外稅項 (附註(b))

**Note:**

- (a) Hong Kong profits tax has not been provided as the Group has no estimated assessable profit for the period (six months ended 30 June 2005: Nil).
- (b) The PRC taxation has been provided on the profit of the Group's subsidiaries in the PRC and calculated at the applicable rates (six months ended 30 June 2005: HK\$2,494,000).

A subsidiary in the PRC enjoys tax concessions made available to Foreign Investment Enterprises and Foreign Enterprises during the six months ended 30 June 2006. Pursuant to the Income Tax Law of the PRC concerning Foreign Investment Enterprises and Foreign Enterprises, the subsidiaries in the PRC are subjected to tax rate and tax concessions as follows:

Name of subsidiaries 附屬公司名稱	Applicable tax rate 適用稅率	Year of tax exemption/relief 年內稅務 豁免/減免
Pax Technology (Shenzhen) Limited 百富計算機技術(深圳)有限公司	15%	2004 to 2008 二零零四年至二零零八年
Beijing Hi Sun Advanced Business Solutions Information Technology Limited 北京高陽金信信息技術有限公司	15%	2000 to 2005 二零零零年至二零零五年
Beijing Hi Sunray Information Technology Limited 北京高陽聖思園信息技術有限公司	15%	2000 to 2005 二零零零年至二零零五年

**9. DIVIDEND**

No dividend on ordinary share has been paid or declared by the Company for the six months ended 30 June 2006 (six months ended 30 June 2005: Nil).

**8. 所得稅開支**

香港利得稅乃就期內估計應課稅溢利按稅率17.5%(二零零五年:17.5%)作出撥備。對於海外溢利之稅項根據期內估計應課稅溢利以本集團經營業務之國家適用稅率計算。

**Unaudited**  
**Six months ended 30 June**  
未經審核  
截至六月三十日止六個月

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
-	-
<b>3,805</b>	2,494
<b>3,805</b>	2,494

**附註:**

- (a) 由於本集團期內並無估計應課稅溢利，故並無就香港利得稅作出撥備(截至二零零五年六月三十日止六個月:無)。
- (b) 本集團已就其於中國附屬公司所得溢利之中國稅項作出撥備，乃按適用稅率計算(截至二零零五年六月三十日止六個月:2,494,000港元)。

截至二零零六年六月三十日止六個月內，於中國之附屬公司享有外資企業及外國企業稅務優惠。根據有關外資企業及外國企業之中國所得稅法，在中國之附屬公司享有稅率及稅務優惠如下：

**9. 股息**

本公司並無就截至二零零六年六月三十日止六個月派付或宣派普通股股息(截至二零零五年六月三十日止六個月:無)。



**10. EARNINGS PER SHARE****Basic**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (千股)
Basic earnings per share (HK\$ per share)	每股基本盈利 (每股港元)

**Diluted**

Diluted earnings per share for the six months ended 30 June 2006 is calculated by adjusting the number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares. The Company has two categories of dilutive ordinary shares: convertible preference shares issued by a subsidiary and share options. The convertible preference shares issued by a subsidiary are assumed to have been converted into ordinary shares and the net profit is adjusted to eliminate the interest expense less the tax effect. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above for the purpose of diluted earnings per share calculation is compared with the number of shares that would have been issued assuming the exercise of the share options.

**10. 每股盈利****基本**

每股基本盈利乃按本公司權益持有人應佔溢利除期內已發行普通股加權平均數計算。

**Unaudited****Six months ended 30 June**

未經審核

截至六月三十日止六個月

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列) (Note) (附註)
<b>42,221</b>	38,568
<b>1,484,181</b>	1,332,216
<b>0.028</b>	0.029

**攤薄**

截至二零零六年六月三十日止六個月之每股攤薄盈利乃按兌換所有攤薄普通股之假設而調整已發行普通股數目計算。本公司之攤薄普通股分為兩類：一家附屬公司發行之可換股優先股及購股權。一家附屬公司發行之可換股優先股假設已轉換為普通股，並已調整純利以對銷利息開支扣除稅務影響。購股權方面，按尚未行使購股權所附認購權之貨幣價值計算，以釐定可按公平值（定為本公司股份期內之平均市價）購買之股份數目。就每股攤薄盈利按上述方式計算之股份數目與假設購股權獲行使時應已發行之股份數目作比較。

**10. EARNINGS PER SHARE (Continued)**  
**Diluted (Continued)**

**10. 每股盈利 (續)**  
**攤薄 (續)**

**Unaudited**  
**Six months ended 30 June**  
 未經審核  
 截至六月三十日止六個月

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列) (Note) (附註)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	<b>42,221</b>	38,568
Interest expense on convertible preference shares issued by a subsidiary	一家附屬公司發行之可換股優先股利息開支	<b>1,019</b>	103
Profit used to determine diluted earnings per share	用作釐定每股攤薄盈利之溢利	<b>43,240</b>	38,671
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (千股)	<b>1,484,181</b>	1,332,216
Adjustments for	就下列各項作出調整		
– assumed conversion of convertible preference shares issued by a subsidiary (thousands)	– 假設轉換一家附屬公司發行之可換股優先股 (千股)	<b>104,000</b>	34,668
– share options (thousands)	– 購股權 (千份)	<b>159,749</b>	2,348
Weighted average number of ordinary shares for diluted earnings per share (thousands)	計算每股攤薄盈利之普通股加權平均數 (千股)	<b>1,747,930</b>	1,369,232
Diluted earnings per share (HK\$ per share)	每股攤薄盈利 (每股港元)	<b>0.025</b>	0.028

**Note:** The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share for the six months ended 30 June 2005 have been adjusted for the Company's share subdivision in June 2006, details of which are set out in note 17(b).

