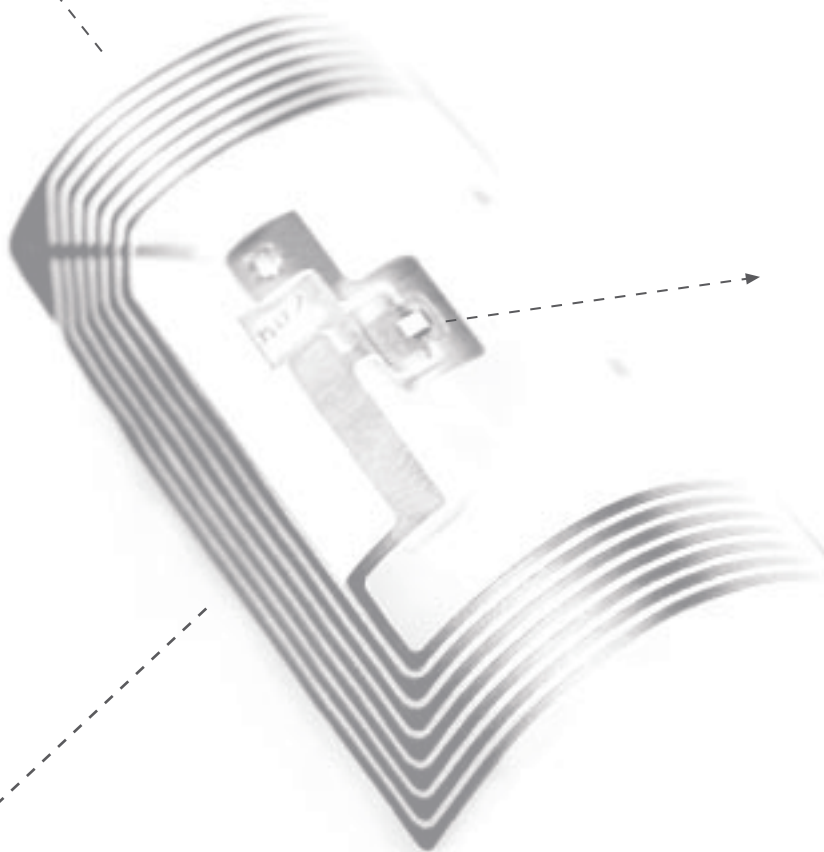




Interim Report 2004
中期報告



ITE (HOLDINGS) LIMITED

Characteristics of GEM 創業板之特色

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

The Stock Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of this report.

This report, for which the directors (the “Directors”) of ITE (Holdings) Limited (“ITE” or the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

創業板乃為帶有高投資風險之公司提供上市市場。尤其在創業板上市之公司毋須擁有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

由於創業板上市之公司屬新興性質，在創業板買賣之證券可能會較在聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

創業板發佈資料之主要途徑為在聯交所為創業板而設之互聯網網頁上刊登。創業板上市公司一般毋須在憲報指定報章刊登付款文件披露資料。因此，有意投資之人士須留意本身能否接達創業板網頁，以便取得創業板上市發行人之最新公開資料。

聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不會就本報告全部或任何部份內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告之資料乃遵照香港聯合交易所有限公司《創業板證券上市規則》（「創業板上市規則」）而刊載，旨在提供有關 ITE (Holdings) Limited（「ITE」或「本公司」）之資料。本公司各董事（「董事」）願就本報告共同及個別承擔責任，並在作出一切合理查詢後確認，就彼等所知及所信：(i) 本報告所載之資料在各重大方面均屬準確完整，且無誤導成份；(ii) 本報告並無遺漏其他事實，致使本報告所載任何內容產生誤導；及(iii) 本報告所表達之一切意見乃經審慎周詳考慮後始行發表，並以公平合理之基準及假設為依據。



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Highlights 概要

Turnover of the Group for the six months ended 30 September 2003 was approximately HK\$30,861,000, representing a decrease of approximately 32% over the turnover of approximately HK\$45,540,000 for the same period in 2002.

Loss attributable to shareholders for the six months ended 30 September 2003 amounted to approximately HK\$6,241,000 compared to loss attributable to shareholders of approximately HK\$5,965,000 for the same period in 2002.

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2003 (six months ended 30 September 2002: Nil).

截至二零零三年九月三十日止六個月期間，本集團之營業額約為30,861,000港元，較二零零二年同期之營業額約45,540,000港元減少約32%。

截至二零零三年九月三十日止六個月期間之股東應佔虧損約為6,241,000港元，比對二零零二年同期錄得之股東應佔虧損約為5,965,000港元。

董事會不建議派付截至二零零三年九月三十日止六個月期間之中期股息（二零零二年九月三十日止六個月：無）。

Chairman's Statement 主席報告

Dear Shareholders,

On behalf of the Board of Directors (the “Board”), I hereby present the interim unaudited consolidated results for ITE and its subsidiaries (together, the “Group”) for the six months ended 30 September 2003 (the “Period”).

The mission of the Group is to become the leading smartcard and radio frequency identification (“RFID”) solution provider and system integrator in the Asia Pacific region. ITE has been pioneering smartcard solutions and system integration and has been performing outstandingly in Hong Kong. With profound expertise, strong research and development (“R&D”) capability, proven track record and excellent reputation in the industry, the Group has established a leading profile in the smartcard industry in Hong Kong and has taken a proactive approach to introduce innovative and customised smartcard and RFID applications to its clients. Leveraging on its extensive industry experience, ITE is developing smartcard and RFID solutions for clients from many industries and expanding its business activities to the People’s Republic of China (the “PRC”).

Management of the Group has continued to utilise our professional and committed workforce and financial resources to achieve maximum return to our shareholders.

致各股東：

本人謹代表董事會（「董事會」），提呈ITE (Holdings) Limited及其附屬公司（合稱「本集團」）截至二零零三年九月三十日止六個月（「期內」）的未經審核綜合中期業績。

本集團的目標，是要成為亞太地區具領導地位的智能卡與射頻識別方案供應商及系統集成商。ITE 一直是香港智能卡系統方案及集成工作的先驅，並一直表現優良。本集團具備專業知識、強大的研究及開發（「研發」）能力及良好的往績，並於業內享負盛名，已在香港智能卡業界建立領導地位，積極向客戶推介創新及度身訂造的智能卡及射頻識別應用方案。憑藉累積的豐富經驗，ITE 致力為來自不同行業的客戶開發智能卡及射頻識別解決方案，並於中華人民共和國（「中國」）擴展業務。

本集團的管理人員憑藉專業知識、集團賦予的人力及財政資源，為股東創建最高的回報。

Appreciation 致謝

I would like to take this opportunity to express my deepest thanks to my directors, management and staff for their dedication and hard work, and shareholders, financiers and business partners for their continued support.

