

TeleEye

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ANNUAL REPORT 年報

SUPER VISION

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)

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

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。

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

CONTENTS 目錄

CORPORATE INFORMATION 公司資料	02
CHAIRMAN'S STATEMENT 主席報告	04
MANAGEMENT'S DISCUSSION AND ANALYSIS 管理層討論及分析	05
PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員簡介	10
CORPORATE GOVERNANCE REPORT 企業管治報告	13
DIRECTORS' REPORT 董事會報告	20
INDEPENDENT AUDITORS' REPORT 獨立核數師報告	27
CONSOLIDATED INCOME STATEMENT 綜合收益表	29
CONSOLIDATED BALANCE SHEET 綜合資產負債表	30
BALANCE SHEET 資產負債表	31
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表	32
CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表	33
NOTES TO THE FINANCIAL STATEMENTS 財務報表附註	34
FINANCIAL SUMMARY 財務概要	88

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I am delighted to report another outstanding year for TeleEye. The Group's turnover increased by 35% to HK\$62.9 million while basic earnings per share grew by 91% to HK\$2.22 cents.

Our unique video compression technology SMAC-M was well received in the video surveillance market. The multi-stream technology enables our RX video servers to have excellent video recording and optimal video transmission through internet and mobile network at the same time. The superior technology is one of the main driving forces for our strong growth.

The Group continued to strengthen our brand position and distribution network globally. Our sales grew substantially in Middle East, Africa and South Asia where the TeleEye brand was gaining market recognition rapidly. We have spent considerable effort in providing technical and sales support to our sales channels.

Looking forward, we are fully aware of the major economic downturn in developed countries and the challenges facing us. In the coming year, we will focus on improving productivity and quality while maintaining considerable R&D effort for new products.

Year 2009 marks the 15th Anniversary for the Group. With our dedicated staff, I am confident that we will continue to grow our business. On behalf of the Board of directors, I would like to express our thanks to all staff and business partners for their dedication and contribution to the Group.

Prof. Chan Chok Ki
Chairman and Chief Executive Officer

Hong Kong, 12 September, 2008

本人欣然呈報，千里眼再次有另一年度出色表現。本集團的營業額增加35%至62,900,000港元，而每股基本盈利更增長91%至2.22港仙。

我們獨一無二的視像壓縮技術SMAC-M在視像監控市場內得到廣泛認同。多重串流技術使我們的RX視像伺服器能同時透過互聯網及流動網絡提供優質視像攝錄及最佳視像傳送。超卓的技術是我們強勁增長的主要動力。

本集團繼續加強其全球品牌定位及分銷網絡。我們在中東、非洲及南亞的銷售額持續增長。在該等地區，「千里眼」品牌迅速獲得市場肯定。我們已經投入大量人力物力，為我們的銷售渠道提供技術及銷售支援。

展望未來，我們完全知曉已發展國家出現嚴重經濟放緩，以及我們所面對的挑戰。在來年，我們將會專注於改善生產力及質量，同時維持相當力度研究和開發新產品。

二零零九年標誌著本集團成立15周年。我們的員工努力不懈，本人深信本集團的業務定會繼續增長。本人謹代表董事會感謝全體員工及業務夥伴的努力和對本集團的貢獻。

陳作基教授
主席及行政總裁

香港，二零零八年九月十二日

FINANCIAL REVIEW

For the year ended 30 June 2008, the Group recorded a turnover of approximately HK\$62,898,000, representing an increase of about 34.9% as compared with a turnover of approximately HK\$46,635,000 of the preceding year. Profit attributable to shareholders for the year ended 30 June 2008 amounted to approximately HK\$3,997,000 (2007: HK\$2,087,000). Basic earnings per share for the year ended 30 June 2008 was HK\$2.22 cents (2007: HK\$1.16 cents).

As a result of the Group's business expansion, overall operating costs had increased by approximately 28.6% to HK\$25,847,000 as compared to HK\$20,101,000 for the year ended 30 June 2007. However, the Group's balance sheet remains strong with substantial liquidity. The growth reflects the Group's effort in the development of advanced video surveillance products and the building up of the TeleEye brand worldwide.

COMMENTS ON SEGMENT INFORMATION

Europe

Europe was the largest market of the Group, whose turnover for the year ended 30 June 2008 amounted to approximately HK\$19,791,000 (2007: HK\$16,662,000) or 31.4% (2007: 35.7%) of the Group's turnover. TeleEye Europe Limited (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 result was approximately HK\$3,137,000 (2007: HK\$3,671,000).

Hong Kong

Turnover for the year ended 30 June 2008 amounted to approximately HK\$7,528,000 (2007: HK\$6,077,000) or 12% (2007: 13%) of the Group's turnover. Segment result was approximately HK\$1,797,000 (2007: HK\$793,000).

Other Asian Countries

Turnover for other Asian countries, excluding Hong Kong & Singapore, for the year ended 30 June 2008 amounted to approximately HK\$9,793,000 (2007: HK\$5,616,000) or 15.6% (2007: 12%) of the Group's turnover. Segment result was approximately HK\$1,742,000 (2007: HK\$573,000).

財務回顧

截至二零零八年六月三十日止年度，本集團錄得總營業額約62,898,000港元，較前一年度之營業額約46,635,000港元增加約34.9%。截至二零零八年六月三十日止年度，股東應佔溢利約3,997,000港元（二零零七年：2,087,000港元）。截至二零零八年六月三十日止年度，每股基本盈利為2.22港仙（二零零七年：1.16港仙）。

由於本集團之業務擴展，整體經營成本已增加約28.6%至25,847,000港元，截至二零零七年六月三十日止年度之整體經營成本則為20,101,000港元。然而，本集團之資產負債組合仍然穩固，擁有大量流動資金。增長反映本集團致力開發先進視像監控產品，並建立「千里眼」之環球品牌。

分類資料評論

歐洲

歐洲為本集團之最大市場，截至二零零八年六月三十日止年度之營業額約19,791,000港元（二零零七年：16,662,000港元），或佔本集團營業額之31.4%（二零零七年：35.7%）。TeleEye Europe Limited（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。分類業績約3,137,000港元（二零零七年：3,671,000港元）。

香港

截至二零零八年六月三十日止年度之營業額約7,528,000港元（二零零七年：6,077,000港元），佔本集團營業額之12%（二零零七年：13%）。分類業績約1,797,000港元（二零零七年：793,000港元）。

其他亞洲國家

截至二零零八年六月三十日止年度，其他亞洲國家（不包括香港及新加坡）之營業額約9,793,000港元（二零零七年：5,616,000港元），佔本集團營業額之15.6%（二零零七年：12%）。分類業績約1,742,000港元（二零零七年：573,000港元）。

Africa

Turnover for Africa for the year ended 30 June 2008 increased by 82% to approximately HK\$9,678,000 (2007: HK\$5,318,000). It accounted for 15.4% (2007: 11.4%) of the Group's turnover. The increase in turnover was due to the increasing marketing efforts applied in the region. Segment result increased to approximately HK\$3,791,000 (2007: HK\$1,670,000).

Singapore

The turnover for Singapore for the year ended 30 June 2008 was approximately HK\$4,729,000 (2007: HK\$5,108,000) or 7.5% (2007: 11%) of the Group's turnover. The segment reported a result of approximately HK\$474,000 (2007: HK\$702,000).

Middle East

Turnover for Middle East for the year ended 30 June 2008 increased significantly to approximately HK\$9,397,000 (2007: HK\$4,976,000) or 14.9% (2007: 10.7%) of the Group's turnover. The segment reported a result of approximately HK\$3,375,000 (2007: HK\$1,600,000).

Others

Other geographical segments included the Americas and Australia. Turnover for the year ended 30 June 2008 dropped to approximately HK\$1,982,000 (2007: HK\$2,878,000) or 3.2% (2007: 6.2%) of the Group's total turnover. The segment reported a result of approximately HK\$454,000 (2007: HK\$1,012,000).

BUSINESS REVIEW

The Group is principally engaged in research and development and sales and marketing of video surveillance systems. For the financial year ended 30 June 2008, the Group succeeded in achieving growth and profitability in the highly competitive CCTV market. This reflected management's effort of providing a wide range of high-tech products and customer services to the market, and the optimisation of the Group's operational efficiency in a competitive environment. During the year, the Group continued to conduct seminars and exhibitions in various countries with a view to enhance TeleEye brand image worldwide.

非洲

截至二零零八年六月三十日止年度，源自非洲之營業額增加82%至約9,678,000港元(二零零七年：5,318,000港元)，佔本集團營業額之15.4%(二零零七年：11.4%)。營業額增加乃由於本集團在這地區積極進行市場推廣工作。分類業績增加至約3,791,000港元(二零零七年：1,670,000港元)。

新加坡

截至二零零八年六月三十日止年度，新加坡的營業額約4,729,000港元(二零零七年：5,108,000港元)，佔本集團營業額之7.5%(二零零七年：11%)。分類業績約474,000港元(二零零七年：702,000港元)。

中東

截至二零零八年六月三十日止年度，中東的營業額大幅增加至約9,397,000港元(二零零七年：4,976,000港元)，佔本集團營業額之14.9%(二零零七年：10.7%)。分類業績約3,375,000港元(二零零七年：1,600,000港元)。

其他

其他地區分類包括美洲及澳洲。截至二零零八年六月三十日止年度之營業額下跌至約1,982,000港元(二零零七年：2,878,000港元)，佔本集團總營業額之3.2%(二零零七年：6.2%)。分類業績約454,000港元(二零零七年：1,012,000港元)。

業務回顧

本集團主要從事視像監控系統之研究與開發以及銷售與市場推廣。截至二零零八年六月三十日止財政年度，本集團成功地在競爭激烈的閉路電視市場達致增長及錄得盈利，反映管理層致力向市場提供大量不同種類的高科技產品及客戶服務，並在競爭激烈的環境內優化本集團的經營效益。於本年度內，本集團繼續在多個國家舉行研討會及展覽會，藉以在全球提升TeleEye之品牌形象。

Product Development

During the year, the Group has launched a range of NX series network video cameras and video servers. It consists of:

- NX301 single channel network video server
- NX288 IR vandal resistance network dome
- NX173 outdoor vandal resistant network dome

Powered by SMAC-M multi-stream video compression technology, *TeleEye* NX provides optimal remote surveillance through Internet, PSTN and mobile communications. The new NX series makes IP & mobile surveillance a reality. By connecting *TeleEye* NX301 to a mobile data modem, user can get live video via HSDPA, UMTS, EDGE or GPRS from anywhere.

The Group also launched several high end video cameras such as Weather Proof Day/Night IR camera, *TeleEye* SF399, and IR Vandal Resistant Dome Camera, *TeleEye* DF288. The features of new products include "DAY/NIGHT" integrated camera, built-in Aspherical Varifocal IR lens, auto-switching IR-cut filter, wider range of IR LEDs and higher ultra horizontal resolution.

Earlier in the year, the Group also introduced a range of entry level products *TeleEye* RN680 Series Digital Video Recorders. *TeleEye* RN680 provides powerful video surveillance with simple installation and configuration. Its built-in CD writer and USB interface facilitate fast and easy video footage extraction onto a CD-ROM or USB flash drive for evidential purpose.

The Award

In Oct 2007, *TeleEye* RX504 Mobile Video Recording Server has won the Gold Award (Security Category) in the Hong Kong Electronic Industries Association (HKEIA) Award for Outstanding Innovation and Technology Products during the Hong Kong Electronic Fair 2007, the largest electronic exhibitions in Asia and the second largest in the world. The Group has been selected in the last consecutive 5 years as the Gold Award winner by HKEIA.

產品開發

於本年度內，本集團已經推出NX系列網絡攝像機及視像伺服器，包括：

- NX301單路視頻輸入網絡視像伺服器
- NX288紅外線防暴半球網絡攝像機
- NX173室外防暴半球網絡攝像機

TeleEye NX系列採用SMAC-M多重串流視像壓縮技術，透過互聯網、PSTN及流動通訊方式提供最佳的遙距監控。新的NX系列能隨時隨地進行IP及流動視像監控。將*TeleEye* NX301連接到流動數據調頻調解器，使用者可以在任何地方通過HSDPA、UMTS、EDGE或GPRS接收即時視像。

本集團更推出幾種高級視像攝像機，如防水型日／夜兩用紅外線攝像機*TeleEye* SF399及室外紅外線半球攝像機*TeleEye* DF288。新產品的功能包括「日／夜」兩用攝像機、內置Aspherical多焦距紅外線鏡頭、自動開關紅外線濾片、更多紅外線發光二極管，以及更高的超水平解像。

在本年度較早時間，本集團亦推出一系列入門級別產品*TeleEye* RN680系列數碼錄影機。*TeleEye* RN680提供強而有力的視頻監控，且安裝及配置簡單，其內置光碟燒錄器及USB界面，可以簡易地作快速視像片段提取，儲存在唯讀光碟或USB儲存媒體內，作為提證用途。

獎項

於二零零七年十月，*TeleEye* RX504流動視像錄影伺服器於二零零七年香港電子展覽會（為全亞洲最大、亦是全世界第二大的電子產品展覽會）上，榮獲香港電子業商會創新科技產品（保安類別）金獎。本集團在過去連續五年獲選為香港電子業商會金獎得主。

In January 2008, the Group also won the 2007 Hong Kong Top Brand Award from the Hong Kong Brand Development Council and the Chinese Manufacturer's Association. The Award aims to give recognition to outstanding brand names established by Hong Kong companies. This latest honour comes after the Gold Award (Security Category) by *TeleEye* Mobile Surveillance System in the HKEIA Award for Outstanding Innovation and Technology Products 2007. The recognition reaffirms that *TeleEye* is not only the outstanding brand in the world's market, but also the most popular CCTV surveillance system, which has received widespread acceptance in Hong Kong. This award encourages us to step up our efforts even further.

BUSINESS OUTLOOK

The global economic slow down may affect the Group's business worldwide in the coming year. The Group will however maintain its effort in developing innovative and quality products and expanding its markets. The management continues to take a conservative approach as cost control and steadily improving operation efficiency. With its strong financial position, the Group will be able to withstand the impact of the economic slowdown.

DIVIDENDS

The Board does not recommend the payment of dividend for the year ended 30 June 2008 (2007: Nil).

EMPLOYEES

As at 30 June 2008, the Group employed 39 (2007: 36) full time employees in Hong Kong and 19 (2007: 16) full time employees in the PRC and overseas offices. The Group's staff costs, including Directors' emoluments, employees' salaries and retirement benefits scheme contribution amounted to approximately HK\$15,666,000 (2007: HK\$13,194,000).

Employees are remunerated 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.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2008, non-interest bearing loans were outstanding to minority shareholders. The loans were to finance the operation of some of the Group's subsidiaries and were repayable on demand.