**附註:** 就截至二零零五年六月三十日止六個月每股基本及攤薄盈利而言之普通股加權平均數已就本公司於二零零六年六月進行股份拆細作出調整，詳情載於附註17(b)。

## 11. PROPERTY, PLANT AND EQUIPMENT

## 11. 物業、廠房及設備

		HK\$'000 千港元
Net book value as at 1 January 2006	於二零零六年一月一日之賬面淨值	37,760
Additions	添置	18,229
Depreciation	折舊	(5,855)
Net book value as at 30 June 2006	於二零零六年六月三十日之賬面淨值	50,134
Net book value as at 1 January 2005	於二零零五年一月一日之賬面淨值	21,135
Additions	添置	7,967
Disposals	出售	(11)
Depreciation	折舊	(4,352)
Net book value as at 30 June 2005	於二零零五年六月三十日之賬面淨值	24,739
Exchange differences	匯兌差額	605
Additions	添置	18,413
Disposals	出售	(465)
Depreciation	折舊	(5,532)
Net book value as at 31 December 2005	於二零零五年十二月三十一日 之賬面淨值	37,760

## 12. LEASEHOLD LAND

The Group's interests in leasehold land represent prepaid operating lease payments and their net book values are analysed as follows:

## 12. 租賃土地

本集團於租賃土地的權益即預繳營業租賃款項，其賬面淨值分析如下：

		Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
Outside Hong Kong, held on:	於香港以外地方持有：		
Leases of between 10 to 50 years	10至50年之租賃	208	208
Amortisation	攤銷	(4)	-
Net book value	賬面淨值	204	208

**12. LEASEHOLD LAND (Continued)**

The movement of the lease prepayment for land is as follows:

Balance at beginning of period/year	期／年初之結餘
Additions	添置
Charge for the period/year	期／年內支出
Balance at end of period/year	期／年末結餘

**12. 租賃土地 (續)**

土地預付租金之變動如下：

Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
208	–
–	208
(4)	–
204	208

**13. TRADE RECEIVABLES**

The Group's credit terms to trade receivables range from 0 to 180 days. At 30 June 2006 and 31 December 2005, the ageing analysis of the trade receivables were as follows:

Current to 90 days	即時至90日
91 days to 180 days	91日至180日
181 to 365 days	181日至365日
Over 365 days	365日以上
Trade receivables	應收賬款
Less: provision for doubtful debts	減：呆賬撥備
Trade receivables – net	應收賬款淨額

**13. 應收賬款**

本集團應收賬款之信貸期為0至180日。於二零零六年六月三十日及二零零五年十二月三十一日，應收賬款之賬齡分析如下：

Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
100,410	68,199
14,447	7,220
3,298	3,573
8,093	10,130
126,248	89,122
(9,617)	(10,831)
116,631	78,291

## 簡明賬目附註 (續)

## 14. TRADE PAYABLES

At 30 June 2006 and 31 December 2005, the ageing analysis of the trade payables were as follows:

Current to 90 days	即時至90日
91 days to 180 days	91日至180日
181 to 365 days	181日至365日
Over 365 days	365日以上

## 14. 應付賬款

於二零零六年六月三十日及二零零五年十二月三十一日，應付賬款之賬齡分析如下：

Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
33,417	32,373
10,568	2,463
2,310	3,704
1,274	1,765
<b>47,569</b>	<b>40,305</b>

## 15. BORROWINGS

Non-current	非流動
– Financial liability portion of convertible preference shares issued by a subsidiary (Note 19)	– 一家附屬公司所發行可換股優先股之財務負債部分 (附註19)
Current	流動
Short term bank borrowings	短期銀行借款
– Short term bank loans – PRC, secured (Note)	– 短期銀行貸款 – 中國，有抵押 (附註)
Total borrowings	借款總額

**Note:**

As at 31 December 2005, secured short term bank loans of HK\$48,077,000 were secured by corporate guarantee of HK\$48,077,000 from the Company. The short term bank borrowings were repaid on 11 May 2006 and the corporate guarantee from the Company has been released thereon.

## 15. 借款

Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
21,770	21,173
–	48,077
<b>21,770</b>	<b>69,250</b>

**附註:**

於二零零五年十二月三十一日，有抵押短期銀行貸款 48,077,000 港元乃由本公司提供之 48,077,000 港元公司擔保作抵押。短期銀行借款已於二零零六年五月十一日償還，而本公司提供之公司擔保已自此解除。

**15. BORROWINGS (Continued)**

The carrying amount of financial liability portion of convertible preference shares issued by a subsidiary approximates its fair value.

The carrying amounts of the borrowings are denominated in the following currencies:

Hong Kong dollar                      港元  
Renminbi                                      人民幣

**15. 借款 (續)**

一家附屬公司所發行可換股優先股之財務負債部分之賬面值與其公平值相若。

借款賬面值以下列貨幣列值：

<b>Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元</b>	<b>Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元</b>
<b>21,770</b>	21,173
-	48,077
<b>21,770</b>	69,250

**16. DUE FROM A RELATED COMPANY AND A FELLOW SUBSIDIARY**

The amounts due from a related company and a fellow subsidiary are interest free, unsecured and repayable on demand.

