



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*)

(股份代號 Stock code: 0818)



Interim Report 2008中期報告

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Financial Highlights 財務概覽

		1H 2008 二零零八年 上半年 HK\$'000 千港元	1H 2007 二零零七年 上半年 HK\$'000 千港元	Change 變動 +/(-) %
RESULTS	業績			
Turnover	營業額	524,420	301,543	+74%
Profit before income tax	除所得稅前溢利	114,162	121,635	-6%
Profit for the period	期內溢利	90,291	112,248	-20%
Attributable to:	應佔：			
– Equity shareholders of the Company	– 本公司權益 持有人	74,429	110,414	-33%
– Minority interests	– 少數股東權益	15,862	1,834	+765%
		90,291	112,248	
Earnings per share for profit attributable to the equity shareholders of the Company:	本公司權益 持有人應佔 溢利之每股 盈利：			
– Basic	– 基本	HK\$0.033	HK\$0.056	-41%
– Diluted	– 攤薄	HK\$0.033	HK\$0.050	-34%
		30 June 2008 二零零八年 六月三十日	31 December 2007 二零零七年 十二月三十一日	Change 變動 +/(-) %
KEY BALANCE SHEET ITEMS	資產負債表主要項目			
Total equity	權益總額	1,212,650	1,100,860	+10%
Net current assets	流動資產淨值	884,262	778,581	+14%
Total assets	總資產	1,567,791	1,490,745	+5%
		HK\$ 港元	HK\$ 港元	
Net assets per share	每股資產淨值	0.543	0.493	+10%

Management Discussion and Analysis 管理層之討論與分析

The Directors are pleased to present the Group's condensed consolidated interim financial report for the six months ended 30 June 2008, which comprise the condensed consolidated income statement, condensed consolidated cash flow statement and condensed consolidated statement of changes in equity for the Group for the six months ended 30 June 2008, and the condensed consolidated balance sheet as at 30 June 2008 of the Group, all of which are unaudited, along with selected explanatory notes, which set out on pages 26 to 68 of this report.

董事欣然提呈本集團截至二零零八年六月三十日止六個月之簡明綜合中期財務報告，當中包括本集團截至二零零八年六月三十日止六個月之簡明綜合損益表、簡明綜合現金流轉表及簡明綜合權益變動表以及本集團於二零零八年六月三十日之簡明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26至第68頁。

		IH2008 二零零八年 上半年 HK\$'000 千港元	IH2007 二零零七年 上半年 HK\$'000 千港元	Change 變動 +/(-) %
TURNOVER	營業額			
Segmental turnover	分類營業額			
Electronic payment products and services	電子支付產品及服務	265,021	166,632	+59%
Telecommunication solutions:	電訊解決方案：			
– Telecommunication solutions, services and related products, and	– 電訊解決方案、服務及相關產品及	625	1,581	-60%
– Information technology operation value-added services	– 資訊科技運營增值服務	114,039	91,713	+24%
		114,664	93,294	+23%
Financial solutions:	金融解決方案：			
– Financial solutions, services and related products	– 金融解決方案、服務及相關產品	17,321	37,212	-53%
– Business process operations	– 業務營運	11,636	3,847	+202%
		28,957	41,059	-29%
Electronic power meters and solutions	電子式電能表及解決方案	115,269	–	N/A/不適用
		523,911	300,985	+74%
Unallocated	未分配	509	558	-9%
		524,420	301,543	+74%

Management Discussion and Analysis 管理層之討論與分析

		IH2008 二零零八年 上半年 HK\$'000 千港元	IH2007 二零零七年 上半年 HK\$'000 千港元	Change 變動 +/(-) %
Segmental results – Operating profits before depreciation and amortisation (“EBITDA”)	分類業績 – 未計折舊及攤銷前之經營溢利			
Electronic payment products and services	電子支付產品及服務	82,125	35,026	+134%
Telecommunications solutions:	電訊解決方案：			
– Telecommunication solutions, services and related products, and	– 電訊解決方案、服務及相關產品及	625	452	+38%
– Information technology operation value-added services	– 資訊科技運營增值服務	63,915	53,157	+20%
		64,540	53,609	+20%
Financial solutions:	金融解決方案：			
– Financial solutions services and related products	– 金融解決方案服務及相關產品	(18,204)	(3,580)	N/A/不適用
– Business process operations	– 業務運營	3,633	907	+301%
		(14,571)	(2,673)	N/A/不適用
Electronic power meters and solutions	電子式電能表及解決方案	19,499	–	N/A/不適用
		151,593	85,962	+76%
Depreciation	折舊	(18,762)	(9,899)	+90%
Amortisation	攤銷	(4,927)	(382)	+1,190%
Other gains, net	其他收益，淨額			
Gain on disposal of investment securities (including dividend income)	出售投資證券之收益 (包括股息收入)	705	34,406	-98%
Loss on revaluation of investment securities	投資證券重估虧損	(4,118)	(118)	+3,390%
Gain on deemed disposal of 20% equity interest in a subsidiary	視作出售一家附屬公司 20%權益之收益	–	43,258	-100%
Interest income	利息收入	2,726	4,666	-42%
Others	其他	2,741	1,741	+57%
		2,054	83,953	-98%
Other expenses	其他開支			
Share-based compensation	股本酬金	–	(27,615)	-100%
Overheads	間接成本	(14,780)	(9,085)	+63%
		115,178	122,934	-6%
Finance costs	融資成本	(1,016)	(1,299)	-22%
Profit before taxation	除稅前溢利	114,162	121,635	-6%
Income tax expenses	所得稅開支	(23,871)	(9,387)	+154%
Net profit	純利	90,291	112,248	-20%

Management Discussion and Analysis 管理層之討論與分析

Our results for 1H2008 reflect an increase in total turnover and segmental operating profit before depreciation and amortisation (“EBITDA”) from that of 1H2007. The Group’s turnover amounted to HK\$524.42 million, representing a growth of 74% compared to 1H2007. Segmental EBITDA amounted to HK\$151.59 million, representing an increase of 76% compared to 1H2007. The strong operating results for the first half of 2008 demonstrated our success in building a diversified IT solutions business. We experienced continuous strong growth from our electronic payment products and services and information technology value-added information technology services which represented 51% and 22% of total turnover for the period, respectively. Our new electronic power meters and solutions segment is picking up momentum in the market and contributed 22% of total turnover for the period.

Profit before taxation dropped by 6% as compared to 1H2007, mainly due to decrease in non-recurring gains during the period, such as other gains on the deemed disposal of a subsidiary and disposals of financial assets at fair value through profit or loss. Effective tax rate increased from 7.7% to 21.0% given the PRC income tax for the subsidiaries operating in the PRC are provided at standard rate of 25% in advance during the current period. Under the New CIT Law, operating subsidiaries which are qualified as High and New Technology Enterprises (“HNTEs”) will be eligible to enjoy a reduced income tax rate of 15% subsequently.

With regard to our balance sheet, the total assets as at 30 June 2008 amounted to HK\$1,567.79 million, compared with HK\$1,490.75 million as at 31 December 2007. Current assets as at 30 June 2008 was HK\$1,228.88 million, compared with HK\$1,156.94 million as at 31 December 2007.

於二零零八年上半年之本集團業績中，總營業額及分類未計折舊及攤銷前之經營溢利均較二零零七上半年有所上升。本集團營業額為524,420,000港元，較二零零七年上半年增加74%。分類未計折舊及攤銷前之經營溢利為151,590,000港元，較二零零七年上半年上升76%。二零零八年上半年經營業績驕人，見證着多元化資訊科技解決方案業務發展成功。本集團之電子支付產品及服務及資訊科技增值資訊科技服務持續強勁增長，分別佔期內總營業額51%及22%。本集團之嶄新電子式電能表及解決方案業務正於市場拾級而上，佔期內總營業額22%。

除稅前溢利較二零零七年上半年下跌6%，主要受到期內非經常性收益下跌影響(如視作出售一家附屬公司及出售按公平值計入溢利或虧損之金融資產之其他收益)。實際稅率由7.7%升至21.0%，由於若干於中國經營之附屬公司已於期內按標準稅率25%預先提撥中國所得稅準備。根據新企業所得稅法，符合高新科技企業(「高新科技企業」)資格之營運附屬公司其後將可享15%之優惠所得稅率。

於資產負債表方面，於二零零八年六月三十日的資產總額為1,567,790,000港元，於二零零七年十二月三十一日則為1,490,750,000港元。流動資產於二零零八年六月三十日為1,228,880,000港元，於二零零七年十二月三十一日則為1,156,940,000港元。

Management Discussion and Analysis 管理層之討論與分析

Electronic payment products and services

電子付款產品及服務

		1H2008	1H2007	
		二零零八年	二零零七年	
		上半年	上半年	Change
		HK\$'000	HK\$'000	變動
		千港元	千港元	+/(-)%
Turnover	營業額	265,021	166,632	+59%
EBITDA	未計折舊及攤銷前之 經營溢利	82,125	35,026	+134%
Operating profit	經營溢利	81,336	34,332	+137%
Research and development costs	研究及開發成本	6,631	3,551	+87%
EBITDA (%)	未計折舊及攤銷前之 經營溢利(%)	31%	21%	
Operating profit margin (%)	經營溢利率(%)	31%	21%	

PAX experienced strong volume growth of 77% as compared to 1H2007, with a new sales record of 132,000 units in the first six months of 2008. PAX continued to be the leader in the EFT-POS terminals market in Mainland China. While shipments to Mainland China EFT-POS terminals producers reached 121,000 units in 1H2008 for an increase of 92% as compared with the same period a year ago. Despite the keen market competition, we improved operating profit margin from 21% to 31%, through introducing new product designs, maintaining effective cost controls and leveraging volume growth.

In addition, PAX further strengthened its footprint in the international market where turnover increased by 15%, representing 9% of total sales for the segment. With first class products and services, we endeavor to make PAX an international brand symbolizing top quality electronic payment products and solutions.

百富銷量較二零零七年上半年大幅增長77%，二零零八年首六個月銷量刷新紀錄，達132,000台。百富繼續在中國內地電子轉賬售點終端機市場穩佔領先地位。二零零八年上半年，中國內地電子轉賬售點終端機生產商之出貨量為121,000台，比去年同期上升92%。雖然面對激烈的市場競爭，但本集團通過引入新產品設計、保持有效之成本監控及善用銷量增長優勢，經營溢利率由21%上升至31%。

此外，百富於國際市場上之營業額增長15%，佔該分部業務總銷售9%，進一步鞏固其於國際市場之據點。憑藉一流產品及服務，本集團致力將百富打造成為象徵頂級電子支付產品及解決方案的國際品牌。

Management Discussion and Analysis 管理層之討論與分析

Telecommunication solutions

電訊解決方案

		1H2008 二零零八年 上半年 HK\$'000 千港元	1H2007 二零零七年 上半年 HK\$'000 千港元	Change 變動 +/(-)%
Turnover	營業額	114,664	93,294	+23%
EBITDA	未計折舊及攤銷前之 經營溢利	64,540	53,609	+20%
Operating profit	經營溢利	59,107	49,161	+20%
EBITDA (%)	未計折舊及攤銷前之 經營溢利 (%)	56%	57%	
Operating profit margin (%)	經營溢利率 (%)	52%	53%	

During the period, we continued to provide the exclusive nation-wide IVR platform for China Mobile. Benefiting from market growth, turnover contributed by the IVR platform operations grew by 23%. In 1H2008, we maintained a healthy operating profit margin compared with 1H2007. Moderate decline in the operating profit margin was due to additional development costs incurred for the preparation of IVVR platform featuring video contents under the new 3G era.

