



VST HOLDINGS LIMITED

偉仕控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code: 856)

(股份代號：856)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008**
**截至二零零八年九月三十日止六個月
中期業績公告**

* For identification purposes only

* 僅供識別

The board of directors (the “Board”) of VST Holdings Limited (the “Company”) is pleased to present the interim announcement (the “Interim announcement”) and the unaudited condensed consolidated accounts of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2008 as follows:

The interim results have been reviewed by the Company’s auditor in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The interim results have also been reviewed by the Company’s audit committee.

UNAUDITED CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 September 2008

偉仕控股有限公司(「本公司」)董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零零八年九月三十日止六個月之中期公告(「中期公告」)及未經審核簡明綜合賬目如下：

此中期業績已由本公司核數師根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。此中期業績亦已由本公司審核委員會審閱。

未經審核簡明綜合損益賬

截至二零零八年九月三十日止六個月

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
	Note 附註		
Turnover	2	11,441,928	2,803,160
Cost of sales		(10,885,077)	(2,651,237)
Gross profit		556,851	151,923
Other gains-net	3	7,654	7,084
Selling and distribution expenses		(193,882)	(13,021)
Administrative expenses		(132,375)	(19,970)
Operating profit	4	238,248	126,016
Finance income		1,722	1,478
Finance costs	5	(57,238)	(2,147)
Share of an associate’s profit		2,034	-
Profit before taxation		184,766	125,347
Taxation	6	(34,929)	(21,154)
Profit for the period		149,837	104,193
Attributable to	應佔		
Equity shareholders of the Company	本公司權益持有人	135,722	104,193
Minority interest	少數股東權益	14,115	-
		149,837	104,193
Earnings per share for profit attributable to equity shareholders of the Company	8		
- Basic	本公司權益持有人應佔溢利之每股盈利 - 基本	12.14 cents仙	11.18 cents仙
- Diluted	- 攤薄	12.14 cents仙	11.18 cents仙

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2008

簡明綜合資產負債表

於二零零八年九月三十日

		Note 附註	Unaudited As at 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited As at 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	55,479	58,783
Goodwill	商譽		308,916	316,291
Interest in an associate	於聯營公司之權益		38,097	37,608
Available-for-sale financial assets	可供銷售財務資產		1,642	18,621
Deferred tax assets	遞延稅項資產		17,234	17,281
			421,368	448,584
CURRENT ASSETS	流動資產			
Trade and other receivables	貿易及其他應收賬款	11	2,949,466	2,927,159
Inventories	存貨		1,435,016	1,407,112
Available-for-sale investments	可供銷售投資		11,980	-
Cash and bank balances	現金及銀行結餘		645,613	312,814
			5,042,075	4,647,085
TOTAL ASSETS	總資產		5,463,443	5,095,669
EQUITY	權益			
Capital and reserves attributable to the equity shareholders of the Company	本公司權益持有人應佔之資本及儲備			
Share capital	股本	12	111,767	111,767
Reserves	儲備		966,506	994,140
			1,078,273	1,105,907
Minority interest	少數股東權益		201,864	83,667
TOTAL EQUITY	總權益		1,280,137	1,189,574

			Unaudited As at 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited As at 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Deferred income	遞延收入		5,089	4,783
Borrowings	借貸	14	349,449	351,519
Deferred tax liabilities	遞延稅項負債		2,533	3,817
			357,071	360,119
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付賬款	13	2,170,319	1,825,240
Borrowings	借貸	14	1,615,142	1,666,911
Taxation payable	應付稅項		40,774	30,158
Other financial liabilities at fair value through profit or loss	按公允值列入損益賬之 其他財務負債		-	23,667
			3,826,235	3,545,976
TOTAL LIABILITIES	總負債		4,183,306	3,906,095
TOTAL EQUITY AND LIABILITIES	權益及負債總額		5,463,443	5,095,669
NET CURRENT ASSETS	流動資產淨值		1,215,840	1,101,109
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,637,208	1,549,693

**UNAUDITED CONDENSED CONSOLIDATED
CASH FLOW STATEMENT**

For the six months ended 30 September 2008

未經審核簡明綜合現金流量報表

截至二零零八年九月三十日止六個月

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Net cash generated from/(used in) operating activities	經營活動所得／(耗用)之現金淨額	154,851	(1,790)
Net cash generated from/(used in) investing activities	投資活動所得／(耗用)之現金淨額	62,016	(69,550)
Net cash generated from financing activities	融資活動所得之現金淨額	124,881	41,714
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額	341,748	(29,626)
Cash and cash equivalents at the beginning of the period	期初之現金及現金等價物	305,042	113,926
Effect of foreign exchange rate changes	匯率變動之影響	(1,177)	191
Cash and cash equivalents at the end of the period	期末之現金及現金等價物	645,613	84,491

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2008

未經審核簡明綜合權益變動報表

截至二零零八年九月三十日止六個月

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	General reserve 一般儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Available- for-sale investments 可供銷售 投資儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total reserves and retained earnings 儲備總額 與保留盈利 HK\$'000 千港元	Minority interest 少數股東權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
Balance as at 1 April 2008	於二零零八年 四月一日之結餘	111,767	621,627	4,426	53,030	(111,790)	(5,327)	432,174	994,140	83,667	1,189,574
Exchange difference arising from translation	匯兌產生之差額	-	-	-	(37,656)	-	-	-	(37,656)	(4,962)	(42,618)
Acquisition of additional interest in a subsidiary from minority shareholders (note 9)	向附屬公司之 少數股東收購 額外權益 (附註9)	-	-	-	-	(14,434)	-	-	(14,434)	(123)	(14,557)
Disposal of interest in a subsidiary to minority shareholders (note 9)	出售附屬公司權益 予少數股東 (附註9)	-	-	-	-	(108,573)	-	-	(108,573)	109,167	594
Changes in fair value of available-for-sale financial assets	可供銷售財務 資產之公允值變動	-	-	-	-	-	(2,693)	-	(2,693)	-	(2,693)
Profit for the period	期內溢利	-	-	-	-	-	-	135,722	135,722	14,115	149,837
Balance as at 30 September 2008	於二零零八年 九月三十日之結餘	111,767	621,627	4,426	15,374	(234,797)	(8,020)	567,896	966,506	201,864	1,280,137