**17. SHARE CAPITAL**

Authorised:                      法定：  
At 1 January 2006              於二零零六年一月一日  
Reduction of par value        削減普通股面值  
of ordinary shares              (附註(b))  
(Note (b))

At 30 June 2006                於二零零六年六月三十日

**16. 應收一家有關連公司及一家同系附屬公司款項**

應收一家有關連公司及一家同系附屬公司款項均為免息、無抵押及索還時償付。

**17. 股本**

每股面值0.01港元之普通股

Ordinary shares of  
HK\$0.01 each  
Number

of Shares                      HK\$'000  
股份數目                      千港元

每股面值0.0025港元之普通股

Ordinary shares of  
HK\$0.0025 each  
Number

of Shares                      HK\$'000  
股份數目                      千港元

1,000,000,000	10,000	-	-
(1,000,000,000)	(10,000)	4,000,000,000	10,000
-	-	4,000,000,000	10,000

## 17. SHARE CAPITAL (Continued)

## 17. 股本 (續)

		每股面值0.01港元之普通股		每股面值0.0025港元之普通股	
		Ordinary shares of HK\$0.01 each		Ordinary shares of HK\$0.0025 each	
		Number	HK\$'000	Number	HK\$'000
		of Shares	千港元	of Shares	千港元
		股份數目		股份數目	
Issued and fully paid:	已發行及繳足:				
At 1 January 2006	於二零零六年一月一日	333,054,030	3,330	-	-
Issue of new ordinary shares (Note (a))	發行新普通股 (附註(a))	66,000,000	660	-	-
Shares issued under share option scheme of the Company (Note (c))	按本公司購股權計劃項下發行股份 (附註(c))	10,000,000	100	-	-
Reduction of par value of ordinary shares (Note (b))	削減普通股面值 (附註(b))	(409,054,030)	(4,090)	1,636,216,120	4,090
At 30 June 2006	於二零零六年六月三十日	-	-	1,636,216,120	4,090

## Note:

(a)

**Issue of new ordinary shares**

On 21 March 2006, the Company entered into a subscription agreement with Huge Rising Limited (the "Subscriber"), a company incorporated in the British Virgin Islands, in relation to the subscription by the Subscriber at a price of HK\$1.46 per share (the "Subscription Price") of an aggregate of 66,000,000 new ordinary shares of HK\$0.01 each to be issued by the Company pursuant to the subscription agreement (the "Subscription Shares"), for the purpose of providing the Group with additional working capital. The Subscription Price was paid in cash on completion of the subscription agreement on 31 March 2006.

The Subscriber is an investment holding company and the ultimate beneficial owner of which is Mr. Che Fung, which are both third parties independent of the Company and connected persons of the Company.

The Subscription Shares represented approximately 19.73% of the then existing issued share capital of the Company and approximately 16.48% of the share capital as enlarged by the issue of the Subscription Shares.

The Subscription Prices was determined after arm's length negotiation between the Company and the Subscriber and with reference to the prevailing market prices of the shares of the Company. The Subscription Price represents (i) a discount of approximately 19.78% to the closing price of HK\$1.82 per share as quoted on the Stock Exchange of Hong Kong Limited on 20 March 2006; a discount of approximately 19.25% to the average closing price of HK\$1.808 per share for the last 5 trading days ended 20 March 2006 and (iii) a discount of approximately 8.98% to the average closing price of HK\$1.604 per share for the last 20 trading days ended 20 March 2006. The share issuance expense incurred amounted to HK\$60,000. The subscription was completed on 31 March 2006. The shares issued rank pari passu with the existing ordinary shares of the Company.

## 附註:

(a)

**發行新普通股**

於二零零六年三月二十一日，本公司與於英屬處女群島註冊成立的 Huge Rising Limited (「認購人」) 訂立認購協議，內容關於認購人根據認購協議以每股 1.46 港元的價格 (「認購價」)，認購將由本公司發行合共 66,000,000 股每股面值 0.01 港元之新普通股 (「認購股份」)，以為本集團提供額外營運資金。認購價已於認購協議在二零零六年三月三十一日完成時以現金支付。

認購人為一家投資控股公司，其最終實益持有人為車峰先生，兩者均為獨立於本公司及本公司關連人士之第三方。

認購股份相當於本公司當時現有已發行股本約 19.73% 及相當於經發行認購股份擴大後之股本約 16.48%。

認購價經本公司與認購人參考本公司股份當時市場價格後經公平磋商釐定。認購價較：(i) 二零零六年三月二十日香港聯合交易所有限公司所報收市價每股 1.82 港元折讓約 19.78%；(ii) 截至二零零六年三月二十日止最後五個交易日平均收市價每股 1.808 港元折讓約 19.25%；及 (iii) 截至二零零六年三月二十日止最後二十個交易日平均收市價每股 1.604 港元折讓約 8.98%。股份發行開支為 60,000 港元。認購於二零零六年三月三十一日完成。該等已發行股份與本公司現有普通股享有同等權益。



## 17. SHARE CAPITAL (Continued)

Note: (Continued)

## (b) Share subdivision

Pursuant to an ordinary resolution passed on 28 June 2006, each of the existing issued and unissued ordinary shares of HK\$0.01 each in the share capital of the Company was subdivided into four ordinary shares of HK\$0.0025 each (the "Share Subdivision"), which was approved by the shareholders of the Company and became effective on 29 June 2006.

## (c) Share option scheme of the Company

The Company operates a share option scheme (the "Scheme") for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme include the Group's full-time employees, and executive and non-executive Directors. The Scheme became effective on 29 November 2001 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date.

The total number of shares in respect of which options may be granted shall not (together with all the other Schemes, if any) exceed 10% of the total issued capital of the Company as at date of approval of the Scheme unless the Company obtains a fresh approval from shareholders to renew the 10% limit.

The maximum number of shares in respect of which options may be granted under the Scheme, together with any unexercised share options granted under the Scheme and any other share option schemes of the Company in issue, may not exceed 30% of the relevant class of securities of the Company in issue at any time. On 18 March 2004, 33,000,000 share options were granted to certain directors and employees at HK\$0.374 (the average closing price of the shares as quoted in the daily quotations sheets issued by The Stock Exchange of Hong Kong Limited for the five business days immediately preceding 18 March 2004) with an expiry date of 17 March 2014.