於二零零八年一月，本集團亦榮獲香港品牌發展局和香港中華廠商聯合會所頒發之2007年「香港名牌」榮譽。獎項旨在嘉許香港公司所建立之傑出品牌。此乃*TeleEye*流動監察系統榮獲二零零七年香港電子業商會創新科技產品（保安類別）金獎後最新獲得的榮譽。該獎項再次確認，「千里眼」不單只是全球市場上卓越的品牌，而閉路電視監察系統也是最受歡迎的，在香港廣獲接納。該獎項鼓勵本集團加倍努力。

業務展望

在未來一年，全球經濟放緩可能會影響到本集團的環球業務。然而，本集團將會繼續致力開發創新及優質的產品，並擴充市場。管理層繼續對控制成本採取保守態度，並穩步改善經營效率。本集團憑著其穩健的財務狀況，定能應付經濟放緩的影響。

股息

董事會不擬派付截至二零零八年六月三十日止年度之股息（二零零七年：無）。

僱員

於二零零八年六月三十日，本集團在香港聘用39名（二零零七年：36名）全職僱員，駐中國及海外辦事處之全職僱員則為19名（二零零七年：16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15,666,000港元（二零零七年：13,194,000港元）。

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。

流動現金、財政資源及資本負債率

於二零零八年六月三十日，本集團尚未償還由少數股東提供之不附利息貸款。該貸款主要用作本集團一些附屬公司之經營資金，乃按要求而償還。

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 utilized as at 30 June 2008 (30 June 2007: 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 2008 was approximately 3% (30 June 2007: 1%).

The Group had bank balances, deposits and cash of approximately HK\$17,962,000 as at 30 June 2008 (30 June 2007: HK\$11,726,000).

SIGNIFICANT INVESTMENT

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

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

In December 2007, the Group had disposed of an associate engaged in sales and marketing of audio and video monitoring systems in Japan for a cash consideration of JPY294 equivalent to approximately HK\$21. Save as aforesaid, the Group did not make any material acquisitions and disposals of subsidiaries and affiliated companies in this year.

CHARGE ON ASSETS

As at 30 June 2008, the Group did not have any charge on its assets (30 June 2007: Nil).

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Up to the current moment, the Group does not have any plan for material investments or capital assets.

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 2007: Nil).

CONTINGENT LIABILITIES

As at 30 June 2008, the Group did not have any contingent liabilities (30 June 2007: Nil).

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。本集團持有恆生銀行可動用銀行融資額5,000,000港元，惟於二零零八年六月三十日，所有款額均尚未動用(二零零七年六月三十日：無)。據此，本集團於二零零八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3%(二零零七年六月三十日：1%)。

於二零零八年六月三十日，本集團之銀行結餘、存款及現金約17,962,000港元(二零零七年六月三十日：11,726,000港元)。

重大投資

於本年度內，本集團並無進行任何新的重大投資。

重大收購及出售附屬公司及聯屬公司

於二零零七年十二月，本集團出售在日本從事視聽監察系統之銷售及市場推廣業務的聯營公司，有關現金代價為294日圓，相當於大約21港元。除上文所述者外，於本年度內，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

於二零零八年六月三十日，本集團之資產並無作任何抵押(二零零七年六月三十日：無)。

重大投資或資本資產之未來計劃

截至目前為止，本集團並無任何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，由於港元與美元掛鉤，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金融工具作對沖之用(二零零七年六月三十日：無)。

或然負債

於二零零八年六月三十日，本集團並無任何或然負債(二零零七年六月三十日：無)。

EXECUTIVE DIRECTORS

Professor Cliff C K CHAN, aged 53, is the founder and Chief Executive Officer of TeleEye Holdings Limited and an adjunct professor of The City University of Hong Kong (“City University”). TeleEye Group was Hong Kong’s first university spin-off company to become a public listed company. Prior to managing the Group on a full-time basis in 2001, Prof. Chan had lectured at the City University for fifteen years. He has published extensively in signal and image processing fields and has received numerous awards including the IEEE Third Millennium Award in 2000. In 1996, the EDN ASIA Magazine also named him an “EDN ASIA Innovator” for his contributions in image compression research. TeleEye Group has also won numerous awards in product innovation and business areas including the Gold Award (Security Category) 2007 by HKEIA and the 2007 Hong Kong Top Brand Award from the Hong Kong Brand Development Council and the Chinese Manufacturer’s Association. Prof. Chan currently also serves as the Chairman of Industry and Technology Committee of the Hong Kong General Chamber of Commerce.

Dr. Ma Chi Kit, aged 40, 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 36, 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

陳作基教授，現年53歲，為千里眼控股有限公司創辦人及行政總裁，並為香港城市大學（「城市大學」）之特約教授。千里眼集團為香港首家由大學分拆的公司成為上市公司。在二零零一年全職管理本集團前，陳教授曾經在城市大學任教達十五年。他廣泛出版有關訊號及視像處理的刊物，並曾多次獲獎，包括二零零零年的電機暨電子工程師學會的IEEE Third Millennium Award。於一九九六年，彼獲EDN亞洲雜誌選為「EDN亞洲發明家」，以表揚其對視像壓縮研究的貢獻。千里眼集團亦曾多次獲得產品創新及商業方面的獎項，包括二零零七年香港電子業商會創新科技產品（保安類別）金獎，以及香港品牌發展局和香港中華廠商聯合會所頒發之2007年「香港名牌」榮譽。陳教授現亦為香港總商會工業及科技委員會主席。

馬志傑博士，現年40歲，為本集團創辦人及市務總監，彼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36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 50, 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 58, is an Independent Non-Executive Director who was appointed in September 2000. He is presently Chair Professor of the Department of Electronic and Information Engineering and Director of the Centre for Signal Processing, 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 member of editorial board of renowned journals in the U.S. and the PRC, general chair of world-class international conferences, 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 Imperial College of Science, Technology and Medicine, University of London, UK.

Mr. Yu Hon To, David, aged 60, is an Independent Non-Executive Director of the Company who was appointed in January 2007. Mr. Yu is a founder and Director of MCL Capital Limited (formerly known as Management Capital Limited), a Hong Kong-based financial advisory and direct investment firm. He also sits on the boards of several other listed and private companies in Hong Kong. He was formerly a partner of an international accounting firm with extensive experience in corporate finance. Mr. Yu is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants.

非執行董事

陳祥發博士，現年50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及千里眼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58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及信號處理研究中心主任。在一九九四年至二零零二年期間，彼為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，包括美國及中國多份著名學術刊物之編輯委員會成員、世界級國際會議之主席，以及學術／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。

俞漢度先生，現年60歲，於二零零七年一月獲委任為獨立非執行董事。俞先生為偉業融資有限公司（前稱Management Capital Limited）之創辦人及董事（該公司為一家以香港為基地的金融顧問及直接投資公司）。彼現時亦為其他多間上市及私人公司之董事會成員。俞先生曾擔任一間國際會計師行之合夥人，並於企業融資方面擁有豐富經驗。俞先生為英格蘭及威爾斯特許會計師公會之資深會員及香港會計師公會之會員。

Professor Ching Pak Chung, aged 54, is an Independent Non-Executive Director who was appointed in October 2004. Prof. Ching is presently Pro-Vice-Chancellor 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 was 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 was a member of the Consumer Council, Chairman of the Hong Kong Accreditation Advisory Board and a member of the Electricity Safety Advisory Committee. He is currently member of the Hong Kong Quality Assurance Agency Governing Council, Panel Member of the Research Grants Council of Hong Kong SAR, and member of the Copyright Tribunal.

程伯中教授，現年54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」）副校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，彼於二零零二年至二零零五年期間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。彼過往為消費者委員會成員、Hong Kong Accreditation Advisory Board之主席及Electricity Safety Advisory Committee成員，彼現時為香港品質保證局董事局董事、香港特區研究資助局學科小組成員，以及版權審裁處成員。

CORPORATE GOVERNANCE PRACTICES

The Code on Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules (the “Code”) takes effect from 1 January 2005. Except for the deviations as disclosed on this report, the Company has complied with the Code by establishing a formal and transparent procedures to protect and maximize the interests of shareholders throughout the year under review.

DIRECTORS’ SECURITIES TRANSACTIONS

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 for the year ended 30 June 2008.

BOARD OF DIRECTORS

The Board currently comprises three Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors. Details of backgrounds and qualifications of each Director are set out on the section headed “Profile of Directors and Senior Management” of this annual report.

The Board of Directors is responsible for the overall strategic development of the Group. It also monitors the financial performance and internal control of the Group’s business operations. Executive Directors are responsible for running the Group and executing the strategies adopted by the Board. The Board delegates day-to-day activities to the management with department heads responsible for different aspects of the business. Management is required to present an annual budget and any proposal for major investments and changes in business strategies for the Board’s approval.

The Non-Executive Directors serve the relevant function of bringing independent judgement on the development, performance and risk management of the Group through their contributions in board meetings. They are also serving on Audit Committee and Remuneration Committee. Through their active participation, they provide their valuable skills, expertise and experience to the Board and the Committees on which they serve so that the management process can be critically reviewed and controlled.

企業管治常規

《創業板上市規則》附錄十五所載的《企業管治常規守則》(「守則」)由二零零五年一月一日開始生效。除本報告內所披露的偏離事項外，於整個回顧年度內，本公司已透過成立正規而具透明度的程序而遵守該守則，以保障及儘量擴大股東的權益。

有關董事進行證券交易的守則

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，截至二零零八年六月三十日止年度，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。

董事會

董事會現由三名執行董事、一名非執行董事及三名獨立非執行董事組成。有關各董事的背景及資歷詳情，載於本年報「董事及高級管理人員簡介」一節。

董事會負責本集團的整體策略發展。其亦監督本集團業務營運的財務表現及內部監控。執行董事負責經營本集團及執行董事會所採納的策略。董事會將日常活動授權予管理層，其中部門主管負責業務的不同方面。管理層須提交年度預算及有關主要投資及改變業務策略的任何建議書，以供董事會批准。

非執行董事透過彼等在董事會會議上的貢獻，就本集團的發展、表現及風險管理作出獨立判斷的有關職能。彼等亦為審核委員會及薪酬委員會成員。透過彼等的積極參與，彼等為董事會及彼等為成員的委員會提供彼等的寶貴技能、專長及經驗，使管理過程能受到批評性檢討及控制。

In compliance with rule 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed three Independent Non-Executive Directors and at least one of them has the appropriate professional qualifications or accounting or related financial management expertise. 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.

The Board meets at least four times a year to review the financial and operating performance of the Company. There were four regular board meetings held in the financial year ended 30 June 2008. Details of the attendance of the Board are as follows:

Name of Director	董事姓名	Attended/Eligible to attend 出席／有資格出席
Executive Directors	執行董事	
Prof. Chan Chok Ki (Chairman & Chief Executive Officer)	陳作基教授 (主席及行政總裁)	4/4
Dr. Ma Chi Kit	馬志傑博士	4/4
Mr. Ho Ka Ho	何家豪先生	4/4
Non-Executive Director	非執行董事	
Dr. Chan Cheung Fat	陳祥發博士	4/4
Independent Non-Executive Directors	獨立非執行董事	
Prof. Siu Wan Chi	蕭允治教授	4/4
Prof. Ching Pak Chung	程伯中教授	3/4
Mr. Yu Hon To, David	俞漢度先生	3/4

During the regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Company, review and monitor the business and financial performances and discuss the quarterly, half-yearly and annual results, as well as discuss and decide on other significant matters. The company secretary records the proceedings of each Board meeting by keeping minutes, including the record of all decisions by the Board together with concerns raised and dissenting views expressed (if any). Draft of Board minutes are circulated to all Directors for comment and approval as soon as practicable after the meeting. All minutes are open for inspection at any reasonable time on request by any Director.

為遵守《創業板上市規則》第5.05(1)及(2)條，本公司已委任三名獨立非執行董事，彼等中至少一人具有合適的專業資格或會計或相關財務管理專長。本公司已收到每名獨立非執行董事根據《創業板上市規則》第5.09條的規定發出有關其獨立性的年度確認。本公司認為所有獨立非執行董事確屬獨立人士。

董事會會議每年召開至少四次，以檢討本公司的財務及經營表現。截至二零零八年六月三十日止財政年度共舉行四次定期董事會會議。有關董事會出席詳情如下：

於董事會定期會議上，董事討論及制定本公司的整體策略，檢討及監督業務及財務表現及討論季度、半年度及全年業績，以及討論及決定其他重大事宜。公司秘書記錄每次董事會會議的進程，備存會議記錄，包括董事會所有決定的記錄，連同提出的任何疑慮或表達的反對意見（如有）。會議結束後，會在切實可行情況下儘快將董事會會議記錄的初稿發送全體董事，供董事表達意見及批准。若有任何董事要求，會公開所有會議記錄供其在任何合理的時段查閱。

Chairman and Chief Executive Officer

Code Provision A.2.1. stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing.

At present, Professor Chan Chok Ki is both the Chairman and Chief Executive Officer of the Company who is responsible for managing the Board and the Group's business. Professor Chan has been both the Chairman and Chief Executive Officer of the Company since its incorporation. The Board considers that Professor Chan has in-depth knowledge in the Group's business and can make appropriate decisions promptly and efficiently. The combination of the roles of Chairman and Chief Executive Officer can effectively formulate and implement the Group's strategies. The Board also consider that this structure will not impair the balance of power and authority between the Board and the management of the Company as the Board of Directors, which comprises experienced and high caliber individuals, meets regularly to discuss issues affecting the operations of the Group. The Group considered that, at its present size, there is no imminent need to segregate the role of Chairman and Chief Executive Officer.

Non-Executive Directors

Code Provision A.4.1 stipulates that Non-Executive Directors should be appointed for a specific term, subject to re-election. Code Provision A.4.2 stipulates that all directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

At present, the Independent Non-Executive Directors are not appointed for a specific term, but are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association. In addition, not every Director is subject to retirement by rotation at least once every three years. Directors are subject to rotation in accordance with the Articles of Association of the Company (that at each annual general meeting, one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to but not greater than one-third, shall retire from office) provided that notwithstanding anything therein, the Chairman of the Board and/or the managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. As such, with the exception of the Chairman, all Directors are subject to

主席及行政總裁

守則條文A.2.1規定，主席及行政總裁之角色須分開，而不應由同一人擔任。主席及行政總裁之職責須明確區分，並以書面形式訂明。

現時，陳作基教授為本公司主席兼行政總裁，其負責管理董事會及本集團之業務。陳教授自本公司註冊成立以來一直擔任本公司之主席兼行政總裁。董事會認為，陳教授對本集團業務有深入了解，並能夠即時及有效地作出適當決定。合併主席及行政總裁之角色能有效地制定及實施本集團之策略。董事會亦認為，此結構不會減弱董事會及本公司管理層之間的權力及授權之平衡，蓋因董事會（由經驗豐富及高素質人士組成）定期召開會議，以討論影響本集團營運之事宜。本集團認為，按其現時之規模，並無迫切需要分開主席及行政總裁之角色。

非執行董事

守則條文A.4.1規定，非執行董事的委任應有指定任期，並須接受重選。守則條文A.4.2規定，所有為填補臨時空缺而被委任之董事須在接受委任後之首個股東大會上接受股東選舉，而每位董事（包括按固定年期委任者）須至少每三年輪值退任一次。

現時，獨立非執行董事的委任並無指定任期，惟須根據本公司之公司組織章程細則之規定輪值退任及膺選連任。此外，並非每位董事須至少每三年輪值退任一次。董事乃根據本公司之公司組織章程細則輪值退任（於每屆股東週年大會上，當時三分之一之董事（或倘彼等數目並非三的倍數，則取最接近但不大於三分之一之數目）須退任），惟儘管其中另有任何規定，董事會主席及／或本公司董事總經理毋須於擔任有關職務時接受輪值退任或被計入釐定每年退任董事數目內。因此，除主席外，所有董事須根據本公司的公司組織章程細則輪值退任。董事會認為，主席職位的連貫性為本集團提供強大而貫徹的領導，對本集團的暢順運作至關重要。因此，基

retirement by rotation in accordance with the Company's Articles of Association. The Board considers that the continuity of office of the Chairman provides the Group a strong and consistent leadership and is of great importance to the smooth operations of the Group. Therefore, for stability reasons, there is no imminent need to amend the Articles of Association of the Company.