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	General reserve 一般儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Available- for-sale investments 可供銷售 投資儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total reserves and retained earnings 儲備總額 與保留盈利 HK\$'000 千港元	Minority interest 少數股東權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
Balance as at 1 April 2007	於二零零七年 四月一日之結餘	93,167	88,420	42,857	678	-	2,467	191,504	325,926	-	419,093
Exchange difference arising from translation	匯兌產生之差額	-	-	-	701	-	-	-	701	-	701
2007 final dividend-paid (note 7)	二零零七年度已付 末期股息(附註7)	-	-	(42,857)	-	-	-	-	(42,857)	-	(42,857)
Disposal of available-for- sale financial assets	出售可供銷售 財務資產	-	-	-	-	-	(2,467)	-	(2,467)	-	(2,467)
Changes in fair value of available-for-sale financial assets	可供銷售財務 資產之公允值變動	-	-	-	-	-	4,954	-	4,954	-	4,954
Profit for the period	期內溢利	-	-	-	-	-	-	104,193	104,193	-	104,193
Balance as at 30 September 2007	於二零零七年 九月三十日之結餘	93,167	88,420	-	1,379	-	4,954	295,697	390,450	-	483,617

NOTES TO UNAUDITED CONDENSED CONSOLIDATED ACCOUNTS

1. Basis of presentation and accounting policies

The unaudited condensed consolidated accounts for the six months ended 30 September 2008 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 (the “HKICPA”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). These interim accounts should be read in conjunction with the 2008 annual accounts and was authorised for issuance on 9 December 2008.

These interim accounts have been prepared under the historical cost convention except for certain financial assets or liabilities which are stated at fair values and/ or amortised cost. In preparing the unaudited condensed consolidated accounts, the same basis of presentation, accounting policies and methods of computation as set out in the annual report for the year ended 31 March 2008 had been consistently applied except for the adoption of the standards, amendments and interpretations issued by the HKICPA mandatory for annual periods beginning 1 April 2008. The effect of the adoption of these standards, amendments and interpretations was not material to the Group’s results of operations or financial position.

未經審核簡明綜合賬目附註

1. 呈列基準及會計政策

截至二零零八年九月三十日止六個月之未經審核簡明綜合賬目乃根據香港會計師公會（「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」及香港聯合交易所有限公司（「聯交所」）證券上市規則附錄16之適用披露規定而編製。該等中期賬目應與二零零八年年度賬目一併閱讀及於二零零八年十二月九日獲授權刊發。

除若干財務資產或負債按公允值及／或攤銷成本計量外，該等中期賬目已根據歷史成本法編製。編製未經審核簡明綜合賬目時，已貫徹應用截至二零零八年三月三十一日止年度之年報所載之相同呈列基準、會計政策及計算方法，惟採納香港會計師公會所頒佈於二零零八年四月一日開始之年度期間強制生效之準則、修訂及詮釋則除外。採納該等準則、修訂及詮釋對本集團之經營業績或財務狀況並無重大影響。

2. Segment information

Turnover represents gross invoiced sales, net of discounts and returns. Revenue recognised during the period is as follows:

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Distribution	分銷	8,164,465	2,803,160
Enterprise systems	企業系統	3,176,108	-
IT services	資訊科技服務	101,355	-
		11,441,928	2,803,160

2. 分部資料

營業額指發票銷售總額減折扣及退貨。於期內確認之收益如下：

(a) Primary reporting format – business segments

The main business segments of the Group are the following:

Segments	Principal Activities
Distribution	Distribution of IT products (desktop PCs, notebooks, handhelds, printers, hard disks, memory devices, etc) for the commercial and consumer markets.
Enterprise systems	Provider of enterprise systems tools (middleware, operating systems, Unix/NT servers, databases, storage and security products) for IT infrastructure.
IT services	IT infrastructure design and implementation, training, maintenance and support services.

(a) 主要呈報方式 – 業務分部

本集團之主要業務分部如下：

分部	主要業務
分銷	於商業及消費市場分銷資訊科技產品(桌上電腦、筆記本型電腦、手提電腦、打印機、硬盤、記憶體等)。
企業系統	資訊科技基礎設施之企業系統工具(中間件、操作系統、Unix/NT服務器、數據庫、儲存及保安產品)供應商。
資訊科技服務	資訊科技基礎設施設計及執行、培訓、維修及支援服務。

2. Segment information (continued)

(a) Primary reporting format – business segments (continued)

The segment results for the period ended 30 September 2008 are as follows:

		Distribution	Enterprise	IT services	Group
		分銷	systems	資訊科技服務	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Total segment revenue	分部收益總額	8,164,465	3,176,108	101,355	11,441,928
Segment results	分部業績	157,170	76,840	4,238	238,248
Finance income	財務收入				1,722
Finance costs	融資成本				(57,238)
Share of an associate's profit	分佔聯營公司溢利				2,034
Profit before taxation	除稅前溢利				184,766
Taxation	稅項				(34,929)
Profit for the period	期內溢利				149,837

During the period ended 30 September 2007, the Group was operating in a single business segment which was distribution of IT products. Therefore, no business segment information is presented for that period.

2. 分部資料 (續)

(a) 主要呈報方式 – 業務分部 (續)

截至二零零八年九月三十日止期間之分部業績如下：

截至二零零七年九月三十日止期間，由於本集團以單一業務分部營運（即分銷資訊科技產品），因此並無呈列該期間之業務分部資料。

2. Segment information (continued)

(b) Secondary reporting format – geographical segments

The Group's three business segments operate in two main geographical areas: North Asia and South East Asia.