本人謹藉此機會，向董事會成員、管理層及員工所付出的幹勁和努力，以及股東、資本市場的朋友及業務伙伴一直以來的支持，致以深切謝意。

By order of the Board

承董事會命

Lau Hon Kwong, Vincent

劉漢光

Chairman

主席

Hong Kong, 5 November 2003

香港，二零零三年十一月五日

Business Review 業務回顧

Sales and Marketing 銷售及市場推廣

During the Period, the Group has been actively involved in bidding a number of sizeable government IT projects including the Smart ID Card driven Automated Passenger and Vehicle Clearance Systems of the HKSAR Government. A system demonstration was successfully completed in September 2003 with technical evaluation still undergoing. It is expected that the results of award will be announced before the end of 2003. These projects cover the design, supply, delivery, installation, commissioning and maintenance of smartcard related hardware, software and IT services.

Within the campus market, the Group has been awarded with projects from a number of new clients. The Lingnan University, Instituto Politecnico De Macau and Instituto De Formacao Turistica have joined our campus client list. ITE Smartcard Solutions Limited (“ITES”) is providing various smartcard management, access control and e-purse systems to meet the requirements of these universities. Besides, ITES continues to maintain stable sales in the local market. It has been awarded new contracts to supply and install hostel smartmeter and access control systems for the Hong Kong Polytechnic University, the Chinese University of Hong Kong and the University of Hong Kong. Several enhancement and variation orders were also received from the local university clients.

Within the real estates market, ITES has been awarded a contract from the Hong Lok Yuen Property Management Limited to provide the Hong Lok Yuen Villa with a ‘Hitag’ smartcard management and access control system. The system will also integrate with the Auto-Toll tag for vehicle identification purpose. This is going to be the first integrated application in Hong Kong deploying both Auto-Toll vehicle tagging and driver smartcard identification technologies. ITES has also kept approaching clients in the real estates market with several tenders submitted during the Period of which results are expected to be released in the next quarter.

In parallel, the Group is exploring business opportunities among various government departments and public organisations. ITES has been discussing with the Hong Kong Airport Authority on a pilot project for Frequent Traveler Scheme. It is expected that the pilot run contract will be awarded in the next quarter. An overseas biometrics project used for custody environment is currently under discussion, a pilot run will likely be launched in the next quarter.

Our subsidiary, Qesco Information Services Limited (“QISL”), has completed and launched the system integration project for Goldjoy Shopping Paradise in early September 2003. Engaged as the system integrator, QISL helps the shopping arcade in the implementation of the structural cabling, network equipment, computer hardware and peripherals, and a suite of business support software applications. During the Period, several enhancement and variation orders were received from the existing clients. The Group’s IT professional services division, Qesco Systems Limited (“QSL”) has maintained stable sales on the provision of contract and recruitment services to clients.

The Group’s PRC operation subsidiary, 上海阿艾依智控系統有限公司 (ITEC (China) Limited, “ITEC”) has completed and delivered a number of projects deploying the platform of Shanghai Traffic Card, several new contracts have been awarded during the Period.

期內，本集團積極競投多項重大的政府資訊科技工程，該批工程包括香港特別行政區政府智能身份証自助旅客及車輛過境管理系統。該項投標的展示已於九月份成功完成，而技術評估仍在繼續，投標結果將於二零零三年年底前公布。該項工程包括智能卡相關硬件、軟件及資訊科技服務的設計、供應、安裝、調試及保養。

校園市場方面，本集團亦投得數項新客戶的工程。嶺南大學、澳門理工學院及澳門旅遊學院已成本集團之最新客戶。智控系統有限公司（「智控」）就數間大學的需求提供多類型智能卡管理、門禁控制及電子錢包系統。此外，智控於本地市場保持穩定銷售，取得理工大學、中文大學、及香港大學工程合約，為其宿舍提供及安裝智能電錶及門禁控制系統。並獲本地大學客戶的系統優化及增訂等訂單。

屋苑市場方面，智控取得康樂園物業管理有限公司的工程，為康樂園提供以「Hitag」為本的智能卡及門禁控制系統。更為了識別車輛，系統將會與「快易通」車輛標籤結合使用。此乃香港首宗以「快易通」車輛標籤結合智能卡識別技術的應用。本集團持續物色屋苑市場的新客戶，並已於期內遞交數份標書，結果預計於本財政年度下一個季度公布。

本集團為保持均衡發展，正向政府多個部門及公營機構物色新的業務發展機會。智控正與香港機場管理局洽談一項試驗性工程合約，為經常進出本港的旅客提供一個身份識別管理系統，此工程可望於下一季度落實。另一項為羈留所而設計以「生物識別」技術為本的試驗工程正在海外磋商中，試驗工程可望於一下季度推出。

本集團附屬公司，捷科資訊服務有限公司（「捷科資訊」）於九月上旬為金怡假期購物天堂完成及推出資訊科技系統集成項目。作為系統集成商，捷科資訊協助金怡商場工程包括實施綜合布線、提供網路器材、電腦硬體、周邊器材及業務支援應用軟體等。期內，相關現有客戶仍對產品要求提升及保持穩定銷售。本集團專責資訊科技顧問服務的子公司－捷科系統顧問有限公司（「捷科顧問」），繼續集中為客戶提供合約僱員及招聘服務，並錄得穩定收入。

本集團於中國的附屬公司－上海阿艾依智控系統有限公司（「上海阿艾依」）已完成並推出多項以上海公共交通卡為平台應用之項目，期間更獲得多項新工程合約。

Research and Development 研究及開發

The Group has continued to invest in R&D through its product arm, RF Tech Limited (“RFT”), and developed new products and application systems based on various smartcard and RFID technologies. To cope with the technical requirements of Automated Passenger and Vehicle Clearance Systems, new products including CAN bus interface, auto-gate microcontroller, motor driven smartcard reader with multi-SAM slots, infrared sensor panel and related control software have been launched. New R&D effort has been paid on the development of low cost ISO14443B reader and reader with biometrics feature. These new products developed will further strengthen the technical features of system to be offered and will initiate new business opportunities, revenue and profit streams for the Group.

