

# TeleEye Holdings Limited

## 千里眼控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)



ANNUAL REPORT 2005 年報

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This report, for which the directors of TeleEye Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to TeleEye Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) 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.

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創業板為帶有高投資風險之公司提供上市之市場。尤其在創業板上市之公司毋須有過往溢利記錄，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投資者。

由於創業板上市之公司屬於新興性質，在創業板買賣之證券可能會較於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。創業板所發佈之資料之主要方法為在聯交所為創業板而設之互聯網網頁刊登。上市公司毋須在憲報指定報章刊登付款公佈披露資料。因此，有意投資之人士應注意彼等能閱覽創業板網頁，以便取得創業板上市發行人之最新資料。

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本報告（千里眼控股有限公司（「本公司」）各董事（「董事」）願共同及個別對此負全責）乃遵照香港聯合交易所有限公司《創業板證券上市規則》之規定而提供有關本公司之資料。各董事經作出一切合理查詢後，確認就彼等所知及所信：(1)本報告所載資料在各重大方面均屬準確及完整，且無誤導成份；(2)並無遺漏任何其他事實致使本報告所載任何聲明產生誤導；及(3)本報告內表達之一切意見乃經審慎周詳考慮後方始作出，並以公平合理之基準和假設為依據。

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## EXECUTIVE DIRECTORS

Dr. CHAN Chok Ki  
Dr. MA Chi Kit  
Mr. HO Ka Ho

## NON-EXECUTIVE DIRECTOR

Dr. CHAN Cheung Fat

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Professor SIU Wan Chi  
Professor CHING Pak Chung  
Mr. YEUNG Kwok Ki, JP

## REGISTERED OFFICE

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P.O. Box 2681 GT  
George Town, Grand Cayman, British West Indies

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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## COMPANY WEBSITES

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<http://www.TeleEye.net>  
<http://www.CAMERIO.com>  
<http://www.TeleEye.com.cn>  
<http://www.TeleEAR.com>  
<http://www.TeleEye.info>  
<http://www.TeleEye.biz>  
<http://www.TeleEye.com.sg>  
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## COMPANY SECRETARY

Mr. LAI Siu Chung FCCA, AHKSA

## AUTHORISED REPRESENTATIVES

Dr. CHAN Chok Ki  
Mr. HO Ka Ho  
Mr. LAI Siu Chung

## 執行董事

陳作基博士  
馬志傑博士  
何家豪先生

## 非執行董事

陳祥發博士

## 獨立非執行董事

蕭允治教授  
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<http://www.CAMERIO.com>  
<http://www.TeleEye.com.cn>  
<http://www.TeleEAR.com>  
<http://www.TeleEye.info>  
<http://www.TeleEye.biz>  
<http://www.TeleEye.com.sg>  
<http://www.TeleEye.com.hk>

## 公司秘書

黎兆中先生 FCCA, AHKSA

## 授權代表

陳作基博士  
何家豪先生  
黎兆中先生

## COMPLIANCE OFFICER

Mr. HO Ka Ho

## QUALIFIED ACCOUNTANT

Mr. LAI Siu Chung *FCCA, AHKSA*

## AUDIT COMMITTEE MEMBERS

Professor SIU Wan Chi

Professor CHING Pak Chung

Mr. YEUNG Kwok Ki, *JP*

## PRINCIPAL BANKER

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83 Des Voeux Road Central

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## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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## AUDITORS

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何家豪先生

## 合資格會計師

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## 審核委員會成員

蕭允治教授

程伯中教授

楊國琦先生 *太平紳士*

## 主要往來銀行

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## 香港股份過戶登記分處

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## 核數師

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*執業會計師*

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The Group held a series of events to celebrate its tenth year of operation. In the past ten years, the Group has built a significant business in remote management and video surveillance by developing a strong product range in video transmitters and monitoring software. We have built a strong brand name and a strong distribution network to provide professional systems and services to our customers globally.

To further expand our business, the Group is broadening its product line to cover not only video transmitters but also the whole range of CCTV products. We will provide one-stop shop solution to satisfy the needs of our customer in CCTV projects. This will enhance the productivity and loyalty of our sales channels and bring in additional revenue for the Group.

The Group continues to invest heavily in product research and development. We have successfully developed a new video compression technology that addresses the needs for simultaneous video recording and remote transmission. We will launch a series of new products using this technology in the coming year. As compare to competitors' digital video recording products, our technology offers much better video transmission speed while keeping high quality video recording at the same time. We also pioneered a mobile video surveillance solution using 3G mobile technology.

The Group will further strengthen its brand image and build up a stronger sales network to distribute its high-tech product. We will set up more overseas sales offices, recruit and train more resellers in order to bring in more revenue in the long run. With a full range of quality CCTV products, a reputable brand name and a global distribution network, we believe the Group's revenue will grow in the coming year.

On behalf of the Board of Directors, I would like to express my sincere thanks to our investors, business partners and staff for their continuous support to the Group.

**Dr. Chan Chok Ki**  
*Chairman and Chief Executive Officer*

Hong Kong, 21 September 2005

為慶祝經營業務的第十年，本集團舉行了一連串活動。於過往十年，本集團透過研發多種視像傳送器及監察軟件的產品種類，在遙距管理及視像監察方面已建立輝煌的成績。本集團已建立一個優秀的品牌，並組成龐大的分銷網絡，為全球客戶提供專業的系統與服務。

為進一步擴充業務，本集團現正擴展其產品種類，不僅涵蓋視像傳送器，還擴展至整套閉路電視產品，並將會提供一站式解決方案，以滿足客戶對閉路電視項目的需求，此舉將有助提高生產力，並增強銷售渠道之忠誠，從而可為本集團帶來額外收益。

本集團繼續致力投資於產品研究與發展方面，為滿足市場對即時錄像與遙距傳送技術的需求，我們已成功開發一系列全新的視像壓縮技術，於來年亦將會推出一系列利用該技術的新產品。本集團的技術傲視同儕，與競爭對手的數碼錄像產品相比，我們的技術不單可提供更佳的視像傳送速度，同時還可保持優質的錄像效果，而本集團亦率先利用3G流動電話技術，開創流動視像監察解決方案。

本集團將會進一步提升其品牌形象，建立更龐大的銷售網絡，以分銷其高科技產品。長遠而言，我們將會設立更多海外銷售辦事處，招聘與培訓更多轉售商，務求賺取更多收益。憑藉一系列品質俱佳的閉路電視產品、信譽良好的品牌與全球分銷網絡，我們相信本集團於來年的收益將會有所增長。

本人謹代表董事會向一直支持本集團的投資者、業務夥伴與員工致以萬分謝意。

**陳作基博士**  
*主席及行政總裁*

香港，二零零五年九月二十一日

## FINANCIAL REVIEW

The Group recorded a total turnover of approximately HK\$27,492,000 for the year ended 30 June 2005, a decrease of 9.7% from HK\$30,458,000 for the year ended 30 June 2004. On a quarter-to-quarter comparison, turnover of the Group for the three months ended 30 June 2005 reduced by 11% to approximately HK\$7,614,000 when compared with the same quarter last year. The decrease was attributable to the keen competition from other Asian manufacturers and fewer large orders generated from overseas customers. This also led to a decrease in gross profit margin to 54% for the year ended 30 June 2005 (2004: 60%). However, in comparison with the previous quarter ended 31 March 2005, the Group's turnover for this quarter ended 30 June 2005 increased by 23.8% or approximately HK\$1,466,000. Such increment was attributable to aggressive sales and marketing effort and increased competitiveness of new products launched during the year.

Consequently, loss attributable to shareholders increased to approximately HK\$3,284,000 (2004: HK\$946,000). Basic loss per share increased from 0.53 HK cent for the year ended 30 June 2004 to 1.82 HK cents for the corresponding year ended 30 June 2005.

*TeleEye* video surveillance systems and *TeleEye* cameras generated approximately 73% (2004: 72%) and approximately 17% (2004: 17%) of the Group's turnover, respectively. The Group's turnover generated from 3 largest geographical segments amounted to approximately 70.9% of the total turnover (2004: 68.9%). *TeleEye III+ VX Video Recording Transmitter (TeleEye III+ VX)* and *TeleEye III+VR Video Recording Transmitter (TeleEye III+ VR)* are still the best selling products of the Group.

Total Operating cost for the year ended 30 June 2005 reduced by 2.7% to approximately HK\$18,890,000 (2004: HK\$19,413,000). Such decrease is due to implementation of effective cost control measures and efficient allocation of resources applied among the Group.

The Group's associate, CAMERIO Japan Inc., recorded an increase in sales when compared with last financial year. It also recorded a modest profit for the year ended 30 June 2005 when compared with last financial year which incurred a modest loss. After reviewing the current financial results of CAMERIO Japan Inc., the Board did not recognise any further provision for the loan made to this associate.

## 財務回顧

截至二零零五年六月三十日止年度本集團錄得營業額約27,492,000港元，較截至二零零四年六月三十日止年度之30,458,000港元下降9.7%。按季度比較，本集團截至二零零五年六月三十日止三個月之營業額較去年同季度之約7,614,000港元減少11%。營業額減少是由於其他亞洲製造商之間競爭激烈及源自海外客戶的大宗訂單較少所致，而營業額減少亦導致截至二零零五年六月三十日止年度之毛利率降至54%（二零零四年：60%）。然而，與截至二零零五年三月三十一日止上一個季度相比，本集團截至二零零五年六月三十日止季度之營業額增加23.8%，約1,466,000港元。該增長是由於積極地進行銷售及市場推廣工作，以及年內所推出新產品的競爭力有所增長。

故此，股東應佔虧損增加至約3,284,000港元（二零零四年：946,000港元）。每股基本虧損由截至二零零四年六月三十日止年度之0.53港仙增加至截至二零零五年六月三十日止相應年度之1.82港仙。

*TeleEye*視像監察系統及*TeleEye*攝像機之營業額分別佔本集團之營業額約73%（二零零四年：72%）及約17%（二零零四年：17%）。本集團源於三個最大的地區業務分類之營業額佔總營業額約70.9%（二零零四年：68.9%）。*TeleEye III+ VX*數碼錄像傳送器（*TeleEye III+ VX*）與*TeleEye III+ VR*數碼錄像傳送器（*TeleEye III+ VR*）迄今仍然為本集團銷量最佳的產品。

截至二零零五年六月三十日止年度之總經營成本減少2.7%至約18,890,000港元（二零零四年：19,413,000港元）。經營成本減少是由於實施了有效的成本控制措施及有效地分配本集團所用的資源。

本集團之聯營公司CAMERIO Japan Inc.之銷售額較上一個財政年度有所增加。與上一個財政年度出現的輕微虧損相比，上述的聯營公司截至二零零五年六月三十日止年度則錄得輕微溢利。於審閱CAMERIO Japan Inc.現時的財務業績後，董事會認為毋須就向該聯營公司提供之貸款計提任何額外撥備。

## COMMENTS ON SEGMENT INFORMATION

An analysis of the Group's turnover and contribution to results by geographical area of operations for the two years ended 30 June 2004 and 2005 is set out in note 4 to the financial statements.

### Europe

Europe was the largest market of the Group, whose turnover for the year ended 30 June 2005 amounted to approximately HK\$8,408,000 (2004: HK\$8,524,000) or 30.6% (2004: 28%) of the Group's turnover. TeleEye Europe Ltd (a subsidiary in the UK), operates as a direct selling office commencing from April 2004. It contributed significant effort in the provision of technical and marketing support in the region. Segment profit reduced to approximately HK\$594,000 (2004: HK\$2,113,000). It was due to the increase of sales and marketing expenses as well as drop in profit margin of products.

### Hong Kong

Hong Kong was the second largest market of the Group, whose turnover for the year ended 30 June 2005 amounted to approximately HK\$6,878,000 (2004: HK\$8,182,000) or 25% (2004: 26.9%) of the Group's turnover. Segment profits reduced to approximately HK\$2,926,000 (2004: HK\$3,909,000). Continuing keen competition impacted the profit margin of this segment negatively.

### Other Asia Countries

Turnover for other Asia countries for the year ended 30 June 2005 amounted to approximately HK\$4,214,000 (2004: HK\$4,280,000) or 15.3% (2004: 14.1%) of the Group's turnover. The segment reported a profit of approximately HK\$541,000 (2004: HK\$803,000). Drop in segment profits mainly attributed to the increase in promotion and marketing activities in our China office.

### Others

Other geographical segments included America, Africa and Australia. Turnover for the year ended 30 June 2005 amounted to approximately HK\$3,090,000 (2004: HK\$3,859,000) or 11.2% (2004: 12.7%) of the Group's total turnover. Segment profits dropped by 52.4% to approximately HK\$726,000 (2004: HK\$1,526,000).

## 分類資料之意見

截至二零零四年及二零零五年六月三十日止兩個年度，本集團的營業額及按經營業務地區劃分的業績貢獻分析載於財務報表附註4。

### 歐洲

歐洲為本集團之最大市場，截至二零零五年六月三十日止年度之營業額約為8,408,000港元(二零零四年：8,524,000港元)，佔本集團營業額之30.6%(二零零四年：28%)。TeleEye Europe Ltd(於英國之附屬公司)自二零零四年四月開始作為直銷辦事處之方式經營，其對於在歐洲市場提供技術支援及市場推廣作出莫大貢獻。分類溢利減少至約594,000港元(二零零四年：2,113,000港元)。分類溢利減少是由於銷售及市場推廣開支增加以及產品邊際溢利減少所致。

### 香港

香港為本集團第二大市場，截至二零零五年六月三十日止年度之營業額約為6,878,000港元(二零零四年：8,182,000港元)，佔本集團營業額之25%(二零零四年：26.9%)。分類溢利減少至約2,926,000港元(二零零四年：3,909,000港元)。市場競爭仍然激烈，已對此分類之邊際溢利帶來負面影響。

### 其他亞洲國家

截至二零零五年六月三十日止年度，本集團源自其他亞洲國家之營業額約為4,214,000港元(二零零四年：4,280,000港元)，佔本集團營業額之15.3%(二零零四年：14.1%)。分類溢利錄得約541,000港元(二零零四年：803,000港元)。分類溢利減少主要是由於吾等增強於中國辦事處之宣傳及市場推廣活動所致。

### 其他

其他地區分類包括美洲、非洲及澳洲。截至二零零五年六月三十日止年度之營業額約為3,090,000港元(二零零四年：3,859,000港元)，佔本集團總營業額之11.2%(二零零四年：12.7%)。分類溢利減少52.4%至約726,000港元(二零零四年：1,526,000港元)。



## Singapore

Turnover for Singapore for the year ended 30 June 2005 amounted to approximately HK\$2,874,000 (2004: HK\$3,765,000) or 10.5% (2004: 12.4%) of the Group's turnover. The segment reported a profit of approximately HK\$67,000 (2004: HK\$594,000). Drop in segment profits was mainly due to the decrease in turnover and increase in marketing activities in our Singapore office.

## Middle East

Turnover for Middle East for the year ended 30 June 2005 amounted to approximately HK\$2,028,000 (2004: HK\$1,848,000) or 7.4% (2004: 6.1%) of the Group's turnover. The segment reported a profit of approximately HK\$785,000 (2004: 864,000).