NOMINATION OF DIRECTORS

No Nomination Committee was established by the Company.

The Board is mainly responsible for identifying suitable candidates for members of the Board when there is a vacancy or any additional Director is considered necessary. The Board will review the qualifications of the relevant candidate for determining the suitability to the Group on the basis of his qualifications, experience and background.

BOARD COMMITTEES

To assist the Board in discharge of its duties, the Board is supported by two Board Committees. Each Committee has its defined scope of duties and terms of reference and the Committee members are empowered to make decisions on matters within the terms of reference of each Committee.

(1) Audit Committee

The Company has established an Audit Committee with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants and the mandatory provisions set out in the Code.

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 and internal control procedures of the Group. The Audit Committee has four members comprising the three Independent Non-Executive Directors, namely Professor Ching Pak Chung, Professor Siu Wan Chi and Mr. Yu Hon To, David and one Non-Executive Director, namely Dr. Chan Cheung Fat. Mr. Yu Hon To, David, is the Chairman of the Audit Committee.

於穩定原因，並無迫切需要修訂本公司之公司組織章程細則。

董事提名

本公司尚未成立提名委員會。

董事會主要負責在出現空缺或認為需要增加任何董事名額時物色合適的董事會成員候選人。董事會會根據有關候選人的資格、經驗及背景審閱有關候選人的資歷，以決定是否適合本集團。

董事會委員會

為協助董事會履行其職責，董事會有兩個董事會委員會的支援。每個委員會均有其界定職責範圍及職權範圍，而委員會成員獲賦予權力，就各自委員會的職權範圍內的事宜作出決定。

(1) 審核委員會

本公司已成立審核委員會，其書面職權範圍乃根據由香港會計師公會建議的指引及該守則內所載的強制性條文而釐定。

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。審核委員會亦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。審核委員會由四位成員組成，包括三位獨立非執行董事程伯中教授、蕭允治教授及俞漢度先生及一位非執行董事陳祥發博士。俞漢度先生為審核委員會主席。

The Group's unaudited quarterly and interim results for the year ended 30 June 2008 have been reviewed by the Audit Committee. It has also reviewed the audited financial statements for the year ended 30 June 2008 with management and the Company's external auditors and recommended its adoption by the Board. The Audit Committee had held four meetings during the current financial year. Individual attendance of each Committee member at these meetings is as follows:

Name of Director	董事姓名	Attended/Eligible to attend 出席／有資格出席
Non-Executive Director	非執行董事	
Dr. Chan Cheung Fat	陳祥發博士	4/4
Independent Non-Executive Directors	獨立非執行董事	
Prof. Siu Wan Chi	蕭允治教授	4/4
Prof. Ching Pak Chung	程伯中教授	3/4
Mr. Yu Hon To, David	俞漢度先生	3/4

The company secretary keeps full minutes of all Audit Committee meetings. In line with practices consistent with Board meetings, draft and final versions of Audit Committee meeting minutes are circulated to all members of the Audit Committee for comments, approval and record as soon as practicable after each meeting.

The members of the Audit Committee are granted the authority to full and unlimited access to all books and accounts of the Company and any employees, consultants and advisers they may, from time to time, wish to consult.

The main duties of the Audit Committee are as follows:

- Reviewing, in draft form, the Company's annual report and accounts, half-year report and quarterly reports and providing advice and comments thereon to the Board. In this regard:
 - members of the Committee must liaise with the Board, senior management and the person appointed as the Company's qualified accountant and the Committee must meet, at least once a year, with the Company's auditors; and
 - the Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's qualified accountant, compliance officer or auditors.

審核委員會已審閱本集團截至二零零八年六月三十日止年度的未經審核季度及中期業績。其亦已與管理層及本公司的外聘核數師審閱截至二零零八年六月三十日止年度的經審核財務報表，並建議董事會採納。於本財政年度內，審核委員會曾先後舉行四次會議。各委員會成員於該等會議的個別出席情況如下：

公司秘書備存所有審核委員會會議的完整記錄。與董事會會議的慣例一致，各會議結束後，會在切實可行情況下儘快將審核委員會會議記錄的初稿及最後定稿發送全體審核委員會成員，供彼等表達意見、批准及作其記錄之用。

審核委員會成員獲授權可全面而無限制地查閱本公司的所有簿冊及賬目，以及接觸彼等可不時希望諮詢的任何僱員、專家顧問及顧問。

審核委員會的主要職責如下：

- 審閱本公司年度報告及賬目、半年度報告及季度報告的初稿，並就此向董事會提供建議及意見。就此而言：
 - 委員會成員須與董事會、高層管理人員及獲委聘為本公司合資格會計師的人士聯絡，而委員會須至少每年與本公司的核數師開會一次；及
 - 委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並須適當考慮任何由本公司的合資格會計師、監察主任或核數師提出的事項。

- Reviewing and supervising the Company's financial reporting and internal control procedures.

Other duties of the Audit Committee are set out in specific terms of reference which is posted on the Group's website.

(2) Remuneration Committee

According to the Code, the Company has established a Remuneration Committee in September 2005 and the primary duties of the Remuneration Committee are to formulate and make recommendations to the Board on the Company's policy and structure for all the remuneration of the Directors and senior management and on the establishment of a formal and transparent procedures for developing policy on such remuneration. The Remuneration Committee comprises two Independent Non-Executive Directors, namely, Prof. Siu Wan Chi and Prof. Ching Pak Chung, and one Non-Executive Director, namely, Dr. Chan Cheung Fat. The Chairman of the Committee is Dr. Chan Cheung Fat. It is scheduled to meet at least once a year and the quorum necessary for the transaction of business is two.

The Remuneration Committee held one meeting during the financial year under review. The Committee has considered and reviewed the existing terms of service contracts of the Directors and considers that the existing terms of the service contracts are fair and reasonable.

The specific terms of reference of the Remuneration Committee is posted on the Group's website.

AUDITORS' REMUNERATION

The Audit Committee of the Company is responsible for considering the performance of external auditors, the audit fee, and any question of resignation or dismissal. The external auditors' fee is to be negotiated with management of the Company, and annually analyzed for the Audit Committee's review. The Audit Committee is also responsible for reviewing the extent of non-audit services provided by the external auditors in relation to their independence.

- 檢討及監管本公司財務匯報及內部監控程序。

審核委員會的其他職責載於其職權範圍內，而其職權範圍則載於本集團網站內。

(2) 薪酬委員會

根據該守則，本公司已於二零零五年九月成立薪酬委員會，薪酬委員會的主要職責為就本公司有關董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂此等薪酬政策，向董事會提出建議。薪酬委員會由兩名獨立非執行董事（即蕭允治教授及程伯中教授）及一名非執行董事（即陳祥發博士）組成。委員會主席為陳祥發博士。其預定每年舉行會議至少一次，而處理事務的所需法定人數為二人。

於回顧年度內，薪酬委員會曾舉行一次會議。委員會已考慮及檢討董事服務合約的現有條款，並認為服務合約的現有條款公平合理。

薪酬委員會的特定職權範圍載於本集團網站內。

核數師薪酬

本公司的審核委員會負責考慮外聘核數師的表現、核數費用，以及任何有關辭職或辭退的問題。外聘核數師費用須與本公司管理層磋商，並每年分析作審核委員會檢討之用。審核委員會亦負責就外聘核數師的獨立性考慮外聘核數師所提供的非核數服務範圍。

The remuneration in respect of services provided by the external auditors for the year ended 30 June 2008 and 2007 is analysed as follows:

截至二零零八年及二零零七年六月三十日止年度，外聘核數師所提供服務的有關薪酬分析如下：

		For the year ended 30 June 截至六月三十日止年度	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Annual audit	週年審核	337	302
Non-audit services	非核數服務		
– quarterly/interim result review	– 季度／中期業績審閱	50	50

DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and in presenting the quarterly and annual financial statements, and announcements to shareholders, the Directors aim to present a balanced and understandable assessment of the Company's position and prospects.

The Directors' responsibilities in preparing financial statements and the auditors' responsibilities are set out in the Auditors' Report on page 27 of this annual report.

INTERNAL CONTROL

The Company has conducted a review of its system of internal control periodically to ensure the effective and adequate internal control system. The Company convened meetings periodically to discuss financial, operational and risk management control. The audit committee has discussed the internal control process with the management of the Company during the financial year ended 30 June 2008.

LOOKING FORWARD

The Board of Directors of the Company believe that good corporate governance can safeguard the effective allocation of resources and safeguard shareholders' interest. The Company will keep on reviewing its corporate governance standards on a timely basis and the Board endeavours to take the necessary actions to ensure compliance with the required practices and standards including the provisions of the Code on Corporate Governance Practices introduced by the Stock Exchange.

董事有關財務報表的責任

董事承認他們有責任就各財政年度編製真實而公平地反映本公司事務狀況的財務報表，而在向股東提呈季度及全年財務報表及公佈時，董事務求對本公司狀況及前景呈示的平衡而可理解的評估。

董事編製財務報表的責任及核數師的責任，載於本年度報告第27頁的核數師報告。

內部監控

本公司已定期檢討其內部監控系統，以確保內部監控系統有效而足夠。本公司定期召開會議，以討論財務、營運及風險管理監控事宜。審核委員會於截至二零零八年六月三十日止財政年度內曾與本公司管理層討論內部監控過程事宜。

展望

本公司董事會相信，良好企業管治可保障有效分配資源及保障股東權益。本公司將繼續在適當時候檢討其企業管治標準，而董事會努力採取所需行動，以確保符合有關慣例及標準，包括聯交所《企業管治常規守則》的條文。

The Directors present their annual report and the audited consolidated financial statements for the year ended 30 June 2008.

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 15 and 16 to the financial statements, respectively.

RESULTS

The results of the Group for the year ended 30 June 2008 are set out in the consolidated income statement on page 29.

The Directors do not recommend the payment of a dividend.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 13 to the financial statements.

SHARE CAPITAL

Details of share capital of the Company are set out in note 25 to the financial statements.

SHARE OPTIONS

Details of the share option schemes of the Company are set out in note 26 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 30 June 2008:

- (i) The Group's five largest customers accounted for 26% of the Group's total turnover.
- (ii) The Group's largest supplier and five largest suppliers accounted for 11% and 44%, respectively, of the Group's total purchases (not including purchases of items which are of capital nature).

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.

董事謹提呈截至二零零八年六月三十日止年度之年報及經審核綜合財務報表。

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15及16。

業績

本集團截至二零零八年六月三十日止年度之業績載於第29頁之綜合收益表。

董事不擬派付股息。

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13內。

股本

有關本公司股本之詳情載於財務報表附註25內。

購股權

有關本公司購股權計劃之詳情載於財務報表附註26內。

主要客戶及供應商

截至二零零八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為26%。
- (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11%及44%。

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。

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to its shareholders as at 30 June 2008 comprised share premium and retained profits in aggregate amounting to approximately HK\$23,364,000 (2007: HK\$22,245,000) provided that, after distribution, the Company will be able to pay its debts as they fall due in the ordinary course of business.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive Directors:

Prof. Chan Chok Ki
Dr. Ma Chi Kit
Mr. Ho Ka Ho

Non-Executive Director:

Dr. Chan Cheung Fat

Independent Non-Executive Directors:

Prof. Siu Wan Chi
Prof. Ching Pak Chung
Mr. Yu Hon To, David

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

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).

本公司的可分派儲備

於二零零八年六月三十日，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23,364,000港元（二零零七年：22,245,000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。

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：

陳作基教授
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
程伯中教授
俞漢度先生

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將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。

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 2008, 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 Futures 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:

Long position in shares:

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

Name of Director 董事姓名	Capacity 身份	Number of issued ordinary shares held 持有已發行普通股數目	Percentage of the issued share capital of the Company 本公司已發行股本百分比
Prof. Chan Chok Ki 陳作基教授	Held by controlled corporation (Note 1) 由受控制法團持有 (附註1)	104,000,000	57.7%
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	57.7%

(b) Share options

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
Prof. Chan Chok Ki 陳作基教授	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

董事於股份及購股權之權益

於二零零八年六月三十日，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：

股份好倉：

(a) 本公司每股面值0.01港元之普通股

(b) 購股權

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (CONTINUED)

Notes:

(1) These shares, representing approximately 57.7% of the issued share capital of the Company as at 30 June 2008, 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 Prof. 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 Prof. 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 26 to the financial statements.

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 2008, 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 note 26 to the financial statements, 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.

董事於股份及購股權之權益(續)

附註：

(1) 於二零零八年六月三十日，此等佔本公司已發行股本約57.7%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乃由陳作基教授、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。由於陳作基教授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26。

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，於二零零八年六月三十日，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、相關股份或債權證中擁有任何權益或淡倉。

購買股份或債務證券之安排

除財務報表附註26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權證而獲得利益之安排，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。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than the related party transaction disclosed in note 31 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 2008.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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.

EMOLUMENT POLICY

The emoluments of the Directors and senior management of the Company are reviewed by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme are set out in note 26 to the financial statements.

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.

董事在重要合約之利益

除於財務報表附註31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「董事於股份及購股權之權益」一節所披露之權益外，於二零零八年六月三十日，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。

委任獨立非執行董事

本公司已收到各獨立非執行董事根據創業板上市規則第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。

薪酬政策

本公司各董事及高級管理層的薪酬由薪酬委員會於考慮本公司的經營業績、個別表現及可資比較的市場統計數據後進行檢討。

本公司已採納購股權計劃，作為董事及合資格僱員的激勵，有關計劃詳情，載於財務報表附註26。

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。

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.

AUDIT COMMITTEE

The Audit Committee has four members comprising the three Independent Non-Executive Directors, namely Professor Ching Pak Chung, Professor Siu Wan Chi and Mr. Yu Hon To, David and one Non-Executive Director, namely Dr. Chan Cheung Fat.

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 Audit Committee has reviewed the draft of this report and has provided advice and comments thereon.

The Audit Committee held four meetings during the year ended 30 June 2008.

REMUNERATION COMMITTEE

The Remuneration Committee comprises two Independent Non-Executive Directors, namely Prof. Siu Wan Chi and Prof. Ching Pak Chung, and one Non-Executive Director, namely, Dr. Chan Cheung Fat.

The primary duties of the Remuneration Committee are to formulate and make recommendations to the Board on the Company's policy and structure for all the remuneration of the Directors and senior management and on the establishment of formal and transparent procedures for developing policy on such remuneration.

The Remuneration Committee held one meeting during the financial year under review. The Committee has considered and reviewed the existing terms of service contracts of the Directors and considers that the existing terms of the service contracts are fair and reasonable.

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。

審核委員會

審核委員會由四位成員組成，包括三位獨立非執行董事程伯中教授、蕭允治教授及俞漢度先生及一位非執行董事陳祥發博士。

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報告之初稿，並已就此提供建議及意見。

截至二零零八年六月三十日止年度內，審核委員會曾先後舉行四次會議。

薪酬委員會

薪酬委員會由兩名獨立非執行董事（即蕭允治教授及程伯中教授）及一名非執行董事（即陳祥發博士）組成。

薪酬委員會的主要職責為就本公司有關董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂此等薪酬政策，向董事會提出建議。

於回顧年度內，薪酬委員會曾舉行一次會議。委員會已考慮及檢討董事服務合約的現有條款，並認為服務合約的現有條款公平合理。

AUDITORS

The accompanying financial statements have been audited by Messrs. HLB Hodgson Impey Cheng who will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

On 7 December 2006, Messrs. Deloitte Touche Tohmatsu resigned as the auditors of the Company and Messrs. HLB Hodgson Impey Cheng were appointed on 7 December 2006 by the Directors to fill the casual vacancy so arising.

