



**HENGXIN**  
恒芯中國

# Heng Xin China Holdings Limited 恒芯中國控股有限公司\*

*(Incorporated in Bermuda with limited liability)*  
(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 8046)

2010/2011

Interim Report  
中期報告

\* For identification purpose only 僅供識別

## IMPORTANT NOTICE

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*This report, for which the directors of Heng Xin China Holdings Limited (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to Heng Xin China Holdings Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and, there are no other matters the omission of which would make any statement herein or this report misleading.*

## 重要事項

### 香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板的定位乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應瞭解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

由於創業板上市公司新興之性質使然，在創業板買賣之證券可能會較於聯交所主板買賣之證券承受較大市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

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本報告乃遵照聯交所創業板證券上市規則（「創業板上市規則」）之規定提供有關本公司之資料。恒芯中國控股有限公司各董事（「董事」）對本報告所載資料願共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各主要方面均為準確及完整，且無誤導或欺詐成份，以及本報告並無遺漏其他事項致使本文件或本報告所載內容有所誤導。

## RESULTS

The board of Directors (the “Board”) of Heng Xin China Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months and six months ended 31 December 2010 together with the comparative unaudited figures for the corresponding periods in 2009.

## 業績

恒芯中國控股有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(統稱「本集團」)截至二零一零年十二月三十一日止三個月及六個月之未經審核綜合業績，連同二零零九年同期之未經審核比較數字。

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 簡明綜合全面收入表

		Note 附註	Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
			2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元
<b>Turnover</b>	營業額	3	<b>235,787</b>	160,640	<b>318,164</b>	340,350
Cost of sales	銷售成本		(162,232)	(94,184)	(204,017)	(215,171)
Gross profit	毛利		<b>73,555</b>	66,456	<b>114,147</b>	125,179
Other income	其他收入	3	<b>6,559</b>	266	<b>8,056</b>	546
Selling and marketing expenses	銷售及市場推廣開支		(1,242)	(1,486)	(2,449)	(2,364)
Other operating expenses	其他經營費用		(11,375)	(10,988)	(20,611)	(20,679)
<b>Profit from operations</b>	經營溢利		<b>67,497</b>	54,248	<b>99,143</b>	102,682
Finance costs	融資成本	4	(4,437)	(3,336)	(8,862)	(3,759)
<b>Profit before taxation</b>	除稅前溢利	5	<b>63,060</b>	50,912	<b>90,281</b>	98,923
Taxation	稅項	6	(6,837)	—	(6,837)	(853)
<b>Profit for the period</b>	期內溢利		<b>56,223</b>	50,912	<b>83,444</b>	98,070
<b>Other comprehensive income:</b>	其他全面收入：					
Exchange differences on translating foreign operations	換算海外業務之匯兌差額		<b>10,777</b>	181	<b>17,344</b>	565
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	期內全面收入總額		<b>67,000</b>	51,093	<b>100,788</b>	98,635

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

## 簡明綜合全面收入表 (續)

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元
	Note 附註				
Profit attributable to:	應佔溢利：				
Equity holders of the Company	本公司股權持有人	53,612	47,068	78,783	90,770
Non-controlling interests	非控股股東權益	2,611	3,844	4,661	7,300
		<b>56,223</b>	50,912	<b>83,444</b>	98,070
Total comprehensive income attributable to:	應佔全面收入總額：				
Equity holders of the Company	本公司股權持有人	63,830	47,240	95,159	91,307
Non-controlling interests	非控股股東權益	3,170	3,853	5,629	7,328
		<b>67,000</b>	51,093	<b>100,788</b>	98,635
Earnings per share (expressed in HK cent)	每股盈利 (以港仙列值)				
– basic	– 基本	2.88	3.07	4.58	6.13
– diluted	– 攤薄	2.36	3.05	3.85	6.09
Dividends	股息	8	–	–	–

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

			As at 31 December 2010 於二零一零年 十二月三十一日 (Unaudited) (未經審核) HK\$'000 千港元	As at 30 June 2010 於二零一零年 六月三十日 (Audited) (經審核) HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	9	99,236	7,187
Goodwill	商譽	10	823,371	753,146
Intangible assets	無形資產	11	42,466	34,107
Trade receivables	應收賬款	12	289,211	227,804
			<b>1,254,284</b>	<b>1,022,244</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		9,985	2,889
Trade receivables	應收賬款	12	466,535	452,126
Prepayment, deposits and other receivables	預付款項、按金及其他應收款項		133,195	29,348
Amount due from a related company	應收一間關連公司款項		—	1,993
Pledged bank deposits	已抵押銀行存款		71,489	—
Cash at bank and in hand	銀行存款及現金		383,410	65,401
			<b>1,064,614</b>	<b>551,757</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付賬款	13	213,439	223,689
Other payables and accruals	其他應付款項及應計費用		151,025	38,173
Obligation under finance lease	融資租約責任		360	345
Short term bank loan	短期銀行貸款		59,035	—
Loan from a shareholder	來自一名股東之貸款		—	30,000
Tax payables	應繳稅項		33,323	14,329
			<b>457,182</b>	<b>306,536</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>607,432</b>	<b>245,221</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>1,861,716</b>	<b>1,267,465</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Obligation under finance lease	融資租約責任		703	886
Deferred tax liabilities	遞延稅項負債		2,267	2,267
Convertible notes	可換股票據	14	257,480	176,694
			<b>260,450</b>	<b>179,847</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>1,601,266</b>	<b>1,087,618</b>
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	15	24,804	15,639
Reserves	儲備		1,576,129	1,042,404
Equity attributable to equity holders of the Company	本公司股權持有人應佔權益		1,600,933	1,058,043
Non-controlling interests	非控股股東權益		333	29,575
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>1,601,266</b>	<b>1,087,618</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

# 綜合權益變動表

Unaudited  
未經審核

		Attributable to the equity holders of the Company 本公司股權持有人應佔							Total	Non-controlling interests 非控股股東權益	Total equity 權益總額
		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Exchange fluctuation reserve 匯兌儲備	Share options reserve 購股權儲備	Convertible notes reserve 可換股票據儲備	Retained earnings 保留盈利			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Balance at 1 July 2009	於二零零九年七月一日之結餘	13,857	396,560	702	(274)	4,512	—	61,667	477,024	9,429	486,453
Issue of new shares	發行新股份	1,474	69,000	—	—	—	—	—	70,474	—	70,474
Issue of convertible notes	發行可換股票據	—	—	—	—	—	300,800	—	300,800	—	300,800
Recognition of share-based payments	確認以股份為基礎付款	—	—	—	—	650	—	—	650	—	650
Share options exercised	已行使之購股權	—	16,490	—	—	(1,506)	—	—	14,984	—	14,984
Share issue expenses	發行股份開支	—	(2,039)	—	—	—	—	—	(2,039)	—	(2,039)
Reserves arising from capital injection to a non-wholly owned subsidiary	來自一間非全資附屬公司注資之儲備	—	—	1,025	—	—	—	—	1,025	4,977	6,002
Total Comprehensive income for the six months ended 31 December 2009	截至二零零九年十二月三十一日止六個月之全面收入總額	—	—	—	537	—	—	90,770	91,307	7,328	98,635
Balance at 31 December 2009	於二零零九年十二月三十一日之結餘	15,331	480,011	1,727	263	3,656	300,800	152,437	954,225	21,734	975,959
Balance at 1 July 2010	於二零一零年七月一日之結餘	15,639	491,372	2,325	3,905	1,696	300,800	242,306	1,058,043	29,575	1,087,618
Issue of new shares	發行新股份	2,781	252,315	—	—	—	—	—	255,096	(34,871)	220,225
Issue of convertible notes	發行可換股票據	—	—	—	—	—	14,917	—	14,917	—	14,917
Conversion of convertible notes	兌換可換股票據	4,854	288,059	—	—	—	(181,463)	—	111,450	—	111,450
Bonus issue of shares as final dividend	發行紅股作為末期股息	610	(610)	—	—	—	—	—	—	—	—
Share options exercised	已行使之購股權	920	66,365	—	—	(845)	—	—	66,440	—	66,440
Share issue expenses	發行股份開支	—	(1,809)	—	—	—	—	—	(1,809)	—	(1,809)
Recognition of share-based payments	確認以股份為基礎付款	—	—	—	—	669	—	—	669	—	669
Total comprehensive income for the six months ended 31 December 2010	截至二零一零年十二月三十一日止六個月之全面收入總額	—	—	—	17,344	—	—	78,783	96,127	5,629	101,756
Balance at 31 December 2010	於二零一零年十二月三十一日之結餘	24,804	1,095,692	2,325	21,249	1,520	134,254	321,089	1,600,933	333	1,601,266



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

		<b>Six months ended</b>	
		<b>31 December</b>	
		截至十二月三十一日止六個月	
		2010	2009
		二零一零年	二零零九年
		Unaudited	Unaudited
		未經審核	未經審核
		HK\$'000	HK\$'000
		千港元	千港元
Net cash from/(used in) operating activities	經營活動所得／(所用)現金淨額	29,952	(81,558)
Net cash used in investing activities	投資活動所用現金淨額	(168,532)	(17,415)
Net cash from financing activities	融資活動所得現金淨額	441,346	86,772
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加／(減少)淨額	302,766	(12,201)
Cash and cash equivalents at 1 July	於七月一日之現金及現金等價物	65,401	92,410
Effect of foreign exchange rate changes	匯率變動之影響	15,243	503
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等價物	383,410	80,712
Analysis of balances of cash and cash equivalents	現金及現金等價物之結餘分析		
Cash at bank and in hand	銀行存款及現金	383,410	80,712

Notes:

**1. GENERAL INFORMATION**

The Company was incorporated as an exempted company with limited liability in Bermuda on 9 September 2002 under the Companies Act 1981 of Bermuda (as amended). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company is an investment holding company. The shares of the Company were listed on the GEM of the Stock Exchange on 16 April 2003.

The principal activities of the Group are engaged in wireless digital terrestrial television network equipment integrated business, digital cable television two-way conversion business, research, design, development on and manufacturing of electronic message security products, integrated circuits, and the integrated circuit solutions and the related services.