## BUSINESS REVIEW

The Group is principally engaged in the research and development and sales and marketing of audio and video monitoring systems. During the year, competition among the industries became intensified that bring about unfavourable impact to the Group. Revenue derived from the industries was in a downturn trend. However, the Group has been taking aggressive approaches in gearing towards profitability, and has been continuing its efforts towards resource consolidation, strengthening management and exploring new business opportunities so as to maintain business growth. The Group is planning to explore into new markets and establish overseas branches with good market potential.

The Group has entered into its tenth year of business. A series of promotion and celebration activities had been held successfully. This further enhanced the *TeleEye* brand image globally and firmly established the Group as a solid technology pioneer in the digital CCTV field. During the year, many new products were launched with a view to meet the needs of customers and maximize the market share.

*TeleEye Dialup CCTV Series*, the world's smallest video streaming transmitter has won the Silver Award in the 2004 HKEIA (Hong Kong Electronic Industries Association) Award for Outstanding Innovation and Technology Products in the wireless/security category during the Hong Kong Electronics Fair held in October 2004. This recognised the technological edge in video transmission and product development of the Group.

## 新加坡

截至二零零五年六月三十日止年度，本集團源自新加坡之營業額約為2,874,000港元（二零零四年：3,765,000港元），佔本集團總營業額之10.5%（二零零四年：12.4%）。此分類溢利錄得約67,000港元（二零零四年：594,000港元）。分類溢利減少主要是由於吾等於新加坡辦事處之營業額減少及增強市場推廣活動所致。

## 中東

截至二零零五年六月三十日止年度，本集團源自中東的營業額約為2,028,000港元（二零零四年：1,848,000港元），佔本集團營業額之7.4%（二零零四年：6.1%），分類溢利錄得約785,000港元（二零零四年：864,000港元）。

## 業務回顧

本集團主要從事視聽監察系統之研究與開發以及銷售與市場推廣。於年內，行業間之競爭愈趨激烈，從而對本集團帶來不利影響。源於此行業之收益有放緩跡象。然而，為維持業務增長，本集團一直採取積極進取的方法以提升盈利水平，並繼續竭力進行資源整合、加強管理及開拓新的業務發展商機。本集團正計劃拓展新市場，並在市場潛力優厚的海外地區成立辦事處。

本集團現已踏入經營業務的第十年。一連串宣傳及慶祝活動已成功舉行，此舉可進一步鞏固 *TeleEye* 的全球品牌形象，並穩固地建立本集團於數碼閉路電視監察領域中科技先驅的地位。於年內，本集團已推出多種新產品，以滿足客戶需求，力求擴大本集團的市場佔有率。

千里眼撥號視像監察系統系列為全球最小巧的視像串流傳送器，此系列於二零零四年十月舉行之香港電子產品展中榮獲無線／保安產品組之2004年度香港電子業商會「創新科技獎」銀獎，顯示本集團在視像傳送與產品開發方面的先進技術獲得肯定。

The Group participated in major exhibitions in Hong Kong, UK, Middle East and China. Seminars have been held in various countries and visitors showed great interest in *TeleEye* products. This enhanced awareness of *TeleEye* worldwide.

## PROSPECTS OF NEW PRODUCTS AND MARKETS

In the quarter ended 31 December 2004, the Group has introduced the *TeleEye III+VRB/VXB Video Recording Transmitter* series. It fully comply with the British Code of Practice BS 8418, the code of practice for remote monitoring of detector activated CCTV system. The Group is one of the first companies in Asia to launch products in compliance with the new British standard BS 8418. Seminars and marketing activities were held in UK and other major markets. Market response is affirmative. Approximately 16% of the Group's turnover for the year ended 30 June 2005 was generated by this new series.

In March 2005, the Group introduces *TeleEye III+ NF630 Network Camera* to its Network Camera Series. It incorporates the company's proprietary compression technology, which offers excellent performance on video transmission via low to medium bandwidth transmission media.

During the financial year ended 30 June 2005, the Group continues to widen its camera product range by launching many new models of camera with different new features. To leverage on its distribution strength, the Group will further expand its comprehensive CCTV camera product line.

In addition, the Group is in its final stage of development of a new generation of digital video transmission system with superb performance in transmission and recording speed, picture quality and functionality. The Group is also actively exploring new business opportunities by broadening our distribution network especially in Spanish speaking countries.

## DIVIDENDS

The Board does not recommend the payment of dividend for the year ended 30 June 2005 (2004: Nil).

## EMPLOYEES

As at 30 June 2005, the Group employed 36 (2004: 41) full time employees in Hong Kong and 17 (2004: 14) full time employees in the overseas offices. The Group's staff costs, including directors' emoluments, employees' salaries and retirement benefits scheme contribution amounted to approximately HK\$12,405,000 (2004: HK\$12,919,000).

本集團參加了在香港、英國、中東及中國舉辦的大型展覽會，並已在多個國家舉行研討會，參觀者對*TeleEye*產品甚感興趣。參加此類展覽會有助提高*TeleEye*在全球的品牌知名度。

## 新產品及市場前景

於截至二零零四年十二月三十一日止季度內，本集團已推出*TeleEye III + VRB/VXB*數碼錄像傳送器系列，此系列完全符合英國BS 8418應用守則，即為啟動閉路電視系統之遙距監察偵測器之應用守則。本集團為亞洲首批推出符合英國BS 8418新標準產品的公司之一，並在英國及其他主要市場舉行了研討會及市場推廣活動。市場反應熱烈。源自這新系列之營業額佔本集團截至二零零五年六月三十日止年度之營業額約16%。

於二零零五年三月，本集團推出其網絡攝像機系列之*TeleEye III+ NF630*網絡攝像機，此網絡攝像機應用本公司之專利壓縮技術，透過低至中頻寬傳送媒介提供卓越之視像傳送表現。

於截至二零零五年六月三十日止財政年度內，本集團透過推出多種配備不同新功能之新款攝像機，繼續擴闊其攝像機產品種類。憑藉於分銷方面之優勢，本集團將進一步全面拓展其閉路電視攝像機產品系列。

此外，本集團正在開發於傳送及錄像速度、畫質及功能等方面均有超卓表現之新一代數碼視像傳送系統，現已進入最後階段。本集團亦正竭力拓展本集團的分銷網絡，特別是在西班牙語國家積極拓展新的業務發展商機。

## 股息

董事會不擬派付截至二零零五年六月三十日止年度之股息(二零零四年：無)。

## 僱員

於二零零五年六月三十日，本集團在香港聘用36名(二零零四年：41名)全職僱員，駐海外辦事處之全職僱員則為17名(二零零四年：14名)。本集團之員工成本(包括董事酬金、僱員薪酬及退休福利計劃供款)約為12,405,000港元(二零零四年：12,919,000港元)。

Employees' remuneration is in accordance with individual's responsibility and performance and remains competitive with the prevailing market rates. Other fringe benefits such as medical insurance, retirement benefit scheme and discretionary bonus are offered to all employees. Share options are granted at the directors' discretion and under the terms and conditions of share options schemes.

## LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2005, a non-interest bearing short-term advances was outstanding to a minority shareholder. The loan was to finance the operation of TeleEye (S) Pte Limited and was denominated in Singapore dollars and repayable on demand. There was no drawing and repayment to this loan during the year. During the year, a non-interest bearing loan denominated in British pounds was obtained from another minority shareholder to finance the operation of TeleEye Europe Limited. There was no repayment to this loan as at 30 June 2005.

Other than the above, the Group mainly used its internal resources to finance its operations during the year. The Group has available banking facilities of HK\$5 million from Hang Seng Bank and none of them had been utilised as at 30 June 2005 (30 June 2004: Nil). Consequently, the Group's gearing ratio, as a percentage of bank and other borrowings and long-term debt over total assets, as at 30 June 2005 was approximately 1% (30 June 2004: 1%).

The Group had bank balances, deposits and cash of approximately HK\$16,339,000 as at 30 June 2005 (30 June 2004: HK\$18,967,000).

## CAPITAL STRUCTURE

Apart from the aforesaid two non-interest bearing advance from minority shareholders, the Group did not have any borrowings during the year under review.

There was no change in the Company's share capital during the year ended 30 June 2005. The details of change of share options are set out in note 22 to the financial statements.

## SIGNIFICANT INVESTMENT

The Group did not make any significant new investment during the year.

僱員薪酬乃參照個別員工之職責與表現而定，與現行市場條件比較仍然甚具競爭力。本集團向全體僱員提供之其他福利包括醫療保險、退休福利計劃及酌情花紅。董事會將根據購股權計劃之條款及條件酌情授出購股權。

## 流動現金、財政資源及資本負債率

於二零零五年六月三十日，本集團尚未償還一筆由少數股東提供之不附利息短期墊款，該筆貸款主要用作TeleEye (S) Pte Limited之經營資金，乃按要求而償還並以新加坡元列示。於本年度內，本集團並無提取及償還此筆貸款。於本年度內，本集團自另一少數股東取得一筆以英鎊列示之不附利息貸款，用作TeleEye Europe Limited之經營資金。於二零零五年六月三十日，本集團並無償還此筆貸款。

除上文所述者外，於本年度內，本集團主要運用其內部資源之資金經營。本集團持有恒生銀行可動用銀行融資額5,000,000港元，惟於二零零五年六月三十日所有款額均尚未動用(二零零四年六月三十日：無)。據此，本集團於二零零五年六月三十日之資本負債率(銀行及其他借款與長期債務除總資產之百分比)約為1%(二零零四年六月三十日：1%)。

於二零零五年六月三十日，本集團之銀行結餘、存款及現金約為16,339,000港元(二零零四年六月三十日：18,967,000港元)。

## 資本結構

除上文所述之兩筆少數股東不附利息墊款外，於回顧年度內，本集團並無任何其他借款。

截至二零零五年六月三十日止年度內，本公司之股本並無任何變動。有關購股權之變動詳情載於財務報表附註22。

## 重大投資

於本年度內本集團並無進行任何新的重大投資。

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not make any material acquisitions and disposal of subsidiaries and affiliated companies.

## CHARGE ON ASSETS

As at 30 June 2005, the Group did not have any charge on its assets (30 June 2004: Nil).

## FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Other than those disclosed in the Company's prospectus dated 24 April 2001, the Group does not have any other plan for material investments or capital assets for the coming year.

## EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

During the year under review, the Group's transactions were substantially denominated in either Hong Kong, US dollars and British Pounds. Since the Hong Kong dollars are pegged to the US dollars, the Board considers that the potential foreign exchange exposure of the Group is limited. During the year under review, the Group did not use any financial instruments for hedging purposes (30 June 2004: Nil). The Group closely monitors its foreign currency exposure from time to time and will engage appropriate hedging activities should needs arise.

## CONTINGENT LIABILITIES

As at 30 June 2005, the Group did not have any contingent liabilities (30 June 2004: Nil).

## 重大收購及出售附屬公司及聯屬公司

本集團並無任何重大收購及出售附屬公司及聯屬公司。

## 資產抵押

於二零零五年六月三十日，本集團之資產並無作任何抵押(二零零四年六月三十日：無)。

## 重大投資或資本資產之未來計劃

除本公司於二零零一年四月二十四日之招股章程所披露者外，於來年本集團並無任何其他重大投資或資本資產之計劃。

## 匯率波動及匯率對沖之風險

於回顧年度內，本集團之交易主要以港元、美元及英鎊進行，由於港元與美元掛鈎，故董事會認為本集團之潛在匯兌風險有限。於回顧年度內，本集團並無運用任何財務工具作對沖之用(二零零四年六月三十日：無)。本集團將不時密切留意外幣風險，並於必要時進行適當的對沖活動。

## 或然負債

於二零零五年六月三十日，本集團並無任何或然負債(二零零四年六月三十日：無)。

### EXECUTIVE DIRECTORS

**Dr. Chan Chok Ki**, aged 50, is a founder, chairman and the Chief Executive Officer of the Group, responsible for the overall corporate management and business development of the Group. He also actively participates in the strategic research and development of the Group. Dr. C.K. Chan is a research veteran in the digital signal processing and image compression technology. He had taught at the City University of Hong Kong (“City University”) since 1985 and was a professor of the Department of Electronic Engineering at the City University before he officially became involved in the management of the Group on a full-time basis in December 2000. He is presently an Adjunct Professor of the Department of Electronic Engineering at the City University.

Dr. C.K. Chan is presently the Vice Chairman of the Industry and Technology Committee of the Hong Kong General Chamber of Commerce and the member of the HKTDC Electronics/Electrical Appliances Industry Advisory Committee of the Hong Kong Trade Development Council. Currently, he is also an independent non-executive director of Shun Cheong Holdings Ltd. He has received many awards which include the EDN Asia Innovator in 1996 and IEEE Third Millennium Award in 2000 for his outstanding achievement and contributions.

Dr. C.K. Chan obtained both his bachelor and master degrees of science in electrical engineering from The University of California, Los Angeles. He received his PhD degree in electronics from The Chinese University of Hong Kong.

**Dr. Ma Chi Kit**, aged 37, is a founder and the Chief Marketing Officer of the Group. He has extensive knowledge on digital signal processing and telecommunications technologies. He is presently responsible for formulation and implementation of marketing strategies, product pricing and positioning, and strategic management of channel distribution for the Group.

Dr. Ma obtained his bachelor’s degree with first class honours and a PhD degree in electronic engineering from the City University.

**Mr. Ho Ka Ho**, aged 33, is a founder and the Engineering Director of the Group. He is in charge of the engineering department of the Group and is responsible for product design, quality control, research and development of the Group. Mr. Ho has expertise in computer architecture, software engineering and digital signal processing.

Mr. Ho obtained his bachelor of engineering degree in computer engineering with first class honours and master of science degree in electronic engineering from the City University.

### 執行董事

**陳作基**博士，現年50歲，為本集團創辦人、主席及行政總裁，負責本集團整體公司管理及業務發展，並積極參與本集團之策略研究及發展。陳博士為資深之數碼訊號處理及視像壓縮科技研究員。陳博士自一九八五年起於香港城市大學（「城市大學」）任教，擔任電子工程系教授，直至二零零零年十二月正式全職參與本集團管理。彼現為城市大學電子工程學系之特約教授。

陳博士現為香港總商會工業及科技委員會副主席及香港貿易發展局電子及家電業諮詢委員會會員。目前，彼亦為順昌集團有限公司之獨立非執行董事。陳博士曾多次獲獎，包括一九九六年的EDN亞洲發明家及二零零零年的電機暨電子工程師學會的IEEE Third Millennium Award，以表揚其傑出成就及貢獻。

陳博士於美國洛杉磯加州大學取得電機工程學士及碩士學位，並於香港中文大學取得電子學博士學位。

**馬志傑**博士，現年37歲，為本集團創辦人及市場總監，於數碼訊號處理及電訊科技具有廣泛經驗。彼現時負責制定及執行市場推廣策略、產品定價及定位，以及本集團分銷渠道之策略管理。

馬博士於城市大學獲得電子工程一級榮譽學士學位及博士學位。

**何家豪**先生，現年33歲，為本集團創辦人及董事（工程）。彼擔任本集團工程部門之主管，負責本集團之產品設計、品質控制、研究及開發。何先生於電腦建構、軟件工程及數碼訊號處理方面具有專業知識。

何先生獲頒城市大學電腦工程一級榮譽電腦工程學士學位，以及電子工程碩士學位。

## NON-EXECUTIVE DIRECTOR

**Dr. Chan Cheung Fat**, aged 47, is a founder and a research and development consultant of the Group, responsible for spearheading the research and development team on a part-time basis with particular focus on product design and development. Dr. C.F. Chan is a research veteran in the digital signal processing and speech compression technology.