本集團持續透過其附屬公司RF Tech Limited (「RFT」) 於研究方面投資，根據多種智能卡及射頻識別技術作基礎，開發新的產品及應用系統。為了配合自助旅客及車輛過境管理系統，新產品包括CAN總線接口、自動閘機控制器，內置多SAM卡槽的馬達驅動讀卡器、紅外線感應器及相關控制應用軟件相繼推出。新的開研將投放更多資源於發展低成本ISO14443B讀卡器及生物識別讀卡器。該等新產品之發展除有助加強系統之技術功能外，可為集團拓展新的業務機會，增加營業額及利潤。

Future Prospect 展望

Despite the loss, the Company is highly confident that both Hong Kong and the Company have gone through the toughest economic period. There are very good signs of economic recovery and turnaround with organisations increasing IT capital spending. New orders and enquiries have been actively received. While the Group has continued to consolidate operation and implement cost reduction measures, the performance outlook of the second half of the financial year will be very encouraging.

縱使錄得虧損，我們深信香港最嚴峻的時期已經過去。疲弱的經濟數據呈現轉強跡象，環繞資訊科技的投資更在增加中，新訂單及銷售查詢更接踵而至。本集團將繼續嚴格整合內部工作及控制成本，期望為下半年度帶來鼓舞的表現。

Financial Performance 財務表現

For the Period, the Company recorded a total revenue of approximately HK\$30.86 million, representing a decrease of 32% over the same period in 2002. Loss attributable to the shareholders for the six months ended 30 September 2003 was approximately HK\$6.2 million as compared to a loss of approximately HK\$6.0 million for the corresponding period in 2002. The Directors are not proposing any interim dividend for the Period.

期內，本集團錄得收入約為30,861,000港元，較二零零二年同期下跌32%。截至二零零三年九月三十日止六個月之股東應佔虧損約為6,241,000港元，比對二零零二年同期錄得虧損約為5,965,000港元。董事會不建議派付期內之中期股息。

Segmental information 分部資料

For the six months ended 30 September 2003, the Group recorded a drop in turnover for more than 32% when compared with the same period in last year. The reason for such decrease was mainly due to the slow down business in the electrical and mechanical engineering segment. As mentioned in our previous results announcement, the business nature of electrical and mechanical engineering is considered to be lower gross profit margin and longer credit period which means higher risk on receivables. Therefore, the Group is very cautious in bidding new contracts of this kind and resulting in significant drop in the turnover of this segment.

On the other hand, the Group had concentrated its resources on its core business development, i.e. to provide the smartcard and RFID systems and information technology services. Therefore, more effort had been placed in sales and marketing activities and R&D investments. This explained the reason of increase in turnover of smartcard and RFID systems and information technology services segment but slightly worse in the segment result.

For consultancy service segment, the revenue stream and margin remained rather stable. The significant increase in the segment result was due to well-define the respective costs on each segment during the Period. This would help on performance evaluation on each segment.

截至二零零三年九月三十日止六個月內，本集團錄得營業額較去年同期下跌32%。此下跌主要原因是機電工程業務的放緩。一如過往集團之公布，機電工程服務是較低利潤及較長收款期的業務，這意味著對應收帳造成較高風險。故此，本集團對新項目的投標及至對分部營業額造成的變動抱著極審慎的態度。

此外，本集團對核心業務繼續投入資源，即：提供智能卡及射頻識別系統及資訊科技服務等。因此，較多的人才資源投放在銷售活動及研究開發。這正是智能卡及射頻識別系統及資訊科技服務分部的營業額造成上升，但分部業績卻輕微下調的原因。

顧問服務範疇方面，其收入及盈利均保持穩定。由於期內對分部的成本重新定位，故此這分部的業績有顯著的增長。是次重新定位對評估各分部的表現均有所裨益。

Liquidity and financial resources 資金流動性及財政資源

The Group generally financed its operations with its internally generated cash flows and bank borrowings. At 30 September 2003, the current ratio of the Group was 1.75 (31 March 2003: 2.15) while the liquidity ratio was 1.61 (31 March 2003: 1.97).

Taking into consideration the banking facilities granted and the existing financial resources available to the Group, it is believed that the Group should have adequate financial resources to meet its operation, development requirements and investments in the future.

本集團主要以內部產生之現金流量及銀行貸款應付其營運所需。本集團於二零零三年九月三十日之流動比率為1.75（二零零三年三月三十一日：2.15），而流動現金比率則為1.61（二零零三年三月三十一日：1.97）。

於考慮銀行融資及本集團現有可動用之財務資源後，本集團相信具備充裕之財務資源應付日後之營運、發展及投資所需。

Capital structure of the Group 資本結構

The Group continues to adopt a conservative treasury policy with all bank deposits in either Hong Kong Dollars, or in the local currencies of the operating subsidiaries, keeping minimum exposure to foreign exchange risk. The Group's liquidity and financing arrangements are reviewed regularly.

本集團繼續採取審慎庫務政策，所有銀行存款均為港元或附屬公司經營當地貨幣，以減低外匯風險，本集團會定期檢討流動資金及融資安排。

Significant investments 重大投資

The Group had no significant investments during the Period.

本集團於期內並沒有任何重大投資。

Material acquisitions or disposals of subsidiaries and affiliated companies 重大之收購或附屬公司及聯屬公司之出售

During the Period, the Group had no material acquisitions and disposals of subsidiaries and affiliated companies.

本集團於期內並沒有任何重大之收購或附屬公司及聯屬公司之出售。

Employment information 僱員資料

At 30 September 2003, the Group had 192 full-time employees of which 175 are based in Hong Kong and the rest are in the PRC. The salary and benefit levels of the Group's employees are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus systems, which is reviewed annually. Staff cost, including directors' emoluments, was approximately HK\$28.2 million for the six months ended 30 September 2003. Besides, the Company has also introduced share option schemes to recognise the contributions of the employees to the growth of the Group. The schemes have been or will be amended from time to time to take into account changes in market conditions and the GEM Listing Rules.