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The unaudited consolidated financial statements for the six months ended 31 December 2010 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and comply with the applicable disclosure provisions of the GEM Listing Rules.

The unaudited consolidated financial statements have been prepared on the historical cost basis except for the financial instruments, which are measured at fair value. The accounting policies and methods of computation used in the preparation of the unaudited consolidated financial statements are consistent with those used in the annual financial statements for the year ended 30 June 2010. These unaudited consolidated financial statements should be read in conjunction with the Company's annual report for the year ended 30 June 2010. Those new accounting standards, amendments to accounting standards and interpretations which are mandatory for financial year ending 30 June 2011 have no material impact on the Group.

The unaudited consolidated financial statements have not been audited by the auditors of the Company, but have been reviewed by the Company's audit committee.

附註：

**1. 一般資料**

本公司於二零零二年九月九日根據百慕達一九八一年公司法(經修訂)於百慕達註冊成立為受豁免有限公司。本公司註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司為一間投資控股公司。本公司股份於二零零三年四月十六日於聯交所創業板上市。

本集團之主要業務則包括從事地面無線數字電視網絡設備集成業務、有線數字電視雙向改造業務、研究、設計、開發及製造電子資訊安全產品、芯片，以及芯片之解決方案及相關服務。

**2. 編製基準及會計政策**

截至二零一零年十二月三十一日止六個月之未經審核綜合財務報表乃按香港會計師公會頒佈之香港會計準則第34號「中期財務報告」及遵守創業板上市規則之適用披露規定編製。

未經審核綜合財務報表乃根據歷史成本基準編製，惟金融工具乃以公平值計量。編製未經審核綜合財務報表所採用之會計政策及計算方法與編製截至二零一零年六月三十日止年度之全年財務報表所採用者一致。該等未經審核綜合財務報表應與本公司截至二零一零年六月三十日止年度之年報一併閱讀。須於截至二零一一年六月三十日止財政年度強制採用之新訂會計準則、會計準則之修訂及詮釋不會對本集團構成重大影響。

未經審核綜合財務報表未經本公司核數師審核，但已經本公司之審核委員會審閱。



### 3. TURNOVER, REVENUE AND SEGMENT INFORMATION

Turnover and revenue recognised by category during the three and six months ended 31 December 2010 are as follows:

### 3. 營業額、收益及分部資料

截至二零一零年十二月三十一日止三個月及六個月之營業額及收益分類確認如下：

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元
<b>Turnover</b>	<b>營業額</b>				
Wireless digital terrestrial television network equipment integration business	地面無線數字電視網絡設備集成業務	103,424	69,075	127,120	205,429
Encrypted integrated circuits and the derived integrated business	加密芯片及所產生之集成業務	51,827	56,107	79,705	76,894
Wireless digital audio products business	無線數字音頻產品業務	80,536	35,458	111,339	58,027
		<b>235,787</b>	<b>160,640</b>	<b>318,164</b>	<b>340,350</b>
<b>Other income</b>	<b>其他收入</b>				
Bank interest income	銀行利息收入	31	16	77	22
Other interest income	其他利息收入	—	43	—	206
Sundry income	雜項收入	5,817	207	7,268	318
Realised gain on trading of listed securities	出售上市證券之已變現收益	711	—	711	—
		<b>6,559</b>	<b>266</b>	<b>8,056</b>	<b>546</b>

### 3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

### 3. 營業額、收益及分部資料 (續)

The segment results for the six months ended 31 December 2010 are as follows:

截至二零一零年十二月三十一日止六個月之分部業績如下：

		Wireless digital terrestrial television network equipment integration 地面無線 數字電視 網絡設備集成 HK\$'000 千港元 (Unaudited) (未經審核)	Encrypted integrated circuits 加密芯片 HK\$'000 千港元 (Unaudited) (未經審核)	Wireless digital audio integrated circuits 無線數字 音頻芯片 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Revenue</b>	<b>收益</b>				
Segment turnover from external customers	來自外來客戶之 分部營業額	127,120	79,705	111,339	318,164
Segment results	分部業績	24,651	64,398	15,752	104,801
Unallocated income	未分配收入				8,056
Unallocated expenses	未分配開支				(13,714)
<b>Profit from operations</b>	<b>營運溢利</b>				99,143
Finance costs	融資成本				(8,862)
<b>Profit before taxation</b>	<b>除稅前溢利</b>				90,281
Taxation	稅項				(6,837)
<b>Profit for the six months ended 31 December 2010</b>	<b>截至二零一零年 十二月三十一日 止六個月之溢利</b>				83,444

### 3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

The segment results for the six months ended 31 December 2009 are as follows:

### 3. 營業額、收益及分部資料 (續)

截至二零零九年十二月三十一日止六個月之分部業績如下：

		Wireless digital terrestrial television network equipment integration 地面無線 數字電視 網絡設備集成 HK\$'000 千港元 (Unaudited) (未經審核)	Encrypted integrated circuits 加密芯片 HK\$'000 千港元 (Unaudited) (未經審核)	Wireless digital audio integrated circuits 無線數字 音頻芯片 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Revenue</b>	<b>收益</b>				
Segment turnover from external customers	來自外來客戶之 分部營業額	205,429	76,894	58,027	340,350
Segment results	分部業績	47,946	58,823	7,810	114,579
Unallocated income	未分配收入				546
Unallocated expenses	未分配開支				(12,443)
<b>Profit from operations</b>	<b>營運溢利</b>				102,682
Finance costs	融資成本				(3,759)
<b>Profit before taxation</b>	<b>除稅前溢利</b>				98,923
Taxation	稅項				(853)
<b>Profit for the six months ended 31 December 2009</b>	<b>截至二零零九年 十二月三十一日 止六個月之溢利</b>				<b>98,070</b>

## 4. FINANCE COSTS

## 4. 融資成本

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元
Effective interest expenses on convertible notes (note 14)	可換股票據之實際利息開支(附註14)	4,106	2,933	8,153	2,933
Interest element of finance leases	融資租約之利息	22	—	46	—
Interest on loan from a shareholder	股東貸款之利息	—	397	354	794
Interest on bank loans	銀行貸款之利息	309	6	309	32
		<b>4,437</b>	<b>3,336</b>	<b>8,862</b>	<b>3,759</b>

## 5. PROFIT BEFORE TAXATION

## 5. 除稅前溢利

The Group's profit before taxation is arrived at after charging:

本集團除稅前溢利乃經扣除下列各項後列賬：

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元
Cost of inventories sold	存貨銷售成本	163,270	92,919	201,468	213,248
Depreciation	折舊	429	427	1,053	821
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4	—	4	—
Operating lease charges	經營租賃費用				
— equipments and motor vehicles	— 設備及汽車	180	—	586	—
— office premises	— 辦公室物業	882	610	1,797	1,560
— staff quarter	— 員工住房	141	—	261	—
Research and development costs	研究及開發成本	1,330	854	1,901	1,849
Staff costs (including Directors' remuneration)	員工成本(包括董事酬金)				
— salaries and allowances	— 薪金及津貼	3,762	3,224	7,028	5,715
— pension scheme contributions	— 退休金計劃供款	15	11	29	20

## 6. TAXATION

## 6. 稅項

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元
Current tax:	即期稅項：				
Hong Kong	香港				
– charge for the period	– 本期間支出	–	–	–	310
Overseas	海外				
– charge for the period	– 本期間支出	6,837	–	6,837	543
		6,837	–	6,837	853

The provision for Hong Kong profits tax for the six months ended 31 December 2010 is calculated at 16.5% (2009: 16.5%) of the estimated assessable profits for the period.

Taxation arising in other jurisdictions, mainly the PRC, is calculated at the rates prevailing in the respective jurisdictions. The applicable enterprise income tax rate for the PRC is 25%.

In accordance with the approval from the relevant tax authorities, Beijing Jinqiao Hengtai Technology Company Limited (“Beijing Jinqiao”) and Beijing Zhongguang Shitong Technology Company Limited (“Beijing Zhongguang”), wholly owned subsidiaries of the Group operating in the PRC, is entitled to two years’ exemption from the PRC corporate income tax (“CIT”) followed by three years’ 50% relief from the CIT. The year ended 31 December 2008 and 31 December 2010 are the first profit-making year of Beijing Jinqiao and Beijing Zhongguang for the purpose of CIT exemption respectively.

截至二零一零年十二月三十一日止六個月香港利得稅撥備以期內估計應課稅溢利按稅率16.5% (二零零九年：16.5%) 計算。

在其他司法權區(主要在中國)產生之稅項乃按各司法權區之現行稅率計算。中國適用之企業所得稅稅率為25%。

根據有關稅務機關之批准，於中國經營之本集團全資附屬公司北京金橋恒泰科技有限公司(「北京金橋」)及北京中廣視通科技有限公司(「北京中廣」)獲豁免繳納中國企業所得稅(「企業所得稅」)兩年，隨後三年則可享企業所得稅減半優惠。就豁免繳納企業所得稅而言，截至二零零八年十二月三十一日及二零一零年十二月三十一日止年度分別為北京金橋及北京中廣首個獲利年度。

## 7. EARNINGS PER SHARE

## (a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

## 7. 每股盈利

## (a) 每股基本盈利

每股基本盈利乃按本公司股權持有人應佔溢利除以期內已發行普通股加權平均數計算。

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核)	2009 二零零九年 (Unaudited) (未經審核)	2010 二零一零年 (Unaudited) (未經審核)	2009 二零零九年 (Unaudited) (未經審核)
Profit attributable to the equity holders of the Company (HK\$'000)	本公司股權持有人應佔溢利(千港元)	53,612	47,068	78,783	90,770
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	1,863,045	1,533,083	1,721,146	1,481,512
Basic earnings per share (HK cent)	每股基本盈利(港仙)	2.88	3.07	4.58	6.13



## 7. EARNINGS PER SHARE (Continued)

## (b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the adjusted profit attributable to the equity holders of the Company by the total of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares assumed to have been issued on the deemed conversion of all convertible notes and exercise of all share options outstanding during the period.