		2008 二零零八年 HK\$'000 千港元
Revenue	收益	
North Asia	北亞	7,249,119
South East Asia	東南亞	4,192,809
		11,441,928

Revenue is allocated based on the country in which the customer is located.

During the period ended 30 September 2007, the Group's turnover and contribution to operation results were substantially derived from the distribution of IT products carried out in Hong Kong.

2. 分部資料 (續)

(b) 次要呈報方式 – 地區分部

本集團之三個業務分部在兩個主要地區經營：北亞及東南亞。

收益根據客戶所在國家分配。

截至二零零七年九月三十日止期間，本集團之營業額及經營業績之貢獻絕大部份來自於香港分銷資訊科技產品。

3. Other gains – net**3. 其他收入 – 淨額**

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Gain on disposal of available-for-sale financial assets	出售可供銷售財務資產之收益	1,692	8,035
Derivative financial instruments – forward contracts	衍生金融工具 – 遠期合約	2,391	–
Exchange gain/(loss) – net	匯兌收益/(虧損) – 淨額	2,478	(951)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(761)	–
Others	其他	1,854	–
		7,654	7,084

4. Operating profit**4. 經營溢利**

Operating profit is stated after charging/(crediting) the following:

經營溢利經扣除/(計入)以下各項列賬：

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Depreciation	折舊	7,921	460
Provision for doubtful debts	呆賬撥備	4,297	245
Write-back of obsolete inventories	陳舊存貨撥回	(417)	(263)
Provision for slow-moving and obsolete inventories	滯銷及陳舊存貨撥備	1,729	–

5. Finance costs

Finance costs for the two periods ended 30 September primarily relate to bank interest expenses.

6. Taxation

Hong Kong Profits Tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profit for the period.

Taxation on overseas taxation has been calculated on the estimated assessable profit for the period at rates of taxation prevailing in countries in which the entity operates.

The amount of taxation charged to the condensed unaudited consolidated profit and loss account represents:

5. 融資成本

截至九月三十日止兩個期間之融資成本主要與銀行利息開支有關。

6. 稅項

香港利得稅乃按期內估計應課稅溢利以稅率16.5% (二零零七年：17.5%) 計提撥備。

海外稅項按期內之估計應課稅溢利以實體經營所在國家現行之稅率計算。

於簡明未經審核綜合損益賬支銷之稅項乃指：

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current taxation :	本期稅項 :		
– Hong Kong Profits Tax	– 香港利得稅	15,918	21,050
– Overseas taxation	– 海外稅項	21,158	47
Deferred taxation	遞延稅項	(2,147)	57
		34,929	21,154

7. Dividends

- (a) The directors do not recommend any interim dividend for the six months ended 30 September 2008 (six months ended 30 September 2007: Nil).
- (b) Dividends attributable to the previous financial year, approved and paid during the interim period

7. 股息

- (a) 董事並不建議宣派截至二零零八年九月三十日止六個月的中期股息(截至二零零七年九月三十日止六個月：無)。
- (b) 於本中期期間已批准及派付之上個財政年度應佔股息

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
No final dividends in respect of the financial year ended 31 March 2008, approved and paid during the period (2007: HK4.6 cents)	期內並無已批准及派付之截至二零零八年三月三十一日止財政年度末期股息(二零零七年：4.6港仙)	-	42,857

8. Earnings per share

Basic

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

8. 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以期內已發行普通股加權平均數計算。

		Unaudited Six months ended 30 September 未經審核 截至九月三十日止六個月	
		2008 二零零八年	2007 二零零七年
Profit attributable to equity shareholders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	135,722	104,193
Weighted average number of ordinary shares in issue (thousand)	已發行普通股加權平均數(千計)	1,117,667	931,667
Basic earnings per share (cents)	每股基本盈利(仙)	12.14	11.18

Diluted

There was no dilutive effect on earnings per share.

攤薄

每股盈利並無攤薄影響。

9. Investments in a subsidiary

During the period, pursuant to a mandatory cash offer in Singapore to acquire the remaining shares in ECS Holdings Limited, the Group purchased an additional 1% interest at a total consideration, including direct transaction costs, of approximately S\$2,505,000 (equivalent to approximately HK\$14,158,000).

On 14 August 2008, the Group disposed of 33,000,000 shares (representing approximately 9.03% interest) in ECS Holdings Limited at a net consideration of approximately S\$14,296,000 (equivalent to approximately HK\$78,642,000). The disposal was effected by the Group in order to restore the public free float of ECS Holdings Limited in compliance with the listing rules of the Singapore Exchange Limited (the "Singapore Stock Exchange") and facilitate the resumption of trading of ECS Holdings Limited's shares on the Singapore Stock Exchange in August 2008.

10. Property, plant and equipment

During the period, the Group acquired and disposed of property, plant and equipment amounting to approximately HK\$8,175,000 (31 March 2008: HK\$7,182,000) and HK\$989,000 (31 March 2008: HK\$661,000) respectively.

9. 於一間附屬公司之投資

期內，根據在新加坡作出收購佳杰科技有限公司餘下股份之強制性現金收購建議，本集團以總代價（包括直接交易成本）約2,505,000坡元（相等於約14,158,000港元）收購額外1%權益。

於二零零八年八月十四日，本集團以淨代價約14,296,000坡元（相等於約78,642,000港元）出售33,000,000股佳杰科技有限公司股份（約佔9.03%權益）。本集團進行出售旨在根據新加坡交易所（「新交所」）上市規則恢復佳杰科技有限公司之公眾持股量，促使佳杰科技有限公司股份於二零零八年八月在新交所恢復買賣。

10. 物業、廠房及設備

期內，本集團購入及出售為數分別約8,175,000港元（二零零八年三月三十一日：7,182,000港元）及989,000港元（二零零八年三月三十一日：661,000港元）之物業、廠房及設備。

11. Trade and other receivables

11. 貿易及其他應收賬款

		Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
Trade receivables	貿易應收賬款	2,516,667	2,554,760
Prepayments, deposits and other receivables	預付款項、按金 及其他應收賬款	432,799	372,399
		2,949,466	2,927,159