本集團於二零零三年九月三十日僱有192名全職僱員，其中包括175名為香港僱員，其餘為中國僱員。本集團僱員之薪金及福利水平極具吸引力，並根據本集團之薪金及紅利制度與僱員之表現掛鉤，有關制度每年檢討一次。截至二零零三年九月三十日止六個月，包括董事酬金在內之僱員成本約為28,227,000港元。此外，本公司已推出購股權計劃，以表揚僱員對本集團發展所作之貢獻。有關計劃已經或將因應市場情況變化及創業板上市規則而作出修訂。

Charges on Group assets 資產押記

At 30 September 2003, time deposits of approximately HK\$13,554,000 (31 March 2003: approximately HK\$13,511,000) were pledged to banks to secure certain banking facilities of the Group.

於二零零三年九月三十日，為數約13,554,000港元（二零零三年三月三十一日：約13,511,000港元）之定期存款已抵押予銀行，作為擔保全資附屬公司的若干銀行融資。

Future plans for material investments 日後之重大投資計劃

The Group did not have any plans for material investment and acquisition of material capital assets as at 30 September 2003.

本集團於期內並沒有任何重大投資及收購重大資本資產之計劃。

Gearing ratio 資產負債比率

At 30 September 2003, the gearing ratio of the Group, which is calculated as the ratio of total secured bank loans due after one year to shareholders' funds, was 0.04 (31 March 2003: 0.06).

本集團之資產負債比率乃指長期銀行貸款除以股東資金之百分比。於二零零三年九月三十日，本集團之資產負債比率為0.04（二零零三年三月三十一日：0.06）。

Exposure to fluctuations in exchange rates and any related hedges 匯率波動風險及任何相關對沖

Most of the Group's monetary assets and liabilities were denominated in Hong Kong dollars and Renminbi. As the exchange rate of Renminbi is fairly stable during the Period, the exchange rate risks of the Group were considered to be minimal. At 30 September 2003, no related hedges were made by the Group.

本集團大部份貨幣資產及負債乃以港元及人民幣計算。由於人民幣兌港元之匯率於期內相對穩定，故本集團被視作僅有極低水平之匯率風險。於二零零三年九月三十日，本集團並無作出任何有關對沖活動。

Contingent liabilities 或有負債

At 30 September 2003, the Company had undertaken to guarantee certain banking facilities granted to two wholly-owned subsidiaries to the extent of HK\$32 million (31 March 2003: HK\$32 million).

於二零零三年九月三十日，本公司就兩間全資附屬公司之若干銀行融資而提供為數32,000,000港元(二零零三年三月三十一日：32,000,000港元)之擔保。

Interim Results 中期業績

Unaudited Consolidated Profit and Loss Account 未經審核綜合損益表

	Notes	Three Months ended 30 September 截至九月三十日止 三個月		Six Months ended 30 September 截至九月三十日止 六個月	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Turnover 營業額	2	16,307	21,732	30,861	45,540
Cost of services rendered 已提供服務之成本		(13,200)	(19,472)	(26,448)	(40,120)
Cost of goods sold 已售貨物成本		(125)	(199)	(235)	(333)
		2,982	2,061	4,178	5,087
Other revenue 其他收益		32	32	128	56
Other net gain/(loss) 其他收益/(虧損)淨額		-	(38)	6	(33)
Other staff costs 其他員工成本		(1,675)	(1,280)	(3,450)	(4,024)
Depreciation and amortisation 折舊及攤銷		(621)	(688)	(1,279)	(1,371)
Other operating expenses 其他經營開支		(3,334)	(3,070)	(5,453)	(5,450)
Loss from operations 經營虧損		(2,616)	(2,983)	(5,870)	(5,735)
Finance costs 融資成本		(198)	(149)	(371)	(230)
Loss from ordinary activities before taxation					
除稅前日常業務虧損	3	(2,814)	(3,132)	(6,241)	(5,965)
Taxation 稅項	4	-	-	-	-
Loss attributable to shareholders 股東應佔虧損		(2,814)	(3,132)	(6,241)	(5,965)
Dividend 股息	5	-	-	-	-
Loss per share 每股虧損	6				
Basic 基本		(0.31 cent) 仙	(0.34 cent) 仙	(0.69 cent) 仙	(0.66 cent) 仙
Diluted 攤薄		-	(0.33 cent) 仙	-	(0.63 cent) 仙

Consolidated Balance Sheet 綜合資產負債表

	Notes 附註	As at 30 September 2003 截至二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2003 截至二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Non-current assets 非流動資產			
Fixed assets 固定資產	7	1,444	2,189
Goodwill 商譽	8	7,765	8,240
Investment securities 投資證券		2,601	2,723
		11,810	13,152
Current assets 流動資產			
Trading securities 買賣證券		133	63
Inventories 存貨		3,510	3,834
Trade and other receivables 應收及其他應收賬款	9	21,115	23,693
Deposits and prepayment 訂金及待攤費用		2,378	1,979
Pledged bank balances 抵押銀行存款		13,554	13,511
Bank and cash balances 銀行及現金結餘		1,933	1,821
		42,623	44,901
Current liabilities 流動負債			
Creditors and accrued charges 應付賬款及應計費用	10	11,935	12,771
Short term borrowings 短期借貸	11	10,695	6,405
Current portion of long term borrowings 長期借貸之即期部份		1,667	1,667
		24,297	20,843
Net current assets 流動資產淨值		18,326	24,058
Total assets less current liabilities 總資產減流動負債		30,136	37,210
Non-current liabilities 非流動負債			
Long term borrowings 長期借貸		1,250	2,083
Net assets 資產淨值		28,886	35,127
Capital and reserves 資本及儲備			
Share capital 股本	12	9,075	9,075
Reserves 儲備		19,811	26,052
Shareholders' funds 股東資金		28,886	35,127

Unaudited Condensed Consolidated Cash Flow Statement

未經審核扼要綜合現金流量表

	Six Months ended 30 September 截至九月三十日止六個月	
	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Net cash used in operation activities 經營業務所用現金淨額	(3,211)	(3,876)
Net cash used in investing activities 投資活動所用現金淨額	(91)	(4,790)
Net cash generated from financing 融資活動產生現金淨額	3,364	6,047
Net increase/(decrease) in cash and cash equivalents 現金及現金等價物增加/(減少)	62	(2,619)
Cash and cash equivalents at 1 April 於四月一日之現金及現金等價物	13,479	14,799
Cash and cash equivalents at 30 September 於九月三十日之現金及現金等價物	13,541	12,180
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 銀行及現金結餘	1,933	1,669
Pledged bank balances 抵押銀行存款	13,554	13,511
Bank overdrafts 銀行透支	(1,946)	(3,000)
Cash and cash equivalents at 30 September 於九月三十日之現金及現金等價物	13,541	12,180