On behalf of the Board
Prof. Chan Chok Ki
Chairman and Chief Executive Officer

Hong Kong, 12 September 2008

核數師

隨附之財務報表已由國衛會計師事務所審核。國衛會計師事務所將於來屆股東週年大會上退任，惟彼等符合資格，並願意獲重新委任。

於二零零六年十二月七日，德勤•關黃陳方會計師行辭任本公司核數師，而國衛會計師事務所於二零零六年十二月七日獲董事委任以填補所產生之臨時空缺。

承董事會命
陳作基教授
主席及行政總裁

香港，二零零八年九月十二日



Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

31/F, Gloucester Tower
The Landmark
11 Pedder Street, Central
Hong Kong

香港
中環畢打街11號
置地廣場
告羅士打大廈31樓

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

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)

We have audited the consolidated financial statements of TeleEye Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 29 to 87, which comprise the consolidated and company balance sheets as at 30 June 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

本行已完成審核第29頁至第87頁所載千里眼控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零零八年六月三十日之綜合及公司資產負債表以及截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流量表，連同主要會計政策概要及其他說明附註。

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

董事對財務報表之責任

貴公司董事須負責按照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及真實公平呈列此等綜合財務報表。有關責任包括制訂、實施及維持有關編製及真實公平呈列財務報表之內部監控制度，確保此等財務報表並不會存在任何重大錯誤陳述(不論由於欺詐或失誤所致)；選定及採用適當會計政策；以及作出在相關情況下屬合理之會計估計。

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

核數師之責任

本行之責任乃根據審核工作之結果，對此等綜合財務報表發表意見，並僅向全體股東報告，不作其他用途。本行概不就本報告內容向任何其他人士承擔或負上任何責任。本行乃按照香港會計師公會頒佈之香港核數準則進行審核工作。該等準則規定本行須遵從道德操守，並計劃及進行審核工作，以就財務報表是否存有重大錯誤陳述作出合理確定。

Auditors' responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
Hong Kong, 12 September 2008

核數師之責任(續)

審核範圍包括執行程序以取得有關財務報表所載數額及披露事項之審核憑證。所選定程序倚賴核數師之判斷，包括評估財務報表存在重大錯誤陳述(不論由於欺詐或失誤所致)之風險。於作出該等風險評估時，核數師考慮與實體編製及真實公平呈列財務報表有關之內部監控制度，以制訂適合相關情況之審核程序，但並非旨在就實體內部監控制度是否有效發表意見。審核範圍亦包括評估所採用會計政策是否恰當及董事所作出會計估計是否合理，以及評估財務報表整體上之呈列方式。

本行相信，就為審核意見提供基準而言，本行所取得審核憑證已屬充分及恰當。

意見

本行認為，上述綜合財務報表已按照香港財務報告準則真實公平反映 貴公司及 貴集團於二零零八年六月三十日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定適當編製。

國衛會計師事務所
英國特許會計師
香港執業會計師
香港，二零零八年九月十二日

CONSOLIDATED INCOME STATEMENT 綜合收益表

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

			2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		NOTES 附註		
Revenue	收入		62,898	46,635
Cost of sales	銷售成本		(32,977)	(24,961)
Gross profit	毛利		29,921	21,674
Other income	其他收入	8	564	573
Selling and distribution costs	銷售及分銷成本		(11,814)	(9,353)
Administrative expenses	行政費用		(9,427)	(6,644)
Research and development expenditure	研究及發展支出		(4,606)	(4,104)
Profit before taxation	除稅前溢利	9	4,638	2,146
Taxation	稅項	11	(620)	–
Profit for the year	年度溢利		4,018	2,146
Attributable to:	以下人士應佔：			
Equity holders of the Company	本公司權益持有人		3,997	2,087
Minority interests	少數股東權益		21	59
			4,018	2,146
Earnings per share	每股盈利	12		
– Basic	– 基本		2.22 cents 仙	1.16 cents 仙
– Diluted	– 攤薄		2.20 cents 仙	1.16 cents 仙

CONSOLIDATED BALANCE SHEET 綜合資產負債表

At 30 June 2008 於二零零八年六月三十日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	1,643	650
Capitalised development costs	發展成本資本化	14	977	1,447
Interest in an associate	於聯營公司之權益	16	–	–
Available-for-sale investments	可供出售投資	17	4,179	4,305
			6,799	6,402
Current assets	流動資產			
Inventories	存貨	18	7,659	10,964
Trade and other receivables	應收賬款及其他應收款	19	8,353	6,565
Amount due from an associate	應收聯營公司之款項	20	–	14
Bank balances and cash	銀行結餘及現金	21	17,962	11,726
			33,974	29,269
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	22	4,553	3,898
Amounts due to minority shareholders	應付少數股東款項	23	419	502
Tax payables	應付稅項		334	–
			5,306	4,400
Net current assets	流動資產淨值		28,668	24,869
Total assets less current liabilities	總資產減流動負債		35,467	31,271
Non-current liability	非流動負債			
Deferred tax liability	遞延稅項負債	28	271	–
Net assets	資產淨值		35,196	31,271
Capital and reserves	資本及儲備			
Share capital	股本	25	1,803	1,802
Reserves	儲備		33,558	29,681
Equity attributable to equity holders of the Company	本公司權益持有人 應佔之權益		35,361	31,483
Minority interests	少數股東權益		(165)	(212)
Total equity	總權益		35,196	31,271

The consolidated financial statements on pages 29 to 87 were approved and authorised for issue by the Board of Directors on 12 September 2008 and are signed on its behalf by:

第29至87頁之綜合財務報表經董事會於二零零八年九月十二日核准及授權刊印，並由下列董事代表董事會簽署：

PROF. CHAN CHOK KI 陳作基教授
DIRECTOR 董事

MR. HO KA HO 何家豪先生
DIRECTOR 董事

BALANCE SHEET 資產負債表

At 30 June 2008 於二零零八年六月三十日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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	15	10	10
Current assets	流動資產			
Other receivables	其他應收款		68	71
Amounts due from subsidiaries	應收附屬公司款項	24	21,652	20,553
Bank balances	銀行結餘	21	4,119	4,018
			25,839	24,642
Current liability	流動負債			
Other payables	其他應付款		682	605
Net current assets	流動資產淨值		25,157	24,037
Net assets	資產淨值		25,167	24,047
Capital and reserves	資本及儲備			
Share capital	股本	25	1,803	1,802
Reserves	儲備	27	23,364	22,245
Total equity	總權益		25,167	24,047

PROF. CHAN CHOK KI 陳作基教授
DIRECTOR 董事

MR. HO KA HO 何家豪先生
DIRECTOR 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

		Attributable to equity holders of the Company 由本公司權益持有人應佔								
		Share capital	Share premium	Translation reserve	Investment revaluation reserve	Special reserve	Accumulated losses	Total	Minority interests	Total
		股本	股份溢價	匯兌儲備	重估儲備	特別儲備	累計虧損	總計	股東權益	總計
		HK\$'000	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	千港元
						(Note)				
						(附註)				
At 1 July 2006	於二零零六年七月一日	1,800	21,605	(85)	458	14,990	(9,736)	29,032	(248)	28,784
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	-	-	(196)	-	-	-	(196)	(23)	(219)
Gain on fair value changes of available-for-sale investments	可供出售投資公平值變動收益	-	-	-	525	-	-	525	-	525
Net (expense)/income recognised directly in equity	直接在權益內確認之(開支)/收入淨額	-	-	(196)	525	-	-	329	(23)	306
Profit for the year	年度溢利	-	-	-	-	-	2,087	2,087	59	2,146
Total recognised income/(expense) for the year	年度內確認收入/(開支)總額	-	-	(196)	525	-	2,087	2,416	36	2,452
Issue of ordinary shares upon exercise of share options	於購股權行使時發行普通股	2	33	-	-	-	-	35	-	35
At 30 June 2007	於二零零七年六月三十日	1,802	21,638	(281)	983	14,990	(7,649)	31,483	(212)	31,271
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	-	-	8	-	-	-	8	26	34
Loss on fair value changes of available-for-sale investments	可供出售投資公平值變動虧損	-	-	-	(136)	-	-	(136)	-	(136)
Net (expense)/income recognised directly in equity	直接在權益內確認之(開支)/收入淨額	-	-	8	(136)	-	-	(128)	26	(102)
Profit for the year	年度溢利	-	-	-	-	-	3,997	3,997	21	4,018
Total recognised income/(expense) for the year	年度內確認收入/(開支)總額	-	-	8	(136)	-	3,997	3,869	47	3,916
Issue of ordinary shares upon exercise of share options	於購股權行使時發行普通股	1	8	-	-	-	-	9	-	9
At 30 June 2008	於二零零八年六月三十日	1,803	21,646	(273)	847	14,990	(3,652)	35,361	(165)	35,196
Attributable to an associate:	源自聯營公司之權益:									
At 30 June 2007	於二零零七年六月三十日	-	-	(99)	-	-	(961)	(1,060)	-	(1,060)

Note:

附註:

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 綜合現金流量表

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	4,638	2,146
Adjustments for:	就下列項目作出調整：		
Amortisation of capitalised development costs	發展成本資本化之攤銷	1,268	778
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	672	413
Provision for obsolete goods	呆舊貨品撥備	70	1,276
Write down of inventories	存貨撇減	1,657	-
Allowance for loan to an associate	給予聯營公司貸款之撥備	1	25
Allowance for bad and doubtful debts	呆壞賬撥備	13	37
Bad debts written off	撇銷壞賬	560	-
Dividend income	股息收入	(136)	(127)
Interest income	利息收入	(368)	(354)
Operating cash flows before movements in working capital	經營資金變動前之經營現金流量	8,375	4,194
Decrease/(increase) in inventories	存貨之減少/(增加)	1,578	(3,465)
Increase in trade and other receivables	應收賬款及其他應收款增加	(2,361)	(755)
Decrease in amount due from an associate	應收聯營公司之款項減少	13	24
Increase/(decrease) in trade and other payables	應付賬款及其他應付款增加/(減少)	655	(870)
Decrease in amounts due to directors	應付董事之款項減少	-	(92)
Cash generated from/(used in) operations	源自/(應用於)經營業務之現金	8,260	(964)
Interest received	已收利息	368	354
Overseas tax paid	已付海外稅項	(15)	-
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	源自/(應用於)經營業務之現金淨額	8,613	(610)
INVESTING ACTIVITIES	投資業務		
Dividend income received	已收股息收入	125	127
Increase in capitalised development costs	發展成本資本化增加	(798)	(626)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	3	-
Purchase of property, plant and equipment	購入物業、廠房及設備	(1,666)	(357)
NET CASH USED IN INVESTING ACTIVITIES	應用於投資業務之現金淨額	(2,336)	(856)
FINANCING ACTIVITIES	融資業務		
Repayment to a minority shareholder	償還少數股東	(83)	-
Proceeds from issue of ordinary shares	發行普通股所得款項	9	35
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(應用於)/源自融資業務之現金淨額	(74)	35
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	6,203	(1,431)
EXCHANGE DIFFERENCES ON TRANSLATION	換算產生的匯兌差距	33	(197)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	於年初的現金及現金等價物	11,726	13,354
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	於年終的現金及現金等價物 (即銀行結餘及現金)	17,962	11,726

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

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 addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The principal activities of its subsidiaries and an associate are set out in notes 15 and 16, respectively.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied, for the first time, of the following new standard, amendment and interpretations (the “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning 1 July 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2-Group and Treasury Share Transactions

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods are prepared and presented. Accordingly, no prior year adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

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。本公司註冊辦事處及主要營業地點的地址在年報「公司資料」一節內披露。

綜合財務報表乃以港元列報，與本公司的功能貨幣相同。

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15及16。

2. 應用新增及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已首次應用下列香港會計師公會（「香港會計師公會」）頒佈之新準則、修訂及詮釋（「新香港財務報告準則」），該等新準則在本集團於二零零七年七月一日開始的財政年度生效。

香港會計準則第1號（修訂本）	資本披露
香港財務報告準則第7號	金融工具：披露事項
香港（國際財務匯報詮釋委員會） 詮釋第10號	中期財務報告及減值
香港（國際財務匯報詮釋委員會） 詮釋第11號	香港財務報告準則 第2號—集團及 庫存股份交易

採納新香港財務報告準則對如何編製及呈列本會計期間或過往會計期間之業績及財務狀況並不會產生任何重大影響。因此，毋須作出過往年度調整。

本集團已經追溯應用香港會計準則第1號（修訂本）及香港財務報告準則第7號的披露規定。於上一年度根據香港會計準則第32號而列報的若干資料已經刪除。根據香港會計準則第1號（修訂本）及香港財務報告準則第7號的規定而提供的有關比較資料於本年度乃首次列報。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC)-Int 12	Service Concession Arrangements ³
HK(IFRIC)-Int 13	Customer Loyalty Programmes ⁴
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate ¹
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation ⁵

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 January 2008

⁴ Effective for annual periods beginning on or after 1 July 2008

⁵ Effective for annual periods beginning on or after 1 October 2008

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and financial position of the Group.