## 7. 每股盈利 (續)

## (b) 每股攤薄盈利

每股攤薄盈利乃按本公司股權持有人應佔經調整溢利，除以期內已發行普通股加權平均數與假設於期內被視為兌換全部尚未兌換可換股票據及行使全部尚未行使購股權而發行之普通股加權平均數之總和計算。

		Three months ended 31 December 截至十二月三十一日 止三個月		Six months ended 31 December 截至十二月三十一日 止六個月	
		2010 二零一零年 (Unaudited) (未經審核)	2009 二零零九年 (Unaudited) (未經審核)	2010 二零一零年 (Unaudited) (未經審核)	2009 二零零九年 (Unaudited) (未經審核)
Profit attributable to the equity holders of the Company (HK\$'000)	本公司股權持有人應佔溢利(千港元)	53,612	47,068	78,783	90,770
Effective interest expenses on convertible notes	可換股票據之實際利息開支	4,106	—	8,153	—
Adjusted profit attributable to the equity holders of the Company (HK\$'000)	本公司股權持有人應佔經調整溢利(千港元)	57,718	47,068	86,936	90,770
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	1,863,045	1,533,083	1,721,146	1,481,512
Weighted average number of ordinary shares in issue on the deemed conversion of all convertible notes and exercise of all share options outstanding during the period (thousands)	期內就被視為兌換全部尚未兌換可換股票據及行使全部尚未行使購股權而發行之普通股加權平均數(千股)	584,232	7,651	535,521	8,156
		2,447,277	1,540,734	2,256,667	1,489,668
Diluted earnings per share (HK cent)	每股攤薄盈利(港仙)	2.36	3.05	3.85	6.09

## 8. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 31 December 2010 (2009: Nil).

## 8. 中期股息

董事會不建議派發截至二零一零年十二月三十一日止六個月之中期股息(二零零九年：無)。

## 9. PROPERTY, PLANT AND EQUIPMENT

		31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Opening net book amount	期初賬面淨值	7,187	1,926
Additions	添置	91,305	7,049
Disposals/write off	出售／撇銷	(65)	—
Depreciation	折舊	(1,053)	(1,831)
Exchange realignment	匯兌調整	1,862	43
Closing net book amount	期末賬面淨值	99,236	7,187

## 9. 物業、廠房及設備

## 10. GOODWILL

		31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Opening net book amount	期初賬面淨值	753,146	284,846
Acquisition of subsidiaries	收購附屬公司	—	468,300
Acquisition of remaining interest in a non wholly-owned subsidiary (Note below)	收購非全資附屬公司之餘下權益 (見下文附註)	70,225	—
Closing net book amount	期末賬面淨值	823,371	753,146

## 10. 商譽

Note:

Pursuant to the announcement of the Company dated 7 December 2010, a sale and purchase agreement dated 7 December 2010 was entered into among the Company, Star Hub Investments Limited as purchaser and Wealthme Limited and Mr. Li Haoping as vendor to acquire the remaining 7% equity interest of Beijing Jinqiao Group at a total consideration of approximately HK\$105.1 million (the "Acquisition"). The consideration was satisfied by the issue of 78,138,443 ordinary shares of the Company at the price of HK\$1.345 per share. The Acquisition was completed on 30 December 2010. Details are set out in the announcements of the Company dated 7 December 2010 and 30 December 2010.

附註：

根據本公司日期為二零一零年十二月七日之公告，本公司、Star Hub Investments Limited (作為買方)與Wealthme Limited及李浩平先生(作為賣方)訂立日期為二零一零年十二月七日之買賣協議，以總代價約105,100,000港元收購北京金橋集團餘下7%之股權(「收購事項」)。代價乃透過由本公司按每股1.345港元之價格發行78,138,443股普通股支付。收購事項已於二零一零年十二月三十日完成。有關詳情載於本公司日期為二零一零年十二月七日及二零一零年十二月三十日之公告內。

## 11. INTANGIBLE ASSETS

## 11. 無形資產

		31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
<b>Technology fee and development costs</b>	<b>技術費用及開發成本</b>		
Opening net book amount	期初賬面淨值	34,107	18,415
Additions	添置	7,210	18,188
Impairment	減值	—	(2,790)
Exchange realignment	匯兌調整	1,149	294
Closing net book amount	期末賬面淨值	42,466	34,107

## 12. TRADE RECEIVABLES

## 12. 應收賬款

The Group's credit terms are negotiated at terms determined and agreed with its customers.

本集團之信貸期乃經與客戶磋商及協定而訂立。

		31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables due from related parties (Note 16(i))	應收有關連人士賬款(附註16(i))	—	1,230
Other trade receivables	其他應收賬款	755,746	678,700
		755,746	679,930
Less: portion classified as current assets	減：分類為流動資產部份	(466,535)	(452,126)
Non-current portion	非流動部份	289,211	227,804

## 12. TRADE RECEIVABLES (Continued)

The ageing analysis of the trade receivables is as follows:

		<b>31 December 2010</b> 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
0 – 30 days	零至三十日	226,448	203,795
31 – 90 days	三十一至九十日	134,806	19,150
91 – 180 days	九十一至一百八十日	123,118	83,641
Over 180 days	一百八十日以上	271,374	373,344
		<b>755,746</b>	<b>679,930</b>

## 12. 應收賬款 (續)

應收賬款之賬齡分析如下：

The ageing analysis of trade receivables that were past due but not impaired is as follows:

逾期但並未減值之應收賬款賬齡分析如下：

		<b>31 December 2010</b> 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
0 – 30 days	零至三十日	—	68,728
31 – 90 days	三十一至九十日	—	11,153
91 – 180 days	九十一至一百八十日	13,458	6,016
Over 180 days	一百八十日以上	465	15,957
		<b>13,923</b>	<b>101,854</b>

## 13. TRADE PAYABLES

## 13. 應付賬款

		31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Trade payables due to related parties (note 16(i))	應付有關連人士賬款 (附註16(i))	—	17,471
Other trade payables	其他應付賬款	213,439	206,218
		<b>213,439</b>	<b>223,689</b>

The ageing analysis of the trade payables is as follow:

應付賬款之賬齡分析如下：

		31 December 2010 二零一零年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2010 二零一零年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
0 – 30 days	零至三十日	66,827	145,688
31 – 90 days	三十一至九十日	73,848	507
91 – 180 days	九十一至一百八十日	61,865	314
Over 180 days	一百八十日以上	10,899	77,180
		<b>213,439</b>	<b>223,689</b>

#### 14. CONVERTIBLE NOTES

- (a) Convertible notes with an aggregate amount of HK\$264,725,020 issued on 4 December 2009

On 4 December 2009, an aggregate of HK\$264,725,020 principal amount of redeemable convertible notes were issued upon fulfillment of the fourth payment condition of the “Jinqiao Acquisition” and “Maxium Acquisition”. Further details are set out in the Company’s announcement dated 4 December 2009.

The notes carry zero coupon and convertible into ordinary shares of the Company at an initial conversion price of HK\$0.34 per conversion share (subject to pro-rata adjustments on capital structure changes) at any time during the period commencing from the date of issue of convertible notes. Unless previously converted, lapsed or redeemed by the Company, any outstanding convertible notes shall be redeemed on the fifth anniversary of the issue date of the convertible notes.

The fair value of the liability component, included in the convertible notes, was calculated using a market interest rate for an equivalent non-convertible note. The fair value of the equity conversion component, which is included in shareholders’ equity in convertible notes reserve, was valued by the Black-Scholes-Merton option pricing model. Interest expenses on the convertible notes issued are calculated using the effective interest method by applying the effective interest rate of approximately 9.59% to the liability components.

On 30 December 2010, an aggregate of HK\$159,700,040 principal amount of convertible notes was converted into 485,410,455 ordinary shares of the Company at the adjusted conversion price of HK\$0.329 per conversion share. As at 31 December 2010, the outstanding principal amount of such convertible notes was HK\$105,024,980.

#### 14. 可換股票據

- (a) 於二零零九年十二月四日發行總額為264,725,020港元之可換股票據

於二零零九年十二月四日，於「金橋收購事項」及「明芯收購事項」第四期付款條件達成後發行本金額合共264,725,020港元之可贖回可換股票據。進一步詳情載於本公司日期為二零零九年十二月四日之公告內。

該等票據為零票息，於可換股票據發行當日起計期間內任何時間可按每股換股股份0.34港元（可於資本結構變動時按比例作出調整）之初步兌換價兌換為本公司普通股。除先前因兌換、失效或由本公司贖回外，任何尚未兌換之可換股票據須於可換股票據發行日期之第五週年當日贖回。

可換股票據負債部份之公平值乃按同等不可換股票據之市場利率計算。權益兌換部份之公平值以柏力克－舒爾斯－默頓期權定價模型進行估值，並計入可換股票據儲備之股東權益內。已發行之可換股票據之利息開支乃按實際利率法，就負債部份以約9.59%之實際利率計算。

於二零一零年十二月三十一日，本金額合共159,700,040港元之可換股票據已按每股換股股份0.329港元之經調整兌換價兌換為485,410,455股本公司普通股。於二零一零年十二月三十一日，該等可換股票據之尚未兌換本金額為105,024,980港元。



#### 14. CONVERTIBLE NOTES (Continued)

- (b) Convertible notes with an aggregate amount of HK\$200,000,000 issued on 28 December 2010

On 28 December 2010, an aggregate of HK\$200,000,000 principal amount of redeemable convertible notes were issued to Sandmartin International Holdings Limited. Further details are set out in the Company's announcement dated 17 December 2010.

The notes carry zero coupon and convertible into ordinary shares of the Company at an initial conversion price of HK\$2.00 per conversion share (subject to pro-rata adjustments on capital structure changes) at any time during the period commencing from the date immediately after the expiry of six months from the date of issue of convertible notes. Unless previously converted, lapsed or redeemed by the Company, any outstanding convertible notes shall be redeemed on the second anniversary of the issue date of the convertible notes.