Pursuant to an ordinary resolution passed on 17 August 2005, a refreshment of the limit on grant of options under the Scheme was approved by the shareholders. Upon refreshing the 10 per cent limit on grant of options under the Scheme, 33,305,403 shares may be issued pursuant to the grant of further options under the Scheme.

On 26 September 2005, 33,300,000 share options were granted to certain directors and employees at HK\$0.768 (the average closing price of the shares as quoted in the daily quotations sheets issued by The Stock Exchange of Hong Kong Limited for the five business days immediately preceding 26 September 2005) with an expiry date of 25 September 2015. The option period commences on 26 September 2005 and expires 10 years thereafter.

Options granted are vested as follows:

On 26 September 2005	Up to 50%
On 26 September 2006	Up to 100%

## 17. 股本 (續)

附註: (續)

## (b) 股份分拆

根據於二零零六年六月二十八日通過之普通決議案，本公司股本中每股面值0.01港元之現有已發行及未發行普通股已分拆成為4股每股面值0.0025港元之普通股（「股份分拆」）。本公司股東已批准股份分拆，並於二零零六年六月二十九日生效。

## (c) 本公司之購股權計劃

本公司設立購股權計劃（「該計劃」），旨在吸引、留聘及激勵有潛質之僱員，以助推動日後發展及擴充本集團業務。該計劃之合資格參與者包括本集團的全職僱員以及執行及非執行董事。該計劃於二零零一年十一月二十九日生效，除另行取消或修訂以外，將由該日起計10年期間仍然有效及生效。

連同所有其他購股權計劃（如有）可授出之購股權所涉及股份總數，不得超過本公司於批准該計劃當日已發行股本總額之10%，惟本公司取得股東批准更新該10%限額之情況除外。

該計劃項下可授出之購股權連同該計劃及本公司任何其他購股權計劃項下已授出而尚未行使之任何購股權所涉及之股份數目，最多不得超過任何時候本公司已發行相關類別證券之30%。於二零零四年三月十八日，本公司向若干董事及僱員授出33,000,000份購股權，作價0.374港元，即緊接二零零四年三月十八日前五個營業日香港聯合交易所有限公司發佈之每日報價表所報股份平均收市價，到期日為二零一四年三月十七日。

根據於二零零五年八月十七日通過之普通決議案，股東批准更新該計劃項下可授出購股權的限額。更新該計劃項下可授出購股權之10%限額後，可根據該計劃項下進一步授出之購股權發行33,305,403股股份。

於二零零五年九月二十六日，本公司向若干董事及僱員授出33,300,000份購股權，作價0.768港元，即緊接二零零五年九月二十六日前五個營業日香港聯合交易所有限公司發佈之每日報價表所報股份平均收市價，到期日為二零一五年九月二十五日。購股權期間由二零零五年九月二十六日開始，10年後到期。

已授出購股權歸屬如下：

於二零零五年九月二十六日	最多50%
於二零零六年九月二十六日	最多100%

## 簡明賬目附註 (續)

## 17. SHARE CAPITAL (Continued)

Note: (Continued)

## (c) Share option scheme of the Company (Continued)

Share options outstanding (in thousands) have the following expiry date and exercise prices:

Expiry date	到期日
17 March 2014	二零一四年三月十七日
25 September 2015	二零一五年九月二十五日

Expiry date	到期日
17 March 2014	二零一四年三月十七日
25 September 2015	二零一五年九月二十五日

For the six months ended 30 June 2006, 10,000,000 share options have been exercised at the exercise price of HK\$0.374 per share, resulting in the issue of 10,000,000 additional ordinary shares of the Company. The weighted average closing price immediately before the dates on which the options were exercised was HK\$2.27 per share. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Prior to the share subdivision, there are outstanding share options granted under the Share Option Scheme to subscribe for 56,300,000 Shares. The share subdivision has led to an adjustment to the exercise price of the outstanding options and the number of Shares to be issued by the Company upon exercise of the outstanding options. For share options with exercise period from 18 March 2004 to 17 March 2014, the number of shares to be issued by the Company upon full exercise of such options has been increased from 23,000,000 Shares to 92,000,000 Shares and the exercise price has been adjusted from HK\$0.374 to HK\$0.0935 per Share. For share options with exercise period from 26 September 2005 to 25 September 2015, the number of shares to be issued by the Company upon full exercise of such options has been increased from 33,300,000 Shares to 133,200,000 Shares and the exercise price has been adjusted from HK\$0.768 to HK\$0.192 per Share.

## (d) Employee incentive scheme of a subsidiary

On 4 April 2005, the Company approved its wholly-owned subsidiary, Turbo Speed Technology Limited ("Turbo Speed"), to adopt an employee incentive scheme (the "Employee Incentive Scheme") to motivate the employees of Turbo Speed and its subsidiary (the "Turbo Speed Group"). Eligible participants of the Employee Incentive Scheme include the full-time employees of Turbo Speed or any of its subsidiaries, including any directors of Turbo Speed or any of its subsidiaries (but excluding any person who is a Director of the Company) provided always that such term shall exclude any person who has tendered his resignation or who at the relevant time is working out his period of notice pursuant to his employment contract or otherwise. The Scheme became effective from 4 April 2005 to 31 December 2008, unless terminated by resolution of a remuneration committee formed by the Board to administer the Employee Incentive Scheme (the "Committee").