The Group grants credit period to customers ranging from 7 to 60 days which may be extended for selected customers depending on their trade volume and settlement history with the Group. The ageing analysis by due date of trade receivables (net of provision for doubtful receivable) is summarised as follows:

本集團給予客戶之信貸期介乎7至60日，而個別客戶之信貸期可予延長，視乎彼等與本集團之交易量及付款紀錄而定。貿易應收賬款總額（已扣除呆賬應收款項撥備）於到期日前之賬齡分析概述如下：

		Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
0 – 30 days	0至30日	2,323,329	1,841,836
31 – 60 days	31至60日	124,321	408,877
61 – 90 days	61至90日	47,829	178,856
Over 90 days	超過90日	21,188	125,191
		2,516,667	2,554,760

12. Share capital

12. 股本

		Unaudited 30 September 2008 未經審核 於二零零八年九月三十日		Audited 31 March 2008 經審核 於二零零八年三月三十一日	
		<i>Number of shares</i> 股份數目	<i>HK\$'000</i> 千港元	<i>Number of shares</i> 股份數目	<i>HK\$'000</i> 千港元
Authorised (ordinary shares of HK\$0.10 each)	法定（每股面值0.10港元之普通股）	2,000,000,000	200,000	2,000,000,000	200,000
Issued and fully paid (ordinary shares of HK\$0.10 each)	已發行及繳足（每股面值0.10港元之普通股）	1,117,666,666	111,767	1,117,666,666	111,767

On 2 September 2008 and 12 September 2008, the Company entered into two subscription agreements to issue 223,533,332 ordinary shares of HK\$0.10 each at a price of HK\$1.00 per share in total. The subscription agreements are conditional upon the granting of approval by regulatory bodies in Hong Kong and the PRC. The share placements have not been completed as at the date of this announcement.

於二零零八年九月二日及二零零八年九月十二日，本公司訂立兩項認購協議，以按每股1.00港元之價格發行223,533,332股每股面值0.10港元之普通股。該等認購協議須待香港及中國監管機構授予批准後，方可作實。截至本公告日，股份配售尚未完成。

12. Share capital (continued)

Share option scheme:

On 17 April 2002, the Company approved a share option scheme (the "Share Option Scheme") under which the Directors may, at their discretion, invite employees (including both full time and part time employees, and executive Directors) and non-executive Directors to take up options to subscribe for shares in the Company. The maximum number of shares in respect of which options may be granted under the Share Option Scheme may not exceed 10% of the issued share capital of the Company. The subscription price will be determined by the Company's Board of Directors and will not be less than the higher of (i) the nominal value of the Company's ordinary shares; (ii) the closing price of the Company's ordinary shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of offer; and (iii) the average closing price of the Company's ordinary shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer. The Share Option Scheme became effective upon the listing of the Company's shares on 9 May 2002. No option pursuant to the Share Option Scheme has been granted up to 30 September 2008.

12. 股本 (續)

購股權計劃：

於二零零二年四月十七日，本公司批准一項購股權計劃（「購股權計劃」），據此，董事可按其酌情權邀請僱員（包括全職及兼職僱員及執行董事）及非執行董事接納購股權以認購本公司之股份。根據購股權計劃可予授出之購股權所涉及之最高股份數目不得超逾本公司已發行股本之10%，而認購價將由本公司董事會釐定，惟將不會低於下列之較高者：(i)本公司普通股之面值；(ii)於授出日期聯交所每日報價表所報本公司普通股收市價；及(iii)於緊接授出日期前五個營業日聯交所每日報價表所報本公司普通股平均收市價。本公司股份於二零零二年五月九日上市後，購股權計劃即告生效。直至二零零八年九月三十日概無根據購股權計劃授出購股權。

13. Trade and other payables

13. 貿易及其他應付賬款

		Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
Trade payables	貿易應付賬款	1,726,060	1,543,032
Accruals and other payables	預提款項及其他應付賬款	444,259	282,208
		2,170,319	1,825,240

The Group's suppliers grant credit periods ranging from 30 to 90 days to the Group. The ageing analysis of trade payables by due date is summarised as follows:

本集團之供應商給予本集團之信貸期介乎30至90日。貿易應付賬款於到期日前之賬齡分析概述如下：

		Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
0 – 60 days	0至60日	1,597,037	1,543,032
61 – 120 days	61至120日	90,059	–
over 120 days	超過120日	38,964	–
		1,726,060	1,543,032

14. Borrowings**14. 借貸**

		Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
Non-current	非流動		
Unsecured bank borrowings	無抵押銀行借貸	348,777	351,513
Finance lease liabilities	融資租賃負債	672	6
		349,449	351,519
Current	流動		
Bank overdrafts	銀行透支	-	7,772
Unsecured bank borrowings	無抵押銀行借貸	993,552	882,632
Secured bank borrowing	有抵押銀行借貸	621,590	776,400
Finance lease liabilities	融資租賃負債	-	107
		1,615,142	1,666,911
Total borrowings	總借貸	1,964,591	2,018,430

Secured bank borrowing represents a bridge loan granted by ABN AMRO Bank N.V. for the purpose of funding the acquisition of ECS Holdings Limited which is secured by ECS Holdings Limited's shares held by the Company. The bridge loan granted by ABN AMRO Bank N.V. to the Company has been refinanced and fully repaid as at the date of this announcement.