Unaudited Consolidated Statement of Changes in Equity

未經審核綜合股權變動表

	Share capital 股本	Reserves 儲備			Retained profits/ (Accumulated losses) 保留盈利/ (累積虧損)	Total 合計
		Share premium 股份溢價	Merger reserve 合併儲備			
	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	
Balance at 1 April 2002 於二零零二年四月一日	9,080	22,857	10,749	13,700	56,386	
Repurchase of shares 回購股份	(5)	(41)	-	-	(46)	
Loss for the period 期間虧損	-	-	-	(5,965)	(5,965)	
Balance at 30 September 2002 於二零零二年九月三十日	9,075	22,816	10,749	7,735	50,375	
Balance at 1 April 2003 於二零零三年四月一日	9,075	22,816	10,749	(7,513)	35,127	
Loss for the Period 期內虧損	-	-	-	(6,241)	(6,241)	
Balance at 30 September 2003 於二零零三年九月三十日	9,075	22,816	10,749	(13,754)	28,886	

Notes 附註:**1. Basis of preparation 編製基準**

The unaudited interim financial statements have been prepared in accordance with Hong Kong Statement of Standard Accounting Practice 25 “Interim Financial Reporting” issued by the Hong Kong Society of Accountants, and on a basis consistent with those followed in the Group’s annual financial statements for the year ended 31 March 2003.

The financial statements have been prepared in accordance with all applicable Statements of Standard Accounting Practice and Interpretations issued by the Hong Kong Society of Accountants, accounting principles generally accept in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the accounts is historical cost. The accounting policies adopted are consistent with those set out in the annual financial statements for the year ended 31 March 2003 except that the Group has adopted the SSAP 12 (revised) “Income Taxes” issued by the Hong Kong Society of Accountants which was effective for accounting periods commencing on or after 1 January 2003. The adoption of SSAP 12 (revised) has no material impact on the Group’s interim financial statements.

Certain comparative figures have been reclassified to conform with the current period’s presentation.

此等未經審核中期財務報表已按照香港會計師公會頒布之會計實務準則第25號「中期財務報表」而編制，而所採用之會計政策與本集團截至二零零三年三月三十一日之年度財政報告沿用之會計政策相同。

此等財務報表已按照香港會計師公會頒布之所有適用《會計實務準則》及詮釋、香港公認會計原則及香港《公司條例》之披露規定編製。

編製報表時乃採用歷史成本作為計算基準。所採用之會計政策與本集團截至二零零三年三月三十一日之年度財務報告沿用之會計政策相同，除本集團已採用由香港會計師公會發出之會計實務準則第12號「利得稅」（經修訂）並發生於二零零三年一月一日或之後生效之會計期間外。採用會計實務準則第12號「利得稅」（經修訂）對本集團之中期財務報表並沒有重大影響。

部份相對數字已重新分類，以配合本期間之展示。

2. Turnover and segment information 營業額及分部資料

Turnover represents service revenue arising from smartcard and RFID systems and information technology services and related service contracts, information technology consultancy services, electrical and mechanical engineering work and related service contracts, and sales of smartcard related products.

Segment information is presented in respect of the Group's business and geographical segments as follows:

營業額指來自智能卡及射頻識別系統及相關服務合約、資訊科技顧問服務、機電安裝工程及相關服務合約的服務，以及銷售智能卡相關產品等。

分部資料根據本集團之業務及地域性分部申述如下：

(a) Business segments 按業務劃分

	Smartcard and RFID systems and information technology services 智能卡及射頻識別 系統及資訊科技服務		Consultancy services 顧問服務		Electrical and mechanical engineering 機電安裝 工程服務		Unallocated 未予分配		Consolidated 綜合	
	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
	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	HK\$'000 千港元	HK\$'000 千港元
TURNOVER 營業額										
Revenue 收益	8,338	5,616	21,823	21,945	700	15,786	-	2,193	30,861	45,540
RESULTS 業績										
Segment result 分部業績	(4,342)	(4,094)	2,160	163	104	1,591			(2,078)	(2,340)
Unallocated corporate revenue 未予分配公司收益									128	56
Unallocated corporate expenses 未予分配公司費用									(3,920)	(3,451)
Loss from operations 經營虧損									(5,870)	(5,735)
Finance costs 融資成本									(371)	(230)
Loss attributable to shareholders 股東應佔虧損									(6,241)	(5,965)
OTHER INFORMATION 其他資料										
Depreciation and amortisation 折舊及攤銷	1,109	1,218	170	153	-	-				
Impairment loss 減值虧損	216	-	-	-	-	-				

(b) *Geographical segments* 按經營地域劃分

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Hong Kong 香港	29,913	45,531
The PRC 中國	948	9

3. Loss from ordinary activities before taxation 除稅前日常業務之虧損

Loss from ordinary activities before taxation is arrived at after charging:

除稅前日常業務之虧損已扣除：

	Three Months ended 30 September 截至九月三十日止 三個月		Six Months ended 30 September 截至九月三十日止 六個月	
	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Finance cost 融資成本:				
Interest on bank loans and overdrafts 銀行貸款及透支利息	198	149	371	228
Finance lease charges 融資租賃費用	-	-	-	2
	198	149	371	230
Other items 其他項目:				
Amortisation of goodwill 商譽攤銷	238	238	475	475
Cost of inventories 存貨成本	845	6,889	1,907	15,756
Depreciation 折舊:				
Owned fixed assets 擁有固定資產	377	447	792	890
Leased fixed assets 租賃固定資產	6	3	12	6
Impairment loss on investment securities 投資證券之減值虧損	108	-	216	-
Operating lease charges:				
minimum lease payments for hire of properties 經營租賃費用：租賃物業之最低租賃付款額	689	758	1,377	1,516
Staff costs including directors' emoluments and retirement benefit scheme contributions 包括董事酬金及退休福利計劃供款之員工成本	14,147	13,811	28,227	28,721

4. Taxation 稅項

No provision for Hong Kong profits tax is required since the Group has no assessable profit for the Period (six months ended 30 September 2002: Nil).