Dr. C.F. Chan is presently an associate professor of the Department of Electronic Engineering at the City University. He is also a director of Signal Communications Holdings Limited and Signal Communications Limited, both are wholly-owned subsidiaries of the Company.

In 1998, he was named “EDN Asia Innovator” by the EDN Asia Magazine for his contribution in speech compression technology.

He received all his bachelor, master and PhD degrees in electronic engineering from The University of Essex, England.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Professor Siu Wan Chi**, aged 55, is an independent non-executive Director who was appointed in September 2000. He is presently the Chair Professor of the Department of Electronic and Information Engineering, The Hong Kong Polytechnic University. He was the Head of the same department and Dean of Engineering Faculty between 1994 and 2002.

Prof. Siu has held numerous public offices in the academic field including guest editor, associate editor and member of editorial board of renowned journals in the U.S., the UK and the PRC and chairman of academic/professional assessment panels.

Prof. Siu obtained his master of philosophy degree from The Chinese University of Hong Kong, and the PhD degree from The Imperial College of Science, Technology and Medicine, UK.

## 非執行董事

**陳祥發博士**，現年47歲，為本集團創辦人兼研究及開發顧問，以兼職性質負責推動研究及發展隊伍，特別專注於產品設計及發展。陳博士為數碼訊號處理及語音壓縮科技之資深研究員。

陳博士現任城市大學電子工程學系副教授。彼亦為本公司兩家全資附屬公司 Signal Communications Holdings Limited及訊研科技有限公司之董事。

於一九九八年彼獲EDN亞洲雜誌選為「EDN亞洲發明家」，表揚其對語音壓縮技術之貢獻。

彼於英國Essex大學取得電子工程學士，碩士及博士學位。

## 獨立非執行董事

**蕭允治教授**，現年55歲，於二零零零年九月獲委任為獨立非執行董事。蕭教授現為香港理工大學電子及資訊工程學講座教授。在一九九四年至二零零二年期間，他乃電子及資訊工程學系系主任及工程學院院長。

蕭教授曾於學術界擔任多項公職，包括美國、英國及中國多份著名學術刊物之特約編輯、副主編及編輯委員會成員，並擔任學術／專業評審小組主席。

蕭教授於香港中文大學獲取哲學碩士學位，並取得英國倫敦大學帝國學院之博士學位。

**Mr. Yeung Kwok Ki, JP**, aged 60, is an independent non-executive Director who was appointed in September 2004. Mr. Yeung is a Practising Certified Public Accountants in Hong Kong and senior member of the accountancy professions, i.e. Fellow, Chartered Institute of Management Accountant; Fellow, Chartered Association of Certified Accountants; Fellow, Chartered Institute of Secretaries and Administrators; Fellow, Hong Kong Institute of Certified Public Accountants and Taxation Institute of Hong Kong. Mr. Yeung is presently the Chairman of a private management consultancy company and the managing partner of a Certified Public Accountant firm in Hong Kong. Mr. Yeung also serves as Chairman or Director of several private companies.

**Professor Ching Pak Chung**, aged 51, is an independent non-executive Director who was appointed in October 2004. Prof. Ching is presently Head of Shaw College and Director of the Shun Hing Institute of Advanced Engineering of The Chinese University of Hong Kong ("CUHK"). He was elected Dean of Engineering from 1998 till end of 2003. Prof. Ching pursued his studies at the University of Liverpool of United Kingdom. He received his bachelor's degree (first class honors) and doctoral degree in 1977 and 1981 respectively. Then, he continued his research at School of Electrical Engineering of the University of Bath and was back to Hong Kong in 1982, when he started teaching at the Department of Electronic Engineering of the Hong Kong Polytechnic University. In 1984, Prof. Ching joined the Department of Electronic Engineering of CUHK and was promoted to Chair Professor in 1999.

Prof. Ching has all along participated actively in various professional activities. Besides serving in different capacities for the Hong Kong Institution of Engineers (HKIE), and the Institute of Electrical and Electronic Engineers (IEEE), he is an elected Council Member of the Institution of Electrical Engineers (IEE) between 2002 and 2005. Prof. Ching also devotes his time on public services. He is a member of the Consumer Council, Chairman of the Hong Kong Accreditation Advisory Board, member of the Electricity Safety Advisory Committee and member of the Copyright Tribunal.

**楊國琦先生**，太平紳士，60歲，於二零零四年九月獲委任之獨立非執行董事。楊先生為香港執業會計師，並為多個會計專業團體之資深會員，例如：英國特許管理會計師公會之資深會員、英國特許公認會計師公會之資深會員、英國特許秘書公會之資深會員、香港會計師公會及香港稅務學會之資深會員。楊先生目前為一家私人管理顧問公司之主席，並為香港一間執業會計師行之合夥人。楊先生亦出任若干私營公司之主席或董事。

**程伯中教授**，51歲，於二零零四年十月獲委任為獨立非執行董事。程教授現任香港中文大學（「中文大學」）逸夫書院院長及信興高等工程研究所所長。彼於一九九八年獲委任為工程學院院長，直至二零零三年年底止。程教授於英國利物浦大學攻讀，於一九七七年及一九八一年分別取得學士學位（甲級榮譽）及博士學位。其後，彼於巴夫大學電機工程學院繼續其研究工作；及後於一九八二年回港，並於當時之香港理工大學電子工程系展開教學事業。程教授於一九八四年加盟中文大學電子工程系，並於一九九九年晉升為講座教授。

程教授向來積極參與各類專業團體事務。除身兼香港工程師學會（「HKIE」）及電機暨電子工程師學會（「IEEE」）多項職務外，彼目前亦為電機工程師學會（「IEE」）之委員會成員。程教授在參與公共事務方面亦不遺餘力。彼為消費者委員會成員、Hong Kong Accreditation Advisory Board之主席、Electricity Safety Advisory Committee成員及版權審裁處成員。

## SENIOR MANAGEMENT

**Mr. Lai Siu Chung**, aged 37, is the financial controller, qualified accountant and company secretary of the Group. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Lai obtained his bachelor of business administration degree from La Trobe University, Australia and master of arts degree from The Chinese University of Hong Kong. Mr. Lai had worked in a GEM-listed company immediately prior to joining the Group in June 2005.

**Mr. Lee Chiu Shing**, aged 37, is the regional manager of the Group. He joined the Group in May 1998. He is responsible for development of the Japanese market for the Group's products. He has over eleven years of working experience in electronics industry, including stationing as an electronic engineer in Japan for two years. Mr. Lee is responsible for setting up the operation, staff training, business development and technical support for the Group's joint venture company in Japan. He also takes the position of product quality assurance manager and is in charge of the quality assurance activities of the Group.

**Ms. Leung Pui Shan, Lydia**, aged 34, is the marketing communications manager of the Group. She has over nine years of experience in corporate communications, marketing, promotions and event management. Prior to joining the Group in September 1998, Ms. Leung had worked for listed companies in Hong Kong and high-technology fields. Ms. Leung holds a master degree in marketing from the University of Stirling, the UK.

## 高級管理層

**黎兆中先生**，現年37歲，為本集團的財務總監、合資格會計師及公司秘書。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。黎先生取得澳洲La Trobe University之工商管理學士學位及香港中文大學文學碩士學位。黎先生於二零零五年六月加盟本集團以前，於一家在創業板上市的公司工作。

**李朝成先生**，現年37歲，為本集團之地區經理，彼於一九九八年五月加入本集團，負責為本集團產品開拓日本市場。彼於電子業擁有超過十一年經驗，其中兩年擔任電子工程師，駐於日本。李先生負責為本集團於日本之合資經營公司建立運作架構、進行員工培訓、業務發展及技術支援。彼擔任本集團之產品品質稽查經理，並負責品質稽查工作。

**梁佩珊女士**，現年34歲，為本集團之市場推廣經理，彼於企業傳訊、行銷、推廣及項目策劃方面累積超過九年經驗。梁女士於一九九八年九月加入本集團，在此之前於本港上市公司及高科技行業工作。梁女士持有英國史特靈大學市場學碩士學位。



The directors present their annual report and the audited financial statements for the year ended 30 June 2005.

董事謹提呈截至二零零五年六月三十日止年度之年報及經審核財務報表。

### PRINCIPAL ACTIVITIES

The Company is an investment holding company with its shares listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The principal activities of its subsidiaries and an associate are set out in notes 12 and 13 to the financial statements, respectively.

### 主要業務

本公司為一家投資控股公司，其股份於香港聯合交易所有限公司（「聯交所」）之創業板（「創業板」）上市，其附屬公司及聯營公司之主要業務分別載於財務報表附註12及13。

### RESULTS

The results of the Group for the year ended 30 June 2005 are set out in the consolidated income statement on page 23.

### 業績

本集團截至二零零五年六月三十日止年度之業績載於第23頁之綜合收益表。

The directors do not recommend the payment of a dividend.

董事不擬派付股息。

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 10 to the financial statements.

### 物業、廠房及設備

本年度內有關本集團之物業、廠房及設備之變動詳情載於財務報表附註10內。

### SHARE OPTIONS

Details of the share option schemes of the Company are set out in note 22 to the financial statements.

### 購股權

有關本公司購股權計劃之詳情載於財務報表附註22內。

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 30 June 2005:

- (i) The Group's five largest customers accounted for less than 30% of the Group's total turnover.
- (ii) The Group's largest supplier and five largest suppliers accounted for 14% and 41%, respectively, of the Group's total purchases (not including purchases of items which are of capital nature).

### 主要客戶及供應商

截至二零零五年六月三十日止年度：

- (i) 本集團之五大客戶佔本集團之總營業額少於30%。
- (ii) 本集團之最大供應商及五大供應商分別佔本集團之總採購額（不包括屬資本性質之採購項目）之14%及41%。

According to the understanding of the directors, none of the directors, their associates (within the meaning of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules")) or any shareholders who owned more than 5% of the Company's share capital had any interest in the Group's five largest suppliers.

根據董事所知，各董事、彼等之聯繫人士（見聯交所創業板證券上市規則（「創業板上市規則」）之定義）或任何股東（指擁有本公司股本5%以上者）概無於本集團之五大供應商中擁有任何權益。

**DIRECTORS AND DIRECTORS' SERVICE CONTRACTS**

The directors of the Company during the year and up to the date of this report were:

**Executive directors:**

Dr. Chan Chok Ki

Dr. Ma Chi Kit

Mr. Ho Ka Ho

**Non-executive director:**

Dr. Chan Cheung Fat

**Independent non-executive directors:**

Professor Siu Wan Chi

Mr. Yeung Kwok Ki, JP

(appointed on 15 September 2004)

Professor Ching Pak Chung

(appointed on 26 October 2004)

Dr. Liao York

(resigned on 26 October 2004)

In accordance with Article 87 of the Company's Articles of Association, Mr. Ho Ka Ho and Dr. Chan Cheung Fat retire from office by rotation at the forthcoming annual general meeting and, being eligible, offers themselves for re-election.

The term of office of each non-executive director is the period up to his retirement or rotation in accordance with the Company's Articles of Association.

Each of the executive directors has entered into a service contract with the Company for an initial term of one year commencing 1 April 2001, which will continue thereafter unless and until terminated by either party by giving six months' prior written notice.

Dr. Chan Cheung Fat has entered into a two-year consultancy agreement with the Company commencing 1 April 2001 under which he has agreed to act as a research and development consultant to the Group on a part-time basis. The service period of such agreement has been extended and will continue unless and until terminated by either party by giving three months' prior notice.

**董事及董事之服務合約**

於本年度內及截至本報告日期本公司之董事成員如下：

**執行董事：**

陳作基博士

馬志傑博士

何家豪先生

**非執行董事：**

陳祥發博士

**獨立非執行董事：**

蕭允治教授

楊國琦先生 太平紳士

(於二零零四年九月十五日獲委任)

程伯中教授

(於二零零四年十月二十六日獲委任)

廖約克博士

(於二零零四年十月二十六日辭任)

根據本公司之公司章程細則第87條，何家豪先生及陳祥發博士須於即將舉行之股東週年大會上輪值退任，惟彼等乃合資格膺選連任。

各非執行董事之任期是根據本公司之公司章程細則所指截至其退任或輪值退任止之期間。

執行董事各自均與本公司訂立自二零零一年四月一日起生效之服務合約，初步為期一年，其後將會自動續約，直至其中一方向對方發出六個月之事先書面通知，方可終止。

陳祥發博士已與本公司訂立一項自二零零一年四月一日起計為期兩年之顧問協議。據此，彼同意以兼職之基準擔任本集團之研究及開發顧問。該協議之服務期限已延長，並將會自動續約，直至其中一方向對方發出三個月之事先通知後終止。

Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

除上文所披露者外，於即將舉行之股東週年大會上被提名重選之董事，並無與本公司訂立任何本集團不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

**DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS**

At 30 June 2005, the interests of the directors and their associates in the shares and share options of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) which were required pursuant to Section 352 of the SFO, or which are required pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

**董事於股份及購股權之權益**

於二零零五年六月三十日，根據證券及期貨條例（「證券及期貨條例」）第352條，或根據創業板上市規則第5.46條須通知本公司及聯交所之規定，董事及彼等之聯繫人士於本公司或其任何相聯法團（見證券及期貨條例第十五部之定義）之股份及購股權中擁有之權益如下：

Long position in shares:

股份好倉：

(a) Ordinary shares of HK\$0.01 each of the Company

(a) 本公司每股面值0.01港元之普通股

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
董事姓名	身份	持有已發行 普通股數目	本公司已發行 股本百份比
Dr. Chan Chok Ki 陳作基博士	Held by controlled corporation (note 1) 由受控制法團持有 (附註1)	104,000,000	57.8%
Dr. Chan Cheung Fat 陳祥發博士	Held by controlled corporation (note 1) 由受控制法團持有 (附註1)	104,000,000	57.8%

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS  
– continued

董事於股份及購股權之權益 – 續

(b) Share options

(b) 購股權

Name of director 董事姓名	Capacity 身份	Number of share options held 持有購股權數目	Number of underlying shares 相關股份數目
Dr. Chan Chok Ki 陳作基博士	Beneficial owner (note 2) 實益擁有人 (附註2)	2,700,000	2,700,000
Dr. Ma Chi Kit 馬志傑博士	Beneficial owner (note 2) 實益擁有人 (附註2)	2,160,000	2,160,000
Mr. Ho Ka Ho 何家豪先生	Beneficial owner (note 2) 實益擁有人 (附註2)	2,044,000	2,044,000

Notes:

附註：

- (1) These shares, representing approximately 57.8% of the issued share capital of the Company as at 30 June 2005, are held by Etin City Limited, which is owned by Etin Tech Limited and CityU Enterprises Limited in the proportion of 70% and 30%, respectively. Etin Tech Limited is owned by Dr. Chan Chok Ki, Dr. Chan Cheung Fat, Dr. Ma Chi Kit and Mr. Ho Ka Ho in the proportion of approximately 44.3%, 34.3%, 14.3% and 7.1%, respectively. As Dr. Chan Chok Ki and Dr. Chan Cheung Fat are entitled to exercise or control the exercise of 30% or more of the voting power in general meetings of Etin Tech Limited, they are deemed to be interested in the entire shares in the Company held by Etin City Limited.
- (2) The share options are granted to the directors pursuant to the share option schemes adopted by the Company, details of which are set out in note 22 to the financial statements.