2. 應用新增及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用下列已頒佈但仍未生效之新增或經修訂準則或詮釋。

香港會計準則第1號 (經修訂)	財務報表的列報 ¹
香港會計準則第23號 (經修訂)	借貸成本 ¹
香港會計準則第27號 (經修訂)	綜合及單獨 財務報表 ²
香港財務報告準則第2號 (修訂本)	以股份為基礎的付款— 歸屬條件和註銷 ¹
香港財務報告準則 第3號(經修訂)	企業合併 ²
香港財務報告準則第8號	經營分類 ¹
香港(國際財務匯報詮釋 委員會)詮釋第12號	服務特許權安排 ³
香港(國際財務匯報詮釋 委員會)詮釋第13號	客戶忠誠度計劃 ⁴
香港(國際財務匯報詮釋 委員會)詮釋第14號	香港會計準則第19號— 界定利益資產的 限制、最低資金要求 和兩者的互相關係 ³
香港(國際財務匯報詮釋 委員會)詮釋第15號	有關興建房地產 的協議 ¹
香港(國際財務匯報詮釋 委員會)詮釋第16號	對境外業務淨投資的 套期 ⁵

¹ 於二零零九年一月一日或其後開始之年度期間生效。

² 於二零零九年七月一日或其後開始之年度期間生效。

³ 於二零零八年一月一日或其後開始之年度期間生效。

⁴ 於二零零八年七月一日或其後開始之年度期間生效。

⁵ 於二零零八年十月一日或其後開始之年度期間生效。

本公司董事預計，應用該等準則或詮釋對本集團的業績及財務狀況將不會構成任何重大影響。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3. 主要會計政策

綜合財務報表乃按歷史成本法而編製，惟若干金融工具按公平價值計量除外，詳見下文所載的會計政策所述。

綜合財務報表乃根據由香港會計師公會所頒佈的香港財務報告準則而編製。此外，綜合財務報表包括聯交所創業板證券上市規則及香港公司條例所規定的適用披露事項。

編製綜合賬目之基準

綜合財務報表包括本公司及由本公司（及其附屬公司）所控制實體（包括特別用途實體）之財務報表。如本公司有權規管實體之財務及經營政策，以自其業務中取得利益，則構成控制權。

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。

若有需要，會調整附屬公司的財務報表，以使其會計政策與本集團其他成員公司所採用者互相一致。

本集團內公司間的所有交易、結餘、收入及開支均已於綜合賬目時對銷。

於綜合附屬公司淨資產的少數股東權益與本集團於其中的權益分開列報。於淨資產的少數股東權益包括於原來企業合併日期該等權益的金額，以及少數股東分佔自合併日期以來的權益變動。少數股東分佔虧損超過少數股東於附屬公司權益中的權益會分配至與本集團的權益互相抵銷，但以少數股東具有約束力的義務並有能力作出額外投資以補償有關虧損為限。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest in an associate

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3. 主要會計政策(續)

於聯營公司之權益

聯營公司為投資者對其擁有重大影響力及並非附屬公司或合營企業權益之實體。

聯營公司的業績及資產負債乃按權益會計法納入綜合財務報表內。根據權益法，聯營公司投資乃按成本另就本集團分佔聯營公司的淨資產於收購後的變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團分佔聯營公司的虧損等於或超過其於該聯營公司的權益(包括實質上構成本集團對聯營公司的投資淨額的一部分的任何長期權益)，本集團不再確認其分佔的進一步虧損。額外分佔虧損會提撥準備及確認負債，惟僅以本集團已招致的法定或推定義務或代表該聯營公司支付的款項為限。

收購成本超逾本集團分佔收購當日聯營公司可識別資產、負債及或然負債公平淨值之任何差額均確認為商譽。商譽乃計入投資之賬面值，並就減值進行評估。

本集團分佔可識別資產、負債及或然負債公平淨值超逾收購成本之差額在重新評估後即時在損益表確認。

當集團實體與本集團的聯營公司進行交易，損益會互相抵銷，金額以本集團於有關聯營公司的權益為限。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts and sales related taxes.

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

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

Property, plant and equipment

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expenses over the lease term on a straight line basis.

3. 主要會計政策 (續)

收入確認

收入按已收或應收代價的公平價值計量，乃指於正常業務過程就所提供商品應收之款額，扣除折扣及銷售相關稅項。

銷售貨品在交付貨品及移交所有擁有權時確認入賬。

金融資產的利息收入乃根據尚未償還本金額及適用實際利率，按時間基準累計，適用利率乃將估計未來現金收入通過金融資產預期壽命準確地折現為該資產的賬面淨值的利率。

投資之股息收入在股東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後續累積折舊及累計減值虧損確認入賬。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時終止確認。終止確認資產的任何損益(按出售所得款項淨額與該項目的賬面值之間的差額計算)在項目終止確認的年度計入綜合收益表。

租賃

倘若租賃條款在實質上轉移了與所有權有關的幾乎全部風險和報酬，租賃會歸類為融資租賃。所有其他租賃均歸類為經營租約。

本集團作為承租人

根據經營租約應付的租金乃以直線法於有關租約期內在損益中扣除。作為訂立經營租約所享有優惠的已收及應收利益，乃以直線法在租約期內確認為租金開支減少。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策 (續)

外幣

在編製各個別集團實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)進行的交易按交易日期的匯率以各自的功能貨幣(即實體經營業務的主要經濟環境的貨幣)記錄。在每一個結算日，以外幣為單位的貨幣性項目均按結算日的匯率再換算。以公平價值列值並以外幣為單位的非貨幣性項目會按確定公平價值日期的匯率再換算。以歷史成本計量並以外幣為單位的非貨幣性項目不會再換算。

由於結算貨幣性項目及換算貨幣性項目而產生的匯兌差距，會在其形成的期間在損益中確認，惟不包括因構成本公司於海外業務淨投資一部份之貨幣項目所產生之匯兌差距，在該情況下，該項匯兌差距於綜合財務報表之權益中確認。再換算按公平價值列值的非貨幣性項目所形成的匯兌差距包括於期間損益，但再換算損益直接在權益中確認的非貨幣性項目所形成的匯兌差距除外，在該情況下，匯兌差距亦直接在權益中確認。

於列報綜合財務報表時，本集團境外業務的資產負債，按結算日的匯率換算為本公司的列報貨幣(即港元)，而其收入支出則按年內的平均匯率換算，除非匯率在期間內大幅波動，在該情況下，則使用交易日期的匯率。所產生的匯兌差距(如有)，會確認為權益的獨立組成部分(匯兌儲備)。該等匯兌差距將於出售有關境外業務的期間內在損益中確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retirement benefit costs

Payments to the defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions.

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 profit as reported in the consolidated 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. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated 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 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 profits will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續)

退休福利成本

向定額供款退休福利計劃支付之款項乃於僱員已提供服務，致使彼等享有供款之權益時扣除作為開支。

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。應課稅溢利有別於綜合收益表中所呈報之溢利，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。本集團的當期稅項負債，按已執行的或到結算日實質上已執行的稅率計算。

遞延稅項乃根據綜合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差額確認，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。

遞延稅項負債乃來自於附屬公司及聯營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。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in 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.

Inventories

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

Intangible assets

Intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses below).

Gains and losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

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, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is charged to income statement in the period in which it is incurred.

3. 主要會計政策 (續)

稅項 (續)

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，惟倘其涉及直接自權益扣除或計入權益之項目，遞延稅項會於權益中處理。

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。

無形資產

可使用年期有限的無形資產會按成本減累積攤銷及任何累積減值虧損列值。可使用年期有限的無形資產按直線法在其估計可使用年期計算攤銷。可使用年期無限的無形資產則按成本減任何後續累積減值虧損列值(見下文有關減值虧損的會計政策)。

終止確認無形資產所產生的損益按出售所得款項淨額與資產賬面值之間的差額計量，並於資產終止確認時在綜合收益表中確認。

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，並按成本減其後累計攤銷及任何累計減值虧損列賬。

就內部產生之無形資產而首次確認之金額為該無形資產首次符合確認條件日期起產生之支出總和。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在收益表扣除。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (continued)

Impairment

Intangible assets not yet available for use are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. 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.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so 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 impairment loss is recognised as income immediately.

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired (see the accounting policies in respect of impairment losses for tangible and intangible assets below).

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when an entity of the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. The accounting policies adopted are set out below.

3. 主要會計政策 (續)

無形資產 (續)

減值

尚未可供使用的無形資產會在不論是否有任何跡象顯示資產可能發生減值下每年進行減值檢查，比較其賬面值及其可收回金額。如果估計資產的可收回金額少於其賬面值，資產的賬面值會減記至其可收回金額。減值虧損會立即確認為費用。

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。撥回之減值虧損即時確認為收入。

可使用年期有限的無形資產在有跡象顯示資產可能發生減值時進行減值檢查 (見下文有關有形及無形資產減值虧損的會計政策)。

金融工具

當本集團實體成為工具合約條款的一方時，會在綜合資產負債表上確認金融資產及金融負債。金融資產和金融負債在初始確認時會以公平價值進行計量。直接歸屬於購置或發行金融資產和金融負債 (透過損益按公平價值列值的金融資產及金融負債除外) 的交易費用在初始確認時計入或扣自各金融資產或金融負債 (視何者適用而定) 的公平價值。直接歸屬於購置透過損益按公平價值列值的金融資產或金融負債的交易費用立即在損益中確認。

金融資產

本集團的金融資產歸類為貸款和應收款項，以及可供出售的金融資產。以常規方式購買或出售的金融資產，均按交易日方法進行確認或終止確認。以常規方式購買或出售是指要求在相關市場中的規則或慣例通常約定的時間內交付資產的金融資產買賣。所採納的會計政策載於下文。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at financial assets at fair value through profit or loss, of which interest income is included in net gains or losses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, amount due from an associate and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in respect of impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as loans and receivables and not held for trading purpose. The Group designated listed equity securities as available-for-sales financial assets.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法是一種計算金融資產的攤餘成本以及將利息收入分配予有關期間的方法。實際利率是將估計未來現金收入(包括所有構成實際利率整體部分在時點支付或收到的費用、交易費用及其他溢價或折價)透過金融資產的預期年期或(倘適用)更短期間準確折現的利率。

債項工具的收入按實際利率法確認，惟指定為透過損益按公平價值列值的金融資產除外，其利息收入包括在淨損益內。

貸款和應收款項

貸款和應收款項為款項固定或可釐定的非衍生工具金融資產，且並無在活躍市場上報價。初始確認後在每個結算日，貸款和應收款項(包括應收賬款及其他應收款、應收聯營公司款項及銀行結餘)以運用實際利率法計算的攤餘成本減任何已識別減值虧損計量(見下文有關金融資產減值虧損的會計政策)。

可供出售的金融資產

可供出售的金融資產為指定為此類別或並無歸類為貸款和應收款項及並非為買賣而持有的非衍生工具。本集團將上市權益證券指定為可供出售的金融資產。

初始確認後在每個結算日，以公平價值計量可供出售的金融資產。公平價值變動在權益中確認，直至金融資產出售或釐定為減值為止，屆時，先前在權益中確認的累積損益會從權益中轉出，並在損益中確認(見下文有關金融資產減值虧損的會計政策)。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Impairment of financial assets

Financial assets, other than those at financial assets at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- (a) significant financial difficulty of the issuer or counterparty; or
- (b) default or delinquency in interest or principal payments; or
- (c) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值

在每個結算日會評估金融資產(透過損益按公平價值列值的金融資產除外)是否有任何減值跡象。倘若有任何客觀證據表明,由於一個或多個於初始確認金融資產後發生的事項,金融資產的估計未來現金流受到影響,則金融資產會予以減值。

有關可供出售的權益性投資,該項投資的公平價值大幅或長期下跌至低於其成本,會視為減值的客觀證據。

至於所有其他金融資產,減值的客觀證據可能包括:

- (a) 發行人或交易對方出現嚴重財務困難;或
- (b) 欠繳或拖欠利息或本金付款;或
- (c) 借款人很有可能將宣告破產或進行財務重組。

對於若干種類的金融資產,例如應收賬款,並非個別評估減值的資產其後會作為一個整體評估減值。應收款項組合減值的客觀證據可能包括本集團收回貨款的過去經驗,組合中超過所授予30天的平均信用期延遲付款的數字增加,以及國家或當地經濟環境可觀察的變化而其與欠繳應收款項有關。

有關以攤餘成本計量的金融資產,如果有客觀證據表明資產發生了減值,則減值虧損會在損益中確認,並按資產賬面值與按原實際利率對估計未來現金流量進行折現後的現值兩者之間的差額計量。

有關以成本計量的金融資產,減值虧損按資產賬面值與按類似金融資產當時的市場回報率對估計未來現金流量進行折現後的現值兩者之間的差額計量。有關減值虧損不會在後續期間轉回。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity

Financial liabilities and equity instruments issued by an entity of the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值 (續)

對於所有金融資產，金融資產賬面值會直接因減值虧損而減少，但應收賬款除外，在此情況下，賬面值通過採用備抵賬減少。備抵賬賬面值的變動在損益中確認。當應收賬款視為不可收回，則會與備抵賬撤銷。以前撤銷而其後收回的款項，會記入損益貸方。

有關以攤餘成本計量的金融資產，在後續期間，如果減值虧損金額減少，而有關減少客觀上與確認減值虧損之後發生的事項有聯繫，則以前確認的減值虧損會透過損益轉回，但該轉回不應導致該資產在減值轉回日期的賬面值超過不確認減值情況下的攤餘成本。

可供出售的權益性工具的減值虧損不會在後續期間在損益中轉回。公平價值於減值虧損後的任何增加均會直接在權益中確認。有關可供出售的債項工具，其後如果投資公平價值的增加客觀上可能與確認減值虧損後發生的事項有聯繫，則該減值虧損會予轉回。

金融負債及權益

本集團實體發行的金融負債和權益性工具根據所訂立的合約安排的實質內容以及金融負債和權益性工具的定義而歸類。

權益性工具指能證明擁有本集團在減除其所有負債後的資產中的餘剩權益的任何合約。就金融負債和權益性工具採納的會計政策載於下文。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis other than those financial liabilities designated as at fair value through profit or loss, of which the interest expense is included in net gains or losses.

Other financial liabilities

Other financial liabilities (including trade and other payables and amounts due to minority shareholders) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

實際利率法

實際利率法是一種計算金融負債的攤餘成本以及將利息開支分配予有關期間的方法。實際利率是將估計未來現金付款透過金融負債的預期年期或(倘適用)更短期間準確折現的利率。

利息費用按實際利率法確認，惟指定為透過損益按公平價值列值的金融負債除外，其利息費用包括在淨損益內。

其他金融負債

其他金融負債(包括應付賬款及其他應付款、應付少數股東及董事款項)其後運用實際利率法，以攤餘成本計量。

權益性工具

本公司發行的權益性工具按收取的所得款項減直接發行成本記錄。

終止確認

當從資產收取現金的權利屆滿時，或金融資產已轉讓而本集團已實質上轉移了與金融資產所有權有關的幾乎全部風險和報酬，會終止確認該項金融資產。一旦終止確認金融資產，資產的賬面值與已收及應收的代價與已直接在權益中確認的累積損益的和之間的差額會在損益中確認。

金融負債於有關合約中規定的義務解除、取消或到期時終止確認。終止確認的金融負債的賬面值與支付或應付的代價之間的差額會在損益中確認。

撥備

倘本集團因過往事件而產生目前的責任，而本集團須償還該責任時，則確認撥備。撥備乃根據董事會於結算日對償還有關責任所須支出的最佳估算釐定，並在出現重大影響時折讓至現值。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share-based payment transactions

Equity-settled share-based payment transactions

For share options granted to employees, the fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The effect of the change in estimate, if any, is recognised in profit or loss with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

For share options granted to suppliers in exchange for goods or services, they are measured at the fair value of the goods or services received. The fair values of the goods or services are recognised as expenses immediately, unless the goods or services qualify for recognise as assets. Corresponding adjustments have been made to equity.

For share options granted by the Company which were vested before 1 January 2005, the fair value of those share options are not recognised as expenses in accordance with the transitional provision of HKFRS 2.

Impairment losses (other than goodwill and intangible assets that are not yet ready for use (see the accounting policies in respect of intangible assets above))

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, but so 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.