本集團於期內(二零零二年九月三十日止六個月：無)，由於未有任何可評估之溢利，故並無就香港利得稅撥備。

5. Dividends 股息

The directors do not recommend the payment of interim dividend for the six months ended 30 September 2003 (six months ended 30 September 2002: Nil).

董事會不建議派付截至二零零三年九月三十日止六個月之中期股息(二零零二年九月三十日止六個月：無)。

6. Loss per share 每股虧損

(a) Basic loss per share 每股基本虧損

The calculation of basic loss per share is based on the loss attributable to shareholders of approximately HK\$6,241,000 (six months ended 30 September 2002: approximately HK\$5,965,000) and the weighted average of 907,536,000 ordinary shares (six months ended 30 September 2002: 907,980,918 shares) in issue during the respective periods.

期內每股基本虧損乃按期內股東應佔虧損約6,241,000港元(二零零二年九月三十日止六個月：約5,965,000港元)，以及期內已發行股份之加權平均股數907,536,000股(二零零二年九月三十日止六個月：907,980,918股)普通股計算。

(b) Diluted loss per share 每股攤薄虧損

No diluted loss per share is presented for the Period as there were no dilutive potential ordinary shares in existence during the Period. The calculation of diluted loss per share for the six months ended 30 September 2002 is based on the loss attributable to shareholders of approximately HK\$5,965,000 and the weighted average of 940,734,972 ordinary shares after adjusting for the effects of all dilutive potential ordinary shares.

由於期內並無潛在可攤薄普通股，故於此期內並無呈列每股攤薄虧損。截至二零零二年九月三十日止六個月，每股攤薄虧損乃按股東應佔虧損約5,965,000港元，並就所有潛在攤薄普通股所帶來之影響作出調整後之加權平均股數940,734,972股普通股計算。

7. Fixed assets 固定資產

During the six months ended 30 September 2003, the Group acquired fixed assets comprising computers and other equipment and computer software of HK\$65,460.

截至二零零三年九月三十日止六個月，本集團添置包括電腦及其他器材及電腦軟件之固定資產總值為65,460港元。

8. Goodwill 商譽

	<i>HK\$'000</i>
	千港元
Cost 成本:	
Additions arising on acquisition of subsidiaries and at 30 September 2003 於二零零三年九月三十日透過收購附屬公司添置	9,508
Accumulated amortisation 累積攤銷:	
At 1 April 2003 於二零零三年四月一日	1,268
Amortisation for the Period 期內攤銷	475
At 30 September 2003 於二零零三年九月三十日	1,743
Carrying amount 賬面值:	
At 30 September 2003 於二零零三年九月三十日	7,765

9. Trade and other receivables 應收及其他應收賬款

	At 30 September 2003 於二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2003 於二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Trade receivables 應收貿易賬款	10,217	13,014
Other receivables 其他應收賬款	811	632
Gross amount due from customers for service contract work 應收客戶之服務合約工程款項總額	8,891	7,080
Deferred maintenance cost 遞延保養成本	40	-
Retention money receivables 應收保留金	1,156	2,967
	21,115	23,693

Included in trade and other receivables are trade receivables, based on invoice date, with the following ageing analysis:

應收及其他應收賬款包括應收貿易賬款按發票日期計算賬齡分析如下：

	At 30 September 2003 於二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2003 於二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Within 1 month 一個月內	6,341	6,867
1 to 3 months 一至三個月	2,529	2,098
More than 3 months but less than 12 months 超過三個月但少於十二個月	1,019	3,729
More than 1 year but less than 2 years 超過一年但少於兩年	328	320
	10,217	13,014

10. Creditors and accrued charges 應付賬款及應計費用

	At 30 September 2003 於二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2003 於二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Trade payables 應付貿易賬款	2,487	2,505
Accrued charges and other payables 應計費用及其他應付款項	7,520	8,080
Gross amount due to customers for service contract work 應付客戶的服務合約工程款項總額	203	368
Deferred maintenance income 遞延保養收入	850	943
Retention money payables 應付保留金	875	875
	11,935	12,771

Included in creditors and accrued charges are trade payables with the following ageing analysis:

應付賬款及應計費用包括應付貿易賬款賬齡分析如下：

	At 30 September 2003 於二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2003 於二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Within 1 month 一個月內	917	977
1 month to 3 months 一至三個月	141	177
More than 3 months but less than 12 months 超過三個月但少於十二個月	1,364	1,231
More than 1 year but less than 2 years 超過一年但少於兩年	65	120
	2,487	2,505

11. Short term borrowings 短期借貸

	At 30 September 2003 於二零零三年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2003 於二零零三年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Secured bank loans 有抵押銀行貸款	8,749	3,405
Bank overdraft 銀行透支	1,946	3,000
	10,695	6,405

12. Share capital 股本

	Number of shares 股數	Amount HK\$ 金額 港元
Authorised 法定股本:		
Ordinary shares of \$0.01 each 每股面值0.01元之普通股	2,000,000,000	20,000,000
Issued and fully paid 已發行及繳足股本:		
At 1 April 2002 於二零零二年四月一日	907,996,000	9,079,960
Repurchase of shares 回購股份	(460,000)	(4,600)
At 31 March 2003 於二零零三年三月三十一日	907,536,000	9,075,360
At 30 September 2003 於二零零三年九月三十日	907,536,000	9,075,360

Directors' Interests in Equity

董事在股權中擁有之權益

At 30 September 2003, the interests or short positions of the Directors and chief executives of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

於二零零三年九月三十日，本公司董事及行政總裁根據證券及期貨條例第十五部第7及第8分部於本公司或其任何相聯法團（定義見《證券及期貨條例》（《證期條例》）第十五部）之股份及相關股份中擁有之權益或淡倉（包括根據證期條例之該等規定被認為或視作擁有之權益或淡倉），或必須列入根據證期條例第352條予以存置之登記冊內，或根據創業板上市規則第5.40至5.58條所載之規則必須知會本公司及聯交所之權益或淡倉載列如下：

Name of Director 董事姓名		Number of shares 股份數目				Total interest in shares 權益總額	% of the Company's issued share capital 佔本公司 已發行股本 百分比(%)
		Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益			
Lau Hon Kwong, Vincent 劉漢光	<i>Note</i> 附註	-	-	496,990,348	496,990,348	54.76	
George Roger Manho 閻偉雄		148,142,254	-	-	148,142,254	16.32	
Cheng Kwok Hung 鄭國雄	<i>Note</i> 附註	16,961,000	-	496,990,348	513,951,348	56.63	

Note: The shares under corporate interest are registered in the name of Rax-Comm (BVI) Limited which is owned as to 46.21% by Mr. Lau Hon Kwong, Vincent and 36.11% by Mr. Cheng Kwok Hung. Accordingly, Mr. Lau Hon Kwong, Vincent and Mr. Cheng Kwok Hung are deemed to be interested in all shares registered in the name of Rax-Comm (BVI) Limited.