## 17. 股本 (續)

附註: (續)

## (c) 本公司之購股權計劃 (續)

尚未行使購股權 (以千計) 之到期日及行使價如下:

Exercise price HK\$ per share 行使價 每股港元	30 June 2006 二零零六年 六月三十日
0.0935	92,000
0.192	133,200
	<b>225,200</b>

Exercise price HK\$ per share 行使價 每股港元	31 December 2005 二零零五年 十二月三十一日
0.374	33,000
0.768	33,300
	<b>66,300</b>

於截至二零零六年六月三十日止六個月，10,000,000份購股權按行使價每股0.374港元獲行使，令本公司發行10,000,000股額外普通股。緊接購股權獲行使日期前之加權平均收市價為每股2.27港元。本集團並無以現金購回或償付購股權之法定或推定責任。

於股份分拆前，根據購股權計劃已授出之尚未行使購股權可認購56,300,000股股份。股份分拆導致須調整未行使購股權之行使價及本公司於未行使購股權獲行使時將予發行之股份數目。就行使期由二零零四年三月十八日至二零一四年三月十七日之購股權而言，本公司於有關購股權獲悉數行使時將予發行之股份數目由23,000,000股增至92,000,000股，而行使價則由每股0.374港元調整至每股0.0935港元。就行使期由二零零五年九月二十六日至二零一五年九月二十五日之購股權而言，本公司於有關購股權獲悉數行使時將予發行之股份數目由33,300,000股增至133,200,000股，而行使價則由每股0.768港元調整至每股0.192港元。

## (d) 一家附屬公司之僱員獎勵計劃

於二零零五年四月四日，本公司批准其全資附屬公司Turbo Speed Technology Limited (「Turbo Speed」) 採納一項僱員獎勵計劃 (「僱員獎勵計劃」)，以激勵Turbo Speed及其附屬公司 (「Turbo Speed集團」) 的僱員。僱員獎勵計劃的合資格參與者包括Turbo Speed或其任何附屬公司的全職僱員，其中包括Turbo Speed或其任何附屬公司的任何董事，但不包括任何出任本公司董事的人士，惟上述條款永不適用於已呈辭或於有關時間根據其僱傭合約或其他情況已開始離職通知期的人士。除非董事會為執行僱員獎勵計劃而成立的薪酬委員會 (「委員會」) 以決議案終止該計劃，否則該計劃於二零零五年四月四日至二零零八年十二月三十一日生效。

**17. SHARE CAPITAL (Continued)****Note:** (Continued)**(d) Employee incentive scheme of a subsidiary (Continued)**

The total number of shares in respect of which options may be granted shall not exceed 4,682,275 ordinary shares of Turbo Speed ("Turbo Speed Shares"), representing approximately 13.0% of the existing issued share capital of Turbo Speed, currently held by a wholly-owned subsidiary of the Company. Options may be offered to any Employee determined by the Committee in its absolute discretion from time to time by reference to: (i) the performance of that Employee; and (ii) the financial performance of the Turbo Speed Group and the extent to which the Turbo Speed Group has achieved its intended business plans. The maximum number of the Turbo Speed Shares which may be offered to an employee who is also a director of companies within the Turbo Speed Group in any 12-month period may not exceed 1% of the entire issued share capital of Turbo Speed.

On 8 July 2005, 1,425,000 share options had been granted to certain directors and employees of its subsidiary to subscribe ordinary shares of Turbo Speed at an exercise price of HK\$1.922 per share. The exercisable period of the above share options is from 8 July 2005 to 31 December 2008 (both dates inclusive).

Share options outstanding (in thousands) have the following expiry date and exercise price:

Expiry date	到期日	Exercise price HK\$ per share 行使價每股港元
31 December 2008	二零零八年十二月三十一日	1.922

During the six months ended 30 June 2006, no share options have been exercised and 1,245,000 share options have been lapsed. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

**18. SHARE PREMIUM REDUCTION**

In compliance with section 46 of the Companies Act 1981 of Bermuda and with effect from 28 June 2006 (the date of the passing of the special resolution), the entire amount standing to the credit of the share premium account of the Company as at 31 December 2005 was cancelled and the directors of the Company was authorised to apply part of the credit arising from the aforesaid reduction of the share premium account of the Company in the sum of HK\$57,431,000 to offset the accumulated losses of the Company in full and the remaining balance of the credit arising therefrom in the sum of HK\$43,125,000 was transferred to the contributed surplus account of the Company in accordance with the Bye-laws of the Company and all applicable laws.

**17. 股本 (續)****附註:** (續)**(d) 一家附屬公司之僱員獎勵計劃 (續)**

可予發行購股權所涉及股份總數不得超過 Turbo Speed 4,682,275 股普通股 (「Turbo Speed 股份」)，相當於現時由本公司一家全資附屬公司持有之 Turbo Speed 現有已發行股本約 13.0%。購股權可由委員會不時參考下列各項後全權酌情決定向任何僱員提呈：(i) 該名僱員的表現；及 (ii) Turbo Speed 集團的財務表現及其達致其擬定業務計劃之進度。於任何 12 個月期間可向一名兼任 Turbo Speed 集團旗下公司董事的僱員提呈之 Turbo Speed 股份，最多不得超過 Turbo Speed 全部已發行股本的 1%。

於二零零五年七月八日，Turbo Speed 已向若干董事及其附屬公司僱員授出 1,425,000 份購股權，以按每股 1.922 港元的行使價認購 Turbo Speed 普通股。上述購股權之行使期由二零零五年七月八日至二零零八年十二月三十一日（包括首尾兩天）。