有抵押銀行借貸指ABN AMRO Bank N.V.授出的過渡貸款，作為收購佳杰科技有限公司的資金，並由本公司所持佳杰科技有限公司之股份作為抵押。截至本公告日，ABN AMRO Bank N.V.授予本公司之過渡貸款現已再融資及悉數償還。

14. Borrowings (continued)

At 30 September 2008, the Group's borrowings were repayable as follows:

		Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
The maturity of the above loans:	上述貸款之到期日如下：		
Within 1 year	一年內	1,615,142	1,666,911
Between 1 and 5 years	一年至五年	349,449	351,519
Wholly repayable within 5 years	須於五年內悉數償還	1,964,591	2,018,430

15. Events after the balance sheet date

On 30 September 2008, the Company entered into an agreement with ABN AMRO Bank N.V., Fubon Bank (Hong Kong) Limited, KBC Bank N.V., Hong Kong Branch and United Overseas Bank Limited as lenders, pursuant to which such lenders agreed to make available to the Company a three-year term loan facility in an aggregate amount of HK\$330,000,000. On 10 October 2008, the Company completed the draw down of the loan facility and the proceeds of the loan facility were used to make repayment of the bridge loan granted by ABN AMRO Bank N.V. to the Company for financing its acquisition of shares in ECS Holdings Limited. The bridge loan granted by ABN AMRO Bank N.V. to the Company has been fully repaid as at the date of this announcement.

16. Contingent liabilities

A claim was made on a subsidiary, The Value Systems Co., Limited, which was named as a second defendant in a lawsuit for copyright infringement amounting to Baht 170 million (equivalent to HK\$45 million). The Central Intellectual Property and International Trade Court of Thailand has ruled that the subsidiary was not liable for the damages claimed by the plaintiff. Although the plaintiff has filed an appeal, based on legal opinion obtained, the Directors are of the view that the claim has no merit and accordingly, no provision for the claim is required.

14. 借貸 (續)

於二零零八年九月三十日，本集團應償還之借貸如下：

	Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
The maturity of the above loans:		
Within 1 year	1,615,142	1,666,911
Between 1 and 5 years	349,449	351,519
Wholly repayable within 5 years	1,964,591	2,018,430

15. 結算日後事項

於二零零八年九月三十日，本公司與ABN AMRO Bank N.V.、富邦銀行(香港)有限公司、比利時聯合銀行香港分行及大華銀行有限公司(作為貸方)訂立一項協議，據此，該等貸方同意向本公司提供總額為數330,000,000港元之三年期定期貸款融資。本公司於二零零八年十月十日完成提取貸款融資，且貸款所得款項已用於償還ABN AMRO Bank N.V.授予本公司以便為其收購佳杰科技有限公司股份提供資金之過渡貸款。截至本公告日，ABN AMRO Bank N.V.授予本公司之過渡貸款現已悉數償還。

16. 或然負債

附屬公司The Value Systems Co., Limited於一宗涉及170,000,000泰銖(相等於45,000,000港元)的侵犯版權案件中被起訴為第二被告而遭索償。泰國中央知識產權及國際貿易法庭裁定該附屬公司毋須就原告提出的索償負責。雖然原告提出上訴，惟根據所得法律意見，董事認為索償無法律依據，因此並無就索償作出撥備。

17. Commitments under operating leases

As at 30 September 2008, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Unaudited 30 September 2008 未經審核 於二零零八年 九月三十日 HK\$'000 千港元	Audited 31 March 2008 經審核 於二零零八年 三月三十一日 HK\$'000 千港元
Not later than one year 不超過一年	29,654	30,915
Later than one year but not later than five years 一年後但不超過五年	35,915	34,559
	65,569	65,474

18. Related party transactions

In April 2008, the Group entered into a rental agreement with Joint Honour Development Limited, a company owned by Mr. Li Jialin (the Chairman, Chief Executive Officer and an executive Director of the Company) and L&L Limited; the entire issued share capital of L&L Limited is held equally by Mr. Li Jialin and his spouse, Madam Liu Li; in respect of a director's quarter. Pursuant to the agreement, the Group paid a monthly rental of HK\$200,000 to Joint Honour Development Limited for a term of 12 months from 1 April 2008 to 31 March 2009.

17. 經營租賃承擔

於二零零八年九月三十日，本集團根據不可撤銷之經營租賃而承擔之日後最低租金總額如下：

18. 關連人士交易

於二零零八年四月，本集團與Joint Honour Development Limited（一間由本公司主席兼行政總裁及執行董事李佳林先生及L&L Limited擁有之公司；而L&L Limited之全部已發行股本乃由李佳林先生及其配偶劉莉女士均等持有）就一間董事宿舍訂立一項租賃協議。根據該協議，本集團向Joint Honour Development Limited支付月租200,000港元，由二零零八年四月一日起至二零零九年三月三十一日止，為期12個月。

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial Review

The Group's unaudited consolidated turnover for the six months ended 30 September 2008 amounted to approximately HK\$11,441,928,000 (2007: approximately HK\$2,803,160,000), representing an increase of approximately 308% compared with that of the corresponding period last year. This significant increase is due to the acquisition of ECS Holdings Limited (listed in Singapore, stock code: ECS) towards the end of the last financial year.

Revenue from distribution business for the six months ended 30 September 2008 amounted to approximately HK\$8,164,465,000 (2007: approximately HK\$2,803,160,000), representing an increase of approximately 191% compared with that of the corresponding period last year. This significant increase, together with revenue generated from enterprise system business and IT services business are due to the acquisition of ECS.

Gross profit for the six months ended 30 September 2008 amounted to approximately HK\$556,851,000 (2007: approximately HK\$151,923,000) representing an increase of approximately 267% compared with the corresponding period last year. Gross margin decreased by 0.55% from 5.42% to 4.87% due to the consolidation of ECS results for the six months ended 30 September 2008. Operating profit amounted to approximately HK\$238,248,000 (2007: approximately HK\$126,016,000) representing an increase of approximately 89% compared with that of the corresponding period last year. Unaudited consolidated net profit attributable to equity shareholders amounted to approximately HK\$135,722,000 (2007: approximately HK\$104,193,000) representing an increase of approximately 30.3% as compared with that of the corresponding period last year.