附註：公司權益之股份是以Rax-Comm (BVI) Limited之名義登記，而劉漢光先生及鄭國雄先生分別擁有46.21%及36.11%之股權。因此，劉漢光先生及鄭國雄先生均被視為擁有全部以Rax-Comm (BVI) Limited名義登記之股份權益。

Directors' Right to Acquire Shares

董事購買股份之權利

At 30 September 2003, the Directors have personal interests in share options to subscribe for shares in the Company which have been granted to them as follows:

於二零零三年九月三十日，董事在獲授可購買本公司股份之購股權中擁有以下之個人權益：

	No. of options outstanding at the Period end	Date granted	Period during which options exercisable	No. of shares acquired on exercise during the Period	Price per share to be paid on exercise of options	Market value per share at date of grant of options	Market value per share on exercise of options
	期內終結時尚未行使之購股權數目	授出日期	購股權行使期	期內行使購股權而認購之股份數目	行使購股權時須支付之每股價格	授出購股權當日之股份市值	行使購股權當日之股份市值
Lau Hon Kwong, Vincent 劉漢光	6,109,440	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 港元	N/A 不適用	-
George Roger Manho 閻偉雄	4,000,000	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 港元	N/A 不適用	-

	No. of options outstanding at the Period end	Date granted	Period during which options exercisable	No. of shares acquired on exercise of options during the Period	Price to be paid on exercise of options	Market value per share at date of grant of options	Market value per share on exercise of options
	期內終結時尚未行使之購股權數目	授出日期	購股權行使期	期內行使購股權而認購之股份數目	行使購股權時須支付之每股價格	授出購股權當日之股份市值	行使購股權當日之股份市值
Cheng Kwok Hung 鄭國雄	4,000,000	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 港元	N/A 不適用	-
Liu Hoi Wah 劉海華	19,112,640	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 港元	N/A 不適用	-
Lee Peng Fei, Allen 李鵬飛	1,760,000	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	-	HK\$0.095 港元	N/A 不適用	-

Save as disclosed above, as at 30 September 2003, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

Apart from the foregoing, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

除上述所披露者外，於二零零三年九月三十日，董事、行政總裁或彼等之聯繫人概無根據證期條例第十五部第7及第8分部於本公司或其任何相聯法團（定義見證期條例第十五部）之股份、相關股份或債券中擁有任何個人、家族、公司或其他權益或淡倉（包括根據證期條例之該等規定被認為或視作擁有之權益或淡倉），或必須列入根據證期條例第352條予以存置之登記冊內，或根據創業板上市規則第5.40至第5.58條所載之規則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

除上述者外，於期內任何時間，本公司、其任何控股公司或附屬公司概無訂立任何安排，致使董事或彼等的配偶或十八歲以下的子女可藉購入本公司或任何其他法人團體的股份或債券而獲益。

Substantial Shareholders 主要股東

Other than interests disclosed in the paragraphs headed “Directors’ interests in equity” and “Directors’ right to acquire shares” above, as at 30 September 2003, according to the register of interests kept by the Company under Section 336 of the SFO, the following persons and entities have interests or short positions in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

除上文「董事在股權中擁有之權益」及「董事購買股份之權利」所披露外，於二零零三年九月三十日，按本公司根據證期條例第336條須存置之登記冊之記錄，下列人士及實體於本公司股份中擁有根據證期條例第十五部第2及3分部須向本公司披露之權益或淡倉：

Name 名稱	Number of shares 股份數目	Percentage of shareholding 佔已發行股份 總數百分比
Rax-Comm (BVI) Limited (Note) (附註)	496,990,348	54.76%

Note: Rax-Comm (BVI) Limited is owned as to 46.21% by Mr. Lau Hon Kwong Vincent and 36.11% by Mr. Cheng Kwok Hung.

附註：劉漢光先生及鄭國雄先生分別擁有Rax-Comm (BVI) Limited 46.21%及36.11%之股權。

Save as disclosed above, as at 30 September 2003, the Directors are not aware of any other persons who has interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

除上文所披露外，於二零零三年九月三十日，董事並不知悉有任何其他人士於本公司或任何相聯法團(定義見證期條例第十五部)之股份、相關股份或債券中擁有根據證期條例第十五部第2及第3分部須向本公司披露之權益或淡倉。

Share Option Scheme 購股權計劃

The Company adopted a pre-IPO share option scheme (the “Pre-IPO Scheme”) and a post-IPO share option scheme (the “Post-IPO Scheme”) on 12 February 2001. In addition, the Company adopted a 2002 share option scheme (the “2002 Scheme”) on 8 August 2002, and the Pre-IPO Scheme and the Post-IPO Scheme were simultaneously terminated. Upon termination of the Pre-IPO Scheme and the Post-IPO Scheme, no further options may be offered thereunder. However, in respect of the outstanding options, the provisions of the Pre-IPO Scheme and the Post-IPO Scheme shall remain in force. The outstanding options granted under the Pre-IPO Scheme and the Post-IPO Scheme shall continue to be subject to the provisions of the Pre-IPO Scheme and the Post-IPO Scheme, respectively, and the provisions of Chapter 23 of the GEM Listing Rules and the adoption of the 2002 Scheme will not in any event affect the terms in respect of such outstanding options.

