



ITE (HOLDINGS) LIMITED

INTERIM REPORT 2008/09 中期報告

Stock Code 股份代號 : 8092



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

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

香港聯合交易所有限公司 (「交易所」) 創業板市場 (「創業板」) 的特色

創業板的定位，乃為相比起其他在本交易所上市的公司帶有較高投資風險的公司提供一個上市的市場。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的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的投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

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本報告乃遵照香港聯合交易所有限公司《創業板證券上市規則》(「創業板上市規則」)的規定而提供有關 ITE (Holdings) Limited (「ITE」或「本公司」)的資料。本公司各董事(「董事」)願就本報告共同及個別承擔責任，並在作出一切合理查詢後，確認就彼等所知及所信：(i) 本報告所載的資料在各重大方面均屬準確完整，且無誤導成份；(ii) 本報告並無遺漏任何事實致使本報告所載任何內容產生誤導；及 (iii) 本報告內表達的一切意見乃經審慎周詳考慮後作出，並以公平合理的基準及假設為依據。

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Highlights 概要

Turnover of the Group for the six months ended 30 September 2008 was approximately HK\$37,529,000 representing an increase of approximately 6% over the turnover of approximately HK\$35,402,000 for the same period in 2007.

Profit attributable to shareholders of the Company for the six months ended 30 September 2008 amounted to approximately HK\$712,000 compared to that of approximately HK\$760,000 for the same period in 2007.

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

截至二零零八年九月三十日止六個月期間，本集團的營業額約為37,529,000港元，較二零零七年同期的營業額約35,402,000港元增加約6%。

截至二零零八年九月三十日止六個月期間的本公司股東應佔溢利約為712,000港元，比對二零零七年同期錄得約為760,000港元。

董事會不建議派付截至二零零八年九月三十日止六個月期間的中期股息（截至二零零七年九月三十日止六個月：無）。

Chairman's Statement 主席報告

Dear Shareholders,

On behalf of the board of Directors (the "Board"), I hereby present the unaudited interim consolidated results for ITE and its subsidiaries (together, the "Group") for the six months ended 30 September 2008 (the "Period").

Mission

The mission of the Group is to become the leading provider of smartcard, radio frequency identification ("RFID"), biometrics product and solution and system integrator in the world. ITE has been pioneering and has achieved outstanding performance in the areas of smartcard system solutions and integration services in the Hong Kong Special Administrative Region ("Hong Kong" or "HKSAR"), the Macao Special Administrative Region ("Macao") and the People's Republic of China ("PRC"). With profound expertise, strong research and development ("R&D") capability, proven track record and excellent reputation, the Group has established a leading profile in our own industry and has adopted a proactive approach to introduce innovative and customised smartcard, RFID and biometrics applications to our clients. Leveraging on our extensive industry experience and intellectual assets, ITE will continue to develop innovative products and multi-applications solutions for clients coming from different industries and to expand our businesses to more overseas countries.

Appreciation

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

By order of the Board
ITE (Holdings) Limited
Lau Hon Kwong, Vincent
Chairman

Hong Kong, 7 November 2008

致各股東：

本人謹代表董事會（「董事會」），提呈ITE (Holdings) Limited及其附屬公司（合稱「本集團」）截至二零零八年九月三十日止六個月（「期內」）的未經審核綜合中期業績。

目標

本集團的目標，是要成為全球具領導地位的智能卡、射頻識別、生物特徵科技產品及方案及系統集成商。ITE一直是香港特別行政區（「香港」）、澳門特別行政區（「澳門」）及中華人民共和國（「中國」）在智能卡系統方案及集成工作的先驅，並一直表現優良。本集團具備專業知識、強大的研究及開發（「研發」）能力、良好的往績及享負盛名，已在香港業界建立領導地位，並積極向客戶推介創新及度身訂造的智能卡、射頻識別及生物特徵技術應用方案。憑藉於行內累積的豐富經驗及知識資產，ITE持續為來自不同行業的客戶研發創新產品、多功能應用方案及提供相關服務，並擴展業務至海外國家。

致謝

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

承董事會命
ITE (Holdings) Limited
主席
劉漢光

香港，二零零八年十一月七日

Business Review

業務回顧

The global financial tsunami just happened will have a very negative impact on Hong Kong. The situation is getting worse when banks are tightening credit facilities and lendings to enterprises. Small and medium enterprises, like us, will be much affected. The Directors and management of the Group have reacted very fast to protect the Group from suffering any serious damages and to introduce new measures to reduce costs and improve efficiency.

During the Period, the management of the Group has continued to utilise our professional and committed workforce and financial resources to achieve maximum return for our shareholders.

Our solution and services company, ITE Smartcard Solutions Limited ("ITES") completed a number of projects in Hong Kong, Macao and overseas, including a smartmeter system for the Hong Kong University of Science and Technology, the smartcard access control system for the Tai Po Hospital, the Octopus card parking system for a new commercial complex in One Island East, and the airport Automated Passenger Management System for a Middle East country.

Our product arm, RF Tech Limited ("RFT") has been granted a new patent, RFID Enabled Police Guard Tour System, by the State Intellectual Property Office of the PRC. A technology transfer arrangement was also completed with the Hong Kong Polytechnic University on an identification security product design and development. The award of patent and technology transfer shall strengthen the intellectual property rights portfolio of our Group, and allows us to develop more innovative technology product solutions.

Future Prospect

While presenting the profitable interim result of the fiscal year 2009, the Directors expect that there will be significant downturn in the local economy and the information technology industry in the coming quarters, the Group shall prudently operate and build businesses on top of our existing high quality client base and portfolio of intellectual assets.

金融海嘯爆發橫掃全球，對本地經濟造成極嚴重之破壞，情況更日見危困。中小企業包括本集團正面對銀行收縮信貸、流動資金緊絀的困難。董事及集團管理層已急謀對策、靈活應變及控制成本以減低沖擊對集團的損害。

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

本集團提供方案及服務的全資附屬子公司，智控系統有限公司（「智控系統」）完成多項香港、澳門及海外工程，項目包括香港科技大學的智能收費系統，大埔醫院的智能門禁控制系統，港島東中心的八達通停車庫收費系統及中東國家另一國際機場的旅客自助過關控制系統。

本集團另一科研及產品公司RF Tech Limited（「RF Tech」），欣然宣佈「基於射頻識別技術的智能警察巡檢裝置」已獲中華人民共和國國家知識產權局授予專利。此外，RFT與香港理工大學透過技術轉移安排，已將一種工安保證產品的設計及開發順利完成。專利的授予及技術轉移的成功彰顯本集團在知識資產的優勢，加強了發展創新科技產品的實力。

展望

全球金融海嘯沖擊下，本港經濟急速下滑，儘管集團宣佈二零零九年財政年度中期業績錄得盈利，我們相信資訊科技行業將受極大影響。我們的業務方針將審慎營運，針對高素質的客戶群持續建立業務，並繼續加強知識資產。

Financial Performance

For the Period, the Group recorded total revenue of approximately HK\$38 million, representing an increase of 6% over the same period in 2007. Profit attributable to the shareholders of the Company for the six months ended 30 September 2008 was approximately HK\$0.71 million as compared to that of approximately HK\$0.76 million for the corresponding period in 2007.