期內，本集團繼續為中國移動提供專有全網IVR平台。市場增長之優勢帶動IVR平台業務之營業額增長23%。與二零零七年上半年比較，本集團於二零零八年上半年維持穩健之經營溢利率。由於製備新3G領域下具錄像內容功能之IVVR平台產生了額外開發成本，經營溢利率因而輕微下降。

Management Discussion and Analysis 管理層之討論與分析

Electronic power meters and solutions

電子式電能表及解決方案

		1H2008 二零零八年上半年 HK\$'000 千港元
Turnover	營業額	115,269
EBITDA	未計折舊及攤銷前之 經營溢利	19,499
Operating profit	經營溢利	9,916
Research and development cost	研究及開發成本	9,088
EBITDA (%)	未計折舊及攤銷前之 經營溢利 (%)	17%
Operating profit margin (%)	經營溢利率 (%)	9%

Our new electronic meters and solutions segment gradually picked up its momentum in 2008 and continues to hold its dominant position in the domestic market. In the first half of 2008, we put in place continuous retrenchment measures to improve the segment's operational efficiency.

Our strategic partnership with international leaders contributed to an increase in exports. Specifically, we have broadened our penetration in European and South East Asian countries such as Sweden and New Zealand. Continuous R&D efforts were put to improve the quality of existing products and development of new series. Likewise, we are consistently launching new and innovative products to meet the ever-changing technology and market demand.

於二零零八年，本集團之嶄新電子式電能表及解決方案業務逐漸上軌，並繼續於國內市場佔主導地位。二零零八年上半年，本集團已實行緊縮措施改善有關業務之經營效率。

本集團與國際領先機構建立策略夥伴關係，促進出口量上升。特別是，本集團已拓闊於歐洲及東南亞國家之滲透率，如瑞典及新西蘭等。本集團持續投入研發成本，以提升現有產品質量及開發新系列產品。與此同時，本集團貫徹始終地推出創新產品以迎合千變萬化的科技及市場需求。

Management Discussion and Analysis 管理層之討論與分析

Financial solutions

金融解決方案

		1H2008 二零零八年 上半年 HK\$'000 千港元	1H2007 二零零七年 上半年 HK\$'000 千港元	Change 變動 +/(-)%
Turnover	營業額	28,957	41,059	-29%
EBITDA	未計折舊及攤銷前之 經營溢利	(14,571)	(2,673)	N/A/不適用
Operating loss	經營虧損	(21,857)	(7,241)	N/A/不適用

In 1H2008, the financial solutions' segment experienced an operating loss of HK\$21.86 million mainly attributable to certain delays in the Bank of China core banking project. In an effort to create a more stable, sustainable and recurring income streams, we have refocused certain measures to extend our underlying strength and expertise in providing business process operations ("BPO") services to financial institutions.

Our BPO services include payment operation solutions, such as ATMs and other outsourcing services. Total turnover of BPO segment grew by 202% in 1H2008, as compared to 1H2007. Our strategy is to enhance our position and become a significant service provider to financial institutions in Mainland China. Our relatively significant experience in deploying financial solutions and ATM management provide us with future revenue opportunities as banks and other financial institutions throughout the world are increasingly outsourcing certain non-core management functions to simplify operations and lower costs.

於二零零八年上半年，金融解決方案業務錄得經營虧損21,860,000港元，主要由於中國銀行延遲其若干核心銀行項目所致。為了締造更穩固、持續及經常的收入來源，我們將若干措施重新定位，將相關優勢及專業知識延伸運用於向金融機構提供業務運營（「BPO」）服務。

本集團之BPO服務包括支付業務解決方案（如ATM）以及其他外判服務。二零零八年上半年BPO業務的總營業額較二零零七年上半年增長202%。本集團之策略為提高自身地位，成為中國內地金融機構之重大服務供應商。本集團於配置金融解決方案及ATM管理上相對豐富的經驗，我們日後可望因而獲得收益，因為全球各銀行及其他金融機構對於外判若干非核心管理職能，以簡化經營及降低成本之趨勢有所上升。

Management Discussion and Analysis 管理層之討論與分析

OUTLOOK

Electronic payment products and services

The Group is the largest player in China's EFT-POS terminal market with over 30% market share. Fueled by the increasing acceptance of card payments incessant improvement of payment transactions and processing infrastructure, PAX's EFT-POS terminals sales in Mainland China are expected to maintain its momentum in 2H2008. In addition to the domestic market growth, the Group expects to increase its overseas market penetration. The Group is in the process of opening a subsidiary in Atlanta, Georgia, U.S., which is expected to be fully operational by Q4 2008. The EFT-POS Electronic payment products and, solutions segment is expected to continue generating consistent cash flow strengthening the Group's balance sheet.

Electronic power meters and solutions

Our electronic power meters and solutions segment ("HZ PAX") resumed its full operation in Q1 2008 after certain restructuring and reorganisation exercises subsequent to the Group's acquisition in July 2007. It is expected that the segment's turnover will increase as a result of backlog ready for the 2H2008. Strong R&D backed by the strategic partnership with international industry leaders ensures the segment meets high production standard supporting HZ PAX's domestic sales and overseas expansion. China's demand for power meters and solutions is significantly increasing as a result of the country's booming economy and reformation in the energy sector. Power grid investments, energy supply and efficiency control are at the top of the agenda in the Central Government's Eleventh Five Year Plan making electronic power meters and automated systems/solutions a clear prerequisite for the reformation. As more Chinese companies are moving towards energy-saving solutions, the demand for electronic digital meters is expected to increase. Moreover, the need to replace traditional mechanical meters with the more technologically advanced and automated electronic meters and solutions is rapidly growing worldwide.

展望

電子付款產品及服務

本集團為中國電子轉賬售點終端機市場之最大供應商，市場佔有率超過30%。於二零零八年下半年，百富在中國內地之電子轉賬售點終端機銷售，可望因以咭付款日漸普及，以及付款交易和處理交易之基礎設施不斷改善，而繼續維持增長勢頭。除內地市場增長外，本集團期望增加其海外市場滲透率。本集團正籌辦在美國喬治亞州亞特蘭大開設附屬公司，並預期於二零零八年第四季全面投入營運。電子轉賬售點電子付款產品及解決方案分類可望繼續帶來穩定之現金流量，加強本集團於資產負債表之表現。

電子式電能表及解決方案

在二零零七年七月之收購事項後實施若干重整及重組後，本集團之電子式電能表及解決方案業務（「HZ PAX」）於二零零八年首季全面恢復營運。由於已具二零零八年下半年之訂單，預期來自該業務的營業額將會上升。研發能力強勁乃基於國際業界領導者之策略夥伴關係所支持，確保了該業務能符合高生產標準，以支持HZ PAX之國內銷售及海外擴展。中國對電能表及解決方案的需求急劇上升，此乃由於中國的經濟發展蓬勃及能源業之革新。電網投資、能源供應及效益控制為中央政府第十一個五年計劃的主要綱領之一，致使電子式電能表及自動化系統／解決方案為該項革新中不可或缺的部分。由於更多中國公司採納節能解決方案，預期電子式數字化表之需求會上升。此外，以技術上較先進之自動電子式電能表及解決方案取代傳統機械電能表之全球需求正急劇上升。

Management Discussion and Analysis 管理層之討論與分析

Telecommunication solutions

For the 2H2008, we anticipate modest revenue growth in the telecom segment after three consecutive years of significant increase in traffic volume from the IVR business. We expect a steady growth in operating profit as a result of operational efficiencies and effective cost management. The business extension from voice value-added services to video is expected to bring new income stream and growth impetus to the Group in FY2009 as a result of the expected grant of 3G licenses in Q4 2008.

Financial solutions

Hi Sun has established strong relations with renowned banks in China such as Bank of China, Bank of Communications and Industrial & Commercial Bank of China for its financial solutions servicing including core banking systems, ATM and outsourcing services, creating an important competitive advantage as compared to other industry players and places the Group in a favourable position to expand to other financial solution services going forward.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2008, the Group reported total assets of HK\$1,567.79 million (31 December 2007: HK\$1,490.75 million), which were financed by total liabilities of HK\$355.14 million (31 December 2007: HK\$389.89 million) and equity of HK\$1,212.65 million (31 December 2007: HK\$1,100.86 million). The net asset value was HK\$1,212.65 million (31 December 2007: HK\$1,100.86 million). The net asset value per share amounted to HK\$0.54 per share as compared to HK\$0.49 per share as at 31 December 2007.

電訊解決方案

我們預計，IVR業務經過連續三年錄得重大交易量增長後，二零零八年下半年電訊業務將會錄得平穩的收入增長。本集團預期經營溢利將通過運營效率與高效成本管理而獲得穩定增長。預期在二零零八年第四季獲授3G牌照後，業務會由語音增值服務擴展至視像領域，因而可望於二零零九年財政年度為本集團帶來新收入來源及增長動力。

金融解決方案

高陽已與中國銀行、交通銀行及中國工商銀行等中國多間知名銀行，就金融解決方案服務(包括核心銀行系統、ATM及外判服務)建立穩固關係，令本集團較其他業界對手增添了重要之競爭優勢，並有利於本集團在日後拓展至其他金融解決方案服務。

流動資金及財務資源

於二零零八年六月三十日，本集團錄得總資產1,567,790,000港元(二零零七年十二月三十一日：1,490,750,000港元)，來自總負債355,140,000港元(二零零七年十二月三十一日：389,890,000港元)及權益1,212,650,000港元(二零零七年十二月三十一日：1,100,860,000港元)。資產淨值則為1,212,650,000港元(二零零七年十二月三十一日：1,100,860,000港元)。每股資產淨值為每股0.54港元，而於二零零七年十二月三十一日則為每股0.49港元。

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As at 30 June 2008, the Group had cash of HK\$507.55 million (31 December 2007: HK\$569.72 million) and short term borrowings of HK\$6.72 million (31 December 2007: HK\$42.55 million). The net cash position as at 30 June 2008 was HK\$500.83 million as compared to HK\$527.17 million as at 31 December 2007. The short term borrowings included short term bank loan to fund the Group's working capital requirements. The gearing ratio (defined as total borrowings divided by shareholders' equity) was 0.01 as at 30 June 2008 as compared to 0.04 as at 31 December 2007. The gearing ratio is considered healthy and suitable for the continuous growth of the Group's business.

CAPITAL STRUCTURE AND DETAILS OF CHARGES

As at 30 June 2008, the Group's short term borrowings included short term bank loan which was denominated in Renminbi, amounting to RMB6.0 million. The short term bank loan was charged at interest of 7.6% per annum.

Approximately HK\$255.34 million, HK\$74.65 million, HK\$1.90 million and HK\$175.66 million of the Group's cash balances were denominated in Renminbi, Hong Kong dollar, Euro and US dollar respectively as at 30 June 2008.

As at 30 June 2008, short term bank loans of HK\$6.72 million were secured by:

The leasehold land and building of a subsidiary of the Company and the corporate guarantee from an independent third party, Shenzhen High and New Technology Investment Guarantee Company Limited

於二零零八年六月三十日，本集團有現金507,550,000港元(二零零七年十二月三十一日：569,720,000港元)及短期借款6,720,000港元(二零零七年十二月三十一日：42,550,000港元)。於二零零八年六月三十日之現金淨額為500,830,000港元，相對二零零七年十二月三十一日則為527,170,000港元。短期借貸包括短期銀行貸款，乃撥作應付本集團營運資金需求。於二零零八年六月三十日，資本負債比率(界定為借款總額除股東權益)為0.01，相對二零零七年十二月三十一日則為0.04。此資本負債比率屬穩健，且符合本集團業務持續增長之需要。

資本架構及抵押詳情

於二零零八年六月三十日，本集團之短期借貸包括以人民幣列值之短期銀行貸款人民幣6,000,000元。短期銀行貸款按年利率7.6厘計息。

於二零零八年六月三十日，本集團之現金結餘約255,340,000港元、74,650,000港元、1,900,000港元及175,660,000港元分別以人民幣、港元、歐元及美元列值。

於二零零八年六月三十日，6,720,000港元之短期銀行借貸以下列各項作抵押：

本公司一家附屬公司之租賃土地及樓宇及獨立第三方深圳市高新技術投資擔保有限公司之企業擔保

HK\$ million
百萬港元

6.72

Management Discussion and Analysis 管理層之討論與分析

EXCHANGE RATES EXPOSURE

The Group derives its revenue, makes purchases and incurs expenses denominated mainly in US dollars, Renminbi and Hong Kong dollars. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of Hong Kong dollar or Renminbi may have an impact on the operating results of the Group.