尚未行使購股權（以千計）之到期日及行使價如下：

**Share options  
購股權**

30 June 2006 二零零六年 六月三十日	31 December 2005 二零零五年 十二月三十日
180	1,425

截至二零零六年六月三十日止六個月，並無任何購股權獲行使，另有 1,245,000 份購股權失效。本集團並無以現金購回或償付購股權之法律或推定責任。

**18. 削減股份溢價**

根據百慕達一九八一年公司法第 46 條及自特別決議案獲通過日期二零零六年六月二十八日起，本公司於二零零五年十二月三十一日股份溢價賬之進賬已悉數註銷，而本公司董事獲授權動用自上述削減本公司股份溢價賬產生之部分進賬合共 57,431,000 港元，以悉數抵銷本公司之累計虧損，而自上述削減產生之進賬餘額合共 43,125,000 港元已根據本公司之公司細則及一切適用法例，轉撥至本公司之繳入盈餘賬內。

**19. CONVERTIBLE PREFERENCE SHARES ISSUED BY A SUBSIDIARY**

On 9 November 2004, Turbo Speed Technology Limited ("Turbo Speed"), a wholly-owned subsidiary of the Company, entered into a subscription agreement with independent third parties in relation to the subscription of 6,837,608 convertible preference shares of US\$0.10 each of Turbo Speed for a total subscription price of US\$4 million (approximately HK\$31.2 million) ("the Subscription"). The subscription price had been received by Turbo Speed shortly after signing of the said subscription agreement and was held in jointly controlled bank account and would be released on completion of the Subscription.

Pursuant to an ordinary resolution passed on 4 April 2005, the Company approved the Subscription and the Subscription was completed on 29 April 2005. The deposit received from issue of convertible preference shares by a subsidiary as at 31 December 2004 included a balance of HK\$50,000 which represented accrued interest income on the total subscription price of US\$4 million (approximately HK\$31.2 million). Such accrued interest income was recognised in the income statement as interest income for the year ended 31 December 2005.

According to the said subscription agreement, the rights attached to holders of convertible preference shares of Turbo Speed are summarised as follows:

- (a) Income (assuming no conversion of convertible preference shares)**
- (i) A fixed cumulative preferred dividend equal to HK\$624,000 for each financial year of Turbo Speed; and
  - (ii) Participation in part of dividends declared and payable by Turbo Speed (after the preferred dividend), calculated by applying an agreed formula so that the aggregate of the preferred dividend and ordinary dividend to the holders of the convertible preference shares would be equal to 16% (on annual basis) of the total dividends payable by Turbo Speed.

**19. 一家附屬公司發行可換股優先股**

於二零零四年十一月九日，本公司全資附屬公司 Turbo Speed Technology Limited (「Turbo Speed」) 與獨立第三方訂立認購協議，以總認購價 4,000,000 美元 (約 31,200,000 港元) 認購 6,837,608 股每股面值 0.10 美元之 Turbo Speed 可換股優先股 (「認購事項」)。Turbo Speed 於簽訂上述認購協議後隨即收取認購價，有關認購價存入聯名銀行賬戶，並將於認購事項完成後解除。

根據於二零零五年四月四日通過之普通決議案，本公司批准認購事項，而認購事項已於二零零五年四月二十九日完成。於二零零四年十二月三十一日，一家附屬公司發行可換股優先股所收取訂金包括總認購價 4,000,000 美元 (約 31,200,000 港元) 之累計利息收入 50,000 港元。截至二零零五年十二月三十一日止年度，該等累計利息收入於損益表確認為利息收入。

根據上述認購協議，Turbo Speed 可換股優先股持有人所附權利概述如下：

- (a) 收入 (假設並無兌換可換股優先股)**
- (i) 於 Turbo Speed 每個財政年度享有相當於 624,000 港元之定額累計優先股息；及
  - (ii) 享有 Turbo Speed 派發優先股息後宣派及應派之部分股息，乃按經協定程式計算，致使可換股優先股持有人之優先股息及普通股股息總額將相等於按年計算之 Turbo Speed 應派股息總額 16%。



**19. CONVERTIBLE PREFERENCE SHARES ISSUED BY A SUBSIDIARY (Continued)****(b) Conversion options**

- (i) Convertible at any time from the date of completion of the Subscription for a period of 24 months into new shares of the Company at a conversion price of HK\$1.2 per share, subject to adjustment set out in the subscription agreement (the "Conversion"). The amount for the Conversion shall be US\$4 million.

The Share subdivision of the Company on 29 June 2006 has led to an adjustment to the conversion price of the convertible preference shares from HK\$1.2 to HK\$0.30 per share.

- (ii) Automatic conversion into ordinary shares of Turbo Speed at a ratio of 1:1 on the business day after Turbo Speed has paid total dividends on each convertible preference share which exceed its original issue price.

According to a shareholders' agreement entered into by the Company and the convertible preference shareholders of Turbo Speed on 29 April 2005, if the audited net profit after taxation of Beijing Hi Sunray Technology Limited ("Beijing Hi Sunray"), a wholly-owned subsidiary of Turbo Speed, for either of the financial year ending 31 December 2005 or 2006, as stated in the audited financial statements of Beijing Hi Sunray for the relevant financial year is less than RMB40 million, the Company shall transfer an agreed percentage of shares in Turbo Speed to the then convertible preference shareholders of Turbo Speed for a consideration of HK\$1.

The fair values of the liability component and the equity conversion component were determined at issuance of the convertible preference shares.

The fair value of the liability component, included in long-term borrowings, was calculated using a market interest rate for an equivalent non-convertible convertible preference shares. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves.