3. 主要會計政策(續)

以股份為基礎付款之交易

股本結算以股份為基礎付款之交易

就授予僱員之購股權而言，所獲服務之公平價值乃參考購股權於授出日期之公平價值釐定，在歸屬期間以直線法列作開支，並於權益中(購股權儲備)作相應之增加。

於各結算日，本集團修改其對預期最終歸屬購股權數目之估計。修改該估計之影響(如有)乃於損益確認，並於購股權儲備作相應調整。

於購股權獲行使時，先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權被沒收或於屆滿日期仍未行使，則先前於購股權儲備中確認之款項將轉撥至保留溢利。

就授予供應商以換取商品或服務之購股權而言，該等購股權之價值則以已收商品或服務之公平價值計量。商品或服務之公平價值即時確認為開支，惟商品或服務符合資格確認為資產除外。相應調整已於權益中進行。

就本公司授予而於二零零五年一月一日前歸屬之購股權而言，根據香港財務報告準則第2號的過渡性規定，該等購股權之公平價值不會確認為開支。

減值虧損(商譽及尚未可供使用的無形資產除外(見上文有關商譽及無形資產的會計政策))

於每個結算日，本集團會評估其有形及無形資產的賬面值，以決定是否有任何跡象顯示該等資產出現減值虧損。如估計資產的可收回金額低於其賬面值，資產的賬面值會減低至其可收回金額。減值虧損即時確認為開支。

如減值虧損其後轉回，資產的賬面值將增加至其經修訂的估計可收回金額，惟增加後的賬面值不得超出倘若該資產於過往年度並無確認減值虧損時原應確認的賬面值。減值虧損的轉回會即時確認為收入。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical accounting judgement and key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowances for inventories

The management of the Group reviews an aging analysis at each balance sheet date, and makes allowance for obsolete and slow-moving inventory items especially technology solution system identified that are of minimal resale value due to technological changes. The management estimates the net realisable value for such inventory based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the balance sheet date and makes allowance for obsolete items.

Estimated impairment of capitalised development costs

Determining whether capitalised development costs is impaired requires an estimation of the recoverable amount determined by the value in use of the capitalised development costs. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the capitalised development costs and a suitable discount rate in order to calculate the present value. The Group carries out an impairment review assessment on a product-by-product basis in respect of the capitalised development costs at the balance sheet date and no impairment is made for the years ended 30 June 2008 and 2007.

Allowances for bad and doubtful debts

The policy for allowance of bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

4. 關鍵會計判斷及估計不確定性的主要來源

有關未來的關鍵會計判斷及主要假設，以及於結算日估計不確定性的其他主要來源（具有重大風險會導致在下一財政年度對資產負債賬面值作出重大調整），於下文討論。

存貨撥備

於每個結算日，本集團的管理層會審閱賬齡分析，並就由於技術改變而辨認為轉售價值甚低的過時及滯銷存貨（尤其是技術解決方案系統）提撥準備。管理層主要根據最新發票價及當時市場情況估計有關存貨的可變現淨值。於每個結算日，本集團均按個別產品基準進行存貨審閱，並就過時項目提撥準備。

發展成本資本化的估計減值

決定發展成本資本化有否減值須估計發展成本資本化按使用價值釐定的可收回金額。計算使用價值須本集團估計預期來自發展成本資本化的未來現金流量和計算現值的合適折現率。於結算日，本集團按個別產品基準就發展成本資本化進行減值檢查評估，於截至二零零八年及二零零七年六月三十日止年度並無作出減值。

呆壞賬撥備

本集團之呆壞賬撥備政策以可收回機會之評估、賬齡分析及管理層判斷為基礎。評估該等應收款最終能否變現需要進行大量判斷，包括對每名客戶之當前信用程度及過往之收回款項記錄。倘本集團客戶之財務狀況惡化，導致彼等付款之能力減弱，則可能須作出額外撥備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS

a) Categories of financial instruments

2008

Financial assets

		Loans and receivables 貸款和 應收款項 HK\$'000 千港元	Available- for-sale financial assets 可供出售的 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	-	4,179	4,179
Trade and other receivables	應收賬款及其他應收款	8,353	-	8,353
Bank balances and cash	銀行結餘及現金	17,962	-	17,962
		26,315	4,179	30,494

Financial liabilities

金融負債

		Financial liabilities at amortised cost 按攤餘成本計量 的金融負債 HK\$'000 千港元
Trade and other payables	應付賬款及其他應付款	4,553
Amounts due to minority shareholders	應付少數股東款項	419
		4,972

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS (CONTINUED)

a) Categories of financial instruments (continued)

2007

Financial assets

5. 金融工具(續)

a) 金融工具分類(續)

二零零七年

金融資產

		Loans and receivables 貸款和 應收款項 HK\$'000 千港元	Available- for-sale financial assets 可供出售的 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	–	4,305	4,305
Trade and other receivables	應收賬款及其他應收款	6,565	–	6,565
Amount due from an associate	應收聯營公司之款項	14	–	14
Bank balances and cash	銀行結餘及現金	11,726	–	11,726
		18,305	4,305	22,610

Financial liabilities

金融負債

			Financial liabilities at amortised cost 按攤餘成本計量 的金融負債 HK\$'000 千港元
Trade and other payables	應付賬款及其他應付款		3,898
Amounts due to minority shareholders	應付少數股東款項		502
			4,400

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade and other receivables, amount due from an associate, bank balances, trade and other payables and amounts due to minority shareholders. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Foreign currency risk management

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 87.0% of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 67.7% of costs are denominated in the group entity's respective functional currencies.

The carrying amounts of the Group's foreign denominated monetary assets and monetary liabilities at the reporting date are as follows:

		Liabilities 負債		Assets 資產	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
GBP	英鎊	1,087,000	969,000	6,021,000	3,462,000

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

5. 金融工具(續)

b) 財務風險管理目標及政策

本集團的主要金融工具包括可供出售投資、應收賬款及其他應收款、應收聯營公司款項、銀行結餘、應付賬款及其他應付款，以及應付少數股東款項。有關該等金融工具的詳情於各有關附註內披露。有關該等金融工具的風險及減少該等風險的政策載於下文。管理層管理及監察該等風險，以確保在適當時間有效地實行合適的措施。

市場風險

外幣風險管理

本公司若干附屬公司以外幣進行買賣，使本集團面對外幣風險。本集團銷售額約87.0%是以負責銷售的集團實體的功能貨幣以外的貨幣列值的，而幾乎67.7%的成本以集團實體各自的功能貨幣列值。

於報告日期，本集團以外幣為單位的貨幣性資產及貨幣性負債的賬面值如下：

本集團目前並無外幣對沖政策。然而，管理層密切監察外幣風險敞口，並將於有需要時考慮對沖重大外幣風險敞口。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk management (continued)

Sensitivity analysis

The Group is mainly exposed to the effects of fluctuation in GBP.

The following table details the Group's sensitivity to a 5% increase and decrease in the Hong Kong dollars against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchanges rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes bank balances within the Group where the denomination of the bank balances is in a currency other than the currency of the Company. A positive number below indicates an increase in profit where the Hong Kong dollars strengthen 5% against the relevant currency. For a 5% weakening of the Hong Kong dollars against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

		Impact of GBP 英鎊的影響	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit or loss	溢利或虧損	92,000	—
Other equity	其他權益	172,000	143,000

Interest rate risk management

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group currently does not have a policy on hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

5. 金融工具(續)

b) 財務風險管理目標及政策(續)

市場風險(續)

外幣風險管理(續)

敏感度分析

本集團主要面對英鎊波動的影響。

下表詳列了本集團對港元相對有關外幣的匯率在出現5%增減時的敏感度。5%乃內部對主要管理人員匯報外幣風險時所採用的敏感度，並為管理層對外幣匯率合理可能變動的評估。敏感度分析包括以外幣為單位的貨幣性項目並調整其於期終因外幣匯率變動5%而出現的折算。敏感度分析包括本集團內銀行結餘的貨幣單位為本公司貨幣以外貨幣的銀行結餘。下列正數表示溢利在港元相對有關貨幣轉強5%時增加。當港元相對有關貨幣轉弱5%時，對溢利的影響金額相同但正負相反，而下列結餘為負數。

利率風險管理

由於本集團並無重大計息資產，因此，本集團的收入及經營現金流量大致上不受市場利率變動影響。本集團現時並無設有對沖利率風險的政策。然而，管理層會監察利率風險，並於有需要時考慮對沖重大利率風險。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies (continued)

Other price risk

The Group is exposed to equity securities price risk through its investment in available-for-sale investments. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting date.

If equity prices had been 5% higher/lower, investment revaluation reserve would increase/decrease by HK\$209,000 (2007: HK\$215,000) as a result of the changes in fair value of available-for-sale investments.

Credit risk

As at 30 June 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

5. 金融工具(續)

b) 財務風險管理目標及政策(續)

其他價格風險

本集團因投資於可供出售投資而須面對權益性證券價格風險。管理層透過持有風險情況不同的投資組合而管理有關風險。

敏感度分析

以下敏感度分析乃根據於報告日期的權益價格風險而釐定。

倘若股份價格上升/下跌5%，則投資重估儲備會因可供出售投資公平價值變動而增加/減少209,000港元(二零零七年：215,000港元)。

信用風險

於二零零八年六月三十日，如果對應方未能履行其有關義務，本集團就各類別已確認金融資產而須面對的最大信用風險為綜合資產負債表所載該等資產的賬面值，這將使本集團蒙受財務損失。

為儘量減低信用風險，本集團的管理層已指派專組，負責釐定信貸限額、信貸批核及其他監察程序，以確保採取跟進行動收回過期債項。此外，本集團於每個結算日均檢討各個別貿易債項的可收回金額，以確保就不可收回金額確認足夠的減值虧損。就此而言，本公司董事認為，本集團的信用風險已大為減少。

流動資金的信用風險有限，因有關對應方為銀行，其獲國際信貸評級機構給予高信貸評級。

除流動資金存放在幾家信用評級高的銀行，因而存在信用風險集中的情況外，本集團並無任何其他重大而集中的信用風險。應收賬款包括為數眾多的客戶，分布於多個行業及地區。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. The tables reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

		Less than 1 year	Over 1 year	Total undiscounted cash flows 未折現現金 流量總計	Total carrying amount as at 30 June 2008 於二零零八年 六月三十日的 賬面值總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2008					
二零零八年					
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	應付賬款及 其他應付款	4,553	–	4,553	4,553
Amounts due to minority shareholders	應付少數股東款項	419	–	419	419
2007					
二零零七年					
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	應付賬款及 其他應付款	3,898	–	3,898	3,898
Amounts due to minority shareholders	應付少數股東款項	502	–	502	502

5. 金融工具 (續)

b) 財務風險管理目標及政策 (續)

流動資金風險

在管理流動資金風險方面，本集團監察及維持某一水平之現金及現金等價物，而該水平乃管理層視為足以撥付本集團業務需要及可減輕現金流量波動之影響。

流動性列表

下表詳列本集團金融負債的剩餘合約期，其包括在內部向主要管理人員提供以管理流動資金風險的到期日分析內。下表反映金融負債的未折現現金流量，該等金融負債乃根據本集團可能須付款的最早日期分類。下表包括利息及本金現金流量。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

5. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies (continued)

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- the fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices; and
- the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their corresponding fair values.

5. 金融工具(續)

b) 財務風險管理目標及政策(續)

金融工具的公平價值

金融資產及金融負債的公平價值按以下方式釐定：

- 有標準條款及條件而且在活躍及流動性高的市場上買賣的金融資產的公平價值，乃參考所報的市場買入價而釐定；及
- 其他金融資產及金融負債的公平價值乃根據普遍接納的定價模式，使用可觀察市場交易的價格，根據現金流量折現分析釐定。

董事認為，金融資產及金融負債在財務報表內按攤餘成本記錄的賬面值接近其相應公平價值。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt (which includes trade and other payables), cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

Debt to equity ratio

The Group's senior management reviews the capital structure on a quarterly basis. As part of this review, the senior management considers the cost of capital and the risks associated with each class of capital.

The debt to equity ratio at the year end was as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Debt (i)	債項(i)	4,553	3,898
Equity (ii)	權益(ii)	35,361	31,483
		12.9%	12.4%

(i) Debt comprises trade and other payables as detailed in note 22.

(ii) Equity includes all capital and reserves of the Group.

6. 資金風險管理

本集團管理其資金，是以透過在債項與股本權益之間作出最佳平衡，確保本集團個體能持續經營，同時儘量增加股東的回報。本集團的整體策略與去年保持不變。

本集團的資本架構包括債項（其包括應付賬款及其他應付款）、現金及現金等價物，以及本公司權益持有人應佔權益（包括已發行股本及儲備）。

負債對權益比率

本集團高級管理層每季檢討資本架構。作為檢討的一部分，高級管理層考慮資金的成本及各類資金的相關風險。

於年底，負債對權益比率如下：

(i) 債項包括應付賬款及其他應付款（詳情見附註22）。

(ii) 權益包括本集團所有資本及儲備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

7. SEGMENT INFORMATION

Revenue 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.

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, Europe and Africa. Others include locations like the Americas and Australia. Segment information about these geographical markets is presented below:

2008

		Hong Kong	Singapore	Other Asian countries 其他 亞洲國家	Middle East 中東	Europe 歐洲	Africa 非洲	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	非洲 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
REVENUE	收入									
External sales	來自外界之銷售	7,528	4,729	9,793	9,397	19,791	9,678	1,982	-	62,898
Inter-segment sales	分類間之銷售	-	2,524	509	-	9,865	-	-	(12,898)	-
Total	總額	7,528	7,253	10,302	9,397	29,656	9,678	1,982	(12,898)	62,898
SEGMENT RESULT	分類業績	1,797	474	1,742	3,375	3,137	3,791	454	-	14,770
Unallocated corporate income	未劃分的公司收入									564
Unallocated corporate expenses	未劃分的公司費用									
- Administrative and other expenses	- 行政及其他費用									(6,090)
- Research and development expenditure	- 研究及發展支出									(4,606)
Profit before taxation	除稅前溢利									4,638
Taxation	稅項									(620)
Profit for the year	年度溢利									4,018

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

7. 分類資料

收入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。

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、歐洲及非洲）之所在地區呈報其主要業務資料。「其他」包括美洲及澳洲等地區。以下為按上述地區劃分之市場之分類資料：

二零零八年

分類間之銷售是按成本加某一百分比溢價計算。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

7. SEGMENT INFORMATION (CONTINUED)

Geographical segment (continued)

2008 (continued)

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

2008

7. 分類資料 (續)

地區分類 (續)

二零零八年 (續)

以下為按客戶所在地區劃分之分類資產及分類負債之賬面值之分析：

二零零八年

		Hong Kong	Singapore	Other Asian countries 其他亞洲	Middle East	Europe	Africa	Others	Consolidated
		香港	新加坡	國家	中東	歐洲	非洲	其他	綜合
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'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
ASSETS	資產								
Segment assets	分類資產	944	1,270	991	(2)	5,763	245	(6)	9,205
Unallocated corporate assets	未劃分的公司資產								31,568
Consolidated total assets	綜合總資產								40,773
LIABILITIES	負債								
Segment liabilities	分類負債	1,940	148	596	252	938	138	136	4,148
Unallocated corporate liabilities	未劃分的公司負債								1,429
Consolidated total liabilities	綜合總負債								5,577
		Hong Kong	Singapore	Other Asian countries 其他亞洲	Middle East	Europe	Africa	Others	Consolidated
		香港	新加坡	國家	中東	歐洲	非洲	其他	綜合
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'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	1,154	14	-	-	498	-	-	1,666
Depreciation	折舊	459	9	14	-	190	-	-	672
Development costs capitalised	發展成本資本化	798	-	-	-	-	-	-	798
Provision for obsolete goods	呆舊貨品撥備	(15)	(8)	211	(28)	(54)	(29)	(7)	70
Write down of inventories	存貨撇減	146	80	319	260	512	277	63	1,657
Allowance for loan to an associate	給予聯營公司 的貸款撥備	-	-	1	-	-	-	-	1
Amortisation of capitalised development costs	發展成本資本化 之攤銷	1,268	-	-	-	-	-	-	1,268

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

7. SEGMENT INFORMATION (CONTINUED) Geographical segment (continued)

7. 分類資料(續) 地區分類(續)