CONTINGENT LIABILITIES

The Group had no material contingent liability as at 30 June 2008.

EMPLOYEES

The total number of employees of the Group as at 30 June 2008 was 1,615. The breakdown of employees by division is as follows:

Electronic payment products and services	電子支付產品 及服務	211
Telecommunication solutions	電訊解決方案	304
Financial solutions	金融解決方案	433
Electronic power meters and solutions	電子式電能表及 解決方案	651
Corporate office	企業辦公室	16
		<hr/>
		1,615

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 businesses.

匯率風險

本集團產生之收益、進行採購或支付之費用主要以美元、人民幣及港元列值。目前，本集團並無訂有任何協議或購買任何工具對沖本集團之匯率風險。倘港元或人民幣之匯率出現任何重大波動，均可能對本集團之經營業績造成影響。

或然負債

於二零零八年六月三十日，本集團並無任何重大或然負債。

僱員

本集團於二零零八年六月三十日之僱員總數為1,615人。僱員按部門細分如下：

本集團確保其薪酬待遇全面且具競爭性。而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。

Additional Information

其他資料

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

As at 30 June 2008, 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 and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Companies were as follows:

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

Name of Director	董事姓名	Number of shares held 所持股份數目		Total 總數	Approximate percentage of shareholding* 股權之概約 百分比*
		Personal interest 個人權益	Corporate interest 公司權益		
Kui Man Chun	渠萬春	25,200,000(L)	677,083,636(L) (note (ii)) (附註(ii))	702,283,636	31.46%
Xu Wensheng	徐文生	18,696,000(L)	–	18,696,000	0.84%
Li Wenjin	李文晉	26,400,000(L)	–	26,400,000	1.18%
Xu Changjun	徐昌軍	22,200,000(L)	–	22,200,000	0.99%
Xu Sitao	許思濤	700,000(L)	–	700,000	0.03%

Notes:

- (i) The letter "L" denotes a long position in shares.
- (ii) 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.

* This percentage is calculated based on total issued number of shares of the Company as at 30 June 2008.

董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零零八年六月三十日，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條存置之登記冊或根據上市發行人董事進行證券交易之標準守則已知會本公司及聯交所之權益及淡倉如下：

(a) 本公司每股面值0.0025港元之普通股

附註：

- (i) 「L」表示股份之好倉。
- (ii) 該等股份由渠萬春透過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。

* 百分比乃根據本公司於二零零八年六月三十日之已發行股份總數計算。

Additional Information

其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

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

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, as at 30 June 2008, none of the directors, the chief executives of the Company nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Companies.

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.

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) 本公司每股面值0.0025港元之普通股

除上文所披露者外，截至二零零八年六月三十日，本公司各董事、行政總裁或彼等之聯繫人士概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)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條存置之登記冊或根據上市發行人董事進行證券交易之標準守則已知會本公司及聯交所之權益及淡倉。

本公司、其控股公司或其任何附屬公司或同系附屬公司概並無於期內任何時間訂立任何安排，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。

Additional Information

其他資料

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.

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 an exercise price HK\$0.374 per share (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% 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.

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。

除非本公司就更新10%限額取得股東之新批准，否則可予授出之購股權(連同其他所有計劃，如有)所涉及之股份總數，不得超過本公司於該計劃批准日期之全部已發行股本10%。就該計劃可授出之購股權，連同根據該計劃或本公司任何其他購股權計劃已授出惟尚未行使之任何購股權涉及之股份數目，最多不得超過本公司於任何時間已發行之有關類別證券之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，行使價為每股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。

Additional Information

其他資料

SHARE OPTION SCHEME (continued)

(a) The Company (continued)

On 26 September 2005, 33,300,000 share options were granted to certain Directors and employees at an exercise price of HK\$0.768 per share (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%

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.

The Share Subdivision has led to an adjustment to the exercise prices of the then outstanding options and the number of shares to be issued by the Company upon exercise of the then outstanding options.

購股權計劃(續)

(a) 本公司(續)

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，行使價為每股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。購股權期間於二零零五年九月二十六日開始，並自該日起10年後到期。授出的購股權歸屬如下：

於二零零五年 最多50%

九月二十六日

於二零零六年 最多100%

九月二十六日

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四股每股面值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。

股份分拆導致須調整當時未行使購股權之行使價及本公司於當時未行使購股權獲行使時將予發行之股份數目。

Additional Information

其他資料

SHARE OPTION SCHEME (continued)

(a) The Company (continued)

Pursuant to an ordinary resolution passed on 11 December 2006, a refreshment of the limit on grant of options under the Scheme was approved by the shareholders. Upon the refreshment of the limit on grant of options under the Scheme, an additional 43,000,000 shares may be issued pursuant to the grant of further options under the Scheme.

On 2 January 2007, 43,000,000 share options were granted to certain employees at an exercise price of HK\$2.00 per share (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 2 January 2007) with an expiry date of 1 January 2010.

There are no changes in any term of the Scheme during the six months ended 30 June 2008.

During the six months ended 30 June 2008, no share options have been granted, exercised or lapsed. The Group has no legal or constructive obligation to purchase or settle the option in cash. As at the date of this report, the Company has 41,458,000 share options outstanding.

購股權計劃(續)

(a) 本公司(續)

根據於二零零六年十二月十一日通過的普通決議案，股東批准更新該計劃項下可授出購股權之限額。更新該計劃項下可授出購股權之限額後，可根據該計劃項下進一步授出之購股權發行額外43,000,000股股份。

於二零零七年一月二日，本公司向若干僱員授出43,000,000份購股權，行使價為每股2.00港元(即緊接二零零七年一月二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)，到期日為二零一零年一月一日。

該計劃之所有條款概無於截至二零零八年六月三十日止六個月內變更。

截至二零零八年六月三十日止六個月，並無任何購股權獲授出、行使或失效。本集團並無以現金購買或償付購股權之法律或推定責任。於本報告日期，本公司有41,458,000份購股權尚未行使。

Additional Information

其他資料

SHARE OPTION SCHEME (continued)

(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 subsidiary (the “Turbo Speed Group”). Eligible participants of the Employee Incentive Scheme include the full-time employees of Turbo Speed or its subsidiaries, including any Directors of Turbo Speed or 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 Employee Incentive 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”).

The total number of shares in respect of which options may be granted shall not exceed 4,682,275 ordinary shares of Turbo Speed (the “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. Share 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.

購股權計劃(續)

(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」) 採納其僱員獎勵計劃 (「僱員獎勵計劃」)，以鼓勵 Turbo Speed 及其附屬公司 (「Turbo Speed 集團」) 之僱員。僱員獎勵計劃之合資格參與者包括 Turbo Speed 或其附屬公司之全職僱員，包括 Turbo Speed 或其附屬公司之任何董事 (但不包括為本公司董事之任何人士)，惟上述計劃不適用於已遞交辭呈或根據彼之僱傭合約或以其他形式之僱用條款，已於有關時間發出離職通知之人士。除非董事會就執行僱員獎勵計劃而成立之薪酬委員會 (「委員會」) 以決議案終止該計劃外，僱員獎勵計劃於二零零五年四月四日起生效，直至二零零八年十二月三十一日止。

有關授出購股權所涉及的股份總數不得超過 Turbo Speed 的 4,682,275 股普通股 (「Turbo Speed 股份」)，相當於 Turbo Speed 現時由本公司一家全資附屬公司持有之現有已發行股本約 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) 該名僱員之表現；及 (ii) Turbo Speed 集團之財務表現及其可達致其擬定業務計劃之程度。於任何十二個月期間，可向同時為 Turbo Speed 集團內公司董事之僱員提呈的 Turbo Speed 股份，最多不得超過 Turbo Speed 全部已發行股本的 1%。

Additional Information

其他資料

SHARE OPTION SCHEME (continued)

(b) Employee incentive scheme of a subsidiary

(continued)

On 8 July 2005, 1,425,000 share options had been granted to certain directors and employees of a subsidiary of Turbo Speed 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).

During the six months ended 30 June 2008, no share options have been granted, exercised or lapsed. The Group has no legal or constructive obligation to repurchase or settle the options in cash. As at the date of this report, Turbo Speed has 180,000 share options outstanding.

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 2008, the Company had been notified of the following substantial shareholders' interests and short positions and underlying shares, 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	Approximate percentage of shareholding* 股權之概約 百分比*
Rich Global Limited ("RGL")	677,083,636(L)	30.34%
Hi Sun Limited ("HSL")	677,083,636(L) (Note (ii)) (附註(ii))	30.34%
Kui Man Chun 渠萬春	702,283,636(L) (Note (ii)) (附註(ii))	31.46%

購股權計劃(續)

(b) 一家附屬公司之僱員獎勵計劃(續)

於二零零五年七月八日，已向 Turbo Speed 一家附屬公司若干董事及僱員授出 1,425,000 份購股權，可按每股 1.922 港元之行使價認購 Turbo Speed 普通股。上述購股權之行使期為二零零五年七月八日至二零零八年十二月三十一日(包括首尾日)。

截至二零零八年六月三十日止六個月，並無任何購股權獲授出、行使或失效。本集團並無以現金購回或償付購股權之法律或推定責任。於本報告刊發日期，Turbo Speed 有 180,000 份尚未行使購股權。

主要股東於股份及相關股份之權益及淡倉

按本公司根據證券及期貨條例第336條存置之主要股東登記冊所顯示，於二零零八年六月三十日，本公司獲知會下列主要股東擁有本公司已發行股本5%或以上股份及相關股份之權益及淡倉。該等權益不包括上文所披露有關董事及行政總裁之權益。

Additional Information

其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES (continued)

Notes:

- (i) The letter "L" denotes a long position in shares.
- (ii) HSL is deemed interested in the Company's shares by virtue of its 100% ownership of RGL, which directly holds the said shares, and HSL is owned as to 99.16% by Kui Man Chun.

* This percentage is calculated based on the total issued number of shares of the Company as at 30 June 2008.

Save as disclosed above, as at 30 June 2008, there were no other parties who had interests or short positions in the shares or underlying shares of the Company as recorded in the register maintained by the Company pursuant to section 336 of the SFO.

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.

主要股東於股份及相關股份之權益及淡倉(續)

附註：

- (i) 「L」表示股份之好倉。
- (ii) HSL因擁有RGL之100%權益而被視為於本公司之股份中擁有權益。HSL(渠萬春持有99.16%權益)直接持有上述股份。

* 百分比乃根據本公司於二零零八年六月三十日之已發行股份總數計算。

除上文所披露者外，截至二零零八年六月三十日，任何其他各方概無於本公司之股份及相關股份中，擁有已記入本公司根據證券及期貨條例第336條存置之登記冊之權益及淡倉。

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。

Additional Information

其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed companies 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.

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 2008.

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 2008, except for the followings:

Code provision E.1.2 of the CG Code stipulates that the chairman of the Board should attend the annual general meeting. The Chairman was unable to attend the annual general meeting held on 30 May 2007, however, Mr. Li Wenjin, as an Executive Director of the Company, took the chair pursuant to the Bye-laws 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(「標準守則」)，有關條款不寬鬆於上市規則附錄10所載之規定準則。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之規定準則。

經向全體董事作出具體查詢後，董事確認，彼等於截至二零零八年六月三十日止六個月一直遵守標準守則所載之規定準則。

企業管治

截至二零零八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，惟下述情況除外：

企業管治守則條文第E.1.2條訂明，董事會主席須出席股東週年大會。儘管主席未能出席於二零零七年五月三十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。

Additional Information

其他資料

CORPORATE GOVERNANCE (continued)

Code provision A.2.1 of the CG Code stipulates that the roles of the chairman and chief executive officer (“CEO”) should be separate and should not be performed by the same individual. The division of the responsibilities between the chairman and the CEO should be clearly established and set out in writing. For most of the time throughout the six months ended 30 June 2008, the Chairman of the Company was Mr. Cheung Yuk Fung, while the function of the CEO was performed by other executive directors. On 20 June 2008, Mr. Kui Man Chun has been appointed as the CEO. As such, the Company has complied with Code provision A.2.1 of the CG Code.