The fair value of the liability component, included in the convertible notes, was calculated using a market interest rate for an equivalent non-convertible note. The fair value of the equity conversion component, which is included in shareholders' equity in convertible notes reserve, was valued by the Black-Scholes-Merton option pricing model. Interest expenses on the convertible notes issued are calculated using the effective interest method by applying the effective interest rate of approximately 4.234% to the liability components.

The liability component of the convertible notes recognised under non-current liabilities of the balance sheet are calculated as follows:

#### 14. 可換股票據 (續)

- (b) 於二零一零年十二月二十八日發行總額為200,000,000港元之可換股票據

於二零一零年十二月二十八日，本金額合共200,000,000港元之可贖回可換股票據已發行予聖馬丁國際控股有限公司。進一步詳情載於本公司日期為二零一零年十二月十七日之公告內。

該等票據為零票息，於緊隨可換股票據發行當日起計六個月屆滿後當日起計期間內任何時間可按每股換股股份2.00港元（可於資本結構變動時按比例作出調整）之初步兌換價兌換為本公司普通股。除先前兌換、失效或由本公司贖回外，任何尚未兌換之可換股票據須於可換股票據發行日期之第二週年當日贖回。

可換股票據負債部份之公平值乃按同等不可換股票據之市場利率計算。權益兌換部份之公平值以柏力克－舒爾斯－默頓期權定價模型進行估值，並計入可換股票據儲備之股東權益內。已發行之可換股票據之利息開支乃按實際利率法，就負債部份以約4.234%之實際利率計算。

於資產負債表內非流動負債確認之可換股票據負債部份計算如下：

		HK\$'000 千港元 (Unaudited) (未經審核)
At 1 July 2010	於二零一零年七月一日	176,694
Issuance of notes by the Company	本公司發行票據	184,083
Effective interest expenses for the period	本期間之實際利息開支	8,153
Conversion to shares of the Company	兌換為本公司股份	(111,450)
At 31 December 2010	於二零一零年十二月三十一日	257,480

## 15. SHARE CAPITAL

## 15. 股本

		Number of shares 股份數目 '000 千股	HK\$'000 千港元
<b>Ordinary shares of HK\$0.01 each</b>	<b>每股面值0.01港元之普通股</b>		
<b>Authorised</b>	<b>法定</b>		
At 30 June 2010 and 31 December 2010	於二零一零年六月三十日 及二零一零年十二月三十一日	10,000,000	100,000
<b>Issued and fully paid</b>	<b>已發行及繳足</b>		
At 30 June 2010	於二零一零年六月三十日	1,563,903	15,639
Issue of shares upon Placing (Note (i))	因配售事項而發行之股份(附註(i))	200,000	2,000
Issue of shares upon exercise of share options (Note (ii) & (iii))	因行使購股權而發行之股份(附註(ii)及(iii))	92,000	920
Issue of bonus shares (Note (iv))	發行紅股(附註(iv))	60,923	610
Issue of shares upon conversion of convertible notes (Note 14(a))	因兌換可換股票據而發行之股份(附註14(a))	485,410	4,854
Issue of shares for the acquisition of remaining shares in a non wholly-owned subsidiary (Note 10)	就收購一間非全資附屬公司之餘下股份 而發行股份(附註10)	78,139	781
As at 31 December 2010	於二零一零年十二月三十一日	2,480,375	24,804

## 15. SHARE CAPITAL (Continued)

Note:

- (i) On 14 September 2010, the Company, Team Effort Investments Limited (“Team Effort”) and DBS Asia Capital Limited (the “Placing Agent”) entered into a placing agreement pursuant to which Team Effort has agreed to place, and the Placing Agent has agreed to procure not less than six placees, on a best effort basis, for the purchase of up to 200,000,000 shares of the Company at the placing price of HK\$0.75 per placing shares (“Placing”). On the same date, the Company and Team Effort entered into a “top-up” subscription agreement pursuant to which Team Effort has agreed to subscribe for such number of subscription shares which is equivalent to the number of shares actually placed under the Placing, being a maximum number of 200,000,000 subscription shares at the subscription price of HK\$0.75 per subscription share (the “Subscription”). Details of these transactions are set out in the Company’s announcement dated 14 September 2010. The Placing and the Subscription was completed on 16 September 2010 and 24 September 2010 respectively. A total of 200,000,000 new shares were issued and approximately HK\$148 million was raised for the general working capital of the Company and its subsidiaries.
- (ii) On 10 November 2009, the Company and Crescent Investment Holding Co., Ltd. (the “Consultant”) entered into a Marketing Service Agreement pursuant to which the Company engaged the Consultant for a year from the date of the Marketing Services Agreement to provide various marketing and introduction services advice and guidance to support the Group’s business expansion and development in the PRC. For a nominal consideration of HK\$10, the Company has granted to the Consultant an option to subscribe for 90,000,000 ordinary shares of the Company at the exercise price of HK\$0.73 per option share. The option is exercisable at any time during the period of one year from the date of the Marketing Service Agreement. During the period, 90,000,000 ordinary shares of the Company was issued at the exercise of all the options granted to the Consultant. Details of this transaction are set out in the Company’s announcement dated 10 November 2009.
- (iii) During the period, 2,000,000 ordinary shares of the Company was issued at the price of HK\$0.37 per share upon the exercise of share option granted pursuant to the employee share option scheme adopted on 13 March 2003.
- (iv) As a result of the ordinary resolution resolved at the annual general meeting of the Company on 9 November 2010, bonus issue of share of one new share for every thirty existing shares held by the shareholders at the record date was issued to the shareholders as final dividend for the financial year ended 30 June 2010. A total of 60,923,427 ordinary shares was issued as bonus shares. Details of the bonus issue are set out in the Company’s circular dated 11 October 2010.

## 15. 股本 (續)

附註：

- (i) 於二零一零年九月十四日，本公司、Team Effort Investments Limited (「Team Effort」)與星展亞洲融資有限公司(「配售代理」)訂立配售協議，據此，Team Effort同意配售，而配售代理同意盡最大努力促使不少於六名承配人按每股配售股份0.75港元之配售價購買最多200,000,000股本公司股份(「配售事項」)。同日，本公司與Team Effort訂立「以舊換新」認購協議，據此，Team Effort同意按每股認購股份0.75港元之認購價認購相當於根據配售事項實際配售之股份數目之認購股份，即最多200,000,000股認購股份(「認購事項」)。該等交易之詳情載於本公司日期為二零一零年九月十四日之公告內。配售事項及認購事項分別已於二零一零年九月十六日及二零一零年九月二十四日完成。本公司合共發行200,000,000股新股份，籌集約148,000,000港元用作本公司及其附屬公司之一般營運資金。
- (ii) 於二零零九年十一月十日，本公司與Crescent Investment Holding Co., Ltd. (「顧問公司」)訂立市場推廣服務協議，據此，本公司委聘顧問公司於市場推廣服務協議訂立日期起計一年內提供多項市場推廣及引介服務建議和指引，以支持本集團業務於中國之擴張和發展。本公司已以象徵式代價10港元向顧問公司授出購股權，可按行使價每股購股權股份0.73港元認購90,000,000股本公司普通股。購股權可於市場推廣服務協議訂立日期起計一年期間內隨時行使。期內，90,000,000股本公司普通股已於授予顧問公司之全部購股權獲行使時發行。是項交易之詳情載於本公司日期為二零零九年十一月十日之公告內。
- (iii) 期內，於根據二零零三年三月十三日採納之僱員購股權計劃而授出之購股權獲行使時，已按每股0.37港元之價格發行2,000,000股本公司普通股。
- (iv) 根據本公司於二零一零年十一月九日舉行之股東週年大會議決之普通決議案，本公司按於記錄日期股東每持有三十股現有股份獲發一股新股份之基準向股東發行紅股，以作為截至二零一零年六月三十日止財政年度之末期股息。合共60,923,427股普通股已作為紅股股份發行。紅股發行之詳情載於本公司日期為二零一零年十月十一日之通函內。

## 16. RELATED PARTY TRANSACTIONS

- (i) The Group has carried out the following transactions with related parties:

		<b>Six months ended 31 December</b> 截至十二月三十一日止六個月	
		2010 二零一零年 HK\$'000 千港元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Sales of goods/services to Beijing Hengtai Technologies Co., Ltd.	向北京華大恒泰科技有限責任公司銷售產品／服務	4,392	100
Purchase of goods/services from Beijing Hengtai Technologies Co., Ltd.	向北京華大恒泰科技有限責任公司購買產品／服務	36,911	141,515

Note:

Prior to the Group acquired the remaining 7% equity interest in Beijing Jinqiao Hengtai Technology Company Limited and its subsidiary ("Beijing Jinqiao Group"), Beijing Hengtai Technologies Co., Ltd. holds 7% equity interest of Beijing Jinqiao Group.

The Directors are of the opinion that the above transactions were carried out in the ordinary course of the Group's business based on normal commercial terms.

- (ii) Compensation of key management personnel of the Group:

## 16. 有關連人士交易

- (i) 本集團與有關連人士進行之交易如下：

附註：

於本集團收購北京金橋恒泰科技有限公司及其附屬公司(「北京金橋集團」)之餘下7%股權前，北京華大恒泰科技有限責任公司持有北京金橋集團之7%股權。

董事認為，上述交易乃於本集團日常經營過程中按照一般商業條款進行。

- (ii) 本集團主要管理人員之薪酬：

		<b>Six months ended 31 December</b> 截至十二月三十一日止六個月	
		2010 二零一零年 HK\$'000 千港元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	2,612	2,233
Post-employment benefits contribution plans	退休後福利供款計劃	12	8
		2,624	2,241

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### Financial review

For the six months ended 31 December 2010, the Group recorded a consolidated turnover of approximately HK\$318.2 million, representing a decrease of approximately 6.5% when compared to approximately HK\$340.4 million for the corresponding period in the last financial year. Turnover for the three months ended 31 December 2010 amounted to approximately HK\$235.8 million, representing a significant increase of approximately 186.2% when compared to HK\$82.4 million of the preceding quarter. This increase generally reflected major progress made in business development by the Group in a number of areas as explained below and the ability of the Group to recover temporary sales drops in the preceding quarter.

