



Technology Venture Holdings Limited

Interim Report  
2002



For the six months ended 30 June 2002

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## Results

The directors (the “Directors”) of Technology Venture Holdings Limited (the “Company”) are delighted to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2002 together with comparative figures for the corresponding period in 2001 as follows:

### Condensed Consolidated Profit and Loss Account

## 業績

宏昌科技集團有限公司(「本公司」)董事(「董事」)欣然報告本公司及其附屬公司(「本集團」)截至二零零二年六月三十日止六個月之未經審核中期業績，連同二零零一年同期之比較數字如下：

### 簡明綜合收入表

		Six months ended 30 June	
		截至六月三十日止六個月 2002	2001
		二零零二年 (unaudited) (未經審核) HK\$'000 千港元	二零零一年 (unaudited) (未經審核) HK\$'000 千港元
TURNOVER	營業額	216,757	265,343
Cost of sales	銷售成本	(155,483)	(231,424)
Gross profit	毛利	61,274	33,919
Other revenue	其他收益	1,794	1,470
Selling and distribution expenses	分銷成本	(19,592)	(24,852)
Administrative expenses	行政費用	(28,980)	(44,113)
Other operating expenses	其他經營費用	(3,425)	(1,274)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	經營業務之溢利/ (虧損)	11,071	(34,850)
Finance costs	融資成本	(665)	(795)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)	10,406	(35,645)
Tax	稅項	(132)	(48)
PROFIT/(LOSS) BEFORE MINORITY INTERESTS	未計少數股東權益前 溢利/(虧損)	10,274	(35,693)
Minority interests	少數股東權益	(9,744)	(865)
NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務之 純利/(淨虧損)	530	(36,558)
Dividends	股息	-	-
RETAINED PROFIT/(DEFICIT) FOR THE PERIOD	本期保留溢利/ (虧損)	530	(36,558)
EARNINGS/(LOSS) PER SHARE	每股盈利/(虧損)		
Basic (HK cents)	基本(港幣仙)	HK0.13¢	HK(10)¢
Diluted (HK cents)	攤薄(港幣仙)	HK0.13¢	N/A 不適用

Condensed Consolidated Statement of  
Changes in Equity

## 簡明綜合權益變動表

		<b>Six months ended</b>	
		<b>30 June</b>	
		截至六月三十日止六個月	
		<b>2002</b>	2001
		二零零二年	二零零一年
		<b>(unaudited)</b>	(unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Total equity at 1 January	於一月一日之權益總額	<b>245,747</b>	338,852
Exchange realignments	匯兌調整	<b>(33)</b>	13
Adjustment to acquisition cost previously recognised	對早前確認之收購成本作出之調整	<b>(2,430)</b>	—
Net gains and losses not recognised in the income statement	於收益表內確認之收益及虧損淨額	<b>(2,463)</b>	13
Net profit/(loss) for the period	本期純利／(淨虧損)	<b>530</b>	(36,558)
Dividends	股息	—	(1,810)
Issue of share capital	發行股本	<b>50,113</b>	—
Total equity at 30 June	於六月三十日之權益總額	<b><u>293,927</u></b>	<u>300,497</u>

## Condensed Consolidated Balance Sheet

## 簡明綜合資產負債表

		At 30 June 2002 於二零零二年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2001 於二零零一年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
	Notes 附註		
NON-CURRENT ASSETS	非流動資產		
Fixed assets	固定資產	13,260	16,578
Deferred development costs	遞延發展成本	1,171	1,671
Goodwill	商譽	64,646	67,835
Long term investment	長期投資	51,081	51,081
		<b>130,158</b>	<b>137,165</b>
CURRENT ASSETS	流動資產		
Inventories	存貨	15,907	14,795
Accounts receivable	應收賬項	185,487	197,797
Prepayments, deposits and other receivables	預付款項、按金及 其他應收賬項	63,289	50,392
Due from an investee company	應收一家接受投資 公司之款項	8,535	8,329
Tax recoverable	可收回稅項	-	130
Pledged time deposits	已抵押定期存款	45,006	31,936
Cash and bank balances	現金及銀行結餘	87,181	97,109
		<b>405,405</b>	<b>400,488</b>

			At 30 June 2002 於二零零二年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2001 於二零零一年 十二月三十一日 (audited) (經審核) HK\$'000 千港元	
	Notes 附註				
<b>CURRENT LIABILITIES</b>		<b>流動負債</b>			
Accounts and bills payable		應付賬項及票據	9	43,176	86,160
Tax payable		應繳稅項		16,849	16,735
Accrued liabilities and other payables		應計負債及其他應付賬項		89,953	99,123
Interest-bearing and secured bank loans		計息及有抵押銀行貸款		29,118	36,917
Current portion of finance lease payables	11	融資租賃應付款項之即期部份		270	270
				<b>179,366</b>	239,205
<b>NET CURRENT ASSETS</b>		<b>流動資產淨值</b>		<b>226,039</b>	161,283
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>資產總值減流動負債</b>		<b>356,197</b>	298,448
<b>NON-CURRENT LIABILITIES</b>		<b>非流動負債</b>			
Finance lease payables		融資租賃應付款項	11	232	396
Deferred tax		遞延稅項		233	233
				465	629
<b>MINORITY INTERESTS</b>		<b>少數股東權益</b>		<b>61,805</b>	52,072
				<b>293,927</b>	245,747
<b>CAPITAL AND RESERVES</b>		<b>資本及儲備</b>			
Issued capital		已發行股本	12	45,277	36,200
Reserves		儲備	13	248,650	209,547
				<b>293,927</b>	245,747