Code provision A.4.1 of CG Code stipulates that non-executive Director should be appointed for a specific term subject to re-election. 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. For most of the time throughout the six months ended 30 June 2008, the independent non-executive Directors were not appointed for a specific term. On 18 April 2008, service contracts have been entered into between the Company and each of the independent non-executive Directors. As such, the Company has complied with Code provision A.4.1 of the CG Code.

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(續)

企業管治守則條文第A.2.1條規定主席與行政總裁(「行政總裁」)之角色應有區分，並不應由一人同時兼任。主席與行政總裁之職責分工應清楚界定並以書面列載。截至二零零八年六月三十日止六個月期間之大部份時間，本公司主席為張玉峰先生，而行政總裁之職責則由其他執行董事擔任。於二零零八年六月二十日，渠萬春先生被委任為行政總裁。因此，本公司已遵守企業管治守則之守則條文第A.2.1條。

企業管治守則條文第A.4.1條訂明非執行董事須按特定任期委任，並須膺選連任。本公司所有董事須每三年輪席告退一次，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。截至二零零八年六月三十日止六個月期間之大部份時間，獨立非執行董事概無指定任期。於二零零八年四月十八日，本公司已與各獨立非執行董事訂立服務合約。因此，本公司已遵守企業管治守則之守則條文第A.4.1條。

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。

Additional Information

其他資料

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 interim financial report for the six months ended 30 June 2008 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 (the "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.

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二零零八年六月三十日止六個月之未經審核簡明綜合中期財務報告。

董事於競爭業務之權益

概無任何本公司董事於任何與本集團構成競爭之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。根據該計劃，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。

Additional Information

其他資料

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 2008.

SUBSEQUENT EVENTS

On 13 August 2008, the Company entered into a non-legally binding letter of intent (the "Letter of Intent") with an independent third party (the "Purchaser") in respect of the proposed disposal (the "Disposal") by the Company to the Purchaser a certain percentage of the Company's shareholdings in Hangzhou PAX Electric Technology Limited ("Hangzhou PAX", formerly known as "Hangzhou Baifu Holding Company Limited"). Hangzhou PAX, a wholly-owned subsidiary of the Company, is incorporated in the PRC and, together with its subsidiaries are principally engaged in the design, manufacturing and sale of electronic power meters and solutions to the electric power industry.

According to the Letter of Intent, the intended consideration for the Disposal will be further discussed and, subject to the satisfactory completion of the due diligence to be conducted by the Purchaser. The Disposal may or may not proceed and is subject to the entering into of a formal sale and purchase agreement.

Unless further extended by the parties involved, the provisions of the Letter of Intent will be automatically terminated on 8 October 2008.

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，本公司於截至二零零八年六月三十日止六個月維持上市規則規定之公眾持股量。

結算日後事項

於二零零八年八月十三日，本公司就建議由本公司出售杭州百富電力技術有限公司(「杭州百富」，前稱杭州百富控股有限公司)之若干百分比股權事宜(「出售」)與一名獨立第三方(「收購者」)訂立不具法律約束力之意向書(「意向書」)。杭州百富為本公司之全資附屬公司，註冊成立於中國，與其附屬公司主要從事向電力行業提供設計、製造及銷售電子式電能表及解決方案。

根據意向書，出售之建議代價將會進一步作出商討，並須待買家完成盡職調查且結果令人滿意後方可作實。出售可能會進行，此須待訂立正式之買賣協議後方可作實。

除非獲所涉及之各方進一步延續，否則意向書之條文將會於二零零八年十月八日自動終止。

Condensed Consolidated Interim Income Statement 簡明綜合中期損益表

For the six months ended 30 June 2008
截至二零零八年六月三十日止六個月

		Unaudited 未經審核		
		Six months ended 30 June 截至六月三十日止六個月		
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
		Notes 附註		
Turnover	營業額	4	524,420	301,543
Cost of sales	銷售成本	5	(275,700)	(161,368)
Gross profit	毛利		248,720	140,175
Other gains, net	其他收益，淨額	4	2,054	83,953
Selling expenses	銷售開支	5	(47,808)	(23,126)
Administrative expenses	行政費用	5	(87,788)	(78,068)
Operating profit	經營溢利		115,178	122,934
Finance costs	融資成本	7	(1,016)	(1,299)
Profit before income tax	除所得稅前溢利		114,162	121,635
Income tax expense	所得稅開支	8	(23,871)	(9,387)
Profit for the period	期內溢利		90,291	112,248
Attributable to:	應佔：			
Equity shareholders of the Company	本公司權益持有人		74,429	110,414
Minority interests	少數股東權益		15,862	1,834
			90,291	112,248
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：			
– Basic	– 基本	10	HK\$0.033	HK\$0.056
– Diluted	– 攤薄	10	HK\$0.033	HK\$0.050

The notes on pages 32 to 68 form an integral part of this condensed consolidated interim financial information.

第32至68頁之附註乃簡明綜合中期財務資料其中部分。

Condensed Consolidated Interim Balance Sheet

簡明綜合中期資產負債表

As at 30 June 2008 and 31 December 2007
於二零零八年六月三十日及二零零七年十二月三十一日

			Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	11	3,274	3,363
Property, plant and equipment	物業、廠房及設備	12	157,105	164,817
Leasehold land	租賃土地	13	43,056	43,377
Intangible assets	無形資產	14	135,477	122,244
Total non-current assets	非流動資產總值		338,912	333,801
Current assets	流動資產			
Inventories	存貨		193,204	138,581
Trade and other receivables, prepayments and deposits	應收賬款及其他 應收款項、 預付款項及按金	15	495,032	405,548
Due from a fellow subsidiary	應收一家同系 附屬公司款項	16,21(b)	1,189	1,111
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		24,401	34,488
Restricted cash	受限制現金		7,500	7,500
Cash and cash equivalents	現金及現金等價物		507,553	569,716
Total current assets	流動資產總值		1,228,879	1,156,944
Total assets	總資產		1,567,791	1,490,745
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人 應佔股本及儲備			
Share capital	股本	19	5,580	5,580
Reserves	儲備		1,145,291	1,049,267
Minority interest	少數股東權益		1,150,871	1,054,847
Total equity	權益總額		61,779	46,013
			1,212,650	1,100,860

The notes on pages 32 to 68 form an integral part of this condensed consolidated interim financial information.

第32至68頁之附註乃簡明綜合中期財務資料其中部分。

Condensed Consolidated Interim Balance Sheet 簡明綜合中期資產負債表

			Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		10,524	11,522
Total non-current liabilities	非流動負債總額		10,524	11,522
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他			
	應付款項	17	301,256	301,489
Taxation payable	應付稅項		36,641	34,323
Borrowings	借款	18	6,720	42,551
Total current liabilities	流動負債總額		344,617	378,363
Total liabilities	負債總額		355,141	389,885
Total equity and liabilities	權益及負債總額		1,567,791	1,490,745
Net current assets	流動資產淨值		884,262	778,581
Total assets less current liabilities	資產總值減流動負債		1,223,174	1,112,382

On behalf of the Board
 代表董事會

XU WENSHENG

徐文生
 Director
 董事

LI WENJIN

李文晉
 Director
 董事

The notes on pages 32 to 68 form an integral part of this condensed consolidated interim financial information.

第32至68頁之附註乃簡明綜合中期財務資料其中部分。

Condensed Consolidated Interim Statement of Changes in Equity 簡明綜合中期權益變動表

For the six months ended 30 June 2008
截至二零零八年六月三十日止六個月

		Unaudited 未經審核							
		Attributable to equity holders of the Company 本公司權益持有人應佔							
		Share capital 股本	Share premium 股份溢價	Contributed surplus 實繳盈餘	Other reserve 其他儲備	Exchange reserve 外匯儲備	Retained earnings 保留盈利	Minority interests 少數股東權益	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	5,580	548,330	168,434	34,496	40,960	257,047	46,013	1,100,860
Share of the Company's additional capital contribution by minority interest	少數股東權益所佔 本公司之額外注資	-	-	-	(12,758)	-	-	12,758	-
Acquisition of 5% equity interest in a subsidiary	收購一家附屬公司 5%股權	-	-	-	-	-	-	(15,000)	(15,000)
Profit for the period	期內溢利	-	-	-	-	-	74,429	15,862	90,291
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	-	-	-	-	34,353	-	2,146	36,499
At 30 June 2008	於二零零八年六月三十日	5,580	548,330	168,434	21,738	75,313	331,476	61,779	1,212,650

The notes on pages 32 to 68 form an integral part of this condensed consolidated interim financial information.

第32至68頁之附註乃簡明綜合中期財務資料其中部分。

Condensed Consolidated Interim Statement of Changes in Equity 簡明綜合中期權益變動表

For the six months ended 30 June 2007
截至二零零七年六月三十日止六個月

		Unaudited 未經審核							
		Attributable to equity holders of the Company 本公司權益持有人應佔							
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Minority interests 少數股東權益 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2007	於二零零七年一月一日	4,699	269,586	168,434	156,494	7,688	72,771	-	679,672
Profit for the period	期內溢利	-	-	-	-	-	110,414	1,834	112,248
Shares issued under a share option scheme of the Company	根據本公司購股權 計劃發行股份	133	9,740	-	-	-	-	-	9,873
Issue of new shares upon the conversion of convertible preference shares issued by a subsidiary	兌換一家附屬公司發行之 可換股優先股後發行 新股份	259	21,821	-	-	-	-	-	22,080
Employee share option scheme - value of employee services	僱員購股權計劃 - 僱員服務價值	-	-	-	27,615	-	-	-	27,615
Deemed disposal of 20% equity interest of a subsidiary	視作出售一家附屬公司 之20%股權	-	-	-	-	-	-	34,867	34,867
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	-	-	-	-	(301)	-	-	(301)
At 30 June 2007	於二零零七年 六月三十日	5,091	301,147	168,434	184,109	7,387	183,185	36,701	886,054

The notes on pages 32 to 68 form an integral part of this condensed consolidated interim financial information.

第32至68頁之附註乃簡明綜合中期財務資料之其中部分。

Condensed Consolidated Interim Cash Flow Statement 簡明綜合中期現金流轉表

For the six months ended 30 June 2008
 截至二零零八年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Net cash outflow from operating activities	經營業務所得現金流出淨額	(21,382)	(32,394)
Net cash outflow from investing activities	投資活動所得現金流出淨額	(27,348)	(5,020)
Net cash (outflow)/inflow from financing activities	融資活動所得現金(流出)／流入淨額	(35,831)	86,798
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)／增加淨額	(84,561)	49,384
Exchange gains on cash and cash equivalents	現金及現金等價物之匯兌收益	22,398	-
Cash and cash equivalents at beginning of period	期初之現金及現金等價物	569,716	528,076
Cash and cash equivalents at end of period	期末之現金及現金等價物	507,553	577,460
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	507,553	577,460

The notes on pages 32 to 68 form an integral part of this condensed consolidated interim financial information.

第32至68頁之附註乃簡明綜合中期財務資料之其中部分。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

1. GENERAL INFORMATION

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

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the sales of information technology products, provision of business process operation services, provision of information system consultancy and integration services, provision of information technology operation value-added services and sales of electronic power meters and solutions.

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

The Company is listed on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information was approved for issue on 1 September 2008.

2. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2008 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants.

This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2007, which have been prepared in accordance with Hong Kong Financial Reporting Standard (HKFRSs).