- (1) 於二零零五年六月三十日，此等佔本公司已發行股本57.8%之股份由Etin City Limited持有。Etin City Limited由Etin Tech Limited及城大企業有限公司分別按70%及30%之比例持有。Etin Tech Limited乃由陳作基博士、陳祥發博士、馬志傑博士及何家豪先生分別按約44.3%、34.3%、14.3%及7.1%之比例擁有。由於陳作基博士及陳祥發博士有權於股東大會上行使或控制行使30%或以上之Etin Tech Limited之投票權，故彼等被視作擁有所有由Etin City Limited持有本公司之股份。
- (2) 董事獲授購股權乃根據本公司採納之購股權計劃而定，有關購股權計劃之詳情載於財務報表附註22。

## DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS – continued

The Directors consider that it is not appropriate to disclose the value of options granted during the year ended 30 June 2005, since any valuation of the options would be subjective and uncertain. The Directors believe that the evaluation of options based on speculative assumptions would not be meaningful and would be misleading to shareholders.

Save as disclosed above, and other than a nominee share in a subsidiary held by a director in trust for the Group, at 30 June 2005, none of the directors 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.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share option schemes as described in section headed “Directors’ Interests in Shares and Share Options”, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the directors, their spouses or children under the age of eighteen, had any rights to subscribe for securities of the Company, or had exercised any such rights during the year.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than the related party transaction disclosed in note 28 to the financial statements, no contracts of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed in the section headed “Directors’ Interests in Shares and Share Options”, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO discloses no person as having a notifiable interest or short position in the issued share capital of the Company as at 30 June 2005.

## 董事於股份及購股權之權益 – 續

董事認為不適宜披露截至二零零五年六月三十日止年度內所授出購股權之價值，是由於對購股權作出之任何估值將涉及主觀及不明確因素。董事相信，根據猜測性假設而對購股權作出之估值並無意義，並可能對股東構成誤導。

除上文所披露者及由一名董事以本集團信託之身份持有於附屬公司之代理人股份外，於二零零五年六月三十日，本公司之董事或彼等之聯繫人士並無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

## 購買股份或債務證券之安排

除「董事於股份及購股權之權益」一節所詳述之購股權計劃外，於本年度任何時間內，本公司、其控股公司或其任何附屬公司概無參與任何能夠讓本公司各董事可藉著購入本公司或任何其他法人團體之股份或債務證券而獲得利益之安排，而本公司之董事、彼等之配偶或年齡在18歲以下之子女於本年度內亦無擁有可認購本公司之證券之任何權益或行使任何該等權益。

## 董事在重要合約之利益

除於財務報表附註28披露之關連人士交易外，在本年度終結時或在本年度內任何時間，本公司各董事並無在本公司、其控股公司或其任何附屬公司所參與訂立之任何重要合約中，直接或間接擁有任何重大利益。

## 主要股東

除上文「董事於股份及購股權之權益」一節所披露者外，於二零零五年六月三十日，按照本公司根據證券及期貨條例第336條而須存置之主要股東登記冊所披露，並無任何人士於本公司之已發行股本中擁有任何權益或淡倉。

**COMPETING INTERESTS**

The directors believe that none of the directors nor the management shareholders of the Company (as defined in the GEM Listing Rules) had an interest in a business, which competes or may compete with the business of the Group.

**PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

**PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

**20 CORPORATE GOVERNANCE**

The Company has complied throughout the year ended 30 June 2005 with the corporate governance matters as set out in Rules 5.34 of the GEM Listing Rules.

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive directors are independent.

**競爭權益**

董事相信，本公司各董事或管理層股東（見創業板上市規則之定義）沒有在與本集團在業務上競爭或可能會與本集團在業務上競爭之業務擁有任何權益。

**優先購買權**

本公司之章程細則或開曼群島法例均無優先購買權之規定，致使本公司須按比例向現有股東授出新股份。

**買賣或贖回本公司之上市證券**

於本年度內，本公司或其任何附屬公司概無買賣或贖回本公司之任何上市證券。

**企業管治**

本公司於截至二零零五年六月三十日止整個年度一直遵守創業板上市規則第5.34條所載之企業管治事宜。

本公司已採納一套關於董事進行證券交易行為守則，條款不遜於創業板上市規則第5.48條至第5.67條所載之規定交易標準。在向全體董事作出特別查詢後，全體董事已確認彼等已遵照本公司所採納有關董事進行證券交易所規定的買賣標準與操守準則。

本公司已收到各獨立非執行董事根據上市規則第5.09條之規定發出有關其獨立性的年度確認書。本公司認為所有獨立非執行董事均為獨立人士。

**AUDIT COMMITTEE**

The audit committee has three members comprising the three independent non-executive directors, namely Professor Ching Pak Chung, Professor Siu Wan Chi and Mr. Yeung Kwok Ki, JP.

The primary duties of the audit committee are to review the Company's annual report and financial statements, quarterly reports and half-yearly report and to provide advice and comment thereon to the board of directors. The audit committee will also be responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group.

The Group's financial statements for the year ended 30 June 2005 have been reviewed by the audit committee who was of the opinion that such financial statements complied with applicable accounting standards, the GEM Listing Rules, and that adequate disclosures had been made.

The audit committee held four meetings during the year ended 30 June 2005.

**AUDITORS**

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Dr. Chan Chok Ki

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Hong Kong, 21 September 2005

**審核委員會**

審核委員會包括三位獨立非執行董事程伯中教授、蕭允治教授及楊國琦先生太平紳士。

審核委員會之首要任務為審閱本公司之年報及財務報表、季度報告及半年期間報告，並就該等報告向董事會提供意見及評價。審核委員會將負責檢討及監察本集團之財務申報程序及內部監控程序。

審核委員會已審閱本集團截至二零零五年六月三十日止年度之財務報表，認為該等財務報表已遵守適用之會計準則、創業板上市規則，並已作出充份披露。

截至二零零五年六月三十日止年度內，審核委員會曾先後舉行四次會議。

**核數師**

於本公司之股東週年大會上將提呈一項決議案以重新委任德勤•關黃陳方會計師行為核數師。

承董事會命

陳作基博士

主席及行政總裁

香港，二零零五年九月二十一日

# Deloitte.

## 德勤

TO THE SHAREHOLDERS OF TELEEYE HOLDINGS LIMITED  
(incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 23 to 59 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 30 June 2005 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu  
Certified Public Accountants

Hong Kong, 21 September 2005

致千里眼控股有限公司股東  
(於開曼群島註冊成立的有限公司)

本核數師已完成審核刊於第23至第59頁按照香港普遍採納之會計原則所編製之財務報表。

### 董事及核數師之責任

貴公司之董事須負責編製真實與公平之財務報表。在編製該等真實與公平之財務報表時，董事必須貫徹地採用合適之會計政策。

本核數師之責任是根據審核工作之結果，對該等財務報表表達獨立意見，並根據彼等商定之委聘條款僅向股東作出報告，而此報告並非作其他用途。本核數師不會就本報告內容對任何其他人士負責或承擔責任。

### 意見之基礎

本核數師乃按照香港會計師公會所頒佈之核數準則進行是次審核工作。審核工作範圍包括以抽查方式審查與財務報表內所載各數額及披露事項有關之憑證，並包括評估董事於編製該等財務報表時所作出之各重大估計和判斷，及衡量究竟其所釐定之會計政策是否適合貴公司及貴集團之情況，及有否貫徹地應用並充份披露該等會計政策。

本核數師計劃及進行審核工作時，均以取得一切認為必需之資料及解釋為目標，使本核數師能獲得充份之憑證，就該等財務報表是否存有重要之錯誤陳述，作出合理之確定。於作出意見時，本核數師並衡量該等財務報表內所載之資料在整體上是否足夠，本核數師相信，我們之審核工作已為核數意見建立合理之基礎。

### 意見

本核數師認為該等財務報表均真實與公平地反映貴公司及貴集團於二零零五年六月三十日之財務狀況及截至該日止年度貴集團之虧損及現金流量，並按照香港公司條例之披露要求而妥善編製。

德勤•關黃陳方會計師行  
執業會計師

香港，二零零五年九月二十一日



# CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2005

# 綜合收益表

截至二零零五年六月三十日止年度

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Turnover	營業額		27,492	30,458
Cost of sales	銷售成本		(12,596)	(12,303)
Gross profit	毛利		14,896	18,155
Other operating income	其他經營收入	5	494	351
Distribution costs	分銷成本		(7,714)	(7,281)
Administrative expenses	行政費用		(6,962)	(6,630)
Research and development expenditure	研究及發展支出		(4,214)	(5,502)
Loss from operations	經營虧損	6	(3,500)	(907)
Loss on partial disposal of a subsidiary	出售附屬公司部份權益之虧損		-	(4)
Loss before taxation	除稅前虧損		(3,500)	(911)
Taxation	稅項	8	-	21
Loss before minority interests	扣除少數股東權益前虧損		(3,500)	(890)
Minority interests	少數股東權益		216	(56)
Loss attributable to shareholders	股東應佔虧損		(3,284)	(946)
Basic loss per share	每股基本虧損	9	(1.82 cents仙)	(0.53 cent仙)

# CONSOLIDATED BALANCE SHEET

At 30 June 2005

# 綜合資產負債表

於二零零五年六月三十日

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	1,080	1,236
Capitalised development costs	發展成本資本化	11	1,661	2,018
Interest in an associate	於聯營公司之權益	13	-	-
Investments in securities	證券投資	14	4,379	3,674
			7,120	6,928
Current assets	流動資產			
Inventories	存貨	15	6,341	7,139
Trade and other receivables	應收賬款及其他應收款	16	3,362	2,228
Taxation recoverable	可收回稅項		-	22
Amount due from an associate	應收聯營公司之款項	17	129	409
Bank balances and cash	銀行結餘及現金		16,339	18,967
			26,171	28,765
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	18	3,779	3,483
Amounts due to minority shareholders	應付少數股東款項	19	377	332
Amounts due to directors	應付董事款項	20	92	87
			4,248	3,902
Net current assets	流動資產淨值		21,923	24,863
Total assets less current liabilities	總資產減流動負債		29,043	31,791
Minority interests	少數股東權益		296	87
			29,339	31,878
Capital and reserves	資本及儲備			
Share capital	股本	21	1,800	1,800
Reserves	儲備		27,539	30,078
			29,339	31,878

The financial statements on pages 23 to 59 were approved and authorised for issue by the Board of Directors on 21 September 2005 and are signed on its behalf by:

第23至59頁之財務報表經董事會於二零零五年九月二十一日核准及授權刊印，並由下列董事代表董事會簽署：

DR. CHAN CHOK KI 陳作基博士  
Director 董事

MR. HO KA HO 何家豪先生  
Director 董事

## BALANCE SHEET

At 30 June 2005

## 資產負債表

於二零零五年六月三十日

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Non-current asset	非流動資產			
Investment in a subsidiary	於附屬公司之投資	12	10	10
Current assets	流動資產			
Other receivables	其他應收款		68	66
Amounts due from subsidiaries	應收附屬公司款項	20	19,783	18,758
Bank balances	銀行結餘		5,332	6,413
			25,183	25,237
Current liabilities	流動負債			
Other payables	其他應付款		735	806
Amounts due to directors	應付董事款項	20	92	87
			827	893
Net current assets	流動資產淨值		24,356	24,344
			24,366	24,354
Capital and reserves	資本及儲備			
Share capital	股本	21	1,800	1,800
Reserves	儲備	23	22,566	22,554
			24,366	24,354

DR. CHAN CHOK KI 陳作基博士

Director 董事

MR. HO KA HO 何家豪先生

Director 董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2005

# 綜合權益變動表

截至二零零五年六月三十日止年度

		Share capital	Share premium	Translation reserve	Investment revaluation reserve	Special reserve	Deficit	Total
		股本	股份溢價	匯兌儲備	重估儲備	特別儲備	虧絀	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2003	於二零零三年七月一日	1,800	21,605	(88)	(901)	14,990	(5,233)	32,173
Exchange differences on translation of overseas operations	因換算海外業務之賬目而產生之匯兌差距	-	-	7	-	-	-	7
Revaluation of investments in securities	重估證券投資	-	-	-	644	-	-	644
Net gains not recognised in the income statement	並未在收益表內確認之收益淨額	-	-	7	644	-	-	651
Loss attributable to shareholders	股東應佔虧損	-	-	-	-	-	(946)	(946)
At 30 June 2004	於二零零四年六月三十日	1,800	21,605	(81)	(257)	14,990	(6,179)	31,878
Exchange differences on translation of overseas operations	因換算海外業務之賬目而產生之匯兌差距	-	-	63	-	-	-	63
Revaluation of investments in securities	重估證券投資	-	-	-	682	-	-	682
Net gains not recognised in the income statement	並未在收益表內確認之收益淨額	-	-	63	682	-	-	745
Loss attributable to shareholders	股東應佔虧損	-	-	-	-	-	(3,284)	(3,284)
At 30 June 2005	於二零零五年六月三十日	1,800	21,605	(18)	425	14,990	(9,463)	29,339
Attributed to an associate:	源自聯營公司之權益：							
At 30 June 2005 and 2004	於二零零五年及二零零四年六月三十日	-	-	(99)	-	-	(961)	(1,060)

The special reserve of the Group represents the difference between the aggregate of the nominal value of share capital of the subsidiaries acquired pursuant to a group reorganisation in April 2001 and the nominal value of the share capital issued by the Company as consideration for the acquisition.