**19. 一家附屬公司發行可換股優先股 (續)****(b) 兌換選擇權**

- (i) 可於認購事項完成日期起計24個月期間，隨時按兌換價每股1.2港元（可按認購協議所載者作出調整）兌換為本公司新股份（「兌換事項」）。兌換事項金額應為4,000,000美元。

本公司於二零零六年六月二十九日進行股份分拆，導致可換股優先股之兌換價由每股1.2港元調整至每股0.30港元。

- (ii) 於Turbo Speed派付超過其原定發行價之每股可換股優先股股息總額後之營業日，按1:1之兌換比率自動兌換為Turbo Speed普通股。

根據本公司與Turbo Speed可換股優先股股東於二零零五年四月二十九日訂立之股東協議，倘誠如Turbo Speed之全資附屬公司北京高陽聖思園信息技術有限公司（「北京高陽聖思園」）有關財政年度之經審核財務報表所載，北京高陽聖思園截至二零零五年或二零零六年十二月三十一日止財政年度之經審核除稅後純利不足人民幣40,000,000元，本公司須向當時之Turbo Speed可換股優先股股東轉讓協定百分比之Turbo Speed股份，代價為1港元。

負債部分及權益轉換部分之公平值於發行可換股優先股時釐定。

負債部分（包括長期借款）之公平值採用等值不可換股優先股之市場利率計算。餘額指權益轉換部分之價值，計入其他儲備之股東權益內。

**19. CONVERTIBLE PREFERENCE SHARES ISSUED BY A SUBSIDIARY (Continued)**

The convertible preference shares issued recognised in the balance sheet is calculated as follows:

Face value of convertible preference shares issued on 29 April 2005 Equity component	於二零零五年四月二十九日發行之可換股優先股面值權益部分
Liability component on initial recognition at 29 April 2005	於二零零五年四月二十九日初次確認之負債部分
Interest expense for the year ended 31 December 2005	截至二零零五年十二月三十一日止年度之利息開支
Interest expense for the six months ended 30 June 2006	截至二零零六年六月三十日止六個月之利息開支
Preferred dividend paid for the six months ended 30 June 2006	截至二零零六年六月三十日止六個月已派優先股息
Liability component	負債部分

Interest expense on convertible preference shares is calculated using the effective interest method by applying the effective interest rate of 8.27% (31 December 2005: 8.27%) per annum to the liability component.

The fair value of the liability component of convertible preference shares at 30 June 2006 amounted to HK\$21,169,000 (31 December 2005: HK\$21,023,000). The fair value is calculated using cash flows discounted at a rate based on the borrowings rate of 7.94% (31 December 2005: 7.32%) per annum.

**19. 一家附屬公司發行可換股優先股 (續)**

於資產負債表確認之已發行可換股優先股計算如下：

Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
<b>31,200</b> <b>(11,134)</b>	31,200 (11,134)
<b>20,066</b>	20,066
<b>1,107</b>	1,107
<b>1,019</b>	—
<b>(422)</b>	—
<b>21,770</b>	21,173

可換股優先股利息開支採用實際利率法按負債部分之實際年利率8.27厘(二零零五年十二月三十一日: 8.27厘)計算。

可換股優先股負債部分於二零零六年六月三十日之面值為21,169,000港元(二零零五年十二月三十一日: 21,023,000港元)。公平值乃採用現金流量折現法按借款年利率7.94厘(二零零五年十二月三十一日: 7.32厘)計算。

**20. OPERATING LEASE COMMITMENTS**

At 30 June 2006, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

Not later than one year 不超過一年  
Later than one year and not later than five years 一年以上但不超過五年

Land and buildings 土地及樓宇		Equipment 設備	
Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元	Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
4,978	5,079	3,059	6,243
5,402	6,085	-	-
10,380	11,164	3,059	6,243

**20. 營業租賃承擔**

於二零零六年六月三十日，根據不可註銷營業租賃，本集團之未來最低租約付款總額如下：

**21. RELATED PARTY TRANSACTIONS**

The Group is controlled by Rich Global Limited (incorporated in the British Virgin Islands), which owns approximately 46% of the Company's shares. The ultimate parent of the Group is Hi Sun Limited (incorporated in British Virgin Islands).

- (a) The following transactions were carried out with related parties:

Management fees received from a related company (Note (i)) 收取一家關連公司管理費 (附註(i))  
Rental fees paid to a fellow subsidiary (Note (ii)) 向一家同系附屬公司支付租金 (附註(ii))

**21. 關連方交易**

本集團由Rich Global Limited (於英屬處女群島註冊成立的公司) 控制。Rich Global Limited擁有本公司股份約46%。本集團之最終母公司為Hi Sun Limited (於英屬處女群島註冊成立的公司)。

- (a) 與關連方進行之交易如下：

Unaudited  
Six months ended 30 June  
未經審核  
截至六月三十日止六個月

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
-	100
367	391



**21. RELATED PARTY TRANSACTIONS (Continued)****(a) The following transactions were carried out with related parties: (Continued)****Note:**

(i) A subsidiary, Hi Sun Development Management Limited, provided management service to Panorama Stock Limited, a company owned by a Director of the Company.

(ii) A subsidiary, Beijing Hi Sun Advanced Business Solutions Information Technology Limited, paid rental fees to Beijing Hi Sun Electric Power Information Technology Limited, a fellow subsidiary company owned by a Director, who is also a substantial shareholder, of the Company.

The above transactions were conducted in the normal course of business and charged at terms mutually agreed or in accordance with the terms of the underlying agreements, where appropriate.