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」)主要從事銷售資訊科技產品、提供業務運營服務、提供資訊系統諮詢及集成服務、提供資訊科技運營增值服務及銷售電子式電能表及解決方案。

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

本公司於香港聯合交易所有限公司上市。

此簡明綜合中期財務資料已於二零零八年九月一日獲批准刊發。

2. 編製基準

此截至二零零八年六月三十日止六個月之未經審核簡明綜合中期財務資料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。

此簡明綜合中期財務資料應與截至二零零七年十二月三十一日止年度之年度財務報表一併閱讀，其根據香港財務報告準則(「香港財務報告準則」)編製。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

3. ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2007, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

For the year ended 31 December 2007, the Group early adopted HK(IFRIC) – Int 11, 'HKFRS 2 – Group and treasury share transactions'. For the six months ended 30 June 2008, the following new standards and interpretations to existing standards are mandatory for the first time for the financial year beginning 1 January 2008 but are not currently relevant to the Group:

- HK(IFRIC) – Int 12, 'Service concession arrangements'
- HK(IFRIC) – Int 14, 'HKAS 19 – the limit on a defined benefit asset, minimum funding requirements and their interaction'

3. 會計政策

除下文所述者外，採用之會計政策與截至二零零七年十二月三十一日止年度之年度財務報表所採用者一致，誠如有關之年度財務報表所述。

中期所得稅採用適用於預期全年總盈利之稅率計算。

截至二零零七年十二月三十一日止年度，本集團提早採納香港(國際財務報告詮釋委員會) – 詮釋第11號「香港財務報告準則第2號—集團及庫存股份交易」。截至二零零八年六月三十日止六個月，下列新準則及現行準則之詮釋須於二零零八年一月一日開始之財政年度首度須強制採納，惟目前與本集團並不相關：

- 香港(國際財務報告詮釋委員會) – 詮釋第12號，「服務特許權安排」
- 香港(國際財務報告詮釋委員會) – 詮釋第14號，「香港會計準則第19號—限制界定福利資產、最低資金要求及兩者之互動關係」

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

3. ACCOUNTING POLICIES (continued)

The following new standards, amendments to standards and interpretations to existing standard have been issued but are not effective for the financial year beginning 1 January 2008 and have not been early adopted by the Group:

- HKFRS 8, 'Operating segments'¹
- HKAS 23 (revised), 'Borrowing costs'¹
- HKFRS 2 (amendment), 'Share-based payment'¹
- HKFRS 3 (revised), 'Business combinations' and consequential amendments to HKAS 27, 'Consolidated and separate financial statements', HKAS 28, 'Investments in associates' and HKAS 31, 'Interests in joint ventures'²
- HKAS 1 (revised), 'Presentation of financial statements'¹
- HKAS 32 (amendment), 'Financial instruments: presentation', and consequential amendments to HKAS 1, 'Presentation of financial statements'¹
- HK(IFRIC) – Int 13, 'Customer loyalty programmes'³

3. 會計政策(續)

以下新準則、準則修訂或現行準則之詮釋已頒佈，惟於二零零八年一月一日開始之財政年度尚未生效，故本集團並無提早採納：

- 香港財務報告準則第8號，「經營分部」¹
- 香港會計準則第23號(修訂)，「借貸成本」¹
- 香港財務報告準則第2號(修訂本)，「以股份為基礎支付」¹
- 香港財務報告準則第3號(修訂)，「業務合併」，以及所導致對香港會計準則第27號「綜合及獨立財務報表」、香港會計準則第28號「投資於聯營公司」及香港會計準則第31號「於合營公司之權益」之修訂²
- 香港會計準則第1號(修訂)，「財務報表之呈列」¹
- 香港會計準則第32號(修訂本)，「金融工具：呈列」，以及所導致對香港會計準則第1號「財務報表之呈列」之修訂¹
- 香港(國際財務報告詮釋委員會) – 詮釋第13號，「客戶忠誠計劃」³

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

3. ACCOUNTING POLICIES (continued)

- IFRS 1 and IAS 27 (revised) 'Cost of an investment in a subsidiary, jointly controlled entity or associate', and consequential amendments to IAS 18 'Revenue', IAS 21 'The Effects of Changes in Foreign Exchange Rates' and IAS 36 'Impairment of Assets'⁴

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 July 2009
- ³ Effective for annual periods beginning on or after 1 July 2008
- ⁴ Equivalent HKFRS has not been published as of 31 May 2008

The Group has already commenced an assessment of the impact of the new standards, amendments to the standards or interpretations to existing standards but is not yet in a position to state whether these new standards, amendments to standards or interpretations to existing standards would have a significant impact to its results of operations and financial position.

3. 會計政策(續)

- 國際財務報告準則第1號及國際會計準則第27號(修訂)「投資於附屬公司、共同控制實體或聯營公司之成本」, 以及所導致對國際會計準則第18號「收益」、國際會計準則第21號「匯率變動之影響」及國際會計準則第36號「資產減值」之修訂⁴

- ¹ 於二零零九年一月一日或之後開始之年度期間生效
- ² 於二零零九年七月一日或之後開始之年度期間生效
- ³ 於二零零八年七月一日或之後開始之年度期間生效
- ⁴ 相等之香港財務報告準則於二零零八年五月三十一日尚未公佈

本集團已著手評估此等新訂準則、準則修訂或現行準則之詮釋之影響, 惟尚未能指出此等新訂準則、準則之修訂或現行準則詮釋會否對其經營業績及財務狀況造成重大影響。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING

The Group is principally engaged in the sales of information technology and electronic products, provision of business process operation services, provision of information system consultancy and integration services, provision of information technology operation value-added services. Turnover and other gains recognised are as follows:

4. 營業額、其他收益及分類資料

本集團之主要業務為銷售資訊科技及電子產品、提供業務運營服務、提供資訊系統諮詢及集成服務、提供資訊科技運營增值服務。已確認之營業額及其他收益如下：

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Turnover	營業額		
Sales of goods	銷售貨品	265,021	171,840
Provision of business process operation services	提供業務運營服務	11,636	3,847
Provision of information system consultancy and integration services	提供資訊系統諮詢及集成服務	17,946	33,585
Provision of information technology operation value-added services	提供資訊科技運營增值服務	114,039	91,713
Sales of electronic power meters and solutions	銷售電子式電能表及解決方案	115,269	-
Rental income	租賃收入	509	558
		524,420	301,543
Other gains, net	其他收益，淨額		
Interest income	利息收入	2,726	4,666
Gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入溢利或虧損之金融資產之收益	404	34,406
Fair value loss 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公平值虧損	(4,118)	(118)
Dividend income 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股息收入	301	-
Gain on deemed disposal of 20% equity interest in a subsidiary	視作出售於一家附屬公司之20%股權之收益	-	43,258
Finance lease income	融資租賃收入	-	17
Other income	其他收入	2,741	1,724
		2,054	83,953
Turnover and other gains	營業額及其他收益	526,474	385,496

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (continued)

At 30 June 2008, the Group is organised into six main business segments:

- (a) Electronic payment products and services – sales of electronic fund transfer point-of-sale (“EFT-POS”) terminals;
- (b) Telecommunication solutions:
 - (i) Information technology operation value-added services – provision of Interactive Voice Response (“IVR”) services;
 - (ii) Telecommunication solutions, services and related products – provision of information system consultancy and integration services and sales of information technology products to the telecommunications industries;
- (c) Financial solutions:
 - (i) Financial solutions, services and related products – provision of information system consultancy and integration services and sales of information technology products to financial institutions and banks;
 - (ii) Business process operations – provision of outsourcing services to financial institutions and banks with payment solutions, such as automatic teller machines (“ATM”); and
- (d) Electronic power meters and solutions – manufacturing and sales of electronic power meters, data collection terminals and provision of information system consultancy services.

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

4. 營業額、其他收益及分類資料(續)

於二零零八年六月三十日，本集團分為六大業務分類：

- (a) 電子支付產品及服務－銷售電子轉賬售點(「EFT-POS」)終端機；
- (b) 電訊解決方案：
 - (i) 資訊科技運營增值服務－提供語音互動(「IVR」)服務；
 - (ii) 電訊解決方案、服務及相關產品－向電訊行業提供資訊系統諮詢及集成服務和銷售資訊科技產品；
- (c) 金融解決方案：
 - (i) 金融解決方案、服務及相關產品－向財務機構及銀行提供資訊系統諮詢及集成服務和銷售資訊科技產品；
 - (ii) 業務運營－向提供支付解決方案之金融機構及銀行提供自動櫃員機(「ATM」)等外判服務；及
- (d) 電子式電能表及解決方案－產銷電子式電能表、數據收集終端及提供資訊系統諮詢服務。

各業務分類之間並無銷售或其他交易。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (continued)

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

4. 營業額、其他收益及分類資料(續)

本集團期內之收入及業績按業務分類分析如下：

		Unaudited 未經審核							
		Six months ended 30 June 2008 截至二零零八年六月三十日止六個月							
		Telecom-					Electronic		
		Information technology	munication solutions,	Financial solutions,		Electronic power meters and solutions			
		Electronic payment products and services	operation value-added services	services and related products	and related products	Business process operations	Unallocated	Group	
		資訊科技	電訊解決	金融解決		電子式	未分配	本集團	
		電子支付	運營	方案、服務	方案、服務	業務運營	解決方案		
		產品及服務	增值服務	及相關產品	及相關產品				
		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	
Turnover	營業額	265,021	114,039	625	17,321	11,636	115,269	509	524,420
Other gains, net	其他收益·淨額	-	-	-	-	-	-	2,054	2,054
Segment results	分類業績								
Operating profit/(loss) before depreciation and amortisation	未計折舊及攤銷前的經營利潤/(虧損)	82,125	63,915	625	(18,204)	3,633	19,499	(12,726)	138,867
Depreciation	折舊	(787)	(5,433)	-	(710)	(6,576)	(5,038)	(218)	(18,762)
Amortisation	攤銷	(2)	-	-	-	-	(4,545)	(380)	(4,927)
Operating profit/(loss)	經營溢利/(虧損)	81,336	58,482	625	(18,914)	(2,943)	9,916	(13,324)	115,178
Finance costs	融資成本							(1,016)	(1,016)
Profit before income tax	除所得稅前溢利								114,162
Income tax expense	所得稅開支							(23,871)	(23,871)
Profit for the period	期內溢利								90,291

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (continued)

4. 營業額、其他收益及分類資料(續)

		Unaudited 未經審核							
		Six months ended 30 June 2007 截至二零零七年六月三十日止六個月							
		Electronic payment products and services 電子支付 產品及服務	Information technology operation value-added services 資訊科技 運營 增值服務	Telecom- munication solutions, services and related products 電訊解決 方案、服務 及相關產品	Financial solutions, services and related products 金融解決 方案、服務 及相關產品	Business process operations 業務運營	Unallocated 未分配	Group 本集團	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Turnover	營業額	166,632	91,713	1,581	37,212	3,847	558	301,543	
Other gains, net	其他收益，淨額	-	-	-	-	-	83,953	83,953	
Segment results	分類業績								
Operating profit/(loss) before depreciation and amortisation	未計折舊及攤銷前 的經營利潤/ (虧損)	35,026	53,157	452	(3,580)	907	47,253	133,215	
Depreciation	折舊	(692)	(4,448)	-	(985)	(3,583)	(191)	(9,899)	
Amortisation	攤銷	(2)	-	-	-	-	(380)	(382)	
Operating profit/(loss)	經營溢利/(虧損)	34,332	48,709	452	(4,565)	(2,676)	46,682	122,934	
Finance costs	融資成本						(1,299)	(1,299)	
Profit before income tax	除所得稅前溢利							121,635	
Income tax expense	所得稅開支						(9,387)	(9,387)	
Profit for the period	期內溢利							112,248	

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (continued)

The segment assets and liabilities at 30 June 2008 and capital expenditure for the six months then ended are as follows:

		Electronic payment products and services 電子支付 產品及服務	Information technology operation services 資訊科技 運營 增值服務	Telecom- munication solutions, services and products 電訊解決 方案、服務 及相關產品	Financial solutions, services and products 金融解決 方案、服務 及相關產品	Business process operations 業務營運	Electronic power meters and solutions 電子式 電能表及 解決方案	Unallocated 未分配	Group 集團
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Total assets (unaudited)	資產總值(未經審核)	447,735	261,007	4,892	162,441	52,896	473,401	165,419	1,567,791
Total liabilities (unaudited)	負債總值(未經審核)	(124,406)	(15,447)	(3,124)	(18,926)	-	(140,875)	(52,363)	(355,141)
Capital expenditure (unaudited)	資本開支(未經審核)	1,059	2,502	-	654	884	2,269	9,725	17,093

The segment assets and liabilities at 31 December 2007 and capital expenditure for the six months ended 30 June 2007 are as follows:

Total assets (audited)	資產總值(經審核)	351,438	209,711	4,150	199,715	51,962	467,346	206,423	1,490,745
Total liabilities (audited)	負債總值(經審核)	(115,228)	(14,247)	(3,060)	(39,413)	-	(160,664)	(57,273)	(389,885)
Capital expenditure (unaudited)	資本開支(未經審核)	379	905	-	1,634	6,908	-	22	9,848

Segment assets consist primarily of property, plant and equipment, intangible assets, land use rights, inventories, receivables and operating cash. They exclude deferred income tax assets.