Segmental information

For the six months ended 30 September 2008, the Group recorded an increase in turnover for about 6% when compared with the same period in last year. The Group's gross profit margin was also increased from 19% in last year to 20% in current year.

During the Period, the service and sales revenue generated from the provision of smartcard systems, RFID and information technology ("IT") services decreased by 36% to approximately HK\$6,428,000 (six months ended 30 September 2007: HK\$9,990,000). However, within the same segment, the maintenance income increased significantly by 49% to approximately HK\$3,245,000 (six months ended 30 September 2007: HK\$2,181,000).

For consultancy service segment, the turnover increased significantly by about 20% when compared with last year. With the significant increase in turnover, the profit margin had slightly dropped from 16% to 15%.

The Group's administrative expenses had increased by approximately 14%. The increase was mainly due to the written off of approximately HK\$680,000 tendering cost of few sizeable bids during the Period.

The finance costs decreased by 36% to approximately HK\$412,000 (six months ended 30 September 2007: HK\$642,000) during the Period as a result of improvement in cash flow and decrease in interest rates.

財務表現

期內，本集團錄得收入約為38,000,000港元，較去年同期增加6%。截至二零零八年九月三十日止六個月的本公司股東應佔溢利約為710,000港元，比對去年同期錄得約為760,000港元。

分部資訊

截至二零零八年九月三十日止六個月，本集團錄得營業額較去年同期上升約6%。本集團邊際毛利從去年同期的19%上升至期內的20%。

期內，本集團在提供及銷售智能卡系統、射頻識別系統及資訊科技服務收入下跌36%至約6,428,000港元（截至二零零七年九月三十日止六個月：9,990,000港元）。但在保養收入方面，錄得大幅增長49%至約3,245,000港元（截至二零零七年九月三十日止六個月：2,181,000港元）。

顧問服務範疇方面，營業額較去年大幅增加20%。縱使營業額大幅增加，邊際毛利由16%輕微下跌至15%。

本集團行政費用增加約14%，該增幅主要由於期內為數約680,000港元的投標費用的撇銷。

隨著現金流量改善及銀行利率下調，本年度財務費用減少36%至約412,000港元（截至二零零七年九月三十日止六個月：642,000港元）。

Business Review

業務回顧

Liquidity, financial resources and treasury policies

The Group generally financed its operations with its internally generated cash flows and bank borrowings. As at 30 September 2008, the Group had outstanding borrowings of approximately HK\$11,603,000, comprising secured bank loans of approximately HK\$6,392,000 and bank overdrafts of approximately HK\$5,211,000. As at 30 September 2008, the current ratio of the Group was 1.38 (31 March 2008: 1.36) while the liquidity ratio was 1.29 (31 March 2008: 1.29)

The Group continues to adopt a conservative approach towards its treasury policy. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial condition of its customers. Besides, the Group's liquidity and financing arrangements are also reviewed regularly.

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

Significant investments

The Group had no significant investments during the Period.

Material acquisitions or disposals of subsidiaries and affiliated companies

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

資金流動性及財政資源

本集團主要以內部產生的現金流量及銀行借貸應付其營運所需。於二零零八年九月三十日，本集團的未償還借款約為11,603,000港元，當中包括約6,392,000港元的短期銀行借貸及約5,211,000港元的銀行透支。本集團於二零零八年九月三十日的流動比率為1.38（二零零八年三月三十一日：1.36），而流動現金比率則為1.29（二零零八年三月三十一日：1.29）。

本集團繼續採取審慎庫務政策。本集團不斷為客戶的財政狀況進行信貸評估，致力減低所承擔的信貸風險。此外，本集團亦會定期檢討流動資金及融資安排。

於考慮銀行融資、嚴格成本控制及本集團現有可動用的財務資源後，本集團相信具備充裕的財務資源以應付日後的營運、發展及投資所需。

重大投資

本集團於期內並沒有任何重大投資。

重大的收購或附屬公司及聯屬公司的出售

本集團於期內並沒有任何收購或附屬公司及聯屬公司的出售。

Employment information

The Group recognises that its staff is one of the Group's most important assets. Aiming at providing competitive salary packages, the Group adjusts employees' salary level in close association with the performance, qualifications and experience of individual staff as well as labour market conditions. In addition to the regular remuneration, discretionary bonus and share options may be awarded to eligible employees with reference to individual performance and the Group's business performance.

The Group enjoys good relations with staff and has not experienced any disruption of operations due to major labour disputes. In addition to the remuneration as mentioned above, the Group also provides fringe benefits which comply with the relevant laws and regulations of the PRC and Hong Kong including contributions to society security scheme of the PRC and contribution to the Mandatory Provident Fund Scheme of Hong Kong. Besides, the Group also provides on-going training programmes for its employees to keep them abreast of the latest market trends and new technologies.

As at 30 September 2008, the Group had 218 (30 September 2007: 229) full-time employees, of which 206 are based in Hong Kong and the rest are in the PRC. Staff costs, including directors' emoluments, was approximately HK\$31 million (six months ended 30 September 2007: HK\$27 million) for the six months ended 30 September 2008. During the Period, the Company has not granted any share option to any of its Directors or employees.

Charges on Group assets

As at 30 September 2008, time deposits of approximately HK\$16,878,000 (31 March 2008: HK\$16,773,000) and available-for-sale financial assets of approximately HK\$1,653,000 (31 March 2008: HK\$1,653,000) were pledged to banks to secure certain banking facilities of the Group.