管理層討論及分析

業務及財務回顧

本集團截至二零零八年九月三十日止六個月之未經審核綜合營業額約為11,441,928,000港元(二零零七年:約2,803,160,000港元),較去年同期增長約308%。該大幅增長乃由於在上個財政年度末收購佳杰科技有限公司(於新加坡上市,股份代號:ECS)所致。

截至二零零八年九月三十日止六個月,來自分銷業務之收益達約8,164,465,000港元(二零零七年:約2,803,160,000港元),較去年同期增長約191%。該大幅增長連同自企業系統業務與資訊服務業務產生之收益乃由於收購佳杰科技所致。

截至二零零八年九月三十日止六個月之毛利約為556,851,000港元(二零零七年:約151,923,000港元),較去年同期增長約267%。毛利率下跌0.55%由5.42%至4.87%,乃由於綜合佳杰科技截至二零零八年九月三十日止六個月之業績。經營溢利約為238,248,000港元(二零零七年:約126,016,000港元),較去年同期增長約89%。權益持有人應佔未經審核綜合純利約為135,722,000港元(二零零七年:約104,193,000港元),較去年同期增長約30.3%。

Finance costs have increased due to the Group's financing of its acquisition of ECS. In October 2008, the Group successfully refinanced its bridge loan facility used to acquire ECS to a long term loan facility with ABN AMRO Bank N.V., United Overseas Bank Limited, KBC Bank N.V., Hong Kong Branch and Fubon Bank (Hong Kong) Limited. It was a great achievement to have successfully carried out the refinancing under the current economic climate and an indication of the support and confidence shown by the banks on the Group. The bridge loan facility used to acquire ECS has now been fully repaid.

The basic earnings per share for six months ended 30 September 2008 amounted to approximately HK12.14 cents (2007: approximately HK11.18 cents) per share, representing an increase of approximately 8.6% as compared with that of the same period last year.

The Group acquired ECS, a leading distributor of IT Products in Singapore in the last financial year. As a result of the acquisition, the Group is now one of the largest IT products distributors in Asia Pacific region, with an extensive and diversified product lines and distribution networks in 32 cities among six countries, including China, Singapore, Indonesia, Malaysia, Philippines and Thailand. The Group's businesses have also extended from distribution of IT products for the commercial and consumer markets to provision of enterprise system tools for IT infrastructure, IT infrastructure design and implementation, training, maintenance and support services.

The acquisition of ECS has proven to be a great success. ECS has achieved increased in net profit of 42.9%, 27.5% and 22.7% for its first, second and third quarter results respectively. ECS's revenue has continued to show strong growth as a result of higher sales of servers, networking products and enterprise software from the enterprise systems segment.

由於收購佳杰科技籌借資金，本集團財務費用增加。於二零零八年十月，本集團憑藉由ABN AMRO Bank N.V.、大華銀行有限公司、比利時聯合銀行香港分行及富邦銀行（香港）有限公司提供之一筆長期貸款成功就其收購佳杰科技產生之過渡貸款進行長期融資。在當前經濟形勢下成功進行融資乃屬矚目成就，顯示銀行對本集團之支持及信心。用於收購佳杰科技之過渡貸款現已悉數償還。

截至二零零八年九月三十日止六個月之每股基本盈利約為每股12.14港仙（二零零七年：約11.18港仙），較去年同期增長約8.6%。

本集團於上個財政年度收購新加坡資訊科技產品分銷翹楚佳杰科技。收購後，本集團在6個國家（包括中國、新加坡、印尼、馬來西亞、菲律賓及泰國）32個城市擁有廣泛及多樣化之產品系列及分銷網絡，從而成為亞太地區最大資訊科技產品分銷商之一。本集團業務亦由商業及消費市場之資訊科技產品分銷拓展至為資訊科技基建提供企業系統工具、資訊科技基建設計及實施、培訓、維護及支援服務。

收購佳杰科技被證實為巨大成功。佳杰科技於第一、第二及第三季度分別取得之純利增幅為42.9%、27.5%及22.7%。由於企業系統分部之服務器、網絡產品及企業軟件之銷量增加，佳杰科技之收入亦呈現持續強勁增長。

The Group has continuously aimed to widen our product range in order to provide more choices to our customers. During the period under review, the Group has successfully obtained the authorised distributorship from Intermec and Topcon. Our extensive and diversified products lines now include vendors such as HP, Apple, Seagate, AMD, Western Digital, Lenovo, IBM, Sun Microsystems, Microsoft, Maxtor, Corsair, A-Data, Patriot and Hitachi, to name a few.

The Group's outstanding performance has again been recognised by our long-term partnership with our vendors. During the period under review, the Group has again been honored by Seagate the "Outstanding Achievement: Enterprise Storage – Seagate FY 2008" award, by Hitachi the "Hitachi Appreciation Award 2007/2008" award and by Western Digital the "Highest Growth Award 2008" award.

Prospects

We expect the global financial crisis to have a significant impact on all industries including ours. However, the PRC has been aggressively bridging the gap in its IT infrastructure and this is set to continue in the coming years. Therefore, the Group will continue to focus on the potential of the PRC IT market. In addition, as IT products are fast becoming an everyday product, we anticipate that the impact of the global financial crisis will have a lesser impact on our business.

The Group's experienced management has continued to reach industry-leading standard. With the expertise of our experienced management team and an extensive and diversified product lines and distribution networks, we are in an excellent position to continue to focus on the potential of the PRC IT market. The Group will aim to achieve consistent, healthy operating margin and delivering maximum shareholders' return.