Segment liabilities consist primarily operating liabilities. They exclude deferred income tax liabilities and income tax payable.

Capital expenditure comprises additions to leasehold land, property, plant and equipment and intangible assets including additions resulting from acquisitions through business combinations.

4. 營業額、其他收益及分類資料(續)

於二零零八年六月三十日之分類資產及負債以及截至該六個月之資本開支如下：

於二零零七年十二月三十一日之分類資產及負債以及截至二零零七年六月三十日止六個月期間之資本開支如下：

分類資產主要包括物業、廠房及設備、無形資產、土地使用權、存貨、應收款項及營運現金。分類資產不包括遞延所得稅資產。

分類負債主要包括營運負債，其不包括遞延所得稅負債及應付所得稅。

資本開支包括對租賃土地、物業、廠房及設備及無形資產的添置，包括透過業務合併進行收購產生的添置。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (continued)

Secondary reporting format – Geographical segments

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

- | | |
|---|--|
| Mainland China | – electronic payment products and services, information technology operation value-added services, telecommunication solutions, services and related products, financial solutions, services and related products, business process operations and electronic power meters and solutions |
| Hong Kong, South East Asia, Europe and others | – electronic payment products and services, financial solutions, services and related products and electronic power meters and solutions |

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

Revenue is allocated based on the countries in which the customers are located.

4. 營業額、其他收益及分類資料(續)

次要呈報方式 – 地區分類

本集團之六項業務分類在兩個主要地區經營：

- | | |
|--------------|--|
| 中國大陸 | – 電子支付產品及服務、資訊科技運營增值服務、電訊解決方案、服務及相關產品、金融解決方案、服務和相關產品、業務運營以及電子式電能表及解決方案 |
| 香港、東南亞、歐洲及其他 | – 電子支付產品及服務，金融解決方案、服務及相關產品以及電子式電能表及解決方案 |

各地區分類之間並無銷售或其他交易。

收入乃按客戶所在之國家而分配。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

4. TURNOVER, OTHER GAINS AND SEGMENT REPORTING (continued)

Secondary reporting format – Geographical segments (continued)

Mainland China	中國大陸
Hong Kong, South East Asia, Europe and others	香港、東南亞、歐洲及其他
Other gains, net, unallocated	其他收益，淨額，未分配
Unallocated expenses	未分配開支
Operating profit	經營溢利

4. 營業額、其他收益及分類資料(續)

次要呈報方式 – 地區分類(續)

Unaudited 未經審核	
Six months ended 30 June 2008 截至二零零八年 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
475,902	125,466
48,518	3,036
524,420	128,502
	2,054
	(15,378)
	115,178

Unaudited 未經審核	
Six months ended 30 June 2007 截至二零零七年 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
266,495	74,706
35,048	1,668
301,543	76,374
	83,953
	(37,393)
	122,934

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

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 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	1,453	1,057
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,673	9,811
Depreciation of investment properties	投資物業折舊	89	88
Amortisation of leasehold land	租賃土地攤銷	965	382
Amortisation of intangible assets	無形資產攤銷	3,962	-
Employee benefit expense (including Directors' emoluments) (Note 6)	僱員福利開支(包括董事酬金)(附註6)	89,626	76,447
Costs of inventories sold	售出存貨成本	223,991	113,230
Operating lease rentals in respect of land and buildings	土地及樓宇之營業租賃租金	4,887	4,564
Operating lease rentals in respect of equipment	設備之營業租賃租金	6,149	5,365
Research and development costs	研究及開發成本	15,719	3,551
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	913	188
Provision for impairment of trade receivables	應收賬款減值撥備	-	36
Write-back of provision for impairment of trade receivables	應收賬款減值撥備撥回	-	(225)
Write-off of trade receivables	應收貿易賬款撇銷	642	-
Provision for obsolete inventories	陳舊存貨撥備	165	-
Write-back of provision for obsolete inventories	陳舊存貨撥備撥回	(248)	-
Write-off of inventories	存貨撇銷	-	1,261
Refund of value-added tax	增值稅退款	(8,665)	(98)

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

6. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

Wages and salaries	工資及薪金
Social security costs	社會保障成本
Employee share option scheme – value of employee services for share options granted	僱員購股權計劃 – 已授出購股權之僱員服務價值
Pension costs – defined contribution plans	退休金成本 – 定額供款計劃

6. 僱員福利開支(包括董事酬金)

Unaudited 未經審核	
Six months ended 30 June 截至六月三十日止六個月	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
76,828	42,881
6,583	2,860
–	27,615
6,215	3,091
89,626	76,447

7. FINANCE COSTS

Interest on bank loans and overdrafts	銀行貸款及透支利息
Interests on 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之利息

7. 融資成本

Unaudited 未經審核	
Six months ended 30 June 截至六月三十日止六個月	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
1,016	966
–	333
1,016	1,299

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

8. INCOME TAX EXPENSE

No Hong Kong profits tax has been provided as there is no estimated assessable profit for the period (six months ended 30 June 2007: Nil). 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	– 香港利得稅
– Overseas taxation	– 海外稅項
Deferred income tax	遞延所得稅
Income tax expense	所得稅開支

During the period, the PRC tax rate applicable to the Group is 25% (six months ended 30 June 2007: 33%), with certain preferential provisions.

Therefore, the PRC taxation has been provided in advance on the estimate profits of the Group's subsidiaries operating in the PRC and subject to Enterprise Income Tax ("EIT") at a rate of 25%, unless preferential rates are applicable.

Under the New CIT Law, operating subsidiaries which are qualified as High & New Technology Enterprises ("HNTEs") will be eligible to enjoy a reduced income tax rate of 15% subsequently.

8. 所得稅開支

由於期內並無估計應課稅溢利(截至二零零七年六月三十日止六個月：無)，故無就香港利得稅作出撥備。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 未經審核	
Six months ended 30 June 截至六月三十日止六個月	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
–	–
25,407	9,387
(1,536)	–
23,871	9,387

期內，適用於本集團之中國稅率為25%(截至二零零七年六月三十日止六個月：33%)，並附若干優惠規定。

因此，除非優惠稅率適用，否則已就於中國經營及須按25%稅率繳付企業所得稅(「企業所得稅」)之本集團若干附屬公司之估計溢利預先提撥中國稅項準備。

根據新企業所得稅法，符合高新科技企業(「高新科技企業」)資格之營運附屬公司其後將可享15%之優惠所得稅率。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

9. DIVIDEND

No dividend on ordinary share has been paid or declared by the Company for the six months ended 30 June 2008 (six months ended 30 June 2007: Nil).

10. EARNINGS PER SHARE

(a) 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.

9. 股息

本公司並無就截至二零零八年六月三十日止六個月派付或宣派普通股股息(截至二零零七年六月三十日止六個月:無)。

10. 每股盈利

(a) 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 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2008	2007
		二零零八年	二零零七年
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	74,429	110,414
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	2,231,973	1,970,502
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	0.033	0.056

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

10. EARNINGS PER SHARE (continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the number of ordinary shares outstanding to assume conversion of all potentially dilutive shares. The Company has two categories of potentially dilutive ordinary shares: convertible preference shares issued by subsidiaries and share options. The convertible preference shares issued by subsidiaries are assumed to be converted into ordinary shares and the net profit is adjusted to eliminate the interest expense less the tax effect. All convertible preference shares issued by subsidiaries have been converted into ordinary shares of the Company during the year ended 31 December 2007. For the share options, a calculation is performed to determine the number of shares that would 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 the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

10. 每股盈利(續)

(b) 攤薄

每股攤薄盈利乃按兌換所有潛在攤薄股份之假設而調整已發行普通股數目計算。本公司之潛在攤薄普通股分為兩類：附屬公司發行之可換股優先股及購股權。附屬公司發行之可換股優先股假設將轉換為普通股，並已調整純利以對銷利息開支扣除稅務影響。截至二零零七年十二月三十一日止年度，所有附屬公司發行之可換股優先股已轉換為本公司普通股。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，以釐定會按公平值(定為本公司股份期內之平均市價)購買之股份數目。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。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

10. EARNINGS PER SHARE (continued)

(b) Diluted (continued)

		Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月 2007 二零零七年
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	110,414
Interest expense on convertible preference shares issued by a subsidiary (HK\$'000)	一家附屬公司發行之可換股優先股利息開支 (千港元)	333
Profit used to determine diluted earnings per share (HK\$'000)	用作釐定每股攤薄盈利之溢利 (千港元)	110,747
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (千股)	1,970,502
Adjustments for	就下列各項作出調整	
– assumed conversion of convertible preference shares issued by subsidiaries (thousands)	– 假設轉換附屬公司發行之可換股優先股 (千股)	167,398
– share options (thousands)	– 購股權 (千股)	61,933
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)	2,199,833
Diluted earnings per share (HK\$ per share)	每股攤薄盈利 (每股港元)	0.050

Diluted earnings per share for the six months ended 30 June 2008 has been presented the same as the basic earnings per share as the conversion of potential ordinary shares would have an anti-dilutive effect to the basic earnings per share.

截至二零零八年六月三十日止六個月之每股攤薄盈利與每股基本盈利之呈列相同，此乃因兌換潛在普通股將會對每股基本盈利產生反攤薄之影響。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

11. INVESTMENT PROPERTIES

11. 投資物業

		Unaudited 未經審核 HK\$'000 千港元
Net book value as at 1 January 2008	於二零零八年一月一日 之賬面淨值	3,363
Depreciation	折舊	(89)
Net book value as at 30 June 2008	於二零零八年六月三十日 之賬面淨值	3,274
Net book value as at 1 January 2007	於二零零七年一月一日 之賬面淨值	3,540
Depreciation	折舊	(88)
Net book value as at 1 July 2007	於二零零七年七月一日 之賬面淨值	3,452
Depreciation	折舊	(89)
Net book value as at 31 December 2007	於二零零七年十二月三十一日 之賬面淨值	3,363

Note:

As at 31 December 2007, the fair value of HK\$3,527,000 of investment property located at 北京市海澱區阜成路67號銀都大廈15-17樓 was assessed by an independent and professionally qualified valuer, Vigers Appraisal & Consulting Limited based on the then current prices in an active market. No valuation was performed during the period.