Gross profit margin of the Group for the period was approximately 35.9%, a drop of about 1% from the corresponding period of last year. Due to the nature of the Group's turnover mix and the different stages projects are being implemented from time to time, the profit margin of the Group may fluctuate.

Other operating expenses amounted to approximately HK\$20.6 million for the six months ended 31 December 2010, representing a slight decrease of 0.3% when compared to HK\$20.7 million for the six months ended 31 December 2009.

Finance costs amounted to approximately HK\$8.9 million, of which approximately HK\$8.2 million represents effective non-cash interest expenses on convertible notes issued by the Company in December 2009 and December 2010 respectively.

The profit attributable to the equity holders of the Company amounted to approximately HK\$78.8 million for the six months ended 31 December 2010, representing a decrease of approximately 13.2% compared to approximately HK\$90.8 million in the corresponding period in the previous financial year. The profit attributable to the equity holders of the Company amounted to approximately HK\$53.6 million for the current three-month period ended 31 December 2010, representing an increase of approximately 112.7% compared to approximately HK\$25.2 million in the previous quarter.

## 管理層討論及分析

### 財務回顧

於截至二零一零年十二月三十一日止六個月，本集團錄得綜合營業額約318,200,000港元，較上一財政年度同期之約340,400,000港元減少約6.5%。截至二零一零年十二月三十一日止三個月之營業額約為235,800,000港元，較上一季度之82,400,000港元大幅增長約186.2%。此增幅普遍反映本集團多個範疇之業務發展取得如下文所述之重大進展，亦顯示本集團自上一季度銷售量之短暫下跌中復原之能力。

本期間本集團之毛利率約為35.9%，較去年同期減少約1%。鑒於本集團營業額組成之性質及各項目不時有不同階段正在進行，故本集團之利潤率可能出現波動。

截至二零一零年十二月三十一日止六個月之其他經營費用約為20,600,000港元，較截至二零零九年十二月三十一日止六個月之20,700,000港元輕微下跌0.3%。

融資成本約為8,900,000港元，其中約8,200,000港元為本公司分別於二零零九年十二月及二零一零年十二月發行之可換股票據產生之實際非現金利息開支。

截至二零一零年十二月三十一日止六個月，本公司股權持有人應佔溢利約為78,800,000港元，較上一財政年度同期之約90,800,000港元減少約13.2%。截至二零一零年十二月三十一日止當前三個月期間之本公司股權持有人應佔溢利約為53,600,000港元，較上一季度之約25,200,000港元增加約112.7%。

Basic earnings per share for the six months ended 31 December 2010 was approximately HK4.58 cents, representing a decrease of approximately 25.3% compared to HK6.13 cents for the corresponding period of the last year.

During the period, to position the Group for continued business expansion particularly in the digital cable television two-way conversion business segment, the Company placed 200 million shares at HK\$0.75 per share in September 2010 and issued a zero coupon convertible bond with principal amount of \$200 million. The Company also entered into an agreement in December 2010 in relation to an equity line of credit for up to HK\$400 million (subject to the approval of the shareholders of the Company). Two of the Group's subsidiaries had applied for increase in its registered capital and approval from the PRC authority is expected soon.

## Business review

During the second quarter, turnover had picked up significantly to approximately HK\$235.8 million reversing the sluggish sales of the first quarter. Overall, both turnover and net profit of the second quarter exceeded that of the corresponding quarter in the previous fiscal year. On a quarter-on-quarter basis, the increases in turnover of HK\$153.4 million or 186.2% and gross profit of HK\$56.2 million or 106.5% were even more noticeable demonstrating the Group's resilience to recovering from the sales drop that took place in the first quarter. The increases generally reflected major progress made in business development by the Group in a number of areas including, in particular, the Group's breakthrough into the digital cable TV operational cooperation businesses in Jiangxi, Anhui and more recently in Hebei provinces. Nevertheless, when the six-month results are compared, the relative poor showings in the first quarter adversely affected the Group's performance. For the period under review, turnover dropped approximately 6.5% and profit for the period was lower by approximately 14.9% when compared to the corresponding period of the previous year.

In keeping with the quest for longer term sustainable turnover and profits, the Group took time and effort to build a more diversified revenue base with an increased focus in generating recurring operational revenue. This necessitated the Group to re-position and allocate more resources to focus on starting up of such operations for the long term good repositioning process which affects immediate revenue recognition. Moreover, it will be evident that more recurring and operational type of revenues will be achieved in the years to come.

截至二零一零年十二月三十一日止六個月之每股基本盈利約為4.58港仙，較去年同期之6.13港仙減少約25.3%。

於本期間，本公司於二零一零年九月以每股0.75港元之價格配售200,000,000股股份，並發行本金額200,000,000港元之零票息可換股債券，以為本集團之業務持續擴展(尤其對有線數字電視雙向改造業務分部而言)作好準備。於二零一零年十二月，本公司亦就最多400,000,000港元之股票掛鈎信貸訂立協議(須待本公司股東批准)。本集團旗下兩間附屬公司已申請增加其註冊資本，預期將獲得中國機關之批准。

## 業務回顧

第二季度，營業額大幅回升至約235,800,000港元，扭轉第一季度銷售量停滯不前的狀況。總括而言，第二季度之營業額及純利皆較上一財政年度同季之數字為高。按季度計算，營業額增加153,400,000港元或186.2%以及毛利增加56,200,000港元或106.5%更能顯著反映本集團自第一季度銷售量下跌中復原的能力，該增幅普遍反映本集團多個範疇之業務發展皆取得重大進展，尤其是本集團與江西省、安徽省及最近與河北省合作進行數字有線電視營運業務取得突破。然而，倘比較六個月之業績，第一季度之數字相對較差，對本集團之業績表現帶來不利影響。於回顧期內，本期間之營業額及利潤較去年同期分別下降約6.5%及約14.9%。

本集團持續尋求長遠可持續之營業額及利潤，已投入時間和力度建立更多元化之收益來源，並更加專注於產生經常性營運收益。此舉促使本集團重新定位及分配更多資源，就長遠良好重新定位進程專注於開展有關業務營運，此舉將對收益確認產生即時影響，而於未來數年亦將會明顯地錄得更多經常性及營運性收益。



## (i) Wireless digital terrestrial TV network equipment integration business

Revenue from the wireless digital terrestrial TV network equipment integration business fell to approximately HK\$127.1 million or about 40% of the overall turnover of the Group in the six months ended 31 December 2010. The lower first quarter revenues was mainly due to the optimization of the wireless digital terrestrial TV transmission station network conducted by client TV stations in Hunan and Hubei which affected the equipment and set-up-box delivery schedules then.

During the second quarter, equipment and set-up-box sales to Hunan and Hubei provinces also recovered from that of the first quarter. In any event, with business co-operations in Jiangxi, Anhui and Hebei, there would be a proportionate reduced reliance of the Group on the equipment and construction oriented sales mix, gradually shifting to the operational and recurring revenue sources derived from the business co-operations with the TV operators in various provinces.

The receivables situation particularly from the Hunan project had also improved significantly as the longer dated receivables had been collected. This drastically improved the Group's working capital position and would in turn support the Group to achieve an accelerated level of business expansion.

During the period, the Board made the decision to acquire the remaining indirect 7% interest in Beijing Jinqiao at a historical price-to-earnings ratio of approximately 8.0 times. Beijing Jinqiao's profit in the past two years had been highly satisfactory. The acquisition was completed on 30 December 2010 and Beijing Jinqiao had since become a wholly-owned subsidiary of the Group.

## (i) 地面無線數字電視網絡設備集成業務

來自地面無線數字電視網絡設備集成業務之收益減少至約127,100,000港元，佔本集團截至二零一零年十二月三十一日止六個月之整體營業額約40%。第一季度收益下跌主要是由於湖南及湖北之客戶電視站進行地面無線數字電視發射機站網絡優化，因而影響設備及設置箱之付運時間表。

第二季度，對湖南及湖北省之設備及設置箱銷售自第一季度亦有所回升。在任何情況下，透過與江西、安徽及河北之業務合作，本集團將會相應減低對以設備及搭建為主之銷售組合之依賴，而逐步轉向以與不同省份電視運營商之業務合作所產生之營運及經常性收益來源為主。

應收款項之收回情況(尤其是湖南項目之應收款項)亦有明顯改善，拖欠期較長之應收款項已收回，大大改善了本集團之營運資金狀況，並將可支持本集團業務之急速擴展。

於本期間，董事會決定按約8.0倍之往績市盈率收購於北京金橋餘下7%之間接權益。北京金橋於過去兩年之盈利令人非常滿意。收購事項於二零一零年十二月三十日完成，而北京金橋自此已成為本集團之全資附屬公司。

## (ii) Digital cable television two-way conversion equipment and service business

During the period under review, the Group continued to progress with the business development and implementation not only in the wireless digital terrestrial TV network equipment integration business, but also gained breakthrough entrance to the digital cable TV operational and value added business. Riding on the three network integration policy in China, over HK\$25 million operational revenues started to come as a result of the newly established business co-operation in Hebei for digital cable TV operational and value added business. This included the share of operational revenues from the first 100,000 subscribers in the Hebei project. The two-way digital cable TV network conversion projects in Anhui also progressed satisfactorily with completion of the two-way conversion of interactive subscribers' network in four pilot cities covering 100,000 subscribers, and capture 20,000 broadband end-users and 7,000 interactive TV subscribers. Although the revenue contribution was still relatively small at this stage, but the sustainable impact to the Group's future operational earnings would be significant.

## (iii) Information safety products business

The turnover for the six months ended 31 December 2010 generated from the information safety products business and the related technical services amounted to approximately HK\$79.7 million representing approximately 25% of the total turnover and essentially holding its ground when compared to the corresponding period of last year.

To seize the opportunity brought about by the integration of the three networks policy, the Group not only put great efforts in the development of products and services for the wireless TV market, but also focused on the research and development and sales of products for the cable TV market. It has developed, among others, the cable TV two-way upgrade products (MoCA and EPON) with free intellectual property rights. The products were sold in Yichang, Sichuan, Zhejiang. Leveraging on the Group's resources in marketing network and its core technology, cooperation initiatives with international known enterprises were made to explore new market opportunity.