本集團不斷致力拓寬產品範圍以便為其客戶提供更多選擇。回顧期內，本集團成功取得Intermec及Topcon之授權分銷商資格。本集團深化和拓寬之產品線現包括眾多供應商，如惠普、蘋果、希捷、AMD、Western Digital、聯想、IBM、Sun Microsystems、微軟、Maxtor、Corsair、A-Data、Patriot及Hitachi等。

本集團之傑出表現再度被長期夥伴關係之供應商得以認可。回顧期內，本集團再度榮獲希捷授予之「希捷2008財政年度亞太區最傑出企業存儲大獎」，獲Hitachi頒發「Hitachi 2007/2008年度感謝狀」及獲Western Digital頒發「年度快速成長大獎2008」。

前景

本集團預期全球金融危機對各類行業均有重大影響其中包括本行業在內。然而，中國一直在積極增強在資訊科技基建方面之建設，這一情況勢必將在未來數年持續。因此，本集團將繼續專注於中國資訊科技市場之潛力。此外，由於資訊科技產品正在迅速成為日常用品，本集團預計全球金融危機對本集團業務之影響較小。

本集團管理層擁有豐富之經驗，不斷達致業內領先之標準。憑藉經驗豐富之管理層團隊之專業知識以及廣泛和多元化之產品系列及分銷網絡，本集團位處繼續專注於中國資訊科技市場潛力之優勢地位。本集團將致力於持續、健康之經營利潤，為股東爭取最大回報。

Liquidity and Financial Resources

As at 30 September 2008, the Group had total bank and cash balances and time deposits of HK\$645.6 million, an increase of approximately HK\$332.8 million over the balance of 31 March 2008. Total borrowings amounted to approximately HK\$1,964.6 million (31 March 2008: approximately HK\$2,018.4 million). Bank and cash balances and time deposits finance our working capital and part of our repayment of the bridge loan in October 2008.

As at 30 September 2008, the net gearing ratio (being net debt over the total of net debt and total equity) was 0.51 (31 March 2008: 0.59). On 2 September 2008 and 12 September 2008, the Company entered into two subscription agreements to issue 223,533,332 ordinary shares of HK\$0.10 each at a price of HK\$1.00 per share in total. The subscription agreements are conditional upon the granting of approval by regulatory bodies in Hong Kong and the PRC. Upon completion of the two subscription agreements, which is anticipated in December 2008, the net gearing ratio will be reduced to approximately 0.45.

As at 30 September 2008, the Group has total current assets of approximately HK\$5,042 million (31 March 2008: approximately HK\$4,647 million) and total current liabilities of approximately HK\$3,826 million (31 March 2008: approximately HK\$3,546 million). The current ratio of the Group, calculated as the total current assets divided by total current liabilities, was 1.32 (31 March 2008: 1.31).

流動資金及財務資源

於二零零八年九月三十日，本集團擁有銀行及現金餘額及定期存款總額645,600,000港元，較二零零八年三月三十一日之餘額增加約332,800,000港元。借貸總額約為1,964,600,000港元（二零零八年三月三十一日：約2,018,400,000港元）。銀行及現金餘額及定期存款為本集團營運資金提供融資及部份用作於二零零八年十月償還過渡貸款。

於二零零八年九月三十日，淨資產負債比率（按債項淨額除以債項淨額總額與權益總額計算）為0.51（二零零八年三月三十一日：0.59）。於二零零八年九月二日及二零零八年九月十二日，本公司訂立兩項認購協議以發行223,533,332股每股面值0.10港元之普通股，認購價為每股1.00港元。認購協議須待香港及中國有關規管機構批准後，方可作實。於該兩項認購協議完成（預期為二零零八年十二月）後，淨資產負債比率將降至約0.45。

於二零零八年九月三十日，本集團擁有總流動資產約5,042,000,000港元（二零零八年三月三十一日：約4,647,000,000港元）及總流動負債約3,826,000,000港元（二零零八年三月三十一日：約3,546,000,000港元）。本集團之流動比率（按總流動資產除以總流動負債計算）為1.32（二零零八年三月三十一日：1.31）。

Foreign Exchange Risk Management

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar, Renminbi, Singapore Dollar, Thai Baht and Malaysian Ringgit. The Group will enter into forward currency contracts to manage and reduce the risk involved in the net position in each foreign currency, if necessary.

Employees

As at 30 September 2008, the Group had 2,191 (2007: 181) full time employees. The remuneration paid for the six months ended 30 September 2008 amounted to approximately HK\$164,538,000 (2007: HK\$8,249,000).

The Group remunerated its employees mainly based on industrial practice, individual's performance and experience. Apart from the basic remuneration, discretionary bonus may be granted to eligible employees with reference to the Group's performance as well as the individual performance. Other benefits included medical and retirement schemes. In addition, share option may also be granted from time to time in accordance with the term of the Company's approved share option scheme. During the period under review, no share option had been granted under the existing share option scheme.

Save as disclosed herewith, no information in relation to the Group's performance has changed materially from the information disclosed in the annual report of the Company for the year ended 31 March 2008.

外匯風險管理

本集團面臨來自多種貨幣風險之外匯風險，主要涉及美元、人民幣、新加坡元、泰銖及馬幣。本集團在有需要時，將訂立遠期貨幣合約以管理及減低其涉及各種貨幣淨額之風險。

僱員

於二零零八年九月三十日，本集團有2,191名（二零零七年：181名）全職僱員。截至二零零八年九月三十日止六個月所支付薪金約為164,538,000港元（二零零七年：8,249,000港元）。

本集團主要根據業內行規、員工之個人表現及經驗向其僱員支付薪金。除基本薪金外，亦會參照本集團之業務表現以及員工之個人表現向合資格僱員授予酌情花紅。其他福利包括醫療及退休計劃。此外，本公司亦可根據已獲批准之購股權計劃之條款，不時授出購股權。回顧期內，並無根據現時購股權計劃授出購股權。

除本文所披露者外，有關本集團業務表現之資料與本公司截至二零零八年三月三十一日止年度之年報所披露者並無重大變動。

CORPORATE GOVERNANCE

Throughout the six months ended 30 September 2008, the Company has complied with the code provisions on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules which came into effect on 1 January 2005, with deviations from certain code provisions as explained below.

Under the code provision A.2.1, the roles of chairman and chief executive officer (“CEO”) should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing. The roles of the Chairman and the CEO of the Company are not separated and are performed by the same individual, Mr. Li Jialin. The Directors will meet regularly to consider major matters affecting the operations of the Company. The Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of the Company and believes that this structure will enable the Group to make and implement decisions promptly and efficiently.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the period under review, neither the Company nor any of the companies comprising the Group had purchased, sold or redeemed any of the Company’s shares.