Interests in investment properties at their net book values are analysed as follows:

附註：

截至二零零七年十二月三十一日，位於北京市海澱區阜成路67號銀都大廈15-17樓之投資物業之公平價值為3,527,000港元，此乃由獨立專業合資格估值師威格斯資產評估顧問有限公司按於活躍市場之當時現行價格估值。期內概無進行任何估值。

投資物業權益按賬面淨值分析如下：

	Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
Outside Hong Kong, held on: Leases of between 10 to 50 years	香港境外： 按10至50年 之租約持有	3,274
		3,363

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Unaudited 未經審核 HK\$'000 千港元
Net book value as at 1 January 2008	於二零零八年一月一日 之賬面淨值	164,817
Exchange differences	匯兌差額	7,593
Additions	添置	6,299
Disposals	出售	(2,931)
Depreciation	折舊	(18,673)
Net book value as at 30 June 2008	於二零零八年六月三十日 之賬面淨值	157,105
Net book value as at 1 January 2007	於二零零七年一月一日 之賬面淨值	75,959
Additions	添置	9,848
Disposals	出售	(351)
Depreciation	折舊	(9,811)
Net book value as at 1 July 2007	於二零零七年七月一日 之賬面淨值	75,645
Exchange differences	匯兌差額	8,277
Additions	添置	24,283
Acquisition of subsidiaries	收購附屬公司	76,709
Disposals	出售	(3,879)
Depreciation	折舊	(16,218)
Net book value as at 31 December 2007	於二零零七年十二月三十一日 之賬面淨值	164,817

As at 30 June 2008, bank borrowings are secured on buildings with total net book amount of HK\$5,886,000 (31 December 2007: HK\$18,845,000) (Note 18).

於二零零八年六月三十日，銀行貸款乃以總賬面淨值為5,886,000港元(二零零七年十二月三十一日：18,845,000港元)之樓宇為抵押(附註18)

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

13. LEASEHOLD LAND

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

Outside Hong Kong, held on:	香港境外：
Leases of between	按10至50年
10 to 50 years	之租約持有
Net book value	賬面淨值

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

Net book value as at	於二零零八年一月一日
1 January 2008	之賬面淨值
Exchange differences	匯兌差額
Amortisation	攤銷
Net book value as at	於二零零八年六月三十日
30 June 2008	之賬面淨值
Net book value as at	於二零零七年一月一日
1 January 2007	之賬面淨值
Amortisation	攤銷
Net book value as at	於二零零七年七月一日
1 July 2007	之賬面淨值
Exchange differences	匯兌差額
Acquisition of a subsidiary	收購一家附屬公司
Disposals	出售
Amortisation	攤銷
Net book value as at	於二零零七年十二月三十一日
31 December 2007	之賬面淨值

13. 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	Audited
未經審核	經審核
30 June	31 December
六月三十日	十二月三十一日
2008	2007
二零零八年	二零零七年
HK\$'000	HK\$'000
千港元	千港元
43,056	43,377

土地預付租金之變動如下：

Unaudited
未經審核
HK\$'000
千港元
43,377
644
(965)
43,056
30,559
(382)
30,177
523
17,448
(4,240)
(531)
43,377

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

14. INTANGIBLE ASSETS

14. 無形資產

		Unaudited 未經審核 HK\$'000 千港元
Net book value as at 1 January 2008	於二零零八年一月一日之 賬面淨值	122,244
Exchange differences	匯兌差額	6,401
Additions	添置	10,260
Acquisition of 5% equity interest in a subsidiary (Note 20)	收購一家附屬公司5%股本權益 (附註20)	534
Amortisation	攤銷	(3,962)
		<hr/>
Net book value as at 30 June 2008	於二零零八年六月三十日之 賬面淨值	135,477
		<hr/>
Net book value as at 1 January 2007 and 1 July 2007	於二零零七年一月一日及 二零零七年七月一日之賬面淨值	-
Exchange differences	匯兌差額	5,122
Additions	添置	120,014
Amortisation	攤銷	(2,892)
		<hr/>
Net book value as at 31 December 2007	於二零零七年十二月三十一日之 賬面淨值	122,244
		<hr/>

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment. As at 30 June 2008, goodwill of HK\$101,612,000 (31 December 2007: HK\$95,907,000) is solely allocated to the electronic power meters and solutions in Mainland China.

商譽按照業務分類撥歸所識別之本集團現金產生單位。於二零零八年六月三十日，101,612,000港元(二零零七年十二月三十一日：95,907,000港元)之商譽僅撥歸在中國大陸電子式電能表及解決方案。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

15. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
Trade receivables (Note (a))	應收賬款(附註(a))	250,962
Bills receivables (Note (b))	應收票據(附註(b))	95,403
Less: provision for impairment of receivables	減: 應收賬款 減值撥備	(1,615)
	441,571	344,750
Other receivables, prepayments and deposits	其他應收款項、 預付款項及按金	60,798
	53,461	
	495,032	405,548

Note (a): Trade receivables

The Group's credit terms to trade debtors range from 0 to 180 days. At 30 June 2008 and 31 December 2007, the ageing analysis of the trade receivables was as follows:

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

15. 應收賬款及其他應收款項、 預付款項及按金

	Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
Trade receivables (Note (a))	393,316	250,962
Bills receivables (Note (b))	49,946	95,403
Less: provision for impairment of receivables	(1,691)	(1,615)
	441,571	344,750
Other receivables, prepayments and deposits	53,461	60,798
	495,032	405,548

附註(a): 應收賬款

本集團給予貿易債務人的信貸期由零至180日不等。於二零零八年六月三十日及二零零七年十二月三十一日，應收賬款之賬齡分析如下：

	Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
Current to 90 days	241,396	186,567
91 to 180 days	66,762	25,456
181 to 365 days	61,708	14,278
Over 365 days	23,450	24,661
	393,316	250,962

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

15. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (continued)

The Group's sales are made to several major customers and there is a concentration of credit risks. Collections of outstanding receivable balances are closely monitored on an ongoing basis to minimise such credit risk.

Receivables that were past due but not impaired were related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered as fully recoverable. The Group does not hold any collateral over these balances.

Note (b): Bills receivables

The balance represents bank acceptance notes with maturity dates of less than six months.

The maturity profile of the bills receivables is as follows:

Falling due 90 days	於90日內到期
Falling due 91 to 180 days	於91至180日內到期

As at 30 June 2008, none of the Group's bill receivables (31 December 2007: HK\$10,550,000) were pledged to banks for short-term borrowings.

15. 應收賬款及其他應收款項、 預付款項及按金(續)

本集團之銷售乃向數名主要客戶作出且有信貸集中風險。本集團不斷密切監察尚未償還應收款項餘額之收回情況，以減少此等信貸風險。

逾期但未減值的應收賬款為對與本集團有良好交易記錄的若干獨立客戶。鑒於以前良好的合作，該部份客戶信用未發生重大變化，預計應收款項完全可回收。管理層認定對該應收款項不需要確認減值準備，本集團未持有任何該等應收款項結餘的抵押品。

附註(b)：應收票據

該結餘指到期日為少於六個月的銀行承兌匯票。

應收票據的到期狀況如下：

Unaudited 未經審核	Audited 經審核
30 June 六月三十日	31 December 十二月三十一日
2008 二零零八年	2007 二零零七年
HK\$'000 千港元	HK\$'000 千港元
32,178	30,212
17,768	65,191
49,946	95,403

於二零零八年六月三十日，集團並無已抵押予銀行以取得短期借款的應收票據(二零零七年十二月三十一日：10,550,000港元)。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

16. DUE FROM A FELLOW SUBSIDIARY

The amount due from a fellow subsidiary is interest free, unsecured and repayable on demand.

16. 應收一家同系附屬公司款項

應收一家同系附屬公司款項為免息、無抵押及於索還時償付。

17. TRADE AND OTHER PAYABLES

17. 應付賬款及其他應付款項

		Unaudited	Audited
		未經審核	經審核
		30 June	31 December
		六月三十日	十二月三十一日
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	應付賬款	183,786	130,057
Other payables and accruals	其他應付款項及應計款項	94,254	143,656
Pension obligations	退休金供款	8,782	10,228
Social security and other taxes	社會保障及其他稅項	14,434	17,548
		301,256	301,489

At 30 June 2008 and 31 December 2007, the ageing analysis of the trade payables was as follows:

於二零零八年六月三十日及二零零七年十二月三十一日，應付賬款之賬齡分析如下：

		Unaudited	Audited
		未經審核	經審核
		30 June	31 December
		六月三十日	十二月三十一日
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Current to 90 days	即時至90日	135,809	98,001
91 days to 180 days	91日至180日	23,215	14,097
181 days to 365 days	181日至365日	22,616	5,123
Over 365 days	365日以上	2,146	12,836
		183,786	130,057

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

18. BORROWINGS

Current	流動
Short term bank loans – PRC, secured (Note)	短期銀行貸款 – 中國 有抵押(附註)

Note:

As at 30 June 2008, short term bank loans of RMB6.0 million (approximately HK\$6,720,000) (31 December 2007: HK\$32,528,000) were secured by the building of a subsidiary of the Company (Note 12) and the corporate guarantee from an independent third party, 深圳市高新技術投資擔保有限公司 (Shenzhen High and New Technology Investment Guarantee Company Limited).

As at 30 June 2008, no short term bank loans (31 December 2007: HK\$10,023,000) were secured by the bills receivables of a subsidiary of the Company (Note 15(b)).

18. 借款

Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2007 二零零七年 HK\$'000 千港元
6,720	42,551

附註：

於二零零八年六月三十日，人民幣6,000,000元(約6,720,000港元)之短期銀行貸款(二零零七年十二月三十一日：32,528,000港元)由本公司一家附屬公司之樓宇(附註12)以及一名獨立第三方深圳市高新技術投資擔保有限公司之公司擔保作抵押。

於二零零八年六月三十日，概無短期貸款(二零零七年十二月三十一日：10,023,000港元)已以本公司之附屬公司之應收票據作抵押(附註15(b))。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

18. BORROWINGS (continued)

Movements in borrowings is analysed as follows:

18. 借款(續)

借款變動之分析如下：

		Unaudited 未經審核 HK\$'000 千港元
Six months ended 30 June 2008	截至二零零八年六月三十日止六個月	
Opening amount 1 January 2008	二零零八年一月一日之期初值	42,551
Repayments of borrowings	償還借款	(36,719)
Exchange differences	匯兌差額	888
		<hr/>
Closing amount as at 30 June 2008	二零零八年六月三十日之期末值	6,720
		<hr/>
Six months ended 30 June 2007	截至二零零七年六月三十日止六個月	
Opening amount 1 January 2007	二零零七年一月一日之期初值	7,000
Repayments of borrowings	償還借款	(1,200)
		<hr/>
Closing amount as at 1 July 2007	二零零七年七月一日之期末值	5,800
Repayments of borrowings	償還借款	(6,300)
Acquisition of subsidiaries	收購附屬公司	31,930
Proceeds from borrowings	來自借款之所得款項	11,121
		<hr/>
Closing amount as at 31 December 2007	二零零七年十二月三十一日之 期末值	42,551
		<hr/>

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL

19. 股本

		Unaudited 未經審核	
		Ordinary shares of HK\$0.0025 each 每股面值0.0025港元之普通股	
		Number of Shares 股份數目	HK\$'000 千港元
<i>Authorised:</i>	法定：		
At 1 January 2007, 30 June 2007, 1 January 2008 and 30 June 2008	於二零零七年一月一日、 二零零七年六月三十日、 二零零八年一月一日及 二零零八年六月三十日	4,000,000,000	10,000
<i>Issued and fully paid:</i>	已發行及繳足：		
At 1 January 2008 and 30 June 2008	於二零零八年一月一日及 二零零八年六月三十日	2,231,972,835	5,580
Opening balance 1 January 2007	二零零七年一月一日之 期初值	1,879,416,120	4,699
Shares issued upon the conversion of convertible preference shares issued by a subsidiary	轉換由一家附屬公司發行之 可換股優先股時 所發行之股份	103,733,334	259
Shares issued under a share option scheme of the Company	根據本公司購股權計劃 所發行之股份	53,318,000	133
At 30 June 2007	於二零零七年六月三十日	2,036,467,454	5,091

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL (continued)

19. 股本 (續)

		Unaudited 未經審核	
		Ordinary shares of HK\$0.0025 each 每股面值0.0025港元之普通股	
		Number of Shares 股份數目	HK\$'000 千港元
Opening balance 1 July 2007	於二零零七年七月一日之結餘	2,036,467,454	5,091
Shares issued upon the conversion of convertible preference shares issued by a subsidiary	兌換一家附屬公司發行之可換股優先股後發行股份		
		128,713,235	322
Shares issued under a share option scheme of the Company	根據本公司購股權計劃發行股份		
		29,892,000	75
Shares issued on acquisition of subsidiaries	收購附屬公司所發行之股份		
		36,900,146	92
At 31 December 2007	於二零零七年十二月三十一日	2,231,972,835	5,580

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL (continued)

(a) 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 the 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 an exercise price of HK\$0.374 per share (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.