2007

二零零七年

		Hong Kong	Singapore	Other Asian countries 其他亞洲 國家	Middle East	Europe	Africa	Others	Eliminations	Consolidated
		香港	新加坡	國家	中東	歐洲	非洲	其他	對銷	綜合
		HK\$'000	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	千港元
REVENUE	收入									
External sales	來自外界之銷售	6,077	5,108	5,616	4,976	16,662	5,318	2,878	-	46,635
Inter-segment sales	分類間之銷售	-	2,557	415	-	8,098	-	-	(11,070)	-
Total	總額	6,077	7,665	6,031	4,976	24,760	5,318	2,878	(11,070)	46,635
SEGMENT RESULT	分類業績	793	702	573	1,600	3,671	1,670	1,012	158	10,179
Unallocated corporate income	未劃分的公司收入									573
Unallocated corporate expenses	未劃分的公司費用									
- Administrative and other expenses	- 行政及其他費用									(4,502)
- Research and development expenditure	- 研究及發展支出									(4,104)
Profit for the year	年度溢利									<u>2,146</u>

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。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

7. SEGMENT INFORMATION (CONTINUED)

Geographical segment (continued)

2007 (continued)

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

2007

	Hong Kong	Singapore	Other Asian countries 其他亞洲	Middle East 中東	Europe 歐洲	Africa 非洲	Others 其他	Consolidated 綜合
	香港	新加坡	國家	中東	歐洲	非洲	其他	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

ASSETS	資產								
Segment assets	分類資產	331	911	683	73	4,623	90	(5)	6,706
Unallocated corporate assets	未劃分的公司資產								28,965
Consolidated total assets	綜合總資產								35,671
LIABILITIES	負債								
Segment liabilities	分類負債	833	395	240	291	945	250	117	3,071
Unallocated corporate liabilities	未劃分的公司負債								1,329
Consolidated total liabilities	綜合總負債								4,400

	Hong Kong	Singapore	Other Asian countries 其他亞洲	Middle East 中東	Europe 歐洲	Africa 非洲	Others 其他	Consolidated 綜合
	香港	新加坡	國家	中東	歐洲	非洲	其他	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	115	7	-	-	235	-	-	357
Depreciation	折舊	329	7	28	-	49	-	-	413
Development costs capitalised	發展成本資本化	626	-	-	-	-	-	-	626
Provision for obsolete goods	呆舊貨品撥備	131	73	375	136	333	156	72	1,276
Allowance for loan to an associate	給予聯營公司的貸款撥備	-	-	25	-	-	-	-	25
Amortisation of capitalised development costs	發展成本資本化之攤銷	778	-	-	-	-	-	-	778

7. 分類資料 (續)

地區分類 (續)

二零零七年 (續)

以下為按客戶所在地區劃分之分類資產及分類負債之賬面值之分析：

二零零七年

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

7. SEGMENT INFORMATION (CONTINUED)

Geographical segment (continued)

2007 (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.

7. 分類資料 (續)

地區分類 (續)

二零零七年 (續)

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

		Carrying amounts of segment assets		Additions to property, plant and equipment and capitalised development costs	
		分類資產之賬面值		物業、廠房及設備與 發展成本資本化之添置	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	33,184	28,347	1,952	741
Singapore	新加坡	1,668	1,528	14	7
Other Asian countries	其他亞洲國家	62	458	-	-
Europe	歐洲	5,859	5,338	498	235
		40,773	35,671	2,464	983

Business segments

The Group is solely engaged in research and development and sales and marketing of video surveillance systems. No further business segment information is presented as all of the Group's revenue, operating results and assets were attributable to this business segment.

業務分類

本集團只從事視像監控系統之研究及開發、銷售及市場推廣。由於本集團之所有收入、經營業績及資產已納入本業務分類，因此並無呈列其他業務分類資料。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

8. OTHER INCOME

8. 其他收入

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Other income is analysed as follows:	其他收入之分析如下：		
Interest income from	源自以下項目之利息收入		
– bank deposits	– 銀行存款	366	351
– loan to an associate	– 給予聯營公司之貸款	2	3
Dividend income from listed equity securities	上市權益性證券的股息收入	136	127
Others	其他	60	92
		564	573

9. PROFIT BEFORE TAXATION

9. 除稅前溢利

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation has been arrived at after charging/(crediting):	除稅前溢利已扣除/(計入)：		
Employee benefits expense (including directors' remuneration)	僱員福利開支(包括董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	14,857	12,595
Retirement benefits scheme contributions	退休福利計劃供款	809	599
		15,666	13,194
Less: Amount capitalised as development costs	減：資本化並列作發展成本之款項	(798)	(626)
		14,868	12,568
Allowance for bad and doubtful debts	呆壞賬撥備	13	37
Bad debts written off	壞賬撇銷	560	–
Allowance for loan to an associate	給予聯營公司貸款之撥備	1	25
Provision for obsolete goods (included in cost of sales)	呆舊貨品撥備(已列入銷售成本)	70	1,276
Write down of inventories (included in cost of sales)	存貨撇減(已列入銷售成本)	1,657	–
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)	1,268	778
Auditors' remuneration	核數師酬金	387	302
Net foreign exchange gains	外幣匯兌收益淨額	(148)	(728)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	672	413

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the 7 (2007: 8) directors were as follows:

2008

		Prof. Chan Chok Ki 陳作基教授	Dr. Ma Chi Kit 馬志傑博士	Mr. Ho Ka Ho 何家豪先生	Dr. Chan Cheung Fat 陳祥發博士	Prof. Siu Wan Chi 蕭允治教授	Prof. Ching Pak Chung 程伯中教授	Mr. Yu Hon To David 俞漢度先生	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金								
Other emoluments	其他酬金	-	-	-	-	60	60	180	
Salaries and other benefits	薪金及其他福利	2,129	608	703	187	-	-	3,627	
Contributions to retirement benefit schemes	退休福利計劃供款	12	12	12	-	-	-	36	
Total emoluments	總酬金	2,141	620	715	187	60	60	3,843	

10. 董事及僱員酬金

已付或應付7名(二零零七年:8名)董事各自的酬金如下:

二零零八年

2007

		Prof. Chan Chok Ki 陳作基教授	Dr. Ma Chi Kit 馬志傑博士	Mr. Ho Ka Ho 何家豪先生	Dr. Chan Cheung Fat 陳祥發博士	Prof. Siu Wan Chi 蕭允治教授	Mr. Yeung Kwok Ki 楊國琦先生	Prof. Ching Pak Chung 程伯中教授	Mr. Yu Hon To David 俞漢度先生	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金									
Other emoluments	其他酬金	-	-	-	-	60	30	60	178	
Salaries and other benefits	薪金及其他福利	2,084	724	650	187	-	-	-	3,645	
Contributions to retirement benefit schemes	退休福利計劃供款	12	12	12	-	-	-	-	36	
Total emoluments	總酬金	2,096	736	662	187	60	30	60	3,859	

Notes:

- (i) Mr. Yeung Kwok Ki resigned as independent non-executive director of the Company on 28 December 2006.
- (ii) Mr. Yu Hon To David was appointed as independent non-executive director of the Company on 16 January 2007.

附註:

- (i) 楊國琦先生於二零零六年十二月二十八日辭任本公司獨立非執行董事。
- (ii) 俞漢度先生於二零零七年一月十六日獲委任為本公司獨立非執行董事。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

The five highest paid individuals included three (2007: three) directors of the Company, details of whose emoluments are set out above. The emoluments of the remaining two (2007: two) individuals, which fall within the band of nil to HK\$1,000,000 for each of the two years ended 30 June 2008 and 2007, were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,150	1,238
Retirement benefits scheme contributions	退休福利計劃供款	147	139
		1,297	1,377

During each of the two years ended 30 June 2008 and 2007, 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 2008 and 2007.

10. 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(二零零七年：三位)董事，已在上文載有有關的酬金詳情。其餘兩位(二零零七年：兩位)人士於截至二零零八年及二零零七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：

截至二零零八年及二零零七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，截至二零零八年及二零零七年六月三十日止年度內並無任何董事放棄任何酬金。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

11. TAXATION

The charge comprises:

11. 稅項

稅項費用包括：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Hong Kong Profits Tax – current year	香港利得稅 – 本年度	332	–
Other jurisdictions	其他司法權區		
Current year provision	本年度計提	4	–
Underprovision in prior years	以前年度少計提	13	–
		17	–
		349	–
Deferred tax liabilities (Note 28)	遞延稅項負債 (附註28)	271	–
Taxation attributable to the Company and its subsidiaries	歸屬於本公司及其附屬公司的稅項	620	–

Hong Kong profits tax is calculated at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong for the year ended 30 June 2008. No tax was payable on profit arising in Hong Kong for the year ended 30 June 2007 since the assessable profits were wholly absorbed by tax losses brought forward.

於截至二零零八年六月三十日止年度內，香港利得稅乃按於香港產生之估計應課稅溢利以稅率16.5% (二零零七年：17.5%) 計算。由於應課稅溢利已被結轉之稅項虧損悉數抵免，故毋須就截至二零零七年六月三十日止年度於香港產生之溢利繳納任何稅項。

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

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。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

11. TAXATION (CONTINUED)

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

11. 稅項(續)

本年度之稅項與於綜合收益表中的除稅前溢利之對賬如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation	除稅前溢利	4,638	2,146
Tax at the domestic income tax rate of 16.5% (2007: 17.5%)	按本地所得稅稅率16.5% (二零零七年：17.5%) 計算稅項	765	375
Tax effect of expenses that are not deductible for tax purposes	不可扣稅開支之稅務影響	477	288
Tax effect of income that is not taxable for tax purposes	毋須課稅收入之稅務影響	(187)	(381)
Utilisation of tax loss not previously recognised	動用過往尚未確認之稅項虧損	(870)	(446)
Tax effect of deferred tax assets not recognised	未確認遞延稅項資產之稅務影響	162	164
Tax effect of temporary timing difference	暫時時間差異的稅務影響	271	–
Tax effect on different tax rate of operations in other jurisdictions	在其他司法權區經營業務稅率不同的稅務影響	2	–
Taxation charge for the year	本年度之稅項費用	620	–

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

12. 每股盈利

本公司普通股權益持有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Earnings	溢利		
Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔年度溢利	3,997	2,087
		'000 千股	'000 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利之普通股加權平均數	180,298	180,007
Effect of dilutive potential ordinary shares in respect of:	以下潛在有攤薄效果普通股之影響：		
– Share options	– 購股權	1,109	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均數	181,407	180,007

The share options outstanding during the year ended 30 June 2007 had an anti-dilutive effect on the basic earnings per share for the year.

截至二零零七年六月三十日止年度之未獲行使購股權對該年度之每股基本盈利具反攤薄影響。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

13. PROPERTY, PLANT AND EQUIPMENT

13. 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 總計 HK\$'000 千港元
THE GROUP	本集團					
COST	成本					
At 1 July 2006	於二零零六年七月一日	469	445	2,796	243	3,953
Exchange adjustments	匯兌調整	4	2	32	–	38
Additions	添置	–	–	357	–	357
Disposals	出售	–	–	(12)	–	(12)
At 30 June 2007	於二零零七年六月三十日	473	447	3,173	243	4,336
Exchange adjustments	匯兌調整	9	3	30	–	42
Additions	添置	323	387	493	463	1,666
Disposals	出售	(394)	(4)	(82)	–	(480)
At 30 June 2008	於二零零八年六月三十日	411	833	3,614	706	5,564
DEPRECIATION	折舊					
At 1 July 2006	於二零零六年七月一日	448	384	2,320	101	3,253
Exchange adjustments	匯兌調整	4	1	27	–	32
Provided for the year	本年度計提	21	32	279	81	413
Disposals	出售	–	–	(12)	–	(12)
At 30 June 2007	於二零零七年六月三十日	473	417	2,614	182	3,686
Exchange adjustments	匯兌調整	9	3	28	–	40
Provided for the year	本年度計提	68	122	280	202	672
Disposals	出售	(394)	(4)	(79)	–	(477)
At 30 June 2008	於二零零八年六月三十日	156	538	2,843	384	3,921
CARRYING AMOUNTS	賬面值					
At 30 June 2008	於二零零八年六月三十日	255	295	771	322	1,643
At 30 June 2007	於二零零七年六月三十日	–	30	559	61	650

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

Leasehold improvements	33 1/3% or over the lease term, whichever is shorter
Furniture and fixtures	20%
Office equipment	20% – 33 1/3%
Motor vehicle	33 1/3%

13. 物業、廠房及設備(續)

上述物業、廠房及設備項目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 1/3%或租賃期 (以較短者為準)
傢俬及裝置	20%
辦公室設備	20% – 33 1/3%
汽車	33 1/3%

14. CAPITALISED DEVELOPMENT COSTS

14. 發展成本資本化

		Total 總計 HK\$'000 千港元
THE GROUP COST	本集團 成本	
At 1 July 2006	於二零零六年七月一日	7,956
Additions	添置	626
At 30 June 2007	於二零零七年六月三十日	8,582
Additions	添置	798
At 30 June 2008	於二零零八年六月三十日	9,380
AMORTISATION	攤銷	
At 1 July 2006	於二零零六年七月一日	6,357
Provided for the year	本年度計提	778
At 30 June 2007	於二零零七年六月三十日	7,135
Provided for the year	本年度計提	1,268
At 30 June 2008	於二零零八年六月三十日	8,403
CARRYING AMOUNTS	賬面值	
At 30 June 2008	於二零零八年六月三十日	977
At 30 June 2007	於二零零七年六月三十日	1,447

Development costs recognised as an asset are amortised using the straight-line method over three years from the date it is available for use.

已確認為資產的發展成本，在其可供使用日期起計三年期間以直線法攤銷。

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 products developed. They determined that no impairment loss should be made at 30 June 2008 and 2007.

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。彼等認為，於二零零八年及二零零七年六月三十日不應確認減值虧損。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

15. INVESTMENT IN A SUBSIDIARY

15. 於附屬公司之投資

		The Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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 2008 were as follows:

於二零零八年六月三十日，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

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

15. INVESTMENT IN A SUBSIDIARY (CONTINUED)

15. 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 面值百份比		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Signal Communications Limited 千里眼科技有限公司	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
TeleEye Europe Limited	The United Kingdom 英國	GBP100 100英磅	–	95	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	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(Notes) (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

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

15. INVESTMENT IN A SUBSIDIARY (CONTINUED)

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

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

16. INTEREST IN AN ASSOCIATE

15. 於附屬公司之投資(續)

附註：該公司以全資擁有外資企業之方式註冊。

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已發行之債務證券。

16. 於聯營公司之權益

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of investment in an associate	聯營公司投資成本	-	1,060
Share of post-acquisition losses	應佔收購後虧損	-	(1,060)
		-	-

Details of the Group's associate at 30 June 2007 were as follows:

於二零零七年六月三十日，本集團之聯營公司詳情如下：

Name of associate	Particulars of issued shares held	Place of incorporation and operation	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
聯營公司名稱	所持已發行股份詳情	註冊成立及經營地點		主要業務
CAMERIO Japan, Incorporated	294 ordinary shares of Yen 50,000 each 294股每股面值50,000日圓普通股	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

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

16. INTEREST IN AN ASSOCIATE (CONTINUED)

The summarised financial information in respect of the Group's associate is set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total assets	總資產	-	642
Total liabilities	總負債	-	(1,301)
		-	(659)
Group's share of net assets of associate	本集團應佔聯營公司的資產淨值	-	-
Loss for the year	年度虧損	-	(72)
Group's share of results of associate for the year	本年度應佔聯營公司的年度業績	-	-

In December 2007, the Group had disposed of the associate for a cash consideration of JPY294 equivalent to approximately HK\$21.