本集團之特別儲備乃指根據於二零零一年四月進行集團重組時被購入之附屬公司合計之股本面值與本公司發行股本作為收購代價之面值兩者之差額。

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2005

# 綜合現金流量表

截至二零零五年六月三十日止年度

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Loss from operations	經營虧損	(3,500)	(907)
Adjustments for:	就下列項目作出調整：		
Interest income	利息收入	(342)	(196)
Dividend income from investments in securities	於證券投資之股息收入	(126)	(139)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	581	597
Amortisation of capitalised development costs	發展成本資本化之攤銷	1,219	1,606
Impairment loss on capitalised development costs	資本化發展成本之減值虧損	235	-
Allowance for bad and doubtful debts	呆壞賬撥備	172	66
Allowance for loan to an associate	給予聯營公司貸款之撥備	-	91
(Recovery of) allowance for inventories	存貨(收回)撥備	(47)	188
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	3	57
Exchange differences on translation	匯兌差距	70	6
Operating cash flows before movements in working capital	經營資金變動前之經營現金流量	(1,735)	1,369
Decrease (increase) in inventories	存貨之減少(增加)	845	(2,723)
(Increase) decrease in trade and other receivables	應收賬款及其他應收款(增加)減少	(1,306)	39
Decrease (increase) in amount due from an associate	應收聯營公司之款項減少(增加)	280	(86)
Increase in trade and other payables	應付賬款及其他應付款增加	296	982
Increase (decrease) in amounts due to directors	應付董事之款項增加(減少)	5	(260)
Cash used in operations	應用於經營業務之現金	(1,615)	(679)
Interest received	已收利息	342	196
Overseas tax refunded (paid)	退回(已付)海外稅項	22	(34)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>應用於經營業務之現金淨額</b>	<b>(1,251)</b>	<b>(517)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資業務</b>		
Increase in capitalised development costs	發展成本資本化增加	(1,097)	(589)
Purchase of property, plant and equipment	購入物業、廠房及設備	(428)	(996)
Dividend income received	已收股息收入	103	139
Proceeds received upon maturity of held-to-maturity debt securities	持有至到期之債務證券到期所取得之款項	-	1,558
Proceeds on partial disposal of a subsidiary	出售附屬公司部份權益所得之款項	-	24
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(應用於)源自投資業務之現金淨額</b>	<b>(1,422)</b>	<b>136</b>
<b>FINANCING ACTIVITY</b>	<b>融資業務</b>		
Advance from a minority shareholder	少數股東之墊款	45	-
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物減少淨額</b>	<b>(2,628)</b>	<b>(381)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>於年初的現金及現金等價物</b>	<b>18,967</b>	<b>19,348</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash</b>	<b>於年終的現金及現金等價物(即銀行結餘及現金)</b>	<b>16,339</b>	<b>18,967</b>

### 1. GENERAL

The Company was incorporated in the Cayman Islands with limited liability and its shares are listed on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate holding company is Etin Tech Limited, a company incorporated in the British Virgin Islands (“BVI”).

The Company is an investment holding company. The principal activities of its subsidiaries and an associate are set out in notes 12 and 13, respectively.

### 2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (hereinafter collectively referred to as “new HKFRSs”) which are effective for accounting periods beginning on or after 1 January 2005 except for HKFRS 3 which is effective for business combinations for which the agreement date is on or after 1 January 2005. The Group has not early adopted the other new HKFRSs in the financial statements for the year ended 30 June 2005.

The Group has considered these new HKFRSs but does not expect the issuance of these new HKFRSs would have a material effect on how the results of operations and financial position of the Group are prepared and presented.

### 1. 一般事項

本公司在開曼群島註冊成立為有限公司，而其股份於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市，其最終控股公司為Etin Tech Limited，一家於英屬處女群島（「英屬處女群島」）註冊成立之公司。

本公司為一家投資控股公司，其附屬公司及聯營公司之主要業務分別載於附註12及13。

### 2. 最近頒佈之會計準則之潛在影響

於二零零四年，香港會計師公會（「香港會計師公會」）頒佈若干新增及經修訂香港會計準則及香港財務報告準則（此後統稱「新香港財務報告準則」），該等準則於二零零五年一月一日或之後開始之會計期間生效，惟香港財務報告準則第三號之業務合併（有關之協議日期於二零零五年一月一日或以後生效）除外。本集團並無於截至二零零五年六月三十日止年度之財務報表內提前採納其他新香港財務報告準則。

本集團已考慮該等新香港財務報告準則，惟預期頒佈該等新香港財務報告準則不會對如何編製及呈列本集團之經營業績及財務狀況產生重大影響。

### 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for revaluation of investments in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

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

#### Revenue recognition

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

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

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

#### Property, plant and equipment

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

Depreciation is provided to write off the cost of property, plant and equipment, over their estimated useful lives and after taking into account their estimated residual value, if any, using the straight-line method, at the following rates per annum:

Leasehold improvements	33 $\frac{1}{3}$ %
Furniture and fixtures	20%
Office equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicle	33 $\frac{1}{3}$ %

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

### 3. 主要會計政策

財務報表乃按歷史成本法而編製，並就證券投資之重估而作出修訂。

財務報表乃根據香港普遍採用之會計準則而編製。已採納之主要會計政策如下：

#### 編製綜合賬目之基準

綜合財務報表包括本公司及其附屬公司截至每年六月三十日之財務報表。

於本年度內(或由收購生效日期或截至出售生效日期起計(如適用))收購或出售附屬公司之業績已計入綜合收益表內。

#### 收益確認

銷售貨品在交付貨品及移交所有擁有權時確認入賬。

利息收入以時間基準，按尚餘本金及適用利率計算確認入賬。

投資之股息收入在本集團獲授權收取款項時確認入賬。

#### 物業、廠房及設備

物業、廠房及設備是按成本減折舊及任何累計減值虧損(如有)確認入賬。

物業、廠房及設備折舊的計算方法是以直線法按其估計可使用年期及經考慮其估計剩餘價值來撇銷其成本，年率如下：

租賃物業裝修	33 $\frac{1}{3}$ %
傢俬及裝置	20%
辦公室設備	20% – 33 $\frac{1}{3}$ %
汽車	33 $\frac{1}{3}$ %

因出售或報廢資產而產生之收益或虧損是按資產之銷售所得款項與賬面值之差額計算，並記入收益表內。

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

#### Impairment

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

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

#### Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost, less any identified impairment losses.

#### Interest in an associate

The consolidated income statement includes the Group's share of the post-acquisition results of its associate for the year. In the consolidated balance sheet, interest in associate is stated at the Group's share of the net assets of the associate less any identified impairment losses.

### 3. 主要會計政策 – 續

#### 研究及發展成本

研究活動之支出在其產生之期間內確認為費用入帳。

因發展支出而出現由內部產生之無形資產僅會在預期已清楚界定項目所產生之發展成本將可透過日後之商業活動所彌補時確認。所產生之資產按直線之基準以其可使用年期攤銷。

倘並無由內部產生之無形資產可予以確認，則發展支出將在其產生之期間內確認為費用入帳。

#### 減值

本集團於各結算日均對其有形資產及無形資產之賬面值作出評估，以釐定有否任何跡象顯示該等資產出現減值虧損。倘若估計資產之可收回金額低於其賬面值，則資產之賬面值將調低至其可收回金額之價值。減值虧損乃即時列為一項支出。

倘若減值虧損於其後撥回，資產之賬面值將調升至重估後之可收回金額，而增加後之賬面值不得超過倘若該資產在過往年度並無確認減值虧損時原應確認之賬面值。減值虧損之撥回乃即時列為一項收入。

#### 於附屬公司之投資

於附屬公司之投資已按成本，減任何已識別之減值虧損列入本公司之資產負債表內。

#### 於聯營公司之權益

綜合收益表包括截至本年度本集團應佔其聯營公司收購後之業績。於綜合資產負債表內，於聯營公司之權益是按本集團應佔聯營公司之資產淨值減任何已識別之減值虧損列賬。



### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Investments in securities

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

At subsequent reporting date, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity debt securities) are measured at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of a held-to-maturity security is aggregated with other investment income receivable over the term of the instrument so that the revenue recognised in each period represents a constant yield on the investment.

All securities other than held-to-maturity debt securities are measured at subsequent reporting dates at fair value.

Where securities are held for trading purposes, unrealised gains and losses are included in net profit or loss for the period. For other securities, unrealised gains and losses are dealt with in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the year.

#### Inventories

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

#### Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

### 3. 主要會計政策－續

#### 於證券之投資

於證券之投資是按交易日期之基準首先以成本列賬。

於其後之報告日期，本集團表示有意及有能力持有至到期之債務證券(持有至到期之債務證券)是以攤銷成本減任何已確認減值虧損計算以反映無法收回之金額。收購持有至到期之債務證券而產生之任何折讓或溢價之年度攤銷乃連同其他應收投資收入按債務證券年期計算，致使各期間之已確認收益達致固定投資利潤。

除持有至到期之債務證券外，所有證券在其後之報告日期按公平值計算。

倘持有證券作買賣而言，未確認收益及虧損將列入該期間之溢利或虧損淨額。就其他證券而言，未確認收益及虧損均須記入儲備，直至該證券出售或視為減值，屆時先前在儲備中確認之累計收益或虧損則列入其年度之溢利或虧損淨額內。

#### 存貨

存貨是按成本與可變現淨值兩者中的較低者列賬。成本是按先進先出法計算。

#### 外幣換算

以外幣進行的交易初步是按交易日的適用匯率記錄。以外幣計算的貨幣資產及負債均按結算日的適用匯率重新兌換。因換算而產生之溢利及虧損將列入收益表內。

於綜合賬目時，本集團海外業務之資產及負債乃以結算日之適用匯率兌換。收入及支出項目則以該年度之平均匯率兌換。若產生兌換差距(如有)，則分類為權益，並轉入本集團之匯兌儲備。該等兌換差距於出售業務之期間內確認為收入或支出。

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Taxation

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

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

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

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

### 3. 主要會計政策 – 續

#### 稅項

所得稅開支乃指現時應付稅項及遞延稅項。

現時應付稅項按本年度應課稅溢利基準計算。應課稅溢利有別於收益表中所呈報之溢利淨額，因其不包括其他年度之應課稅或可扣減之收入或開支項目，亦不包括從未課稅或扣減之項目。

遞延稅項乃根據財務報表中資產及負債之賬面值與用於計算應課稅溢利之有關稅率基準之預期應付或可收回稅項之差額，並採用資產負債表負債法列賬。遞延稅項負債通常就所有應課稅暫時差額作出確認，而遞延稅項資產僅會於預期應課稅溢利可供用作抵銷可予動用之可扣減暫時差額時確認。倘暫時差額乃源自商譽(或負商譽)或來自初次確認(而非業務合併)交易中不涉及應課稅溢利及會計溢利之其他資產及負債，該等資產及負債則不予以確認。

遞延稅項負債乃就來自於附屬公司之投資之應課稅暫時差額而確認，惟本集團可控制暫時差額之回撥及預期暫時差額將不會於可見將來回撥則除外。

遞延稅項資產之賬面值會於各結算日審閱及調低至預期將不再有充足之應課稅溢利以收回所有或部份資產。

遞延稅項乃按預期適用於結算負債或可變現資產期間之稅率計算。遞延稅項於收益表中扣除或計入，惟倘其涉及直接自股本扣除或計入股本之項目，遞延稅項會於股本中處理。

### 3. SIGNIFICANT ACCOUNTING POLICIES – continued

#### Operating leases

Rentals paid and payable under operating leases are charged to the income statement on a straight-line basis over such term of the relevant lease.

#### Retirement benefits costs

Payments to the Group's defined contribution retirement schemes, state-managed benefit schemes and other retirement benefit schemes are charged as expense as they fall due.

### 4. SEGMENT INFORMATION

#### Turnover

Turnover represents the amounts received and receivable for goods sold, less returns and allowances, to outside customers during the year.

In accordance with the Group's internal financial reporting, the Group has determined that geographical segment by location of customers is its primary reporting format.

### 3. 主要會計政策－續

#### 經營租約

已付及應付之經營租約租金支出是以直線之基準按有關租約之年期列入收益表內。

#### 退休福利成本

本集團對到期之定額供款退休計劃、國家管理福利計劃及其他退休福利計劃之供款視作一項支出。

### 4. 分類資料

#### 營業額

營業額指本年度內已售出貨品之已收及應收回款額減給予外來客戶之退款及津貼之款項。

根據本集團之內部財務呈報方式，本集團決定以客戶之所在地區分類作為其主要呈報方式。

4. SEGMENT INFORMATION – continued

Geographical segment

The Group reports its primary segment information by geographical location of its customers who are principally located in Hong Kong, Singapore, other Asian countries, Middle East and Europe. Segment information about these geographical markets is presented below:

2005

二零零五年

		Hong Kong	Singapore	Other Asian countries 其他 亞洲國家	Middle East 中東	Europe 歐洲	Others 其他	Eliminations 對銷	Consolidated 綜合
		香港 HK\$'000 千港元	新加坡 HK\$'000 千港元	亞洲國家 其他 HK\$'000 千港元	中東 HK\$'000 千港元	歐洲 HK\$'000 千港元	其他 HK\$'000 千港元	對銷 HK\$'000 千港元	綜合 HK\$'000 千港元
TURNOVER	營業額								
External sales	來自外界之銷售	6,878	2,874	4,214	2,028	8,408	3,090	-	27,492
Inter-segment sales	分類間之銷售	-	874	299	-	4,267	-	(5,440)	-
Total turnover	總營業額	6,878	3,748	4,513	2,028	12,675	3,090	(5,440)	27,492
SEGMENT RESULT	分類業績	2,926	67	541	785	594	726	(266)	5,373
Unallocated corporate income	未劃分的公司收入								494
Unallocated corporate expenses	未劃分的公司費用								
- Administrative and other expenses	- 行政及其他費用								(5,153)
- Research and development expenditure	- 研究及發展支出								(4,214)
Loss before minority interests	扣除少數股東權益前虧損								(3,500)
Minority interests	少數股東權益								216
Loss attributable to shareholders	股東應佔虧損								(3,284)

Inter-segment sales are charged at cost plus a percentage mark-up.

4. 分類資料 – 續

地區分類

本集團以其客戶(其客戶主要位於香港、新加坡、其他亞洲國家、中東及歐洲)之所在地區呈報其主要業務資料。以下為按上述地區劃分之市場之分類資料：

分類間之銷售是按成本加某一百分比溢價計算。

4. SEGMENT INFORMATION – continued

Geographical segments – continued

2005 – continued

The following is an analysis of the carrying amount of segment assets and segment liabilities, analysed by the geographical location of its customers:

		Hong Kong	Singapore	Other Asian countries	Middle East	Europe	Others	Consolidated
		香港	新加坡	其他亞洲國家	中東	歐洲	其他	綜合
		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
ASSETS	資產							
Segment assets	分類資產	583	639	763	18	988	39	3,030
Unallocated corporate assets	未劃分的公司資產							30,261
Consolidated total assets	綜合總資產							33,291
LIABILITIES	負債							
Segment liabilities	分類負債	545	512	121	273	506	389	2,346
Unallocated corporate liabilities	未劃分的公司負債							1,902
Consolidated total liabilities	綜合總負債							4,248

		Hong Kong	Singapore	Other Asian countries	Middle East	Europe	Others	Corporate	Consolidated
		香港	新加坡	其他亞洲國家	中東	歐洲	其他	公司	綜合
		HK\$'000	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	千港元
OTHER INFORMATION	其他資料								
Capital additions	資本添置	-	3	3	-	19	-	403	428
Depreciation	折舊	-	9	83	-	30	-	459	581
Development costs capitalised	發展成本資本化	-	-	-	-	-	-	1,097	1,097
Amortisation of capitalised development costs	發展成本資本化之攤銷	-	-	-	-	-	-	1,219	1,219
Impairment loss on capitalised development costs	發展成本資本化之減值虧損	-	-	-	-	-	-	235	235
Allowance for bad and doubtful debts	呆壞賬撥備	172	-	-	-	-	-	-	172
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	3	-	-	-	-	-	-	3

4. SEGMENT INFORMATION – continued

Geographical segments – continued

2004

二零零四年

		Hong Kong	Singapore	Other Asian countries 其他 亞洲國家	Middle East 中東	Europe 歐洲	Others 其他	Eliminations 對銷	Consolidated 綜合
		香港 HK\$'000 千港元	新加坡 HK\$'000 千港元	亞洲國家 其他 亞洲國家 HK\$'000 千港元	中東 HK\$'000 千港元	歐洲 HK\$'000 千港元	其他 HK\$'000 千港元	對銷 HK\$'000 千港元	綜合 HK\$'000 千港元
TURNOVER	營業額								
External sales	來自外界之銷售	8,182	3,765	4,280	1,848	8,524	3,859	-	30,458
Inter-segment sales	分類間之銷售	-	1,245	159	-	859	-	(2,263)	-
Total turnover	總營業額	8,182	5,010	4,439	1,848	9,383	3,859	(2,263)	30,458
SEGMENT RESULT	分類業績	3,909	594	803	864	2,113	1,526	(229)	9,580
Unallocated corporate income	未劃分的公司收入								351
Unallocated corporate expenses	未劃分的公司費用								
- Administrative and other expenses	- 行政及其他費用								(5,336)
- Research and development expenditure	- 研究及發展支出								(5,502)
Loss from operations	經營虧損								(907)
Loss on partial disposal of a subsidiary	出售附屬公司股份權益之虧損								(4)
Loss before taxation	除稅前虧損								(911)
Taxation	稅項								21
Loss before minority interests	扣除少數股東權益前虧損								(890)
Minority interests	少數股東權益								(56)
Loss attributable to shareholders	股東應佔虧損								(946)

Inter-segment sales are charged at cost plus a percentage mark-up.