## (ii) 有線數字電視雙向改造設備及服務業務

於回顧期內，本集團不但繼續致力於地面無線數字電視網絡設備集成業務之業務發展及實行，更突破性地踏足有線數字電視營運及增值業務。在中國的三網融合政策下，與河北就有線數字電視營運及增值業務而新建立之業務合作，已開始產生超過25,000,000港元之營運收益，當中包括來自河北項目首100,000名用戶之營運收益。安徽的有線數字電視網絡雙向改造項目發展亦令人滿意，於四個試驗城市完成100,000名雙向互動用戶的網絡改造，並擁有20,000名寬頻終端用戶及7,000名互動電視用戶。縱使現階段之收益貢獻相對仍較小，但該項目將為本集團未來之營運性盈利帶來顯著及長遠之影響。

## (iii) 資訊安全產品業務

資訊安全產品業務及相關技術服務於截至二零一零年十二月三十一日止六個月產生之營業額約為79,700,000港元，約佔總營業額之25%，與去年同期相比大致穩定。

為抓緊三網融合政策帶來的機遇，本集團在大力發展無線電視市場之產品及服務的同時，亦兼顧有線電視市場產品的研發及銷售，開發(其中包括)出了具有自由知識產權的有線電視雙向改造產品(MoCA及EPON)，產品在宜昌、四川及浙江銷售。憑藉本集團於營銷網絡之資源及其核心技術，本集團與國際知名企業合作之計劃將可開拓新市場之商機。

Taking advantages of the existing technology of the Group with integration of the technology resources from other parties, the Group entered into sale contracts for Ministry of Health's project for the provision of medical services to the rural areas in the second quarter. Products include audio and video diagnosis terminals for medical use, PIN management products, digitization equipment for medical data, human medical data collector. The project has started to contribute to the Group's revenue and profit for this period.

The Group had strengthened its sales to the government and successfully completed the first contract for large amount purchase by Beijing University of Technology in the short period of time for software products, IP core, data collection products, simulators for research and development. The profit margin of those products was as high as 45%. New hardware and software products were developed for environmental control and energy efficient applications.

#### (iv) Wireless digital audio products business

The turnover for the six months ended 31 December 2010 generated from the wireless digital audio product business and the related technical services amounted to approximately HK\$111.3 million or approximately 35% of the total turnover. Revenues from this segment increased as a proportion to the total turnover as a result of increased sales from both domestic and overseas customers in this segment as demand in China continued to increase and the overseas market recovered.

During the second quarter, further increase in domestic demand was evident and new orders were being negotiated with major enterprises. These new orders will further diversify the list of products offered by the Group and demonstrate its superior application ability of its technology to meet a variety of customer needs. More earnings contribution would be enjoyed by the Group starting from the second half of this year.

With further recovery of the global economy, the segment's overseas business operation also experienced a rebound and both the new projects from the clients and sales orders also increased. All of its customers have confidence in the prospects of the wireless product market and accelerate the progress of their projects, which are undergoing a fast pace. All of the overseas customers are speeding up the research and development of their new projects in 2010 while some of the suspended projects have also been restarted. The number of customers in the export segment has been significantly increased.

利用本集團已有的技術優勢整合多方技術資源，本集團於第二季度就衛生部醫療下鄉項目達成銷售合同，應用產品包括：醫療用音視頻診斷終端、密碼管理產品、醫療信息數字化儀器、人體醫學數據採集儀等，該項目開始為本集團於本期間作出收益及利潤貢獻。

本集團加強了對政府採購項目的銷售力度，並在短時間內圓滿完成了北京工業大學的第一單大額採購合同，包括：軟件產品、IP核、數據採集產品、研發用仿真器等，其利潤率高達45%。本集團現正就環境控制及節能應用軟件研發新硬件及軟件產品。

#### (iv) 無線數字音頻產品業務

截至二零一零年十二月三十一日止六個月，來自無線數字音頻產品業務及相關技術服務之營業額約為111,300,000港元，佔總營業額約35%。由於國內需求持續增加，而國外市場亦開始復甦，本分部向國內、外客戶之銷售皆有所增長，因此本分部收益佔總營業額之比例亦有所上升。

於第二季度，內需顯然進一步增加，而本公司正與主要企業磋商新訂單。有關新訂單將進一步分散本集團所提供之貨品清單，並彰顯其滿足客戶不同需要之卓越技術應用能力。本集團將於本年度下半年開始將會獲得更多盈利貢獻。

隨著全球經濟進一步復甦，該分部之海外業務營運有所回升，來自客戶之新項目及銷售訂單亦有所增加。其所有客戶對無線產品市場之前景抱有信心，並加快彼等快速進展之項目進程。所有國外客戶於二零一零年加速進行新項目之研發，同時部分暫停之項目亦已重新啟動。外銷客戶之數目已大幅增加。

## Prospects

With the implementation of integration of the telecommunication network, broadcasting TV network and internet, it is estimated that the scale of national investment will reach 60 billion by the end of 2015. The migration to digitization of TV broadcasting and the three networks integration created an excellent environment for the Group to prosper. The Group will continue to strengthen its lead position in the wireless digital TV network integration businesses and will leverage its know-how and technology to increase its focus in business co-operation with TV operators in digital cable TV network upgrade, two-way conversion and value added services.

In the coming months, the Group will continue to increase its business development efforts in Jiangxi, Anhui and Hebei. The two-way conversion in four pilot cities in the Anhui province is expected to be completed in mid year 2011. The Group's ability to partner with several of the provincial cable TV operators will further reinforce its market status. Since more than a year ago, The Group had previously indicated it would be able to enter into agreements with provincial TV operators. The conclusion of 2010 calendar year witnessed what has been happening. It is further believed that in the year ahead, a few more TV operators would wish to enter into co-operative arrangements with the Group for mutual benefits. With the roll out of the existing provinces, the Group would be able to capture a critical subscriber mass for revenue sharing. Addition of other provincial operator for business cooperation will further elevate the Group's competitive advantage. Increase subscriber base, a fuller menu of value added services would lift the ARPU and bring more sustainable revenue and profits to the Group in the long run.

In addition, the Group continues to identify new business opportunity for all its major business segments. In the area of wireless audio telecommunications and software services, the Group had continued its marketing development plan in China. Market share and revenues had been increasing through penetration into different industries. It is believed that export sales will also increase at a faster pace following the improved economic outlook particularly in the U.S. The Group will seize opportunity to target its supply of products and services to foreign and domestic major corporations.

## 前景

隨著推行電信網絡、廣播電視網絡和互聯網集成之政策，預期國內投資規模於二零一五年結束前將達至600億人民幣。轉型至廣播電視數字化和三網融合為本集團創造蓬勃發展之優越環境。本集團將繼續加強其於無線數字電視網絡集成業務之領導地位，並將利用其知識及技術，進一步專注於與電視運營商就有線數字電視網絡、雙向改造及增值服務升級之業務合作。

未來數月，本集團將繼續加大力度發展其於江西、安徽及河北之業務。於安徽省四個試驗城市之雙向改造預期將於二零一一年年中竣工。本集團與多個省有線電視運營商合作之能力，將進一步鞏固其市場地位。自一年多前，本集團已表明其將可與省電視運營商訂立協議。二零一零年曆年終見證了有關事情之進行。本公司繼續相信，來年將有多間電視運營商期望與本集團訂立合作安排以達致互惠互利。隨著於現有省份開展業務，本集團將可吸納主要用戶群組以獲取收益份額。與其他省電視運營商開展業務合作，將進一步提升本集團之競爭優勢。增加用戶基礎和提供更全面之增值服務將可提高每用戶平均收入，並長遠為本集團帶來可持續之收入和溢利。

此外，本集團為其所有主要業務分部繼續物色新商機。無線音頻電信和軟件服務方面，本集團繼續進行其於中國之市場發展計劃。憑藉進軍不同行業，市場份額和收入有所上升。本公司相信，隨著經濟前景改善(尤其是美國)，外銷亦會快速增長。本集團將把握機會，向國內、外主要企業提供產品和服務。



The integration of the three networks will force the broadcasting operators to accelerate their inter-regional integration, to upgrade their networks and to operate in a more market oriented way. Demand for technical products, software and other services will increase. Building on its strength, the Group will continue with its research and development efforts; to remain competitive and cost effective; and to aggressively refine and apply its self developed intellectual property and know-how for value creation and to meet the increased market demand as a result of the transformation.

The Group will also draw on its existing advantages in technology and social resources to develop markets in other areas. At present, auto electronics, telecommunication and energy saving and emission reduction control products and software have been developed for application therein. Government/group procurement business had been investigated into by the Group. Currently, negotiations with these customers are under way. The business potential would be significant if co-operation with even some of these parties could materialise.

The improved liquidity in the capital market and interests in investments in the Asian region may support the Group's further development. The Group is currently not under pressure to raise funds after two successful fund raising exercises in the last four months. The Group is in a lead position in the digital TV network integration and services arena. If the conditions are to the Group's favour, financial leverage utilizing low cost funding from the capital market will further enhance the profitability of the Group or allow the Group to take a more aggressive positioning to capture a larger share of the market.

## Liquidity and Financial Resources

As at 31 December 2010, the cash and bank balances of the Group amounted to approximately HK\$383.4 million (30 June 2010: 65.4 million). The Renminbi denominated balances of HK\$146.4 million were placed with licensed banks in the PRC and the conversion of these balances into foreign currencies is subject to the rules and regulation of foreign exchange control promulgated by the PRC government.

During the six months ended 31 December 2010, the Group has net cash inflow from its operating activities and financing activities of approximately HK\$29.9 million and HK\$441.3 million respectively and cash outflow of approximately HK\$168.5 million from investing activities.

As at 31 December 2010, the gearing ratio of the Group, calculated as total borrowings over shareholders' funds, was approximately 0.04 (30 June 2010: 0.03).