僱員資料

本集團認為，員工為本集團最重要的資產。本集團的整體目標旨在提供優厚的薪金待遇，僱員薪酬水平將按個別員工的工作表現、學歷、經驗以及勞動市場狀況作出調整。除基本待遇外，本集團亦會評估個別員工的工作表現及參考本集團的業務表現向合資格僱員發放酌情花紅及授出購股權。

本集團一向維持良好融洽的勞資關係，從未經歷任何影響業務運作的重大勞資糾紛。除上述的薪酬待遇外，本集團亦按照中國內地及香港有關法例及法規提供其他僱員福利，包括中國內地的社會保障計劃供款及香港強制性公積金計劃供款。除此之外，本集團為其僱員提供持續培訓計劃，協助他們緊貼市場的最新動態及新科技。

本集團於二零零八年九月三十日僱有218名(二零零七年九月三十日：229名)全職僱員，其中包括206名為香港僱員，其餘則為中國僱員。截至二零零八年九月三十日止六個月，包括董事酬金在內的僱員成本約為31,000,000港元(截至二零零七年九月三十日止六個月：27,000,000港元)。本公司於年內並無向其任何董事及僱員授出任何購股權。

資產押記

於二零零八年九月三十日，為數約16,878,000港元(二零零八年三月三十一日：16,773,000港元)的定期存款及為數約1,653,000港元(二零零八年三月三十一日：1,653,000港元)的可供出售金融資產已抵押予銀行，作為擔保本集團的若干銀行融資。

Business Review 業務回顧

Future plans for material investments

The Group did not have any plans for material investment and acquisition of material capital assets as at 30 September 2008.

Gearing ratio

At 30 September 2008, the gearing ratio of the Group, which is calculated as the ratio of total secured bank loans due after one year to shareholders' funds, was nil (31 March 2008: nil).

Exposure to fluctuations in exchange rates and any related hedges

The Group's assets, liabilities, revenues and expenses are mainly denominated in HK\$, United States dollars ("US\$"), Macao Patacas ("MOP") and Renminbi ("RMB"). The exchange rates between HK\$, US\$, MOP and RMB have been very steady for the past few years. During the year, the Group generally used the receipts from customers and bank loans to pay its suppliers and meet its capital requirements. They are denominated in the local currency of the place in which the subsidiaries operate. The Group does not currently engage in any hedging activities to manage any possible exchange rate risk as the Group considers the cost associated with such hedging arrangements would exceed the benefits. However, the management will continue to monitor the possible exposure to exchange rate risk and will take such measures as it deems prudent.

Contingent liabilities

At 30 September 2008, the Company has issued corporate guarantees to banks in respect of banking facilities granted to certain wholly owned subsidiaries.

日後的重大投資計劃

本集團於二零零八年九月三十日並無任何重大投資及收購重大資本資產的計劃。

資產負債比率

本集團的資產負債比率乃指長期銀行貸款除以股東資金的百分比。於二零零八年九月三十日，本集團的資產負債比率為零（二零零八年三月三十一日：零）。

匯率波動風險及任何相關對沖措施

本集團的資產、負債、收入及開支主要以港元、美元、葡元及人民幣為單位。港元、美元、葡元及人民幣的匯率在過去數年表現十分穩定。年內，本集團將一般所收客戶款項及銀行貸款用以支付供應商及資本開支。該等收支均以附屬公司經營所在地的貨幣進行。由於本集團認為對沖安排的成本高於利益，因此本集團目前並無採取對沖措施控制潛在的匯率風險。然而，管理層會採取審慎態度，不斷監察有關情況並且在有需要時採取相應措施。

或然負債

於二零零八年九月三十日，本公司就若干全資附屬公司的銀行融資而提供企業擔保。

Interim Results
中期業績

UNAUDITED CONSOLIDATED INCOME STATEMENT 未經審核綜合收益表

			Three Months Ended 30 September 截至九月三十日止三個月		Six Months Ended 30 September 截至九月三十日止六個月	
			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
		Note 附註				
Turnover	營業額	3	18,432	18,400	37,529	35,402
Cost of services rendered	已提供服務的成本		(14,435)	(14,205)	(29,493)	(27,304)
Cost of goods sold	已售貨物成本		(342)	(810)	(665)	(1,361)
Gross profit	毛利		3,655	3,385	7,371	6,737
Other income	其他收益		63	182	145	299
Administrative expenses	行政費用		(2,947)	(2,834)	(6,372)	(5,582)
Profit from operations	經營溢利	4	771	733	1,144	1,454
Finance costs	融資成本		(196)	(347)	(412)	(642)
Profit before taxation	除稅前溢利		575	386	732	812
Taxation	稅項	5	-	(32)	(20)	(52)
Profit attributable to shareholders of the Company	本公司股東應佔溢利		575	354	712	760
Earnings per share	每股盈利	7				
Basic	基本		0.06 cent 仙	0.04 cent 仙	0.08 cent 仙	0.08 cent 仙
Diluted	攤薄		-	0.04 cent 仙	-	0.08 cent 仙

Interim Results
中期業績

CONSOLIDATED BALANCE SHEET

綜合資產負債表

			As at 30 September 2008 於二零零八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2008 於二零零八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
		Note 附註		
Non-current assets	非流動資產			
Fixed assets	固定資產	8	524	660
Available-for-sale financial assets	可供出售金融資產		1,653	1,653
			2,177	2,313
Current assets	流動資產			
Inventories	存貨		2,168	1,699
Trade and other receivables	應收貿易及其他應收帳款	9	12,398	10,895
Deposits and prepayments	訂金及待攤費用		1,096	1,010
Income tax recoverable	可收回利得稅		144	96
Pledged bank deposits	抵押銀行存款		16,878	16,773
Cash and cash equivalents	現金及現金等價物		375	917
			33,059	31,390
Current liabilities	流動負債			
Trade and other payables	應付貿易及其他應付帳款	10	12,377	12,305
Short-term borrowings	短期借貸	11	11,603	10,756
			23,980	23,061
Net current assets	流動資產淨值		9,079	8,329
Net assets	資產淨值		11,256	10,642
Capital and reserves	資本及儲備			
Share capital	股本	12	9,060	9,075
Reserves	儲備		2,196	1,567
Total equity	總權益		11,256	10,642

Interim Results
中期業績UNAUDITED CONDENSED CONSOLIDATED
CASH FLOW STATEMENT未經審核扼要綜合現金流量
表

		Six Months Ended 30 September	
		截至九月三十日止六個月	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Net cash used in operating activities	經營業務所用現金淨值	(2,266)	(1,965)
Net cash generated from investing activities	投資活動產生現金淨值	80	171
Net cash generated from/(used in) financing activities	融資活動產生/(所用)現金淨值	733	(1,267)
Net decrease in cash and cash equivalent	現金及現金等價物減少	(1,453)	(3,061)
Cash and cash equivalents at 1 April	於四月一日的現金及現金等價物	(3,383)	(879)
Effect on foreign exchange rate changes	匯率變動的影響	-	(85)
Cash and cash equivalents at 30 September	於九月三十日的現金及現金等價物	(4,836)	(4,025)