本公司於二零零一年二月十二日採納一項上市前之購股權計劃（「上市前計劃」）及一項上市後之購股權計劃（「上市後計劃」）。於二零零二年八月八日，本公司採納二零零二年購股權計劃（「二零零二年計劃」）和同時終止上市前計劃及上市後計劃。待上市前計劃及上市後計劃終止後，不得再根據此計劃提呈任何購股權。惟尚未行使之購股權，此兩項計劃應繼續生效。上市前計劃及上市後計劃尚未行使之購股權應繼續分別按該兩項計劃視作有效，創業板上市規則第二十三章及二零零二年計劃將不會影響此尚未行使購股權之任何條款。

(a) Pre-IPO Scheme 上市前計劃

At 30 September 2003, options comprising an aggregate of 70,140,000 underlying shares to subscribe for shares in the Company at an exercise price of HK\$0.095 for each share (granted on 12 February 2001 under the Pre-IPO Scheme) were outstanding. Details of outstanding 34,982,080 pre-IPO share options granted to the Directors are set out in the previous section headed “Directors’ right to acquire shares”. The remaining options were all granted to employees. No options have been exercised or lapsed during the Period.

於二零零三年九月三十日，按行使價每股0.095港元認購本公司股份總數70,140,000股相關股份之購股權（根據上市前計劃於二零零一年二月十二日授出）尚未行使。授予董事上市前34,982,080股之購股權之詳情載於本報告較早前「董事購買股份之權利」節內。而其餘的尚未行使之購股權則全授予員工。期內，就以上授出之購股權並未獲行使及註銷。

(b) Post-IPO Scheme 上市後計劃

At 30 September 2003, options granted under the Post-IPO Scheme comprising an aggregate of 14,544,000 underlying shares to subscribe for shares in the Company at a range of exercise price between HK\$0.195 to HK\$0.455 for each share were outstanding. The post-IPO share options were all granted to employees of the Company. The Post-IPO Scheme was terminated on 8 August 2002 and replaced by the 2002 Scheme.

Details of the outstanding post-IPO share options during the Period are as follows:

於二零零三年九月三十日，根據上市後計劃授出並按行使價介乎每股0.195港元至0.455港元認購本公司總數14,544,000股相關股份之購股權尚未行使。所有尚未行使之購股權均授予員工。上市後計劃於二零零二年八月八日終止，並被二零零二年計劃所取代。

於期內尚未行使之上市後計劃購股權之詳情如下：

Dated granted 授出日期	Outstanding at 1 April 2003 於二零零三年 四月一日 尚未行使	Exercised during the Period 於期內行使	Lapsed during the Period 於期內失效	Outstanding at 30 September 2003 於二零零三年 九月三十日 尚未行使
10 April 2001 二零零一年四月十日	5,904,000	-	736,000	5,168,000
11 October 2001 二零零一年十月十一日	8,436,000	-	1,060,000	7,376,000
28 December 2001 二零零一年十二月二十八日	2,000,000	-	-	2,000,000
	16,340,000	-	1,796,000	14,544,000

(c) 2002 Scheme 二零零二年計劃

On 8 August 2002, the Company adopted the 2002 Scheme under which the Board may at its discretion offer to any Eligible Person (as defined in the circular of the Company dated 19 June 2002) options to subscribe for shares in the Company in accordance with the terms of the 2002 Scheme and Chapter 23 of the GEM Listing Rules. The principal purposes of the 2002 Scheme are to recognise the significant contributions of the Eligible Persons to the growth of the Group.

On 9 August 2002, a total number of 9,900,000 share options were granted under the 2002 Scheme with an exercise price of HK\$0.175 per share. Out of this options granted, 6,400,000 options were granted with exercisable period from 9 February 2003 to 8 August 2012 and the rest were granted with exercisable period from 9 August 2003 to 8 August 2012. No options have been exercised or lapsed during the Period.

於二零零二年八月八日，本公司採納二零零二年計劃，據此本公司董事會可根據二零零二年計劃之條款及創業板上市規則第23章，按其酌情向任何合資格人士（定義見本公司於二零零二年六月十九日刊發之通函）提呈可認購本公司股份之購股權。設立二零零二年計劃之主要目的乃表揚合資格人士為本集團發展所作出之重大貢獻。

在二零零二年八月九日，根據二零零二年計劃，按行使價0.175港元已授出總數9,900,000股購股權。而期中6,400,000股購股權之行使期是由二零零三年二月九日至二零一二年八月八日，其餘購股權之行使期則是由二零零三年八月九日至二零一二年八月八日。期內，就以上授出之購股權並未獲行使及註銷。

Purchase, Sale and Redemption of Shares 購回、出售及贖回股份

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the Period.

期內，本公司或其附屬公司概無購回、出售或贖回本公司任何上市證券。

Competing Interests 競爭性權益

At 30 September 2003, the directors were not aware of any business or interest of each director, management shareholders and the respective associates of each that competes or may compete with the business of the Group and any other conflicts of interest which any such persons have or may have with the Group.

於二零零三年九月三十日，董事並不知悉有任何董事、管理股東或彼等各自的聯繫人士擁有任何對本集團業務構成競爭或可能構成競爭的業務或權益；或上述任何人士與或可能與本集團存在任何其他利益衝突。

Board Practices and Procedures 董事會遵例及程式

The Company has complied with the Board Practices and Procedures as set out in Rules 5.28 to 5.39 of the GEM Listing Rules throughout the Period.

期內，公司已遵守創業版上市規則第5.28至5.39條關於董事會遵例及程式之條文。

Audit Committee 審核委員會

The audit committee comprises two independent non-executive directors, Mr. Lee Peng Fei, Allen and Mr. Tsao Kwang Yung, Peter, and an executive director, Mr. Liu Hoi Wah. Mr. Lee Peng Fei, Allen was appointed the Chairman of the audit committee in compliance with the requirements as set out in Rules 5.23 to 5.27 of the GEM Listing Rules. The audit committee meets with the Group's senior management and external auditors to review the effectiveness of the internal control systems and the reports of the Group.

審核委員會由兩名獨立非執行董事(分別為李鵬飛先生及曹廣榮先生)及一名執行董事(即劉海華先生)組成。李鵬飛先生已根據創業版上市規則第5.23至第5.27條之規定，獲委任為審核委員會主席。審核委員會曾與本集團的高級管理人員及外聘核數師會面，以審核內部控制系統的效用及本集團的報告。

By order of the Board

承董事會命

Lau Hon Kwong, Vincent

劉漢光

Chairman

主席

Hong Kong, 5 November 2003

香港，二零零三年十一月五日

ITE (Holdings) Limited

香港九龍

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