19. 股本(續)

(a) 本公司之購股權計劃

本公司運作一項購股權計劃(「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之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)可能授出之購股權涉及之股份總數，不得超過本公司於批准該計劃當日已發行股本總額之10%，惟本公司取得股東另外特准更新該10%的限額除外。該計劃項下可能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，行使價為每股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之平均收市價)到期日為二零一四年三月十七日。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL (continued)

(a) Share option scheme of the Company

(continued)

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% 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 an exercise price of HK\$0.768 per share (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%

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.

19. 股本 (續)

(a) 本公司之購股權計劃 (續)

根據於二零零五年八月十七日通過的普通決議案，根據該計劃可授出的購股權限額獲本公司股東批准更新。該計劃項下授出購股權之10%原有限額更新後，可根據該計劃授出額外購股權發行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，每股行使價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之平均收市價)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。授出的購股權歸屬如下：

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%

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，已分拆為四股每股面值0.0025港元之普通股(「股份分拆」)。本公司股東已批准股份分拆，並已於二零零六年六月二十九日生效。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL (continued)

(a) Share option scheme of the Company

(continued)

The Share Subdivision has led to an adjustment to the exercise price of then outstanding options and the number of shares to be issued by the Company upon exercise of then outstanding options.

Pursuant to an ordinary resolution passed on 11 December 2006, a refreshment of the limit on grant of options under the Scheme was approved by the shareholders. Upon the refreshment of the limit on grant of options under the Scheme, an additional 43,000,000 shares may be issued pursuant to the grant of further options under the Scheme.

On 2 January 2007, 43,000,000 share options were granted to certain employees at an exercise price of HK\$2.00 per share (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 2 January 2007) with an expiry date of 1 January 2010.

There are no changes in any term of the Scheme during the six months ended 30 June 2008.

During the six months ended 30 June 2008, no share options have been granted, exercised or lapsed. The Group has no legal or constructive obligation to purchase or settle the option in cash. As at the date of this report, the Company has 41,458,000 share options outstanding.

19. 股本(續)

(a) 本公司之購股權計劃(續)

股份分拆導致須對當時未行使購股權之行使價及本公司於當時未行使購股權獲行使時將予發行之股份數目作出調整。

根據於二零零六年十二月十一日通過的普通決議案，股東批准更新該計劃項下可授出購股權之限額。更新該計劃項下可授出購股權之限額後，可根據該計劃項下進一步授出之購股權發行額外43,000,000股股份。

於二零零七年一月二日，本公司向若干僱員授出43,000,000份購股權，行使價為每股2.00港元，即緊接二零零七年一月二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，到期日為二零一零年一月一日。

該計劃之所有條款概無於截至二零零八年六月三十日止六個月內變更。

截於二零零八年六月三十日止六個月，並無任何購股權獲授出、行使或失效。本集團並無以現金購回或償付購股權之法律或推定責任。於本報告日期，本公司有41,458,000份購股權尚未行使。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL (continued)

(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 subsidiary (the “Turbo Speed Group”). Eligible participants of the Employee Incentive Scheme include the full-time employees of Turbo Speed or its subsidiaries, including any Directors of Turbo Speed or 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 Employee Incentive 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”).

The total number of shares in respect of which options may be granted shall not exceed 4,682,275 ordinary shares of Turbo Speed (the “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. Share 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.

19. 股本 (續)

(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」) 採納一項僱員獎勵計劃 (「僱員獎勵計劃」)，以鼓勵 Turbo Speed 及其附屬公司 (「Turbo Speed 集團」) 之僱員。僱員獎勵計劃之合資格參與者包括 Turbo Speed 或其附屬公司之全職僱員，包括 Turbo Speed 或其附屬公司之任何董事 (但不包括為本公司董事之任何人士)，惟上述計劃不適用於已遞交辭呈或根據其僱傭合約或以其他形式之僱用條款，已於有關時間發出離職通知之人士。

僱員獎勵計劃於二零零五年四月四日起生效，直至二零零八年十二月三十一日止，惟董事會就執行僱員獎勵計劃而成立之薪酬委員會 (「委員會」) 以決議案終止該計劃者除外。

可授出購股權所涉及之股份總數不得超過 4,682,275 股 Turbo Speed 之普通股 (「Turbo Speed 股份」)，相當於 Turbo Speed 現時由本公司一家全資附屬公司持有之已發行股本約 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 集團之財務表現及其可達致其擬定業務計劃之程度。於任何十二個月期間，可向同時為 Turbo Speed 集團內公司董事之僱員提呈之 Turbo Speed 股份，最多不得超過 Turbo Speed 全部已發行股本之 1%。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

19. SHARE CAPITAL (continued)

(b) Employee incentive scheme of a subsidiary (continued)

On 8 July 2005, 1,425,000 share options had been granted to certain Directors and employees of a subsidiary of Turbo Speed 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).

During the six months ended 30 June 2008, no share options have been granted, exercised or lapsed. The Group has no legal or constructive obligation to repurchase or settle the options in cash. As at the date of this report, Turbo Speed has 180,000 share options outstanding.

19. 股本(續)

(b) 一家附屬公司之僱員獎勵計劃(續)

於二零零五年七月八日，已向 Turbo Speed 一家附屬公司若干董事及僱員授出 1,425,000 份購股權，可按每股 1.922 港元之行使價認購 Turbo Speed 普通股。上述購股權之行使期為二零零五年七月八日至二零零八年十二月三十一日(包括首尾兩日)。

截至二零零八年六月三十日止六個月，並無任何購股權授出、獲行使或失效。本集團並無以現金購回或償付購股權之法律或推定責任。於本報告刊發日期，Turbo Speed 有 180,000 份尚未行使購股權。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

20 BUSINESS COMBINATION

On 8 April 2008, the Company entered into a sale and purchase agreement with the minority shareholder of New Concept Services Limited ("New Concept") in relation to the acquisition of the then remaining 5% interest in New Concept at a cash consideration of HK\$15,534,000. The acquisition was completed on 15 May 2008.

Details of net assets acquired and goodwill are as follows:

		Unaudited 未經審核 HK\$'000 千港元
Purchase consideration:	購買代價：	
– cash paid	– 已付現金	15,534
Fair value of net identifiable assets acquired	所收購可識別資產淨值之公平值	(15,000)
		<hr/>
Goodwill (Note 14)	商譽 (附註14)	534
		<hr/>

The goodwill is attributable to the electronic power meters and solutions segment in Mainland China.

20 業務合併

於二零零八年四月八日，本公司與 New Concept Services Limited (「New Concept」) 之少數股東就按 15,534,000 港元現金代價收購當時 New Concept 餘下 5% 權益訂立買賣協議。該項收購於二零零八年五月十五日完成。

所收購淨資產及商譽詳情如下：

		Unaudited 未經審核 HK\$'000 千港元
		15,534
		(15,000)
		<hr/>
		534
		<hr/>

商譽乃來自中國大陸電子式電能表及解決方案業務分類。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

21. RELATED PARTY TRANSACTIONS

The Group is controlled by Rich Global Limited (incorporated in the British Virgin Islands), which owns 30.34% of the Company's shares. The remaining 69.66% of the shares are widely held.

(a) Transactions with related parties during the period:

The Group has no significant transaction with related parties during the period (six-month ended 30 June 2007: Nil)

(b) Period/year end balances with related parties are as follows:

Receivable from	應收一家
a fellow subsidiary–	同系附屬公司一
Beijing Hi Sun Electric	北京高陽萬為
Power Information	電力信息技術
Technology Limited	有限公司款項

The balance with related party is unsecured, interest-free and repayable on demand.

21. 關連方交易

本集團由於英屬處女群島註冊成立之Rich Global Limited控制，該公司擁有本公司30.34%股份。餘下69.66%股份由公眾人士持有。

(a) 期內與關連方交易：

本集團於期內概無任何重大關連方交易(截止二零零七年六月三十日止六個月：無)。

(b) 與關連方之期／年結算日結餘如下：

Unaudited 未經審核	Audited 經審核
30 June 六月三十日	31 December 十二月三十一日
2008 二零零八年	2007 二零零七年
HK\$'000 千港元	HK\$'000 千港元
1,189	1,111

與關連方之結餘，為無抵押、免息及索還時償付。

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

21. RELATED PARTY TRANSACTIONS (continued)

(c) Key management compensation

		Unaudited 未經審核 30 June 六月三十日 2008 二零零八年 HK\$'000 千港元	Unaudited 未經審核 30 June 六月三十日 2007 二零零七年 HK\$'000 千港元
Fees	袍金	270	270
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	1,874	2,320
Contributions to pension scheme	退休金計劃供款	30	36
		2,174	2,626

21. 關連方交易(續)

(c) 主要管理人員補償

22. OPERATING LEASE COMMITMENTS

22. 經營租賃承擔

		Land and buildings 土地及樓宇		Equipment 設備	
		Audited 31 Unaudited 30 June 2008 未經審核 二零零八年 六月三十日 HK\$'000 千港元	December 2007 經審核 二零零七年 十二月 三十一日 HK\$'000 千港元	Audited 31 Unaudited 30 June 2008 未經審核 二零零八年 六月三十日 HK\$'000 千港元	December 2007 經審核 二零零七年 十二月 三十一日 HK\$'000 千港元
Not later than one year	不超過一年	7,495	6,279	4,100	9,792
Later than one year and not later than five years	超過一年 但不超過 五年	4,865	1,079	-	-
		12,360	7,358	4,100	9,792

Notes to Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註

23. SUBSEQUENT EVENT

On 13 August 2008, the Company entered into a non-legally binding letter of intent (the "Letter of Intent") with an independent third party (the "Purchaser") in respect of the proposed disposal (the "Disposal") by the Company to the Purchaser a certain percentage of the Company's shareholdings in Hangzhou PAX Electric Technology Limited ("Hangzhou PAX", formerly known as "Hangzhou Baifu Holding Company Limited"). Hangzhou PAX, a wholly-owned subsidiary of the Company, is incorporated in the PRC and, together with its subsidiaries are principally engaged in the design, manufacturing and sale of electronic power meters and solutions to the electric power industry.

According to the Letter of Intent, the intended consideration for the Disposal will be further discussed and, subject to the satisfactory completion of the due diligence to be conducted by the Purchaser. The Disposal may or may not proceed and is subject to the entering into of a formal sale and purchase agreement.

Unless further extended by the parties involved, the provisions of the Letter of Intent will be automatically terminated on 8 October 2008.

On behalf of the Board
Li Wenjin
Director

Hong Kong, 1 September 2008

23. 結算日後事項

於二零零八年八月十三日，本公司就建議由本公司出售杭州百富電力技術有限公司(「杭州百富」，前稱杭州百富控股有限公司)之若干百分比股權事宜(「出售」)與一名獨立第三方(「收購者」)訂立不具法律約束力之意向書(「意向書」)。杭州百富為本公司之全資附屬公司，註冊成立於中國，與其附屬公司主要從事向電力行業提供設計、製造及銷售電子式電能表及解決方案。

根據意向書，出售之建議代價將會進一步作出商討，並須待買家完成盡職調查且結果令人滿意後方可作實。出售可能會進行，此須待訂立正式之買賣協議後方可作實。

除非獲所涉及之各方進一步延續，否則意向書之條文將會於二零零八年十月八日自動終止。

承董事會命
董事
李文晉

香港，二零零八年九月一日

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

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