Interim Results
中期業績

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 未經審核綜合權益變動表

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Reserves 儲備			Total 合計 HK\$'000 千港元
					Exchange reserve 外幣匯兌 儲備 HK\$'000 千港元	Investment revaluation 投資估值 儲備 HK\$'000 千港元	Accumulated losses 累積虧損 HK\$'000 千港元	
Balance at 1 April 2007	於二零零七年四月一日結餘	9,075	22,816	10,749	187	(72)	(33,610)	9,145
Exchange difference arising on translation of foreign operation	兌換海外業務所產生的匯兌差額	-	-	-	(85)	-	-	(85)
Profit for the period	期間溢利	-	-	-	-	-	760	760
Balance at 30 September 2007	於二零零七年九月三十日結餘	9,075	22,816	10,749	102	(72)	(32,850)	9,820
Balance at 1 April 2008	於二零零八年四月一日結餘	9,075	22,816	10,749	432	94	(32,524)	10,642
Repurchase of shares	股份回購	(15)	(83)	-	-	-	-	(98)
Profit for the Period	期內溢利	-	-	-	-	-	712	712
Balance at 30 September 2008	於二零零八年九月三十日結餘	9,060	22,733	10,749	432	94	(31,812)	11,256

Interim Results
中期業績

Notes:

1. Basis of preparation

The unaudited interim consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the financial instruments classified as available-for-sale are stated at their fair value.

The principal accounting policies used in the preparation of the unaudited interim consolidated financial statements are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 March 2008.

2. Adoption of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group.

附註：

1. 編製基準

此未經審核中期綜合財務報表乃根據香港會計師公會（「會計師公會」）頒佈的香港財務報告準則第34號「中期財務報告」，香港《公司條例》及創業板上規規則適用的披露規定編製。

除金融工具被評定為可供出售並以公平價值列帳外，本財務報表均以歷史成本為編製基準。

編製有關未經審核中期綜合財務報告所採用的主要會計政策與本集團截至二零零八年三月三十一日止年度綜合財務報表所採用者一致。

2. 採納新及修訂香港財務報告準則

會計師公會已頒佈若干新訂及經修訂財務報告準則，於本集團及本公司的當前會計期間首次生效或可供提前採用。採納有關新及修訂財務報告準則並無令本集團的會計政策及呈報數目出現重大變動。

本集團並無採用已頒佈但未生效的新財務報告準則，而採用此新財務報告準則對財務報表並無重大影響。

Interim Results 中期業績

3. Turnover and segment information

		Six Months Ended 30 September 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Provision of smartcard systems, radio frequency identification ("RFID") and IT services	提供智能卡系統、射頻識別及資訊科技服務		
– Service revenue	– 服務收益	5,256	7,782
– Income from maintenance services	– 保養服務收入	3,245	2,181
– Sales of service related products	– 銷售服務相關產品	1,172	2,208
		9,673	12,171
Consultancy income	顧問收入	27,856	23,231
		37,529	35,402

3. 營業額及分部資料

Segment information is presented in respect of the Group's business and geographical segments. Business segments information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

(a) Business segments

The Group comprises the following main business segments:

Smartcard systems, RFID and IT services : The provision of smartcard systems, RFID and IT services

Consultancy fee income : The provision of IT consultancy services

已就本集團的業務及經營地域呈列分部資料。本集團選擇以業務分部的方式作為主要報告格式，因為其更適用於本集團的內部財務報告。

(a) 按業務劃分

本集團的主要業務分部包括：

智能卡系統、射頻識別及資訊科技服務 : 提供智能卡系統、射頻識別及資訊科技服務

顧問服務收入 : 提供資訊科技顧問服務

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		Smartcard systems, RFID and IT services 智能卡系統、射頻識別及資 訊科技服務		Consultancy services 顧問服務		Consolidated 綜合	
		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	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
TURNOVER	營業額						
Revenue from external customers	對外客戶的收益	9,673	12,171	27,856	23,231	37,529	35,402
RESULTS	業績						
Segment results	分部業績	(1,714)	(969)	3,485	2,784	1,771	1,815
Unallocated corporate revenue	未予分配公司收益					145	299
Unallocated corporate expenses	未予分配公司費用					(772)	(660)
Profit from operations	經營溢利					1,144	1,454
Finance costs	融資成本					(412)	(642)
Profit before taxation	除稅前溢利					732	812
Income tax	稅項					(20)	(52)
Profit for the Period	期內溢利					712	760

(b) Geographical segments

The Group participates principally in Hong Kong, the PRC and Macao.

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers.

(b) 按經營地域劃分

本集團主要在香港、中國以及澳門經營業務。

在按經營地域呈列資料時，分部收益乃按客戶所在地域劃分。

		Six Months Ended 30 September 截至九月三十日止六個月	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Hong Kong	香港	34,571	30,348
Macao	澳門	2,424	4,001
The PRC	中國	112	152
Other Locations	其他地方	422	901
Consolidated	綜合	37,529	35,402

Interim Results 中期業績

4. Profit from operations

Profit from operations is arrived at after charging:

	Three Months Ended 30 September 截至九月三十日止三個月		Six Months Ended 30 September 截至九月三十日止六個月	
	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
Cost of inventories 存貨成本	564	2,150	1,675	1,985
Depreciation 折舊	98	75	197	148
Development costs 研發成本	380	231	719	391
Exchange loss 匯兌虧損	3	35	7	39
Loss on disposal of fixed assets 出售固定資產虧損	2	-	2	-
Operating lease charges: 租賃開支：				
minimum lease payments 最低租賃款項				
- hire of properties 物業租賃	497	451	989	903
- hire of office equipment 公司設備租賃	7	-	13	-
Staff costs including directors' emoluments and retirement benefit scheme contributions 包括董事酬金及退休福利計劃供款的員工成本	15,525	13,962	30,651	26,734

4. 經營溢利

經營溢利已扣除：

5. Taxation

The provision for Hong Kong profits tax for 2008 is calculated at 17.5% (2007: 17.5%) of the estimated assessable profits for the Period. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

No provision for income tax of the PRC has been made in the financial statements as the Group does not have any assessable profits for taxation purpose in the PRC during the Period (2007: Nil).