分類間之銷售是按成本加某一百分比溢價計算。

4. SEGMENT INFORMATION – continued

Geographical segments – continued

2004 – continued

The following is an analysis of the carrying amount of segment assets and segment liabilities, analysed by the geographical location of its customers:

		Hong Kong	Singapore	Other Asian countries 其他 亞洲國家	Middle East 中東	Europe 歐洲	Others 其他	Consolidated 綜合
		香港 HK\$'000 千港元	新加坡 HK\$'000 千港元	亞洲國家 HK\$'000 千港元	中東 HK\$'000 千港元	歐洲 HK\$'000 千港元	其他 HK\$'000 千港元	綜合 HK\$'000 千港元
ASSETS	資產							
Segment assets	分類資產	384	337	1,981	19	1,030	32	3,783
Unallocated corporate assets	未劃分的公司資產							31,910
Consolidated total assets	綜合總資產							35,693
LIABILITIES	負債							
Segment liabilities	分類負債	988	323	65	49	280	147	1,852
Unallocated corporate liabilities	未劃分的公司負債							2,050
Consolidated total liabilities	綜合總負債							3,902

		Hong Kong	Singapore	Other Asian countries 其他 亞洲國家	Middle East 中東	Europe 歐洲	Others 其他	Corporate 公司	Consolidated 綜合
		香港 HK\$'000 千港元	新加坡 HK\$'000 千港元	亞洲國家 HK\$'000 千港元	中東 HK\$'000 千港元	歐洲 HK\$'000 千港元	其他 HK\$'000 千港元	公司 HK\$'000 千港元	綜合 HK\$'000 千港元
OTHER INFORMATION	其他資料								
Capital additions	資本添置	-	-	86	-	26	-	884	996
Depreciation	折舊	-	19	73	-	31	-	474	597
Development costs capitalised	發展成本資本化	-	-	-	-	-	-	589	589
Amortisation of capitalised development costs	發展成本資本化 之攤銷	-	-	-	-	-	-	1,606	1,606
Allowance for bad and doubtful debts	呆壞賬撥備	66	-	-	-	-	-	-	66
Allowance for loan to an associate	給予聯營公司 貸款之撥備	-	-	91	-	-	-	-	91
Allowance for inventories	存貨撥備	-	-	-	-	-	-	188	188
Loss on disposal of property, plant and equipment and partial disposal of a subsidiary	出售物業、廠房 及設備及出售 附屬公司部份 權益之虧損	-	-	3	-	8	-	50	61

4. SEGMENT INFORMATION – continued

Geographical segments – continued

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and capitalised development costs analysed by the geographical area in which the assets are located.

4. 分類資料 – 續

地區分類 – 續

以下為按資產所在地區劃分之分類資產與物業、廠房及設備之添置及資本化發展成本之賬面值之分析。

		Carrying amounts of segment assets 分類資產之賬面值		Additions to property, plant and equipment and capitalised development costs 物業、廠房及設備 與發展成本資本化之添置	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Hong Kong	香港	29,707	32,741	1,500	1,473
Singapore	新加坡	1,100	1,017	-	-
Other Asian countries	其他亞洲國家	969	984	6	86
Europe	歐洲	1,515	951	19	26
		33,291	35,693	1,525	1,585

Business segments

The Group is solely engaged in research and development and sales and marketing of audio and video monitoring systems. Accordingly, all of the Group's turnover, contribution to loss from operations and assets were attributable to this business segment.

業務分類

本集團只從事視聽監察系統之研究及開發，銷售及市場推廣。據此，本集團之所有營業額、經營虧損貢獻及資產已納入本業務分類。



5. OTHER OPERATING INCOME

5. 其他經營收入

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Other operating income is analysed as follows:	其他經營收入之分析如下：		
Interest income from	源自以下項目之利息收入		
– bank deposits	– 銀行存款	338	172
– investments in securities, net of amortisation of premium on acquisition of HK\$1,000 for 2004	– 證券之投資，扣減 二零零四年收購溢價之 攤銷約1,000港元	–	21
– loan to an associate	– 給予聯營公司之貸款	4	3
Dividends from investments in securities	於證券投資之股息	126	139
Others	其他	26	16
		494	351

6. LOSS FROM OPERATIONS

6. 經營虧損

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss from operations has been arrived at after charging (crediting):	經營虧損 已扣除(計入)：		
Staff costs including directors' emoluments	員工成本(包括董事酬金)	11,821	12,364
Retirement benefits scheme contributions	退休福利計劃供款	584	555
Total staff costs	員工成本總額	12,405	12,919
Less: Amount capitalised as development costs	減：資本化並列作發展成本 之款項	(1,097)	(589)
		11,308	12,330
Allowance for bad and doubtful debts	呆壞賬撥備	172	66
Allowance for loan to an associate	給予聯營公司貸款之撥備	–	91
Amortisation of capitalised development costs included in research and development expenditure	發展成本資本化之攤銷 (已列入研究及發展支出)	1,219	1,606
Auditors' remuneration	核數師酬金	286	249
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	581	597
Impairment loss on capitalised development costs	發展成本資本化之減值虧損	235	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	3	57
(Recovery of) allowance for inventories	存貨(回收)撥備	(47)	188

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

7. 董事及僱員酬金

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Directors' fees:	董事袍金：		
Executive	執行董事	-	-
Non-executive	非執行董事	-	-
Independent non-executive	獨立非執行董事	154	160
		154	160
Other emoluments for executive and non-executive directors:	執行及非執行董事的其他酬金：		
Salaries and other benefits	薪金及其他福利	3,360	3,527
Retirement benefits scheme contributions	退休福利計劃供款	35	36
		3,395	3,563
		3,549	3,723

The four (2004: four) executive and non-executive directors Dr. Chan Chok Ki, Dr. Ma Chi Kit, Mr. Ho Ka Ho and Dr. Chan Cheung Fat received no fees (2004: Nil) but emoluments of approximately HK\$1,848,000, HK\$732,000, HK\$628,000 and HK\$187,000, respectively, (2004: HK\$2,016,000, HK\$732,000, HK\$628,000 and HK\$187,000) for the year ended 30 June 2005. Other than a director fee of approximately HK\$65,000, HK\$48,000 and HK\$41,000 received by Professor Siu Wan Chi, Mr. Yeung Kwok Ki and Professor Ching Pak Chung, respectively, (2004: HK\$80,000 and HK\$80,000 received by Professor Siu Wan Chi and Dr. Liao York, respectively) for the year ended 30 June 2005, the three (2004: two) independent non-executive directors is not entitled to any other emoluments from the Group.

本公司四名(二零零四年：四名)執行及非執行董事陳作基博士、馬志傑博士、何家豪先生及陳祥發博士在截至二零零五年六月三十日止年度內並無收取袍金(二零零四年：無)，但各自收取之酬金分別約為1,848,000港元、732,000港元、628,000港元及187,000港元(二零零四年：2,016,000港元、732,000港元、628,000港元及187,000港元)。除於截至二零零五年六月三十日止年度蕭允治教授、楊國琦先生及程伯中教授分別收取董事袍金約65,000港元、48,000港元及41,000港元(二零零四年：蕭允治教授及廖約克博士分別收取：80,000港元及80,000港元)外，三名(二零零四年：兩名)獨立非執行董事各自均不能獲取本集團之任何其他酬金。

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS  
– continued

The five highest paid individuals included three (2004: three) directors of the Company, details of whose emoluments are set out above. The emoluments of the remaining two (2004: two) individuals, which fall within the band of nil to HK\$1,000,000 for each of the two years ended 30 June 2005 and 2004, are as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,171	1,095
Retirement benefits scheme contributions	退休福利計劃供款	132	90
		1,303	1,185

During each of the two years ended 30 June 2005 and 2004, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, no director waived any emoluments during the years ended 30 June 2005 and 2004.

8. TAXATION

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Overprovision of taxation outside Hong Kong in prior year	香港以外之稅項過往年度超額撥備	-	(21)

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group incurred tax losses for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

7. 董事及僱員酬金－續

在五位酬金最高的人士中，包括本公司之三位(二零零四年：三位)董事，已在上文載有有關的酬金詳情。其餘兩位(二零零四年：兩位)人士於截至二零零五年及二零零四年六月三十日止兩個年度各自的酬金介乎零至1,000,000港元，詳情如下：

截至二零零五年及二零零四年六月三十日止兩個年度之各個年度內，本集團並無向五位酬金最高的人士(包括董事)支付任何款項作為吸引此等人士加入本集團之獎勵或在加入本集團之時收取獎勵或離職補償。此外，截至二零零五年及二零零四年六月三十日止年度內並無任何董事放棄任何酬金。

8. 稅項

由於本集團在截至兩個年度內均出現稅項虧損，故並無在財務報表中撥備香港利得稅。

於其他司法權區產生之稅項乃按有關司法權區之適用稅率計算。

8. TAXATION – continued

The taxation for the year can be reconciled to the loss before taxation in the consolidated income statement as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(3,500)	(911)
Tax at the domestic income tax rate of 17.5%	按本地所得稅稅率17.5% 計算稅項	(612)	(159)
Tax effect of expenses that are not deductible for tax purposes	不可扣稅開支 之稅務影響	29	82
Tax effect of income that is not taxable for tax purposes	毋須課稅收入 之稅務影響	(79)	(59)
Overprovision in respect of prior year	過往年度超額撥備	-	(21)
Utilisation of tax loss not previously recognised	動用過往尚未確認 之稅項虧損	-	(31)
Tax effect of deferred tax assets not recognised	未確認遞延稅項資產 之稅務影響	614	167
Others	其他	48	-
Taxation credit for the year	本年度之稅項抵免	-	(21)

Details of the deferred taxation are set out in note 24.

8. 稅項 – 續

於綜合收益表中本年度之稅項與除稅前虧損之對賬如下：

遞延稅項之詳情載於財務報表附註24。

9. LOSS PER SHARE

The calculation of basic loss per share is based on a loss of approximately HK\$3,284,000 (2004: HK\$946,000), being loss attributable to shareholders, and 180,000,000 (2004: 180,000,000) ordinary shares in issue during the year.

Diluted loss per share for the years ended 30 June 2005 and 2004 does not assume the exercise of share options as the effect result in a decrease in loss per share for both years.

9. 每股虧損

每股基本虧損乃根據虧損(即股東應佔虧損)約3,284,000港元(二零零四年: 946,000港元)及年度內已發行普通股180,000,000股(二零零四年: 180,000,000股)計算。

截至二零零五年及二零零四年六月三十日止年度的每股攤薄虧損並假設不會行使購股權, 是由於此舉將導致上述兩個年度之每股虧損減少。

10. PROPERTY, PLANT AND EQUIPMENT

10. 物業、廠房及設備

		Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及 裝置 HK\$'000 千港元	Office equipment 辦公室 設備 HK\$'000 千港元	Motor vehicle 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
THE GROUP	本集團					
COST	成本					
At 1 July 2004	於二零零四年 七月一日	467	428	2,501	–	3,396
Exchange adjustments	匯兌調整	–	–	(3)	–	(3)
Additions	添置	–	3	182	243	428
Disposals	出售	–	–	(61)	–	(61)
At 30 June 2005	於二零零五年 六月三十日	467	431	2,619	243	3,760
DEPRECIATION	折舊					
At 1 July 2004	於二零零四年 七月一日	145	276	1,739	–	2,160
Exchange adjustments	匯兌調整	–	–	(3)	–	(3)
Provided for the year	本年度計提	157	63	341	20	581
Disposals	出售	–	–	(58)	–	(58)
At 30 June 2005	於二零零五年 六月三十日	302	339	2,019	20	2,680
NET BOOK VALUES	賬面淨值					
At 30 June 2005	於二零零五年 六月三十日	165	92	600	223	1,080
At 30 June 2004	於二零零四年 六月三十日	322	152	762	–	1,236

11. CAPITALISED DEVELOPMENT COSTS

11. 發展成本資本化

		HK\$'000 千港元
THE GROUP COST	本集團 成本	
At 1 July 2004	於二零零四年七月一日	6,118
Additions	添置	1,097
At 30 June 2005	於二零零五年六月三十日	7,215
AMORTISATION AND IMPAIRMENT	攤銷及減值	
At 1 July 2004	於二零零四年七月一日	4,100
Provided for the year	本年度計提	1,219
Impairment loss recognised during the year	於年度內確認減值虧損	235
At 30 June 2005	於二零零五年六月三十日	5,554
CARRYING AMOUNT	賬面淨值	
At 30 June 2005	於二零零五年六月三十日	1,661
At 30 June 2004	於二零零四年六月三十日	2,018

Development costs recognised as an asset are amortised using the straight-line method over three years from the commencement of the commercial phase of the products developed.

The directors reviewed the carrying value of the capitalised development cost at the balance sheet dates with reference to the discounted future cash flows from the product developed and determined certain development costs had impaired at 30 June 2005. Accordingly, the carrying value of the capitalised development cost for the year ended 30 June 2005 was reduced by approximately HK\$235,000.