**(b) Period/year end balances with related parties are as follows:****21. 關連方交易 (續)****(a) 與關連方進行之交易如下:**  
(續)**附註:**

(i) 一家附屬公司高陽拓業管理有限公司向由本公司一名董事擁有之全景傳媒有限公司提供管理服務。

(ii) 一家附屬公司北京高陽金信信息技術有限公司向由本公司一名董事兼主要股東擁有之同系附屬公司北京高陽萬為電力信息技術有限公司支付租金。

上述交易於日常業務中進行，並按雙方協定條款或根據有關協議條款(如適用)收費。

**(b) 與關連方之期/年結算日結餘如下:**

	<b>Unaudited 30 June 未經審核 六月三十日 2006 二零零六年 HK\$'000 千港元</b>	Audited 31 December 經審核 十二月三十一日 2005 二零零五年 HK\$'000 千港元
Receivable from a related company Panorama Stock Limited	應收一家關連公司 款項 全景傳媒有限公司 <b>67</b>	150
Receivable from/(payable to) a fellow subsidiary Beijing Hi Sun Electric Power Information Technology Limited	應收/(應付)一家 同系附屬公司款項 北京高陽萬為 電力信息技術 有限公司 <b>49</b>	(390)

**21. RELATED PARTY TRANSACTIONS (Continued)****(c) Key management compensation (equivalent to directors' emoluments)**

Fees	袍金
Other emoluments:	其他酬金:
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益
Provision for bonus	花紅準備
Contributions to pension schemes	退休金計劃供款

**21. 關連方交易 (續)****(c) 主要管理人員補償 (相當於董事酬金)**

**Unaudited**  
**Six months ended 30 June**  
未經審核  
截至六月三十日止六個月

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
186	165
2,641	1,371
-	9,600
42	39
<b>2,869</b>	<b>11,175</b>

**22. SUBSEQUENT EVENTS****Issue of convertible preference shares by a subsidiary**

On 21 August 2006, Emerging Technology Limited ("Emerging Technology"), a wholly-owned subsidiary of the Company, entered into a subscription agreement with certain independent third party subscribers in relation to the subscription of 760,778 new convertible preference shares ("Convertible Preference Shares") of US\$1.00 each in the share capital of Emerging Technology at a total subscription price of US\$18 million (equivalent to approximately HK\$140 million) (the "Subscription"). The Convertible Preference Shares represent approximately 9.9% of the existing issued share capital of Emerging Technology and 9.0% of the issued share capital of Emerging Technology as enlarged by the Subscription. Under certain circumstances as described in the subscription agreement, Emerging Technology is required to issue to the subscribers additional new convertible preference shares of up to approximately 3% of its issued share capital if those circumstances are fulfilled.

**22. 結算日後事項**

一家附屬公司發行可換股優先股  
於二零零六年八月二十一日，本公司全資附屬公司 Emerging Technology Limited (「Emerging Technology」) 與若干獨立第三方認購人訂立認購協議，以按總認購價 18,000,000 美元 (約相當於 140,000,000 港元) 認購 Emerging Technology 股本中每股面值 1.00 美元之新可換股優先股 (「可換股優先股」) 760,778 股 (「認購事項」)。可換股優先股佔 Emerging Technology 現有已發行股本約 9.9%，另佔經認購事項擴大之 Emerging Technology 已發行股本 9.0%。在認購協議所述若干情況下，倘符合有關條件，Emerging Technology 須向認購人發行最多佔其已發行股本約 3% 之額外新可換股優先股。

## 22. SUBSEQUENT EVENTS (Continued)

### Issue of convertible preference shares by a subsidiary (Continued)

The Subscribers are entitled to convert the Convertible Preference Shares at any time during a period of two years from the date of completion into either the ordinary shares of Emerging Technology or the ordinary shares of the Company.

The subscription price will be settled in cash on completion. The completion of the Subscription is conditional upon the fulfilment of (a) amendment to the Memorandum of Association of Emerging Technology as may be required to create the Convertible Preference Shares of Emerging Technology; (b) permission to deal in the Conversion Shares having been granted by the Listing Committee of The Stock Exchange of Hong Kong Limited; (c) the approval of the subscription agreement and the transactions contemplated thereunder in a manner by the shareholders as required by the Listing Rules; and (d) the execution of all documents required to be duly executed on or before completion. If any of the conditions above has not been fulfilled or waived (save that item (b) and (c) above shall not be capable of being waived) in writing by the subscribers on or prior to 16 October 2006 (or such later date as the Company, Emerging Technology and the subscribers may agree in writing), the Subscription shall terminate.

The Subscription and the transactions contemplated herein above will be subject to the approval of the shareholders of the Company on 25 September 2006 as set out in the announcement of the Company dated 8 September 2006.

Management is in the process of assessing the financial impact of the Convertible Preference Shares to the Group.

On behalf of the Board  
**Li Wenjin**  
Director

Hong Kong, 15 September 2006

## 22. 結算日後事項 (續)

### 一家附屬公司發行可換股優先股 (續)

認購人有權於完成日期起計兩年期間隨時將可換股優先股轉換為 Emerging Technology 普通股或本公司普通股。

認購價將於完成時以現金支付。認購事項須待下列條件達成方告完成：(a) 就增設 Emerging Technology 可換股優先股而可能需要修訂 Emerging Technology 之組織章程大綱；(b) 香港聯合交易所有限公司上市委員會批准買賣換股股份；(c) 股東以上市規則規定之方式批准認購協議及據此所涉及之交易；及 (d) 簽立所有須於完成之時或之前正式簽立之文件。倘上述任何條件未能於二零零六年十月十六日（或本公司、Emerging Technology 及認購人可能以書面協定之該等較後日期）或之前達成或獲認購人以書面豁免（上文 (b) 及 (c) 項不可豁免），認購事項將會終止。

誠如本公司日期為二零零六年九月八日之公佈所載，上文所述認購事項及據此所涉及之交易須待本公司股東於二零零六年九月二十五日批准，方可作實。

管理層現正評估認購可換股優先股對本集團之財務影響。

承董事會命  
董事  
李文晉

香港，二零零六年九月十五日

高陽科技(中國)有限公司  
HI SUN TECHNOLOGY (CHINA) LIMITED

Website 網址 : [www.hisun.com.hk](http://www.hisun.com.hk)