6. Dividends

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

5. 稅項

二零零八年度的香港利得稅是按期內應課稅溢利以17.5%（二零零七年：17.5%）計算。海外的應課稅溢利稅項，則分別根據現行法例、詮釋及慣例按本集團經營國家的現行稅率計算。

本集團於期內無中國可評估的溢利，故財務報表並無中國應課稅（二零零七年：無）。

6. 股息

董事會不建議派付截至二零零八年九月三十日止六個月的中期股息（二零零七年九月三十日止六個月：無）。

Interim Results
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7. Earnings per share

The calculation of the basic and diluted earnings per share is based on:

7. 每股盈利

每股基本及攤薄盈利乃根據以下數據計算：

		Three Months Ended 30 September 截至九月三十日止三個月		Six Months Ended 30 September 截至九月三十日止六個月	
		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
Profit attributable to shareholders of the Company	本公司股東應佔溢利	575	354	712	760
		'000	'000	'000	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的普通股加權平均數	907,300	907,536	907,417	907,536
Effect of deemed issue of shares under the Company's share option scheme for nil consideration	根據本公司沒有報酬的購股權計劃被視作已發行股份的影響	-	24,842	-	24,873
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的普通股加權平均數	907,300	932,378	907,417	932,409

8. Fixed assets

During the six months ended 30 September 2008, the Group acquired fixed assets comprising furniture and fixtures, computers and other equipment and computer software of approximately HK\$64,000 (six months ended 30 September 2007: approximately HK\$105,000).

8. 固定資產

截至二零零八年九月三十日止六個月，本集團添置包括傢俬及裝置、電腦及其他器材及電腦軟件的固定資產總值約為64,000港元（截至二零零七年九月三十日止六個月：約105,000港元）。

Interim Results 中期業績

9. Trade and other receivables

		At 30 September 2008 於二零零八年九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2008 於二零零八年三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables	應收貿易帳款	10,768	5,569
Other receivables	其他應收帳款	609	550
Gross amount due from customers for service contract work	應收客戶的服務合約工程 款項總額	809	4,598
Retention money receivables	應收保留金	212	178
		12,398	10,895

9. 應收貿易及其他應收帳款

An ageing analysis of trade receivables as at the balance sheet date is as follows:

於結算日應收貿易帳款的帳齡分析如下：

		At 30 September 2008 於二零零八年九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2008 於二零零八年三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Current	本期	1,027	271
Less than 1 month past due	逾期少於一個月	6,671	3,468
1 month to 3 months past due	逾期一個月至三個月	2,922	1,228
More than 3 months but less than 1 year past due	逾期超過三個月但少於一年	148	602
Amounts past due	逾期款	9,741	5,298
		10,768	5,569

Trade receivables are due within 30 days to 60 days from the date of billing.

應收貿易帳款由票據日起30至60天內到期。

Interim Results
中期業績

10. Trade and Other Payables

10. 應付貿易及其他應付帳款

		At 30 September 2008 於二零零八年九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2008 於二零零八年三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade and bills payables	應付貿易及票據帳款	799	1,796
Accrued charges and other payables	應計費用及其他應付帳款	9,442	9,322
Other borrowings	其他借貸	1,000	-
Gross amount due to customers for service contract work	應付客戶的服務合約工程款項總額	221	253
Deferred maintenance income	遞延保養收入	901	920
Retention money payables	應付保留金	14	14
		12,377	12,305

An aged analysis of the trade and bills payables, based on the invoice date, is as follows:

按發票日期計算應付貿易及票據帳款帳齡分析如下：

		At 30 September 2008 於二零零八年九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2008 於二零零八年三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	一個月內	464	624
1 month to 3 months	一至三個月	289	883
More than 3 months but less than 12 months	超過三個月但少於一年	1	230
More than 1 year but less than 2 years	超過一年但少於兩年	-	45
More than 2 years	超過兩年	45	14
		799	1,796

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11. Short term borrowings

11. 短期借貸

		At 30 September 2008 於二零零八年九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2008 於二零零八年三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Secured bank loans	有抵押銀行借貸	6,392	6,456
Secured bank overdrafts	有抵押銀行透支	5,211	4,300
		11,603	10,756

12. Share capital

12. 股本

		Number of shares 股份數目	Amount 金額 HK\$ 港元
Authorised: Ordinary shares of HK\$0.01 each	法定股本： 每股面值0.01元的普通股	2,000,000,000	20,000,000
Issued and fully paid: At 1 April 2007, 31 March 2008 and 1 April 2008	已發行及繳足股本： 於二零零七年四月一日、二零零八年三月三十一日及二零零八年四月一日	907,536,000	9,075,360
Repurchase of shares	股份購回	(1,552,000)	(15,520)
At 30 September 2008	於二零零八年九月三十日	905,984,000	9,059,840

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

As at 30 September 2008, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(I) Interests in shares of the Company

Name of director 董事姓名	Number of ordinary shares 普通股股數					Percentage of issued share capital 佔已發行股份百分比
	Personal interests 個人權益	Corporate interests 公司權益	Family interests 家族權益	Other interests 其他權益	Total 合計	
Mr. Lau Hon Kwong, Vincent 劉漢光先生	-	456,250,348 (L) (Note 2) (附註2)	-	-	456,250,348 (L)	50.36%
Mr. George Roger Manho 閻偉雄先生	83,142,254 (L)	-	-	-	83,142,254 (L)	9.18%
Mr. Cheng Kwok Hung 鄭國雄先生	-	456,250,348 (L) (Note 2) (附註2)	-	-	456,250,348 (L)	50.36%

Notes:

- The Letter "L" denotes a long position in the shares.
- These shares are beneficially owned by Rax-Comm (BVI) Limited ("Rax-Comm"), a company incorporated in the British Virgin Islands. Mr. Lau Hon Kwong, Vincent and Mr. Cheng Kwok Hung held 46.21% and 36.11% of the entire issued share capital of Rax-Comm, respectively.

附註：

- 「L」字表示股份為好倉。
- 此等股份由一家於英屬處女群島成立的公司Rax-Comm (BVI) Limited (「Rax-Comm」) 所持有。劉漢光先生及鄭國雄先生分別持有Rax-Comm 46.21%及36.11%的已發行股份。

董事及行政總裁於本公司或聯營公司的股份、相關股份及債券及淡倉

於二零零八年九月三十日，本公司各董事及行政總裁根據證券及期貨條例第15.7及第15.8條的規定，本公司或其任何相聯法團（定義見《證券及期貨條例》（「證期條例」）第十五部）的股份、相關股份及債券中擁有的權益或淡倉（包括根據證期條例的該等規定被認為或視作擁有的權益或淡倉），或必須列入根據證期條例第352條予以存置的登記冊內，或根據創業板上市規則第5.46至5.68條所載的規則必須知會本公司及交易所的權益或淡倉載列如下：

(I) 本公司的股份權益

(II) Interests in equity derivatives (as defined in the SFO) in, or in respect of, underlying shares

As at 30 September 2008, the Directors had the following personal interests in options to subscribe for shares of the Company granted at HK\$1 under a share option scheme of the Company. Each option gives the holder the right to subscribe for one share.