已確認為資產的發展成本，在已發展產品的商業階段開始後，以直線法攤銷，攤銷期為三年。

董事已參考已開發產品之折現未來現金流量，於結算日審閱資本化發展成本之賬面值，並認為若干已發展成本於二零零五年六月三十日已減值。據此，截至二零零五年六月三十日止年度的資本化發展成本之賬面值已減少約235,000港元。

12. INVESTMENT IN A SUBSIDIARY

12. 於附屬公司之投資

		THE COMPANY 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted investment, at cost	非上市投資，按成本	10	10

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

於二零零五年六月三十日，本公司附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立／註冊 及經營地點	Issued and fully paid up ordinary share capital/ registered capital 已發行及 繳足普通股 股本／註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 由本公司 持有之已發行 股本／註冊資本之 面值百分比		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Signal Communications Holdings Limited	BVI 英屬處女群島	HK\$15,000,000 15,000,000港元	100	–	Investment holding 投資控股
SiCOM China Limited	BVI 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
SiCOM Europe Limited	BVI 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
SiCOM Far East Limited	BVI 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
SiCOM Japan Limited	BVI 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Signal Communications Limited 訊研科技有限公司	Hong Kong 香港	HK\$1,000 1,000港元	–	100	Research and development and sales and marketing of audio and video monitoring systems 視聽監察系統之研究及 發展及銷售及市場推廣

12. INVESTMENT IN A SUBSIDIARY – continued

12. 於附屬公司之投資 – 續

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立／註冊 及經營地點	Issued and fully paid up ordinary share capital/ registered capital 已發行及 繳足普通股 股本／註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 由本公司 持有之已發行 股本／註冊資本之 面值百分比		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
TeleEye Europe Limited	The United Kingdom 英國	GBP100 100英鎊	–	90	Sales and marketing of audio and video monitoring systems 視聽監察系統之銷售 及市場推廣
TeleEye (S) Pte Limited	Republic of Singapore 新加坡	\$S1,000 1,000新加坡元	–	51	Sales and marketing of audio and video monitoring systems 視聽監察系統之 銷售及市場推廣
TeleEye Solutions Limited 千里眼企業系統有限公司	Hong Kong 香港	HK\$10 10港元	–	100	Inactive 暫無營業
千里眼數碼科技(深圳) 有限公司 (Note) (附註)	The People's Republic of China (the "PRC") 中華人民共和國 (「中國」)	US\$130,000 130,000美元	–	100	Production, sales and marketing of audio and video monitoring systems 視聽監察系統之製造及 銷售及市場推廣

Note: The company is registered in the form of a wholly foreign owned enterprise.

附註：該公司以全資擁有外資企業之方式註冊。

None of the subsidiaries had any debt capital outstanding at the end of the year or at any time during the year.

於本年度終結時或本年度之任何時間內概無附屬公司擁有任何尚未償還之借貸資本。



13. INTEREST IN AN ASSOCIATE

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Share of net assets of an associate	應佔聯營公司之資產淨值	-	-

Details of the Group's associate as at 30 June 2005 were as follows:

於二零零五年六月三十日，本集團之聯營公司詳情如下：

Name of associate 聯營公司名稱	Place of incorporation and operation 註冊成立及經營地點	Proportion of nominal value of issued capital held by the Group 由本集團持有之已發行股本面值百分比	Principal activities 主要業務
CAMERIO Japan, Incorporated	Japan 日本	49%	Sales and marketing of audio and video monitoring systems 視聽監察系統之銷售及市場推廣

14. INVESTMENTS IN SECURITIES

14. 證券投資

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Other investments:	其他投資：		
Listed equity securities in Hong Kong	香港之上市股本證券	4,379	3,674
Market value of listed equity securities	上市股本證券之市值	4,379	3,674

15. INVENTORIES

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Raw materials	原料	2,325	3,525
Finished goods	製成品	4,016	3,614
		6,341	7,139

Included in the above are raw materials of nil (2004: HK\$17,000) and finished goods of approximately HK\$105,000 (2004: HK\$241,000) which were carried at net realisable value.

以上之原料零港元(二零零四年: 17,000港元)及製成品約105,000港元(二零零四年: 241,000港元)以可變現資產淨值列賬。

16. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 30 days to its trade customers.

16. 應收賬款及其他應收款

本集團平均給予其貿易客戶三十日之信貸期。

Included in trade and other receivables are trade receivables of approximately HK\$1,887,000 (2004: HK\$1,375,000). The following is an aged analysis of trade receivables at the balance sheet date prepared on the basis of payment due date of sales invoice:

應收賬款及其他應收款包括應收貿易賬款約1,887,000港元(二零零四年: 1,375,000港元)。於結算日按銷售發票到期付款日期之基準計算之應收賬款賬齡分析如下:

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current	即期付款	1,111	1,025
1 to 3 months overdue	逾期1至3個月	555	324
More than 3 months but less than 12 months overdue	逾期超過3個月但 在12個月以內	221	26
		1,887	1,375

17. AMOUNT DUE FROM AN ASSOCIATE

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loan account	貸款賬項	92	92
Trade account	貿易賬項	37	317
		129	409

The loan account is unsecured, bears interest at 1% per annum and is repayable on demand. The trade account is unsecured, non-interest bearing and the Group allows an average credit period of 45 days for sales made to the associate.

The trade account at the balance sheet date are aged within the credit period granted by Group.

18. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of approximately HK\$592,000 (2004: HK\$918,000). The following is an aged analysis of trade payables at the balance sheet date prepared on the basis of payment due date of supplier's invoice:

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current	即期付款	396	754
1 to 3 months overdue	逾期1至3個月	58	146
More than 3 months but less than 12 months overdue	逾期超過3個月但 在12個月以內	138	18
		592	918

19. AMOUNTS DUE TO MINORITY SHAREHOLDERS

THE GROUP

The balances are unsecured, non-interest bearing and are repayable on demand.

17. 應收聯營公司之款項

THE GROUP  
本集團

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
92	92
37	317
129	409

貸款賬項為無抵押，年息為1%及須按要求而償還，而貿易賬項則為無抵押及不附利息，本集團就銷售而給予聯營公司之平均信貸期為45日。

於結算日之貿易賬項賬齡均介乎本集團所授予之信貸期內。

18. 應付賬款及其他應付款

應付賬款及其他應付款包括應付貿易賬款約592,000港元(二零零四年：918,000港元)。於結算日按供應商發票之到期付款日期之基準計算之應付賬款賬齡分析如下：

THE GROUP  
本集團

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
396	754
58	146
138	18
592	918

19. 應付少數股東款項

本集團

該筆結餘為無抵押、不附利息及須按要求而償還。

**20. AMOUNTS DUE FROM SUBSIDIARIES/TO DIRECTORS  
THE GROUP AND THE COMPANY**

The balances are unsecured, non-interest bearing and are repayable on demand. The balance due to directors represents director remuneration payable to the directors.

**20. 應收附屬公司款項／應付董事款項  
本集團及本公司**

該筆結餘為無抵押、不附利息及須按要求而償還。應付董事之餘款乃指應向董事支付之董事酬金。

**21. SHARE CAPITAL**

**21. 股本**

		Number of shares 股份數目	HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised:	法定股本：		
At 1 July 2003, 30 June 2004 and 30 June 2005	於二零零三年七月一日、 二零零四年六月三十日及 二零零五年六月三十日	800,000,000	8,000
Issued and fully paid:	已發行及繳足股本：		
At 1 July 2003, 30 June 2004 and 30 June 2005	於二零零三年七月一日、 二零零四年六月三十日及 二零零五年六月三十日	180,000,000	1,800

**22. SHARE OPTION SCHEMES**

**(i) Pre-IPO Share Option Scheme (the "Pre-IPO Scheme")**

The Pre-IPO Scheme was adopted pursuant to a resolution passed on 12 April 2001 to recognise the contribution of executive directors and employees of the Company and its subsidiaries to the growth of the Group and/or the listing of the Company's shares on the GEM. The options granted under the scheme grant the right to the holder to subscribe for new ordinary shares of the Company at HK\$0.60 per ordinary share and the maximum number of shares in respect of which options might be granted under the scheme was 14,400,000. The number of shares in respect of which options might be granted to any individual was not permitted to exceed 3,600,000.

Options might be granted without any initial payment. Options granted are exercisable to the extent of an aggregate total of 25%, 50%, 75% and 100% at anytime after 6 months, 18 months, 30 months and 42 months, respectively, from the commencement of the trading of the shares of the Company on the GEM, and have a duration of 10 years from their respective vesting dates.

**22. 購股權計劃**

**(i) 招股前購股權計劃（「招股前購股權計劃」）**

本公司根據於二零零一年四月十二日通過之一項決議案採納招股前購股權計劃，藉以對本公司及其附屬公司之執行董事及僱員對本集團之成功及／或本公司股份於創業板上市所作出之貢獻予以肯定。根據計劃購股權授予持有人權利可按每股普通股0.60港元認購本公司之新普通股，而根據計劃可予授出之購股權涉及之最高股份數目為14,400,000股。可授予任何人士之購股權之股份數目不可超過3,600,000股。

購股權在並未支付任何初步款項之情況下仍然可予授出。購股權在本公司股份於創業板開始買賣後，可分別在滿六個月、十八個月、三十個月及四十二個月之後之任何時間內，順次序行使合共佔購股權總額之25%、50%、75%及100%。該等購股權由各自可行使之日期起計十年內有效。

22. SHARE OPTION SCHEMES – continued

(i) Pre-IPO Share Option Scheme (the “Pre-IPO Scheme”) – continued

Upon the listing of the Company’s shares on the GEM on 8 May 2001 no further options could be granted by the Company under the Pre-IPO Scheme. The rights of the holders of the share options granted prior thereto are not affected and such options granted continue to remain valid and exercisable in accordance with the terms of the scheme.

The following table discloses movements in the Company’s share options under the Pre-IPO Scheme during the years ended 30 June 2004 and 2005:

	Date of grant	Exercise price per share 每股購股權行使價 HK\$ 港元	Balance at 1 July 2003 於二零零三年七月一日 尚餘之購股權	Lapsed during the year 於年度內已失效之購股權 (note) (附註)	Balance at 30 June 2004 於二零零四年六月三十日 尚餘之購股權	Lapsed during the year 於年度內已失效之購股權 (note) (附註)	Balance at 30 June 2005 於二零零五年六月三十日 尚餘之購股權
<b>Directors of the Company</b> 本公司之董事							
Dr. Chan Chok Ki 陳作基博士	12 April 2001 二零零一年四月十二日	0.60	1,800,000	-	1,800,000	-	1,800,000
Dr. Ma Chi Kit 馬志傑博士	12 April 2001 二零零一年四月十二日	0.60	1,440,000	-	1,440,000	-	1,440,000
Mr. Ho Ka Ho 何家豪先生	12 April 2001 二零零一年四月十二日	0.60	1,364,000	-	1,364,000	-	1,364,000
			4,604,000	-	4,604,000	-	4,604,000
Employees of the Group 本集團僱員	12 April 2001 二零零一年四月十二日	0.60	7,492,000	(1,220,000)	6,272,000	(2,360,000)	3,912,000
			12,096,000	(1,220,000)	10,876,000	(2,360,000)	8,516,000

22. 購股權計劃 – 續

(i) 招股前購股權計劃 (「招股前購股權計劃」) – 續

自本公司股份於二零零一年五月八日在創業板上市後，根據招股前購股權計劃，本公司將不得再授出購股權，而在此以前獲授購股權之持有人所享有之權益將不會受到影響，根據計劃之條款該等已授出之購股權將仍然有效並可予以行使。

下表披露於截至二零零四年及二零零五年六月三十日止年度內根據招股前購股權計劃本公司之購股權之變動詳情：

## 22. SHARE OPTION SCHEMES – continued

### (i) Pre-IPO Share Option Scheme (the “Pre-IPO Scheme”) – continued

No options had been exercised since the date of grant. At 30 June 2005, the number of shares in respect of which options had been granted under the Pre-IPO Scheme represents 4.7% (2004: 6.0%) of the shares of the Company in issue at that date.

*Note:* These options lapsed upon the resignation of the grantees.

### (ii) Share Option Scheme adopted on 12 April 2001 (the “Option Scheme”)

The Option Scheme was adopted on 12 April 2001 for the primary purpose of providing incentives to directors and eligible employees for a term of ten years. Option may be granted without any initial payment and should be accepted within 21 days from the date of grant. The subscription price, subject to adjustment, is the highest of (i) the nominal value of the shares of the Company; (ii) the closing price of the Company’s shares as stated in the GEM of the Stock Exchange’s daily quotation sheet (“Daily Quotation Sheet”) on the date of grant; and (iii) the average closing price of the Company’s shares as stated in the Daily Quotation Sheet for the five business days immediately preceding the date of grant.

The option holder may subscribe for shares in the Company during such period as may be determined by the directors (which shall be not less than three years and not more than ten years from the date of grant). The maximum number of shares in respect of which options may be granted cannot exceed 10% of the issued share capital of the Company from time to time.

No employee or director shall be granted an option which, if exercised in full, would result in such employee or director becoming entitled to subscribe for more than 25% of the aggregate number of shares for the time being issued and issuable under the Option Scheme.

Pursuant to a resolution passed on 28 October 2003, the Option Scheme was terminated. No options had been granted since the adoption of the Option Scheme.

## 22. 購股權計劃 – 續

### (i) 招股前購股權計劃(「招股前購股權計劃」) – 續

自授出日期起計並無購股權獲行使。於二零零五年六月三十日，根據招股前購股權計劃授出之購股權之股份數目佔該日期本公司已發行股份4.7%(二零零四年：6.0%)。

*附註：*此等購股權在承授人辭任後失效。

### (ii) 於二零零一年四月十二日採納之購股權計劃(「購股權計劃」)

本公司於二零零一年四月十二日採納購股權計劃之主要目的旨在向董事及合資格僱員提供獎勵，有效期為十年。購股權在並未支付任何款項之情況下仍然可予授出，並須於授出日期起計21日內接納。認購價(可予調整)將為(i)本公司股份面值；(ii)本公司股份在授出日期於聯交所創業板之每日報價表(「每日報價表」)之收市報價；及(iii)本公司股份在緊接授出日期前五個交易日於每日報價表之平均收市報價(三者以最高款額者為準)。

購股權持有人可在由董事釐定之該等期間內認購本公司之股份(該等期間為不得少於自授出日期起計三年但不得超過十年)。該等授出之購股權涉及之最高股份數目，任何時候都不得超過本公司已發行股份之10%。

倘僱員或董事全面行使購股權而將致使該等僱員或董事有權認購根據購股權計劃當時已發行及可予發行之股份數目合計超過25%者，則不得向彼等授出購股權。

根據於二零零三年十月二十八日通過之決議案，購股權計劃已終止。自採納購股權計劃以來並無授出購股權。

22. SHARE OPTION SCHEMES – continued

(iii) Share Option Scheme adopted on 28 October 2003 (the “2003 Option Scheme”)

Pursuant to a resolution passed on 28 October 2003, the 2003 Option Scheme was adopted to recognise and motivate the contribution of the employees and to provide incentives and help the Company in retaining its existing employees and recruiting additional employees for a term of ten years. The board of directors of the Company may at its discretion grant options to any employees, including executive and non-executive directors, advisers, consultants, agents, contractors, customers and suppliers of the Group to subscribe for shares in the Company. Option may be granted at a consideration of HK\$1 and should be accepted within 5 business days from the date of grant. The option granted is exercisable upon acceptance and payment of consideration by the grantee.