企業管治

截至二零零八年九月三十日止六個月內，本公司一直遵守上市規則附錄十四所載之《企業管治常規守則》(「守則」)之規定(於二零零五年一月一日生效)，惟在若干方面未有遵照守則條文，見下文所述。

根據守則條文第A.2.1條，主席與行政總裁之角色應予區分，不應由一人同時兼任。主席與行政總裁之間職責之分工應清楚界定並以書面列載。惟本公司主席及行政總裁之職位並無分開，且由李佳林先生同時兼任。董事會定期舉行會議，以考慮影響本公司運作之重大事宜。董事認為此架構將不會使董事與本公司管理層之間之權力及權限失衡，並相信此架構使本集團能快速及有效地製訂及推行決策。

購買、出售或贖回股份

於回顧期內，本公司或任何組成本集團之公司概無購買、出售及贖回本公司之股份。

CONNECTED TRANSACTION

In April 2008, the Group entered into a rental agreement with Joint Honour Development Limited, a company owned by Mr. Li Jialin (the Chairman, Chief Executive Officer and an executive Director of the Company) and L&L Limited; the entire issued share capital of L&L Limited is held equally by Mr. Li Jialin and his spouse, Madam Liu Li; in respect of a director's quarter. Pursuant to the agreement, the Group paid a monthly rental of HK\$200,000 to Joint Honour Development Limited for a term of 12 months from 1 April 2008 to 31 March 2009.

The above constituted connected transaction under the Listing Rules. The Directors are of the opinion that the above transaction was entered into on normal commercial terms and on an arm's length basis and the terms of the above transaction are fair and reasonable so far as the shareholders of the Company are concerned and in the interests of the Company and the shareholders of the Company taken as a whole.

The above connected transaction constituted an exempted connected transaction under the Listing Rules as each of the percentage ratios is less than 0.1% as defined under the Listing Rules when the rental agreement was entered into.

SEASONALITY OF INTERIM OPERATIONS

The effect of seasonal fluctuation on the Group's interim operations was immaterial.

MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code as set out in appendix 10 of the Listing Rules. Following specific enquiry, each of the Directors confirmed that he has complied with the Model Code during the period.

關連交易

於二零零八年四月，本集團與Joint Honour Development Limited（本公司主席兼行政總裁及執行董事李佳林先生及L&L Limited共同擁有之公司；而L&L Limited之全部已發行股本乃由李佳林先生及其配偶劉莉女士均等持有）就一間董事宿舍訂立租賃協議。根據該協議，本集團向Joint Honour Development Limited 支付月租200,000港元，由二零零八年四月一日起至二零零九年三月三十一日止為期12個月。

根據上市規則，上述交易構成關連交易。董事認為上述交易乃按一般商業條款經公平原則磋商後釐定，及上述交易之條款對本公司股東屬公平合理，並符合本公司及本公司股東之整體利益。

由於訂立租賃協議時，各自百分比率均低於0.1%，故根據上市規則之定義，上述關連交易構成豁免關連交易。

中期業務之季節性

季節性波動對本集團中期業務之影響不大。

董事進行證券交易之標準守則

本公司已採納條款之嚴格程度不低於上市規則附錄十所載標準守則之有關董事進行證券交易之操守守則。經作出特定查詢後，各董事均確認於期間內一直遵守標準守則。

INTERIM DIVIDEND

The Directors do not recommend any interim dividend for the six months ended 30 September 2008 (2007: Nil).

AUDIT COMMITTEE

The Company has established an audit committee on 17 April 2002 consisting of three independent non-executive Directors with written terms of reference in compliance with appendix 14 of the Listing Rules. The primary duties of the audit committee are to review and supervise the Group's internal control and financial reporting process (including the interim announcement before recommending them to the Board of Directors for approval). The Group's unaudited results for the six months ended 30 September 2008 have been reviewed by the audit committee of the Company, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Company has established a remuneration committee on 29 September 2005 consisting of three independent non-executive Directors with written terms of reference in compliance with the Code on Corporate Governance Practices of the Listing Rules. The primary duties of the remuneration committee regarding the remuneration of directors and senior management include making remuneration recommendations, determining the specific remuneration packages, reviewing and approving performance-based remuneration, termination compensation, dismissal or removal compensation arrangements, and ensuring that no Director or any of his associates is involved in deciding his own remuneration.

By Order of the Board

Li Jialin

Chairman and Chief Executive Officer

Hong Kong, 9 December 2008

As at the date hereof, the Board comprises Mr. Li Jialin, Mr. Tay Eng Hoe, Mr. William Choo and Mr. Ong Wei Hiam William as executive directors; and Mr. Ni Zhenwei, Dr. Chan Po Fun Peter and Mr. Li Wei as independent non-executive directors.

中期股息

董事並不建議宣派截至二零零八年九月三十日止六個月的中期股息（二零零七年：無）。

審核委員會

本公司遵照上市規則附錄14，於二零零二年四月十七日成立審核委員會，由三名獨立非執行董事組成，並書面界定其職權範圍。審核委員會之主要職責為審閱及監督本集團之內部監控及財務申報程序（包括向董事會建議批准中期公告）。本公司之審核委員會已審閱本集團截至二零零八年九月三十日止六個月之未經審核業績，認為該等業績乃遵照適用會計準則及要求編製，並予以充份披露。

薪酬委員會

本公司遵照上市規則企業管治常規守則，於二零零五年九月二十九日成立薪酬委員會，由三名獨立非執行董事組成，並書面界定其職權範圍。薪酬委員會之主要職責包括就董事及高級管理層之薪酬提出薪酬建議、釐定具體薪酬待遇、審議及批准以表現為基礎之薪酬、終止賠償、解僱或罷免賠償安排，及確保董事或其任何聯繫人士不會參與決定其酬金。

承董事會命

主席兼行政總裁

李佳林

香港，二零零八年十二月九日

於本公告日期，董事會由執行董事李佳林先生、Tay Eng Hoe先生，William Choo先生及王偉妍先生；以及獨立非執行董事倪振偉先生、陳普芬博士及李煒先生組成。