三網融合將推動廣播運營商加快跨區融合，以升級其網絡及以更為市場導向之方式營運。技術產品、軟件及其他服務之需求將有所增加。憑藉其優勢，本集團將繼續致力進行研發，以維持競爭力和成本效益，並積極完善及應用其自行開發之知識產權和知識以創造價值，並因轉型而滿足市場日益增加之需求。

本集團亦將利用其現有技術和社會資源之優勢於其他範疇開發市場。現時，汽車電子、電信以及節能和減排控制之產品和軟件已獲開發以供有關範疇應用。本集團已對政府／團體採購業務進行調查，與有關客戶之磋商亦正進行。即使只能與部分團體落實合作，業務潛力將會十分重大。

資本市場之流動性及對亞洲地區投資之意欲有所改善，或可支持本集團之未來發展。經過過去四個月兩次成功的集資活動後，本集團目前並無集資壓力。本集團於數字電視網絡集成及服務領域佔據領導地位。倘融資條件對本集團有利，在資本市場取得低集資成本之財務融資將可進一步增強本集團之盈利能力，或讓本集團享有更進取之優勢以爭取較大的市場份額。

## 流動資金及財務資源

於二零一零年十二月三十一日，本集團之現金及銀行結餘約為383,400,000港元(二零一零年六月三十日：65,400,000港元)。以人民幣計值之結餘146,400,000港元存於中國之持牌銀行，而將該等結餘兌換為外幣須受中國政府頒佈之外匯管制法規所規限。

截至二零一零年十二月三十一日止六個月，本集團經營活動及融資活動所得現金流入淨額分別約為29,900,000港元及441,300,000港元，而投資活動所得現金流出淨額約為168,500,000港元。

於二零一零年十二月三十一日，本集團之資本負債比率(總借款除以股東資金)約為0.04(二零一零年六月三十日：0.03)。

## Exposure to fluctuations in exchange rates and related hedges

The Company's revenues and expenses are primarily transacted in Hong Kong dollar and Renminbi. As at 31 December 2010, the Group has no outstanding foreign currency hedge contract.

## Charge on Group Assets

As at 31 December 2010, the Group has pledged bank deposit of approximately HK\$71.5 million to secure the bank borrowings of approximately HK\$59 million.

## Contingent liabilities

Apart from the actions against the Company disclosed in the "Litigation" section of this report, there were no other material outstanding writs and litigations against the Group and/or the Company.

## Capital Structure

During the six months ended 31 December 2010, an aggregate of 916,472,325 new shares were issued by the Company, of which 200,000,000 from share placements, 60,923,427 from bonus issue as dividend, 92,000,000 from exercise of share options, 78,138,443 as consideration shares for the acquisition of remaining 7% in Beijing Jinqiao Group and 485,410,455 from conversion of convertible notes.

## Acquisition/Disposal and Significant Investments

Apart from the acquisition of the remaining 7% equity interest in the Beijing Jinqiao Group completed on 30 December 2010, the Group had no material acquisition or disposal of subsidiaries during the six months ended 31 December 2010. Details of the acquisition are set out in the announcement of the Company dated 7 December 2010.

## Employee Information

As at 31 December 2010, the Group employed a total of 144 (30 June 2009: 83) full-time employees. The Group's remuneration policy remained the same as detailed in the Annual Report for the year ended 30 June 2010.

## 匯率波動之風險及相關對沖

本公司之收益及開支主要以港元及人民幣計值。於二零一零年十二月三十一日，本集團並無任何未平倉之外匯對沖合約。

## 集團資產之抵押

於二零一零年十二月三十一日，本集團質押約71,500,000港元之銀行存款，以獲取銀行借款約59,000,000港元。

## 或然負債

除本報告內「訴訟」一節所披露之針對本公司之訴訟外，概無任何其他針對本集團及／或本公司之未了結重大令狀及訴訟。

## 資本結構

於截至二零一零年十二月三十一日止六個月，本公司合共已發行916,472,325股新股份，其中200,000,000股因股份配售而發行、60,923,427股因發行紅股作為股息而發行、92,000,000股因行使購股權而發行、78,138,443股作為代價股份以收購於北京金橋集團餘下7%權益而發行，以及485,410,455股因兌換可換股票據而發行。

## 收購／出售及重大投資

除於二零一零年十二月三十日完成收購北京金橋集團餘下7%之股權外，本集團於截至二零一零年十二月三十一日止六個月並無任何有關附屬公司之重大收購或出售。收購事項之詳情載於本公司日期為二零一零年十二月七日之公告。

## 僱員資料

於二零一零年十二月三十一日，本集團共聘有144名(二零零九年六月三十日：83名)全職僱員。本集團之薪酬政策保持不變，詳情請參閱截至二零一零年六月三十日止年度之年報。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2010, the interests and short positions of the Directors, the chief executive of the Company or their respective associates (as defined in the GEM Listing Rules) 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 ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange were as follows:

## 董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及短倉

於二零一零年十二月三十一日，本公司董事、主要行政人員或彼等各自之聯繫人(定義見創業板上市規則)於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部規定須知會本公司及聯交所之權益及短倉(包括彼等根據證券及期貨條例有關條文被當作或視為擁有之權益及短倉)；或根據證券及期貨條例第352條須記錄於該條所述登記冊內之權益及短倉；或根據創業板上市規則有關董事進行證券交易之第5.46條至5.67條須知會本公司及聯交所之權益及短倉如下：

Name 姓名	Position 職務	Capacity 身份	Number of shares 股份	Underlying shares 相關股份 (Note 1) (附註1)	Approximate percentage of interests in the issued share capital 已發行股本 中權益概約 百分比
Mr. Xiao Yan 肖彥先生	Chief Executive Officer/ Executive Director 行政總裁／執行董事	Beneficial owner 實益擁有人	—	2,273,334	0.09%
Mr. Feng Yongming 馮永明先生	Executive Director 執行董事	Beneficial owner 實益擁有人	—	1,033,333 (Note 2) (附註2)	0.04%
Mr. Wu Fred Fong 胡晃先生	Chief Financial Officer 財務總裁	Beneficial owner 實益擁有人	1,033,333	4,133,333	0.21%

Note:

(1) The Directors and the chief executives of the Company were granted share options at the exercise price of HK\$0.358 per share (as adjusted) on 18 February 2009. The share options would be exercisable during the period from 18 March 2009 to 17 October 2012. These individuals were deemed to be interested in shares of HK\$0.01 each which would fall to be issued upon exercise of their respective share options of the Company under the share option scheme adopted by the Company on 13 March 2003.

(2) The share option has been exercised subsequent to the period ended 31 December 2010.

附註：

(1) 於二零零九年二月十八日，本公司董事及主要行政人員獲授行使價為每股0.358港元(經調整)之購股權。該等購股權可於二零零九年三月十八日至二零一二年十月十七日期間行使。該等人士被視為於根據購股權計劃(本公司於二零零三年三月十三日採納)彼等各自獲授之本公司購股權獲行使而須予發行之每股面值0.01港元之股份中擁有權益。

(2) 購股權已於二零一零年十二月三十一日止期間後獲行使。

Save as disclosed above, at no time during the six months ended 31 December 2010 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or its associated corporation.

除上文所披露者外，本公司或其任何附屬公司於截至二零一零年十二月三十一日止六個月內任何時間概無訂立任何安排，致使本公司董事及主要行政人員可藉收購本公司或其相聯法團之股份或債權證而獲得利益。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

## 主要股東於本公司之股份及相關股份之權益及短倉

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 December 2010, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital:

根據證券及期貨條例第336條存置之主要股東登記冊所載，於二零一零年十二月三十一日，本公司已知悉下列持有本公司已發行股本5%或以上之主要股東權益及短倉：

### Interests in the shares of the Company

### 於本公司股份之權益

Name of shareholder 股東名稱	Number or attributable number of shares or underlying shares held 持有之股份或相關股份數目或應佔數目	Type of interests 權益類別	Approximate percentage of interests 權益概約百分比
Choi Chung Lam (Note 1) 蔡忠林先生(附註1)	620,690,451 (L)	Interest in controlled corporation 受控法團權益	25.00%
Team Effort Investments Limited (Note 1)(附註1)	620,690,451 (L)	Interest in controlled corporation 受控法團權益	25.00%
Li Haoping (Note 2) 李浩平先生(附註2)	436,527,306 (L)	Interest in controlled corporation 受控法團權益	17.60%
Lomond Group Limited (Note 2)(附註2)	358,388,863 (L)	Interest in controlled corporation 受控法團權益	14.45%
Easy Mount Enterprises Limited (Note 2)(附註2)	319,224,863 (L)	Beneficial owner 實益擁有人	12.87%

L: Long Position

L: 長倉



## Notes:

1. Team Effort Investments Limited is wholly owned by Mr. Choi Chung Lam.
2. The entire issued share capital of Easy Mount Enterprises Limited is owned as to 85% by Lomond Group Limited and 15% by Mr. Ho Wai Jung. Lomond Group Limited is wholly owned by Mr. Li Haoping. Lomond Group Limited and Mr. Li Haoping are deemed to be interested in the 319,224,863 shares to be issued upon the exercising of the conversion rights attaching to convertible notes. Mr. Li Haoping is also deemed to be interested in the 39,164,000 shares held by Lomond Group Limited and 78,138,443 shares held by Wealtheme Limited. Both Lomond Group Limited and Wealtheme Limited are wholly owned by Mr. Li Haoping.

## 附註：

1. Team Effort Investments Limited由蔡忠林先生全資擁有。
2. Easy Mount Enterprises Limited之全部已發行股本中由Lomond Group Limited擁有85%及由何偉頌先生擁有15%。Lomond Group Limited由李浩平先生全資擁有。Lomond Group Limited及李浩平先生分別被視為於可換股票據所附之換股權獲行使而須予發行之319,224,863股股份中擁有權益。李浩平先生亦被視為於Lomond Group Limited持有之39,164,000股股份及Wealtheme Limited持有之78,138,443股股份中擁有權益。Lomond Group Limited及Wealtheme Limited皆由李浩平先生全資擁有。

Save as disclosed above, as at 31 December 2010, the Directors or chief executives of the Company were not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company under Section 336 of the SFO.