The maximum number of shares in respect of which options may be granted cannot exceed 10% of the issued share capital of the Company on 28 October 2003. No option shall be granted to a grantee if the total number of shares issued and to be issued upon exercise of options granted and to be granted under the 2003 Option Scheme in any twelve months period up to and including the date of grant to such grantee would exceed 1% of the issued share capital of the Company for the time being in issue.

The subscription price shall not be less than the highest of (i) the closing price of the shares of the Company as stated in the Daily Quotation Sheet on the date of grant, which must be a trading day; (ii) the average closing price of the shares of the Company as stated in the Daily Quotation Sheets for the five trading days immediately preceding the date of grant; or (iii) the nominal value of a share. Without prejudice to the generality of the above, the board of directors of the Company may grant options in respect of which the subscription price is fixed at different price. No option has been granted under the 2003 Option Scheme since adoption and up to 30 June 2004.

22. 購股權計劃 – 續

(iii) 於二零零三年十月二十八日採納之購股權計劃（「二零零三年購股權計劃」）

根據於二零零三年十月二十八日通過之決議案，本公司採納二零零三年購股權計劃，藉以確認及推動僱員對本公司作出貢獻，並向本公司現有僱員給予獎勵，藉以協助挽留他們，以及招聘任期為十年之額外僱員。本公司董事會可酌情向任何僱員授出購股權（包括本集團之執行董事及非執行董事、專家、顧問、代理、承辦商、顧客及供應商）以認購本公司股份。購股權可以代價1港元授出，惟必須於授出日期起計五個營業日內接納。在承接人接納及支付購股權的代價時，購股權方可予以行使。

將授出購股權之最高股份數目，不得超逾本公司於二零零三年十月二十八日之已發行股本之10%。倘在任何十二個月期間直至授出購股權予該承授人日期（包括該日）止，已發行股份及根據二零零三年購股權計劃已授出及將予授出之購股權獲行使時將予發行之股份總數，超逾本公司當時已發行股本之1%，則本公司將不會授出購股權。

認購價不得少於下列三者之較高者：(i) 本公司股份於授出日期（須為交易日）在每日報價表之收市報價；(ii) 本公司股份在緊接授出日期前五個交易日於每日報價表之平均收市報價；或(iii) 股份面值。在不損害上文之一般性原則下，本公司董事會可授出以不同價格釐定認購價之購股權。自採納日期起計直至二零零四年六月三十日，根據二零零三年購股權計劃概無授出購股權。

22. SHARE OPTION SCHEMES – continued

(iii) Share Option Scheme adopted on 28 October 2003 (the “2003 Option Scheme”) – continued

The following table discloses movements in the Company’s share options under the 2003 Option Scheme during the year ended 30 June 2005:

	Date of grant	Exercise price per share 每股 購股權 行使價 HK\$ 港元	Granted during the year 於年度內已 授出之購股權	Lapsed during the year 於年度內已 失效之購股權 (note) (附註)	Balance at 30 June 2005 於二零零五年 六月三十日 尚餘之購股權
<b>Directors of the Company</b> 本公司之董事					
Dr. Chan Chok Ki 陳作基博士	4 August 2004 二零零四年八月四日	0.145	900,000	–	900,000
Dr. Ma Chi Kit 馬志傑博士	4 August 2004 二零零四年八月四日	0.145	720,000	–	720,000
Mr. Ho Ka Ho 何家豪先生	4 August 2004 二零零四年八月四日	0.145	680,000	–	680,000
			2,300,000	–	2,300,000
Employees of the Group 本集團僱員	4 August 2004 二零零四年八月四日	0.145	1,080,000	(380,000)	700,000
			3,380,000	(380,000)	3,000,000

No options had been exercised since the date of grant. The closing price of the Company’s shares immediately before 4 August 2004 (date of grant of the above options) was HK\$0.145. At 30 June 2005, the number of shares in respect of which options had been granted under the 2003 Option Scheme represents 1.7% (2004: 1.3%) of the shares of the Company in issue at that date.

Note: These options lapsed upon the resignation of the grantees.

22. 購股權計劃 – 續

(iii) 於二零零三年十月二十八日採納之購股權計劃（「二零零三年購股權計劃」）– 續  
下表披露截至二零零五年六月三十日止年度內本公司根據二零零三年購股權計劃授出之購股權變動詳情如下：

自授出日期以來概無行使購股權。緊接二零零四年八月四日（上述購股權之授出日期）前本公司股份之收市價為0.145港元。於二零零五年六月三十日，根據二零零三年購股權計劃授出購股權涉及之股份數目佔於該日本公司已發行股份之1.7%（二零零四年：1.3%）。

附註：此等購股權在承授人辭任後失效。



## 22. SHARE OPTION SCHEMES – continued

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recognised in the income statement in respect of the value of options granted in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

## 23. RESERVES

THE COMPANY	本公司	Share premium 股份溢價 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2003	於二零零三年七月一日	21,605	922	22,527
Profit for the year	本年度溢利	-	27	27
At 30 June 2004	於二零零四年六月三十日	21,605	949	22,554
Profit for the year	本年度溢利	-	12	12
At 30 June 2005	於二零零五年六月三十日	21,605	961	22,566

In the opinion of the directors, the Company's reserves available for distribution to its shareholders as at 30 June 2005 comprised share premium and retained profits in aggregate amounting to approximately HK\$22,566,000 (2004: HK\$22,554,000) provided that, after distribution, the Company will be able to pay its debts as they fall due in the ordinary course of business.

## 22. 購股權計劃 – 續

已授出購股權之財務影響並無記錄於本公司或本集團之資產負債表，直至購股權獲行使為止；而於收益表內亦無確認已授出購股權價值之開支。待購股權獲行使後，本公司將按因此而發行之股份之股份面值記錄為額外股本；並將每股行使價超逾股份面值之差額記錄於股份溢價賬內。在購股權行使日期前已失效或註銷之購股權已於尚未行使購股權中刪除。

## 23. 儲備

本公司各董事認為，於二零零五年六月三十日本公司可向其股東派付之儲備（包括股份溢價及保留溢利）合共約為22,566,000港元（二零零四年：22,554,000港元），惟本公司在派付後將須仍有能力償付該等在正常業務過程中到期之債項者，方可派付。

#### 24. DEFERRED TAXATION

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

#### 24. 遞延稅項

下列為在本年度及過往年度，已確認之主要遞延稅項負債（資產）及其變動詳情：

		Accelerated tax depreciation	Capitalised development costs 發展	Tax losses	Total
		加速稅項折舊	成本資本化	稅務虧損	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>THE GROUP</b>	<b>本集團</b>				
At 1 July 2003	於二零零三年七月一日	30	531	(561)	-
Charge (credit) to income statement	於收益表中扣除 (計入)	41	(178)	137	-
At 30 June 2004 and 1 July 2004	於二零零四年六月三十日及 二零零四年七月一日	71	353	(424)	-
(Credit) charge to income statement	於收益表中 (計入) 扣除	(12)	(62)	74	-
At 30 June 2005	於二零零五年六月三十日	59	291	(350)	-

At 30 June 2005, the Group has unused tax losses of approximately HK\$9,746,000 (2004: HK\$6,730,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$1,997,000 (2004: HK\$2,427,000) of such losses. No deferred tax asset has been recognised in relation to the remaining unused tax losses of HK\$7,749,000 (2004: HK\$4,303,000) due to the unpredictability of future profit streams. Included in the unrecognised tax losses are losses of approximately HK\$405,000 (2004: HK\$277,000) that will expire in 2010 through 2011. The remaining tax losses may be carried forward indefinitely.

於二零零五年六月三十日，本集團可供用作抵銷未來溢利之尚未動用稅務虧損約為9,746,000港元（二零零四年：6,730,000港元）。本集團就該等虧損而確認之遞延稅項資產約為1,997,000港元（二零零四年：2,427,000港元）。由於未能預計未來溢利，故並無就餘下之尚未動用稅項虧損約7,749,000港元（二零零四年：4,303,000港元）確認為遞延稅項資產。尚未確認稅項虧損中之虧損約405,000港元（二零零四年：277,000港元）將由二零一零年至二零一一年到期。餘下之稅項虧損可予無限期結承結轉。

At 30 June 2005, the Group has other deductible temporary differences of approximately HK\$101,000 (2004: HK\$36,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

於二零零五年六月三十日，本集團之其他可扣減暫時差額約為101,000港元（二零零四年：36,000港元）。由於預期沒有應課稅溢利可用作抵銷可動用之可扣減暫時差額，故此並無就可扣減暫時差額確認遞延稅項資產。

## 25. RETIREMENT BENEFIT SCHEMES

The subsidiaries in Hong Kong participate in a defined contribution retirement scheme (“MPF Scheme”) registered under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. No forfeited contributions are available to reduce contributions payable in future years.

The employees of the subsidiary in the PRC are members of a state-managed retirement benefit scheme operated by the PRC government. The subsidiary is required to contribute 8% of the basic salary of its employees to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit is to make the specified contribution.

In addition to the participation in the above retirement benefit schemes, the subsidiary in the United Kingdom and the subsidiary in Singapore are required to contribute, respectively, to National Insurance Contributions and Central Provident Fund Scheme for certain of its employees in the United Kingdom and Singapore based on applicable rates in accordance with the relevant government regulations.

The total cost charged to income statement of approximately HK\$584,000 (2004: HK\$555,000) represents contributions payable to these schemes by the Group in respect of current accounting period.

## 25. 退休福利計劃

於香港之附屬公司參與根據強制性公積金計劃條例註冊的定額供款退休計劃（「強積金計劃」），強積金計劃之資產與本集團之資產分開持有，而本集團之資產則存放於由一名獨立信託人管理的基金。根據強積金計劃規則之規定，僱主及其僱員各自須按規則指定之比率供款。就強積金計劃而言本集團只須按個別計劃提供所須供款。本集團並無可用作扣減未來數年應付供款之沒收供款。

本集團於中國之附屬公司之僱員為國家管理退休福利計劃之成員，該計劃由中國政府經營。附屬公司須按照其僱員基本薪金之8%向退休福利計劃作出供款。就此等退休福利而言本集團只須作出指定供款。

除參與上述退休福利計劃外，分別於英國及新加坡之附屬公司須根據英國及新加坡政府之法例，按適當比率為其於上述兩個國家之若干僱員分別向 National Insurance Contributions 及 Central Provident Fund Scheme 供款。

在收益表內扣除之總成本約584,000港元（二零零四年：555,000港元）為本集團於本會計期間向此等計劃作出之供款。

26. OPERATING LEASES

26. 經營租約安排

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Minimum lease payments made under operating leases in respect of premises during the year	於本年度內根據經營租約有關物業須支付之最低租約租金	1,141	1,218

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

於結算日，本集團就有關物業之不可取消經營租約而須在未來支付之最低租約租金之承擔於下列日期到期：

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within one year	一年內	881	882
In the second to fifth year inclusive	第二年至第五年 (首尾兩年包括在內)	1,119	1,914
		2,000	2,796

Operating lease payments represent rentals payable by the Group for office premises. Leases are negotiated and rentals are fixed for an average of three years.

應付之經營租約租金指本集團為辦公室物業支付之租金。租約及固定租金平均三年商定一次。

The Company had no significant lease commitments at the balance sheet date.

本公司於結算日並無重大租約承擔。

27. CONTINGENT LIABILITIES

At 30 June 2005, the Company had an outstanding guarantee issued in favour of a bank of HK\$5,000,000 (2004: HK\$5,000,000) for securing general banking facilities granted to a subsidiary. The subsidiary did not utilise any of these facilities at the balance sheet date.

27. 或然負債

於二零零五年六月三十日，本公司為一附屬公司獲授之一般銀行融資額向一銀行提供5,000,000港元(二零零四年：5,000,000港元)擔保。於結算日，該附屬公司並無動用任何此等銀行融資。

The Group had no significant contingent liabilities at the balance sheet date.

本集團於結算日並無重大或然負債。

28. RELATED PARTY TRANSACTIONS

28. 關連人士交易

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Sales to an associate (note i)	向聯營公司銷售 (附註i)	391	801
Interest income from loan to an associate (note ii)	來自給予聯營公司貸款之 利息收入 (附註ii)	4	3
Service fee payable to City University of Hong Kong ("City University") (note iii)	向香港城市大學(「城大」) 支付 服務費 (附註iii)	27	37

CityU Enterprises Limited, a wholly owned subsidiary of City University, holds a 30% interest in Etin City Limited, a substantial shareholder of the Company.

持有 Etin City Limited (本公司之主要股東之一) 30% 權益之城大企業有限公司為城大之全資附屬公司。

Notes:

- (i) The selling price was determined by the directors with reference to prices for similar transactions with unrelated third parties.
- (ii) Interest was charged at 1% per annum (2004: 1% per annum).
- (iii) The transaction was carried out in accordance with terms determined and agreed by both parties.

附註：

- (i) 董事在參照非關連第三方進行類似交易之價格後始行釐定售價。
- (ii) 利息按年率1%計算(二零零四年：年率1%)。
- (iii) 交易乃按照由相方釐定及同意之條款進行。

## RESULTS

## 業績

		Year ended 30 June 截至六月三十日止年度				
		2001 二零零一年	2002 二零零二年	2003 二零零三年	2004 二零零四年	2005 二零零五年
		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
Turnover	營業額	18,471	17,005	26,447	30,458	27,492
Profit (loss) before taxation	除稅前溢利(虧損)	1,876	(5,064)	(1,272)	(911)	(3,500)
Taxation (charge) credit	稅項(支出)抵免	(298)	589	(30)	21	-
Profit (loss) before minority interests	扣除少數股東權益前溢利(虧損)	1,578	(4,475)	(1,302)	(890)	(3,500)
Minority interests	少數股東權益	-	76	93	(56)	216
Profit (loss) for the year	本年度溢利(虧損)	1,578	(4,399)	(1,209)	(946)	(3,284)

## ASSETS AND LIABILITIES

## 資產及負債

		At 30 June 於六月三十日				
		2001 二零零一年	2002 二零零二年	2003 二零零三年	2004 二零零四年	2005 二零零五年
		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
Total assets	總資產	43,022	37,509	35,210	35,693	33,291
Total liabilities	總負債	(4,348)	(3,841)	(3,204)	(3,902)	(4,248)
Minority interests	少數股東權益	-	66	167	87	296
Shareholders' funds	股東資金	38,674	33,734	32,173	31,878	29,339

## Notes:

## 附註:

- (1) The Company was incorporated in the Cayman Islands on 24 August 2000 and became the holding company of the Group on 11 April 2001 as a result of a group reorganisation (the "Group Reorganisation") in April 2001.
- (2) The results for the year ended 30 June 2001 have been prepared using the merger method of accounting as if the group structure immediately after the Group Reorganisation had been in existence throughout the year concerned.

- (1) 本公司於二零零零年八月二十四日於開曼群島註冊成立，並在二零零一年四月進行集團重組(「集團重組」)後於二零零一年四月十一日成為本集團之控股公司。
- (2) 截至二零零一年六月三十日止年度之業績乃按會計合併方法而編製，猶如緊隨在集團重組後集團結構一直在有關年度出現。