The Group has discontinued recognition of its share of results of the associate because the accumulated share of post-acquisition losses equals the cost of investment in the associate. The amount of unrecognised share of the associate, extracted from the relevant management accounts of the associate, both for the year and cumulatively, are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unrecognised share of loss of associate for the year	未確認的應佔聯營公司年度虧損	-	(35)
Accumulated unrecognised share of losses of associate	累積未確認應佔聯營公司虧損	-	(280)

16. 於聯營公司之權益(續)

有關本集團聯營公司的財務概要資料列載如下：

於二零零七年十二月，本集團出售該聯營公司，有關現金代價為294日圓，相當於大約21港元。

由於累積分佔收購後虧損相等於聯營公司投資成本，因此本集團已停止確認其應佔的聯營公司業績。年內及累積未確認應佔聯營公司金額(摘錄自聯營公司的有關管理賬目)如下：

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

17. AVAILABLE-FOR-SALE INVESTMENTS

17. 可供出售投資

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Listed equity securities in Hong Kong	香港之上市股本證券	4,179	4,305

At the balance sheet date, all available-for-sale investments are stated at fair value. Fair values of those investments have been determined by reference to bid prices quoted in active markets.

於結算日，所有可供出售投資均以公平價值列賬。該等投資的公平價值乃參考活躍市場所報的買入價而釐定。

18. INVENTORIES

18. 存貨

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Raw materials	原料	2,592	3,362
Finished goods	製成品	5,067	7,602
		7,659	10,964

19. TRADE AND OTHER RECEIVABLES

19. 應收賬款及其他應收款

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	應收賬款	6,457	4,482
Less: accumulated allowances	減：累計撥備	(116)	(103)
		6,341	4,379
Other receivables	其他應收款	2,012	2,186
Total trade and other receivables	應收賬款及其他應收款合計	8,353	6,565

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an aged analysis of trade receivables net of allowance for doubtful debts at the balance sheet date prepared on the basis of payment due date of sales invoice:

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current	即期付款	4,255	3,318
1 to 3 months overdue	逾期1至3個月	1,372	897
More than 3 months overdue	逾期超過3個月	714	164
		6,341	4,379

The Group allows an average credit period of 30 days to its trade customers. The Group trade receivables are individually determined to be impaired.

Ageing of trade receivables which are past due but not impaired

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
1 to 3 months overdue	逾期1至3個月	1,372	897
More than 3 months overdue	逾期超過3個月	714	164
		2,086	1,061

The Group does not hold any collateral over these balances.

19. 應收賬款及其他應收款(續)

於結算日按銷售發票之到期付款日期之基準計算之應付賬款(扣除呆賬撥備)賬齡分析如下:

本集團給予其貿易客戶平均三十日之信貸期。本集團的應收賬款乃個別決定減值。

逾期但並無減值的應收賬款的賬齡

本集團並無就該等結餘持有任何抵押品。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Movement in the allowance for doubtful debts

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	103	66
Impairment losses recognised on receivables	就應收款項確認減值虧損	13	37
Balance at end of the year	年底結餘	116	103

Included in the allowance for doubtful debts are individually impaired trade receivables with a balance of HK\$116,000 (2007: HK\$103,000) relate to customers that were in default. The impairment recognised represents the difference between the carrying amount of these trade receivables and the present value of the expected liquidation proceeds. The Group does not hold any collateral over these balances.

Ageing of impaired trade receivables

19. 應收賬款及其他應收款(續)

呆賬撥備變動

呆賬撥備包括個別減值的應收賬款結餘 116,000 港元 (二零零七年: 103,000 港元), 乃有關欠繳客戶。所確認減值指該等應收賬款的賬面值與預期清算所得款項的現值兩者之間的差額。本集團並無就該等結餘持有任何抵押品。

已減值應收賬款的賬齡

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
1 to 3 months overdue	逾期1至3個月	-	7
More than 3 months overdue	逾期超過3個月	116	96
		116	103

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

20. AMOUNT DUE FROM AN ASSOCIATE

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade account	貿易賬項	-	14

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.

21. BANK BALANCES AND CASH

Bank balances and cash comprises cash and short-term bank deposits held by the Group and the Company with an original maturity of three months or less. The deposits carry fixed interest rate from 1.7% to 5.15% (2007: 4.7% – 4.8%).

22. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK\$2,392,000 (2007: HK\$723,000). 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	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current	即期付款	1,830	619
1 to 3 months overdue	逾期1至3個月	511	104
More than 3 months overdue	逾期超過3個月	51	-
		2,392	723

The average credit period on purchases is 1 month.

20. 應收聯營公司之款項

貸款賬項為無抵押、年息為1%及須按要求而償還。貿易賬項為無抵押、不附利息及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合乎本集團所授予之信貸期內。

21. 銀行結餘及現金

銀行結餘及現金包括由本集團及本公司持有的現金及原定於三個月或以內到期的短期銀行存款。存款按1.7%至5.15% (二零零七年：4.7%至4.8%) 的固定利率計算利息。

22. 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2,392,000港元 (二零零七年：723,000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：

採購的平均信用期為1個月。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

23. AMOUNTS DUE TO MINORITY SHAREHOLDERS

The Group

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

24. AMOUNTS DUE FROM SUBSIDIARIES

The Company

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

25. SHARE CAPITAL

23. 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。

24. 應收附屬公司款項

本公司

該筆結餘為無抵押、不附利息及須按要求而償還。

25. 股本

		Number of shares 股份數目		Share capital 股本	
		2008 二零零八年 '000 千股	2007 二零零七年 '000 千股	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元 之普通股	800,000	800,000	8,000	8,000
Issued and fully paid:	已發行及繳足股本：				
At beginning of year	年初	180,240	180,000	1,802	1,800
Exercise of share options	行使購股權	60	240	1	2
At end of year	年終	180,300	180,240	1,803	1,802

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

26. 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. 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.

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.

26. 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。

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。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

26. SHARE OPTION SCHEMES (CONTINUED)

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

The following table discloses movements in the Company's share options under the Pre-IPO Scheme during the years ended 30 June 2007 and 2008:

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Balance at 1 July 2006 於二零零六年 七月一日		Lapsed during the year 於年度內 已失效		Lapsed during the year 於年度內 已失效		Balance at 30 June 2007 於二零零七年 六月三十日		Balance at 30 June 2008 於二零零八年 六月三十日	
			之結餘				之結餘				之結餘
Directors of the Company 本公司之董事											
Prof. Chan Chok Ki 陳作基教授	12 April 2001 二零零一年四月十二日	0.60	1,800,000	-	1,800,000	-	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	-	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	-	1,364,000	-	1,364,000
			4,604,000	-	4,604,000	-	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	2,056,000	-	2,056,000	(884,000)	1,172,000	(884,000)	1,172,000		
			6,660,000	-	6,660,000	(884,000)	5,776,000				

No options had been exercised since the date of grant. At 30 June 2008, the number of shares in respect of which options had been granted under the Pre-IPO Scheme represents 3.2% (2007: 3.7%) of the shares of the Company in issue at that date.

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

26. 購股權計劃 (續)

(i) 招股前購股權計劃 (「招股前購股權計劃」) (續)

下表披露於截至二零零七年及二零零八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：

自授出日期起計並無購股權獲行使。於二零零八年六月三十日，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3.2% (二零零七年：3.7%)。

附註：此等購股權在承授人辭任後失效。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

26. SHARE OPTION SCHEMES (CONTINUED)

(ii) 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 of and payment of consideration by the grantee and have a duration of 10 years from their respective vesting dates.

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 Sheets 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.

26. 購股權計劃(續)

(ii) 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，其有效期由其各自的歸屬日期起計為期10年。

將授予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最高者：(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。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

26. SHARE OPTION SCHEMES (CONTINUED)

(ii) 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 years ended 30 June 2007 and 2008:

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Balance at 1 July 2006 於二零零六年 七月一日 之結餘	Exercised during the year 於年度內 已行使	Balance at 30 June 2007 於二零零七年 六月三十日 之結餘	Exercised during the year 於年度內 已行使	Balance at 30 June 2008 於二零零八年 六月三十日 之結餘
Directors of the Company 本公司之董事						
Prof. Chan Chok Ki 陳作基教授	4 August 2004 二零零四年八月四日	0.145 900,000	-	900,000	-	900,000
Dr. Ma Chi Kit 馬志傑先生	4 August 2004 二零零四年八月四日	0.145 720,000	-	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	-	680,000
		2,300,000	-	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	0.145 380,000	(240,000)	140,000	(60,000)	80,000
		2,680,000	(240,000)	2,440,000	(60,000)	2,380,000

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 2008, the number of shares in respect of which options had been granted under the 2003 Option Scheme represents 1.3% (2007: 1.4%) of the shares of the Company in issue at that date.

The 60,000 share options exercised during the year resulted in the issue of 60,000 ordinary shares of the Company and new share capital of HK\$600 and share premium of HK\$8,100 (before issue expenses), as further detailed in note 25 to the financial statements.

26. 購股權計劃 (續)

(ii) 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)

下表披露截至二零零七年及二零零八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：

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。於二零零八年六月三十日，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1.3% (二零零七年：1.4%)。

如財務報表附註25進一步詳述，於年度內行使之60,000份購股權導致發行60,000股本公司普通股及新股本600港元及股份溢價8,100港元 (未計發行開支)。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

26. SHARE OPTION SCHEMES (CONTINUED)

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

The weighted average closing price per share immediately before the date on which the option for 60,000 shares was exercised (i.e. 12 July 2007) was HK\$0.42.

27. RESERVES

26. 購股權計劃 (續)

(ii) 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)

緊接涉及60,000股股份之購股權行使日期 (即二零零七年七月十二日) 前之每股加權平均收市價為0.42港元。

27. 儲備

		Share premium	Retained profits/ (losses)	Total
		股份溢價	保留溢利 / (虧損)	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
THE COMPANY	本公司			
At 1 July 2006	於二零零六年七月一日	21,605	(1,412)	20,193
Issue of ordinary shares upon exercise of share options	於行使購股權時發行普通股	33	–	33
Profit for the year	本年度溢利	–	2,019	2,019
At 30 June 2007	於二零零七年六月三十日	21,638	607	22,245
Issue of ordinary shares upon exercise of share options	於行使購股權時發行普通股	8	–	8
Profit for the year	本年度溢利	–	1,111	1,111
At 30 June 2008	於二零零八年六月三十日	21,646	1,718	23,364

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

28. DEFERRED TAXATION

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

		Accelerated tax depreciation 加速稅項 折舊 HK\$'000 千港元	Capitalised development costs 發展成本 資本化 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
THE GROUP	本集團				
At 1 July 2006	於二零零六年七月一日	10	280	(290)	–
(Credit)/charge to income statement	於收益表中(計入)/扣除	(10)	(27)	37	–
At 30 June 2007 and 1 July 2007	於二零零七年六月三十日 及二零零七年七月一日	–	253	(253)	–
Charge/(credit) to income statement	於收益表中扣除/(計入)	110	(92)	253	271
At 30 June 2008	於二零零八年六月三十日	110	161	–	271

At 30 June 2008, the Group has unused tax losses of HK\$4,755,000 (2007: HK\$7,467,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses (2007: HK\$1,446,000). No deferred tax asset has been recognised in relation to the remaining unused tax losses of HK\$4,755,000 (2007: HK\$6,021,000) due to the unpredictability of future profit streams. Included in the unrecognised tax losses are losses of HK\$1,292,000 (2007: HK\$790,000) that will expire in 2012 through 2013. The remaining tax losses may be carried forward indefinitely.

At 30 June 2008, the Group has no other deductible temporary differences (2007: HK\$108,000). 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.

28. 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(資產)/負債及其變動詳情：

於二零零八年六月三十日，本集團可供用作抵銷未來溢利之尚未動用稅務虧損為4,755,000港元(二零零七年：7,467,000港元)。本集團並無就該等虧損而確認遞延稅項資產(二零零七年：1,446,000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4,755,000港元(二零零七年：6,021,000港元)確認為遞延稅項資產。尚未確認稅項虧損中之虧損1,292,000港元(二零零七年：790,000港元)將由二零一二年至二零一三年到期。餘下之稅項虧損可予無限期結承結轉。

於二零零八年六月三十日，本集團並無其他可扣減暫時差額(二零零七年：108,000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。

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

29. 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 costs charged to income statement of HK\$753,000 (2007: HK\$651,000) represents contributions payable to these schemes by the Group in respect of current accounting period.

29. 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，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向計劃供款。就強積金計劃而言本集團只須按計劃提供所須供款。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753,000港元（二零零七年：651,000港元）為本集團就本會計期間向此等計劃作出之供款。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

30. OPERATING LEASES

30. 經營租約安排

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 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	1,546	1,161

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	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	1,186	585
In the second to fifth year inclusive	第二年至第五年(首尾兩年包括在內)	1,272	932
More than five years	五年後	230	–
		2,688	1,517

Operating lease payments represent rentals payable by the Group for office premises. Leases are negotiated for an average of three years 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。租約平均為期三年，而固定租金平均三年商定一次。

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

本公司於結算日並無重大經營租約承擔。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2008 截至二零零八年六月三十日止年度

31. RELATED PARTY TRANSACTIONS

31. 關連人士交易

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Sales to an associate	向聯營公司銷售	64	150
Interest income from loan to an associate	來自給予聯營公司貸款之利息收入	2	3
Service fee to the City University	向城市大學支付服務費	74	38
Scholarship donation to the City University	向城市大學作出獎學金捐款	66	—

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市大學之全資附屬公司。

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

主要管理人員的補償

董事及其他主要管理層成員於年內之酬金如下：

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Short-term benefits	短期福利	4,777	4,777
Post-employment benefits	離職後福利	72	72
		4,849	4,849

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及主要行政人員的酬金乃由薪酬委員會於考慮個別表現及市場趨勢後釐定。

FINANCIAL SUMMARY 財務概要

RESULTS

業績

Year ended 30 June
截至六月三十日止年度

		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Revenue	營業額	30,458	27,492	37,356	46,635	62,898
(Loss)/profit before tax	除稅前(虧損)/溢利	(911)	(3,500)	(209)	2,146	4,638
Income tax credit/(charge)	所得稅抵免/(支出)	21	-	-	-	(620)
(Loss)/profit for the year	本年度(虧損)/溢利	(890)	(3,500)	(209)	2,146	4,018
Attributable to:	以下人士應佔:					
Equity holders of the Company	本公司權益持有人	(946)	(3,284)	(273)	2,087	3,997
Minority interests	少數股東權益	56	(216)	64	59	21
		(890)	(3,500)	(209)	2,146	4,018

ASSETS AND LIABILITIES

資產及負債

At 30 June
於六月三十日

		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	總資產	35,693	33,291	34,118	35,671	40,773
Total liabilities	總負債	(3,902)	(4,248)	(5,334)	(4,400)	(5,577)
		31,791	29,043	28,784	31,271	35,196
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	31,878	29,339	29,032	31,483	35,361
Minority interests	少數股東權益	(87)	(296)	(248)	(212)	(165)
		31,791	29,043	28,784	31,271	35,196

TeleEye Holdings Limited
千里眼控股有限公司



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