除上文所披露者外，於二零一零年十二月三十一日，本公司董事或主要行政人員概不知悉有任何其他人士(本公司董事或主要行政人員除外)於本公司之股份或相關股份中，擁有證券及期貨條例第336條所載之任何權益或短倉。

## EMPLOYEE SHARE OPTION SCHEME

Details of the employee share option scheme ("Share Option Scheme") approved by the then sole shareholder of the Company on 13 March 2003 were disclosed in the annual report of the Company for the year ended 30 June 2010. The following shows the outstanding positions of the eligible persons as at 31 December 2010 with respect to their share options granted under the scheme:

## 員工購股權計劃

於二零零三年三月十三日當時本公司唯一股東批准之員工購股權計劃(「購股權計劃」)之詳情於本公司截至二零一零年六月三十日止年度之年報中披露。合資格人士根據計劃獲授予之購股權於二零一零年十二月三十一日之結餘情況如下：

Participants 參與者	Number of Shares (Note) 股份數目(附註)					As of 31 December 2010	Date of grant 授出日期	Exercise period 行使期	Adjusted subscription price 經調整 認購價
	As of 1 July 2010 截至 二零一零年 七月一日	Exercised during the period 於期內 行使	Cancelled during the period 於期內 註銷	Lapsed during the period 於期內 失效	Adjusted after bonus issue 於發行 紅股後調整				
Eligible persons 合資格人士	10,700,000	2,000,000	—	—	290,000	8,990,000	18/02/2009	18/03/2009- 17/03/2012	HK\$0.358港元

## Note:

Number of shares in the Company over which options granted under the Share Option Scheme is exercisable.

## 附註：

根據購股權計劃授出而可予行使之購股權所涉及之本公司股份數目。

## LITIGATION

The Company was served on 20 December 2007 a writ of summons (the “Writ”) whereby Mr. Chan Hak Kim, the plaintiff (the “Plaintiff”) is claiming against Precision Assets Limited, being the first defendant, Mr. Tony Hoo, being the second defendant (the “2nd Defendant”) and the Company, being the third defendant (together called the “Defendants”). The Plaintiff claims against the Company under a forbearance agreement which was allegedly made partly orally and partly in writing between the Plaintiff and the 2nd Defendant for and on behalf of the Defendants. Mr. Tony Hoo was a former executive Director who was appointed on 11 September 2002 and resigned on 5 June 2007.

The Plaintiff claims (the “Claim”) against (1) the Company in the total sum of HK\$5,000,000 together with interest and cost by way of two cheques of the Company each being in the amount of HK\$2,500,000 respectively dated 30 June 2007 and 31 October 2007 given to the Plaintiff by the 2nd Defendant which were dishonoured due to account close; and (2) against the Defendants jointly and severally damages in the sum of HK\$25,000,000 and further or in the alternative, the total sum of HK\$5,000,000 due under the afore-mentioned cheques together with interest and costs.

The Company has been advised by its legal adviser that the Plaintiff had no grounds for the Claim and the Company filed its defence on 28 March 2008 and witness statement on 30 July 2009. Since then, witness statements had been exchanged. The trial hearing took place on 24 November 2010 and attempts have been made by the parties subsequently for a global settlement between the parties. However, despite prolonged negotiation between the Plaintiff and the 2nd Defendant, the parties failed to reach a settlement. The hearing for directions is fixed on 14 February 2011 before the Court. The Company’s legal adviser’s opinion is that the Company is not liable to the claim of the Plaintiff. The only contention is which party shall bear the costs of the Company in the High Court Action, and in what amount. The Company will keep the shareholders of the Company and potential investors informed of any further significant developments.

Save as disclosed above, the Group was not engaged in any litigation or arbitration or claims of material importance which is known to the Directors to be pending or threatened by or against the Group as at 31 December 2010.

## 訴訟

本公司於二零零七年十二月二十日獲送達一份傳訊令狀(「令狀」)，據此，原告人陳克儉先生(「原告」)向首被告Precision Assets Limited、第二被告胡棟良先生(「次被告」)及第三被告本公司(統稱為「被告人」)提出索償。原告根據一份據稱由原告與次被告(代表被告人)部份以口頭方式及部份以書面形式訂立之延期償付協議向本公司提出索償。胡棟良先生乃前任執行董事，於二零零二年九月十一日獲委任並於二零零七年六月五日辭任。

原告就以下各項提出索償(「索償」)(1)透過兩張由次被告向原告開立日期分別為二零零七年六月三十日及二零零七年十月三十一日金額各為2,500,000港元之本公司支票(因戶口結束而未能兌現)，向本公司提出索償總金額5,000,000港元連同利息及費用；及(2)向被告人共同及個別提出索償損害賠償金額25,000,000港元及進一步或選擇在上述支票所欠付之總金額5,000,000港元連同利息及費用。

本公司已獲其法律顧問告知，原告在索償方面並無任何理據，而本公司已於二零零八年三月二十八日提交抗辯書並於二零零九年七月三十日提交證人陳述書。此後，已交換證人陳述書，而審訊已於二零一零年十一月二十四日進行，控辯雙方其後試圖達成全面和解。然而，經過長時間磋商後，原告及次被告無法達成和解。指示聆訊定於二零一一年二月十四日由法庭審理。本公司法律顧問認為，本公司並無責任承擔原告之索償，唯一爭議是本公司於高等法院訴訟之費用應由哪一方支付及支付金額為多少。本公司將會就任何進一步的重大事態發展通知本公司股東及潛在投資者。

除上文所披露者外，於二零一零年十二月三十一日，據董事所知，本集團概無涉及任何重大訴訟、仲裁或索償，而本集團亦無提出或面臨任何重大訴訟、仲裁或索償。

## DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) have any interest in a business, which competes or may compete with the business of the Group or had any other conflict of interests with the Group.

## AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. As at the date of this report, the audit committee comprises three independent non-executive Directors, namely, Mr. Leung Wo Ping JP (Chairman), Mr. Dong Shi and Mr. Hu Dingdong.

The duties of the audit committee include reviewing the Group's annual reports and accounts, half-year reports and quarterly reports and providing advice and comments thereon to the Board. The audit committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Company, and to review the appointment of external auditors on an annual basis as well as to ensure independence of the continuing auditor.

## CORPORATE GOVERNANCE REPORT

Throughout the six months ended 31 December 2010, the Group has applied the principles set out in the Code on Corporate Governance Practices ("HKSE Code") contained in Appendix 15 of the GEM Listing Rules except the code provisions A2.1 and A4.1 stipulated in the following paragraph.

### Distinctive Roles of Chairman and Chief Executive Officer

The code provision A2.1 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.

## 董事於競爭業務之權益

本公司各董事或管理層股東(定義見創業板上市規則)概無於與本集團業務出現或可能出現競爭或與本集團有其他利益衝突之業務中擁有任何權益。

## 審核委員會

本公司已遵照創業板上市規則第5.28至5.29條成立具明文職權範圍之審核委員會。於本報告日期，審核委員會由三位獨立非執行董事組成，即梁和平先生，太平紳士(主席)、董石先生及胡定東先生。

審核委員會之職責包括審閱本集團年報及賬目、半年報告及季度報告，並就此向董事會提供建議及意見。審核委員會亦負責檢討及監督本公司之財務申報程序及內部控制制度，以及按年度基準檢討外聘核數師之委任及確保繼任核數師之獨立性。

## 企業管治報告

截至二零一零年十二月三十一日止六個月內，本集團已採用載於創業板上市規則附錄十五之企業管治常規守則(「香港聯交所守則」)所載之原則，惟以下各段中規定之守則條文A2.1及A4.1除外。

### 主席與行政總裁之分工

守則條文A2.1規定，主席與行政總裁之職責應分離，不應由同一人擔任。主席與行政總裁間之職責劃分應明確制定並以書面形式列示。

Mr. Xiao Yan as the Chief Executive Officer of the Company, supported by the senior management of the Company, is responsible for managing the Group's businesses and responsibilities, coordinating the daily operations of the Group and the execution of the Board decisions. Up to the date of this report, the Board has not appointed individual to the post of Chairman. In view of the current operations of the Group, the management considered that there is no imminent need to change the arrangement. Further announcement will be made by the Company with regard to the new appointment of Chairman of the Company in due course.

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its Code of Conduct for Securities Transactions by Directors throughout the six months ended 31 December 2010. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by Directors during the six months ended 31 December 2010.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 December 2010.

By Order of the Board  
**HENG XIN CHINA HOLDINGS LIMITED**  
**Xiao Yan**  
*Chief Executive Officer*

Hong Kong, 11 February 2011

*As at the date of this report, the Board comprises Mr. Xiao Yan (CEO), Mr. Feng Yongming and Mr. Li Tao as executive Directors; Mr. Xu Lei as non-executive Director; Mr. Leung Wo Ping JP, Mr. Dong Shi and Mr. Hu Dingdong as independent non-executive Directors.*

肖彥先生獲本公司高級管理層推薦出任本公司行政總裁，彼負責管理本集團業務及職責、協調本集團之日常營運及執行董事會決策。直至本報告日期，董事會並未委任個人擔任主席一職。考慮到本集團現時之營運狀況，管理層認為不必立即更改此安排。本公司將於適當時候就委任本公司之新主席發出進一步公告。

## 董事進行證券交易守則

於截至二零一零年十二月三十一日止六個月內，本公司已採納創業板上市規則第5.48至5.67條所規定之交易必守標準作為其董事進行證券交易守則。本公司經向全體董事作出具體查詢後，得悉截至二零一零年十二月三十一日止六個月內，並無任何違反有關董事進行證券交易之交易必守標準之事宜。

## 購買、出售或贖回本公司之上市證券

截至二零一零年十二月三十一日止六個月，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

承董事會命  
**恒芯中國控股有限公司**  
 行政總裁  
**肖彥**

香港，二零一一年二月十一日

於本報告日期，董事會由執行董事肖彥先生（行政總裁）、馮永明先生及李濤先生；非執行董事徐雷先生；獨立非執行董事梁和平先生，太平紳士、董石先生及胡定東先生組成。



**Heng Xin China Holdings Limited**  
恒芯中國控股有限公司

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