(II) 於或有關於該等相關股份衍生工具的權益（定義見證期條例）

於二零零八年九月三十日，本公司董事在根據本公司購股權計劃以1港元的價格授出可認購本公司股份的購股權中擁有以下的個人權益。每股購股權可讓持有人認購一股股份。

Name of director 董事姓名	Number of options outstanding at 30 September 2008 於二零零八年 九月三十日尚未行使 的購股權數目	Date granted 授出日期	Period during which options exercisable 購股權行使期	Number of shares acquired on exercise of options during the Period 期內行使購股權 而認購的股份數目	Price per share to be paid on exercise of options 行使購股權時須 支付的每股價格
Mr. Lau Hon Kwong, Vincent 劉漢光先生	6,109,440 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	-	HK\$0.095 0.095港元
Mr. George Roger Manho 聞偉雄先生	4,000,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	-	HK\$0.095 0.095港元
Mr. Cheng Kwok Hung 鄭國雄先生	4,000,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	-	HK\$0.095 0.095港元
Mr. Liu Hoi Wah 劉海華先生	19,112,640 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	-	HK\$0.095 0.095港元
Dr. Lee Peng Fei, Allen 李鵬飛博士	1,760,000 (L)	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至 二零一一年二月十一日	-	HK\$0.095 0.095港元

Note: The Letter "L" denotes a long position in the shares.

附註：「L」字表示股份為好倉。

(III) Aggregate interest in the shares and underlying shares of the Company**(III) 本公司股份及相關股份的總計權益**

Name of director 董事姓名	Aggregate number in ordinary shares 普通股總計	Aggregate number in underlying shares 相關股份總計	Total 合計	Percentage to the issued share capital of the Company 佔本公司已發行股本的百分比
Mr. Lau Hon Kwong, Vincent 劉漢光先生	456,250,348 (L)	6,109,440 (L)	462,359,788 (L)	51.03%
Mr. George Roger Manho 聞偉雄先生	83,142,254 (L)	4,000,000 (L)	87,142,254 (L)	9.62%
Mr. Cheng Kwok Hung 鄭國雄先生	456,250,348 (L)	4,000,000 (L)	460,250,348 (L)	50.80%
Mr. Liu Hoi Wah 劉海華先生	-	19,112,640 (L)	19,112,640 (L)	2.11%
Dr. Lee Peng Fei, Allen 李鵬飛博士	-	1,760,000 (L)	1,760,000 (L)	0.19%

Note: The Letter "L" denotes a long position in the shares.

附註：「L」字表示股份為好倉。

Save as disclosed above, as at 30 September 2008, none of the Directors, chief executive of the Company or their associates had any interests in the shares or debentures of, or short positions in the shares of, the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, were required to be notified to the Company and the Stock Exchange.

除上述所披露者外，於二零零八年九月三十日，董事、行政總裁或彼等的聯繫人士概無根據證期條例第15.7及15.8條於本公司或其任何相聯法團（定義見證期條例第十五部）擁有股份或債券的權益或淡倉（包括根據證期條例的該等規定被認為或視作擁有的權益或淡倉），或必須列入根據證期條例第352條予以存置的登記冊內，或根據創業板上市規則第5.46至5.68條所載的規則必須知會本公司及交易所的任何權益或淡倉。

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed under the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures", as at 30 September 2008, neither the Company, holding company nor any of its subsidiaries was a party to any arrangements to enable the Directors and chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debt securities, including debentures, of the Company or any other body corporate, and none of the Directors and chief executive of the Company or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30 September 2008, the Company had been notified of the following interests, being 5% or more of the issued share capital of the Company:

	Ordinary shares held 所持普通股數目	Percentage of total issued shares 佔已發行股份 合計百分比
Rax-Comm (BVI) Limited (Note 1) (附註1)	456,250,348	50.36%
Mr. George Roger Manho 聞偉雄先生 (Note 2) (附註2)	83,142,254	9.18%

Notes:

- These shares have been disclosed as the corporate interests of the relevant Directors in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures".
- These shares have been disclosed as the personal interests of the Director in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures".

董事及行政總裁購買股份或債務證券的權益

除以上述「董事及行政總裁於本公司或聯營公司的股份、相關股份及債券及淡倉」所披露外，於二零零八年九月三十日，本公司或其附屬公司概無參與任何安排，使本公司董事及行政總裁可藉著購入本公司或任何其他法人團體的股份或債務證券（包括債券）而獲得利益，而本公司董事及行政總裁或彼等的配偶或任何未滿十八歲子女概無任何可認購本公司證券的權利，亦無行使任何該等權利。

主要股東於本公司的股份、相關股份及淡倉

本公司根據證期條例第336條規定存置的主要股東登記冊內獲悉，於二零零八年九月三十日，以下股東擁有本公司已發行股本5%或以上的權益：

附註：

- 該等股份已於「董事及行政總裁於本公司或聯營公司的股份、相關股份及債券及淡倉」一節披露有關董事的公司權益。
- 該等股份已於「董事及行政總裁於本公司或聯營公司的股份、相關股份及債券及淡倉」一節披露為董事的個人權益。

SHARE OPTION SCHEME

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

購股權計劃

本公司於二零零一年二月十二日採納一項上市前的購股權計劃（「上市前計劃」）。於二零零二年八月八日，本公司採納二零零二年購股權計劃（「二零零二年計劃」）和同時終止上市前計劃。待上市前計劃終止後，不得再根據此計劃提呈任何購股權。惟尚未行使的購股權，此項計劃應繼續生效。上市前計劃尚未行使的購股權應繼續分別按該項計劃提供，創業板上市規則第二十三章及二零零二年計劃將不會影響此尚未行使購股權的任何條款。

(a) Pre-IPO Scheme

As mentioned above, the Pre-IPO Scheme was terminated on 8 August 2002 and no further options may be offered thereunder. Details of the outstanding share options of the scheme during the Period are as follows:

(a) 上市前計劃

以上提及，上市前計劃於二零零二年八月八日終止，此後不會就此再發行購股權，於期內尚未行使的購股權的詳情如下：

Name or category of participant 具資格者姓名及類別	Number of share options 購股權數目				Outstanding at 30 September 2008 於二零零八年九月三十日尚未行使	Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時須支付的每股價格	Market value per share at date of grant of options 授出購股權當日的股份市值
	Outstanding at 1 April 2008 於二零零八年四月一日尚未行使	Granted during the Period 於期內授出	Exercised during the Period 於期內行使	Lapsed during the Period 於期內失效					
Pre-IPO Scheme 上市前計劃									
Lau Hon Kwong, Vincent/Director 劉漢光 / 董事	6,109,440	-	-	-	6,109,440	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	HK\$0.095 0.095元	N/A 不適用
George Roger Manho/Director 關偉雄 / 董事	4,000,000	-	-	-	4,000,000	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	HK\$0.095 0.095元	N/A 不適用
Cheng Kwok Hung/Director 鄭國雄 / 董事	4,000,000	-	-	-	4,000,000	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	HK\$0.095 0.095元	N/A 不適用
Liu Hoi Wah/Director 劉海華 / 董事	19,112,640	-	-	-	19,112,640	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	HK\$0.095 0.095元	N/A 不適用
Lee Peng Fei, Allen/Director 李鵬飛 / 董事	1,760,000	-	-	-	1,760,000	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	HK\$0.095 0.095元	N/A 不適用
Employees 僱員	35,157,920	-	-	-	35,157,920	12 February 2001 二零零一年二月十二日	21 August 2001 to 11 February 2011 二零零一年八月二十一日至二零零一年二月十一日	HK\$0.095 0.095元	N/A 不適用
	70,140,000	-	-	-	70,140,000				

(b) 2002 Scheme

The Company operates the 2002 Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the 2002 Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, advisers and consultants, etc. The 2002 Scheme became effective on 8 August 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares of the Company in issue. The maximum number of shares issuable under share options to each eligible participant in the 2002 Scheme and any other share option schemes of the Company within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share option granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

(b) 二零零二年計劃

本公司實行二零零二年計劃，旨在向對本集團運作成功有所貢獻等具資格者提供獎勵及獎賞。二零零二年計劃具資格者包括公司董事，其中包括獨立非執行董事、本集團其他僱員、產品及服務供應商、客戶、顧問等。二零零二年計劃於二零零二年八月八日起生效，除被取消或更改外，將持續於當日起計十年內有效。

就行使所有尚未行使的已授出購股權或即將行使的本公司二零零二年計劃及其他購股權計劃的購股權，其發行的股份數目不應超過公司股份發行總數的30%。於任何十二個月期內，本公司二零零二年計劃及任何其他購股權計劃對每位具資格者可發出的股份數目，其最高上限為公司當時已發行股份的1%。任何超出此上限的購股權授出，須於股東大會經股東批准。

向董事、行政總裁、公司大股東或其任何伙伴授出購股權，須預先經獨立非執行董事批准。此外，若向公司大股東、公司獨立非執行董事或其任何伙伴所授出的購股權，於任何十二個月期內多於公司股份的0.1%或其總值（按授出當日公司股份價格計算）高於五百萬港元，須於股東大會經股東批准。

The offer of a grant of share options may be accepted within 21 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the 2002 Scheme, if earlier.

The exercise price of the share option is determinable by the directors, but may not be less than the higher of (i) the closing price of the Company's shares on the date of the offer of the share options; (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the share.

Details of the outstanding share options of the 2002 Scheme during the Period are as follows:

獲授予購股權者可於提供授出購股權的二十一天內，以總數一元港元的象徵式費用接受購股權。授出購股權的行使時段由董事釐定，於授出期一段時期內開始，並於提供授出購股權日期十年內之日，或較早者，於二零零二年計劃到期日完結。

購股權的行使價格乃由董事釐定，惟其不得低於下列較高者：(i)公司股份在購股權授出當日的收市價；(ii)公司股份在股份授出日期前五個交易日的平均收市價；(iii)股份面值。

於期內尚未行使的二零零二年計劃的購股權的詳情如下：

Name or category of participant 具資格者姓名及類別	Number of share options 購股權數目					Date granted 授出日期	Period during which options exercisable 購股權行使期	Price per share to be paid on exercise of options 行使購股權時須支付的每股價格	Market value per share at date of grant of options 授出購股權當日的股份市值
	Outstanding at 1 April 2008 於二零零八年四月一日尚未行使	Granted during the Period 於期內授出	Exercised during the Period 於期內行使	Lapsed during the Period 於期內失效	Outstanding at 30 September 2008 於二零零八年九月三十日尚未行使				
Employees 僱員	3,500,000	-	-	-	3,500,000	9 August 2002 二零零二年八月九日	9 August 2003 to 8 August 2012 二零零三年八月九日至二零零二年八月八日	HK\$0.175 0.175元	HK\$0.175 0.175元
An Employee 僱員	6,400,000	-	-	-	6,400,000	9 August 2002 二零零二年八月九日	9 February 2003 to 8 August 2012 二零零三年二月九日至二零零二年八月八日	HK\$0.175 0.175元	HK\$0.175 0.175元
	9,900,000	-	-	-	9,900,000				

At 30 September 2008, the number of shares outstanding and issuable under the Pre-IPO Scheme and the 2002 Scheme were 70,140,000 and 9,900,000 respectively.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

於二零零八年九月三十日，上市前計劃及二零零二年計劃可發行的股份數目分別為70,140,000及9,900,000。

購股權並無授予持有人收取股息及於股東大會投票的權利。

PURCHASE, SALE AND REDEMPTION OF SHARES OF THE COMPANY

During the Period, the Company repurchased a total of 1,552,000 shares of HK\$0.01 each in the share capital of the Company on the Stock Exchange pursuant to the general mandates granted by the shareholders at the annual general meeting of the Company held on 8 August 2008, details of which were as follows:

購回、出售及贖回本公司股份

截至二零零八年九月三十日止六個月，本公司根據於二零零八年八月八日舉行的股東週年大會上獲股東授予董事購回股份的一般授權，於交易所購回每股面值港幣0.01元合共1,552,000股股份，詳情如下：

Date of repurchase 購回日期	No. of shares repurchased 購回股份數目	Price per share repurchased 每股股份價格		Total consideration (before expenses) 代價總額 (未計開支) HK\$ 港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
9 September 2008 二零零八年九月九日	272,000	0.075	-	20,400
10 September 2008 二零零八年九月十日	100,000	0.075	-	7,500
11 September 2008 二零零八年九月十一日	100,000	0.070	-	7,000
12 September 2008 二零零八年九月十二日	100,000	0.070	-	7,000
17 September 2008 二零零八年九月十七日	100,000	0.052	-	5,200
18 September 2008 二零零八年九月十八日	188,000	0.045	-	8,460
19 September 2008 二零零八年九月十九日	92,000	0.048	-	4,416
22 September 2008 二零零八年九月二十二日	200,000	0.059	-	11,800
23 September 2008 二零零八年九月二十三日	200,000	0.059	-	11,800
24 September 2008 二零零八年九月二十四日	200,000	0.059	-	11,800
	1,552,000			95,376

All shares repurchased were cancelled subsequently and accordingly the Company's issued share capital was reduced by the nominal value of these shares. The repurchases were effected for the benefit of the shareholders as a whole by enhancing the net assets and earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the Period.

COMPETING INTERESTS

As at 30 September 2008, the directors were not aware of any business or interest of each Director, management shareholder and the respective associates of each that competes or may compete with the business of the Group and any other conflicts of interest which any such persons have or may have with the Group.

AUDIT COMMITTEE

As required by Rules 5.28 to 5.33 of the GEM Listing Rules, the Company has established an audit committee which comprises three independent non-executive directors, Dr. Lee Peng Fei, Allen, Mr. Tang Siu, Henry and Mr. Kam Hau Choi, Anthony. Dr. Lee Peng Fei, Allen was appointed the chairman of the audit committee.

The primary duties of the audit committee are to review the Company's annual report and accounts, half-yearly report and quarterly reports and to provide advice and comments thereon to the Board. The Group's interim report for the six months ended 30 September 2008 have been reviewed by the audit committee, who is of the opinion that such statements comply with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosures had been made.

全部上述購回的股份已隨後註銷，另本公司的已發行股本亦已扣除此等股份的面值。購回股份是為提高每股資產淨值及每股盈利，有利於股東整體利益而進行。

除上文所披露外，本公司或其附屬公司於期內概無購回、出售或贖回本公司的任何股份。

競爭性權益

於二零零八年九月三十日，各董事並不知悉有任何董事、管理股東或彼等各自聯繫人士擁有任何對本集團業務構成競爭或可能構成競爭的業務或權益；或上述任何人士與或可能與本集團存在任何其他利益衝突。

審核委員會

根據創業板上市規則第5.28至5.33條的規定，本公司已成立審核委員會，由三名獨立非執行董事，即李鵬飛博士、鄧紹先生及關孝財先生。李鵬飛博士已獲委任為審核委員會主席。

審核委員會主要負責審議本公司的年報及帳目、半年度業績報告及季度業績報告，以及就此向董事會提供意見及建議。審核委員會已審閱本集團截至二零零八年九月三十日止六個月的季度報表，其成員認為該等財務報表已遵照適用的會計準則、創業板上市規則及法律規定，並已作出足夠披露。

CORPORATE GOVERNANCE

The Company has applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 15 of the GEM Listing Rules throughout the Period, save for the deviations discussed below.

Under the 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.

Mr. Lau Hon Kwong, Vincent is both the chairman and chief executive officer of the Company who is responsible for managing the Board and the Group's business. Mr. Lau has been both chairman and chief executive officer of the Company since its incorporation. The Board considers that, with the present board structure and scope of business of the Group, there is no imminent need to separate the roles into two individuals as Mr. Lau is perfectly capable of distinguishing the priority of these roles in which he has been acting. However, the Board will continue to review the effectiveness of the Group's corporate governance structure to assess whether the separation of the positions of chairman and chief executive officer is necessary.

Under the code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Under the 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.

Under the present articles of association of the Company, Mr. Lau Hon Kwong Vincent, being chairman and chief executive officer of the Company, is not subject to retirement by rotation. This is not in compliance with the Code requirement that every director must retire by rotation once every three years.

企業管治

除下文詳述者外，本公司於期內均遵守創業板上市規則附錄十五的企業管治常規守則（「守則」）的所有規定。

守則條文A.2.1規定主席與行政總裁的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間的職責分工須清晰訂明並以書面形式列載。

劉漢光先生為本公司主席兼行政總裁，負責管理董事會及本集團業務。劉先生自本公司註冊成立以來即一直擔任本公司主席兼行政總裁。董事會考慮到現有董事會的架構及本集團的業務範疇，暫時沒有迫切需要改變現狀，認為劉先生同時間擔當兩個角色，有足夠能力作出優先次序，履行任務。但是，董事會會不斷地檢討本集團企業管治架構的成效，以評估是否有分開主席與行政總裁角色的需要。

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規定所有獲委任以填補空缺的董事須於獲委任後舉行的首次股東大會上由股東重選，而每名董事（包括有指定任期的董事）須至少每三年輪值告退一次。

根據現有本公司之組織章程細則，劉漢光先生作為本公司主席及行政總裁，不須輪值告退。但這並沒有遵守守則中，所有董事須輪值告退，至少每三年一次的要求。

Besides, the non-executive Directors do not have a specific term of appointment, but 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 herein, 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. At such, with the exception of the chairman, all Directors are subject to retirement by rotation. The management considered that there is no imminent need to amend the articles of association of the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealing as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the Period. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standard of dealings throughout the period ended 30 September 2008.

By order of the Board
ITE (Holdings) Limited
Lau Hon Kwong, Vincent
Chairman

Hong Kong, 7 November 2008

The Board as of the date of this report comprises Mr. Lau Hon Kwong, Vincent, Mr. George Roger Manho, Mr. Cheng Kwok Hung and Mr. Liu Hoi Wah as executive directors, Dr. Lee Peng Fei, Allen, Mr. Tang Siu, Henry and Mr. Kam Hau Choi, Anthony as independent non-executive directors.

此外，根據本公司組織章程細則，於各股東週年大會上，當時的三分之一董事（或若其數目並非三的倍數，則為最接近但不超過三分之一者）須輪值告退，惟無論如何，董事會主席及／或本公司董事總經理在任職期間毋須輪值告退，亦毋須計入每年須告退的董事人數內。因此，除主席外，所有董事均須輪值告退。管理層認為並無即時需要修訂本公司組織章程細則。

董事的證券交易

期內，本公司已就董事的證券交易採納一套守則，其條款不遜於創業板上市規則第5.48條至5.67條所載的交易所需標準。在向所有董事作出查詢後，本公司董事截至二零零八年九月三十日止期內均一直遵守有關的守則及交易所需標準。

承董事會命
ITE (Holdings) Limited
 主席
劉漢光

香港，二零零八年十一月七日

於本報告日期，本公司的董事會包括執行董事劉漢光先生、聞偉雄先生、鄭國雄先生、劉海華先生；獨立非執行董事李鵬飛博士、鄧紹先生及關孝財先生。