## Condensed Consolidated Cash Flow Statement

## 簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2002 二零零二年 (unaudited) (未經審核) HK\$'000 千港元	2001 二零零一年 (unaudited) (未經審核) HK\$'000 千港元
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	經營業務所得之現金流出淨額	(14,197)	(10,744)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	投資活動所得之現金流出淨額	(15,667)	(60,729)
NET CASH INFLOW FROM FINANCING	融資活動所得之現金流入淨額	<u>20,893</u>	<u>6,887</u>
DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少	(8,971)	(64,586)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初之現金及現金等價物	70,192	118,071
Effect of foreign exchange rate changes, net	滙率變動之影響淨額	<u>(43)</u>	<u>13</u>
6 CASH AND CASH EQUIVALENTS AT END OF PERIOD	期終之現金及現金等價物	<u>61,178</u>	<u>53,498</u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘之分析		
Cash and bank balances	現金及銀行結餘	87,181	93,872
Trust receipt loans with original maturity of less than three months from date of advance	於貸款日起計三個月內須償還之信託收據貸款	<u>(26,003)</u>	<u>(40,374)</u>
		<u>61,178</u>	<u>53,498</u>

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. Accounting policies

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Statement of Standard Accounting Practice No. 2.125 “Interim Financial Reporting”, except that the Group has changed certain of its accounting policies following its adoption of the following Statements of Standard Accounting Practice (“SSAPs”) issued by the Hong Kong Society of Accountants which are effective for accounting periods commencing on or after 1 January 2002:

SSAP 1 (revised)	:	Presentation of financial statements
SSAP 15 (revised)	:	Cash flow statements
SSAP 25 (revised)	:	Interim financial reporting
SSAP 34	:	Employee benefits

### 1. 會計政策

簡明綜合中期財務報表乃遵照香港會計實務準則第2.125號「中期財務申報」編製而成，惟於本集團採納以下由香港會計師公會頒佈並於二零零二年一月一日起或之後會計期間生效之會計實務準則（「會計實務準則」）後，本集團已更改其若干會計政策：

會計實務準則 第1號（經修訂）	:	財務報表之 呈報方式
會計實務準則 第15號（經修訂）	:	現金流量報表
會計實務準則 第25號（經修訂）	:	中期財務申報
會計實務準則 第34號	:	僱員福利



**2. Segment Information**
*(a) Business segments*

The following tables present revenue and operating profit/(loss) for the Group's business segments.

**2. 分類資料**
*(a) 業務分部*

本集團業務分部之收入及經營溢利／（虧損）列於下表。

		Banking and finance systems integration services	Software solution for banks and public sector	Broadband Internet equipments, network security software and business software systems	Eliminations	Consolidated
		銀行及 金融系統 集成服務	銀行及公 事務界別 通用之軟件 解決方案	寬頻互聯網 設備、網絡 保安軟件及 商業軟件系統	抵銷	綜合
		2002	2002	2002	2002	2002
		二零零二年	二零零二年	二零零二年	二零零二年	二零零二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment revenue:	分部收入:					
Sales to external customers	向外部客戶作出之銷售	50,140	77,554	89,063	-	216,757
Intersegment sales	分部間之銷售	-	-	-	-	-
Interest income	利息收入	389	408	188	-	985
Other income	其他收入	97	-	480	-	577
<b>Total</b>	<b>總額</b>	<b>50,626</b>	<b>77,962</b>	<b>89,731</b>	<b>-</b>	<b>218,319</b>
Segment results	分部業績	2,231	10,752	6,396	-	19,379
Unallocated interest income	未分配利息收入					248
Unallocated expenses	未分配開支					(8,556)
Profit from operating activities	經營業務之溢利					11,071

		Banking and finance systems integration services	Software solution for banks and public sector	Broadband Internet equipments, network security software and business software systems	Eliminations	Consolidated
		銀行及 金融系統 集成服務	銀行及公用 事務界別 適用之軟件 解決方案	寬頻互聯網 設備、網絡 保安軟件及 商業軟件系統	抵銷	綜合
		2001	2001	2001	2001	2001
		二零零一年	二零零一年	二零零一年	二零零一年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment revenue:	分部收入:					
Sales to external customers	向外部客戶作出之銷售	163,743	76,155	25,445	-	265,343
Intersegment sales	分部間之銷售	50	296	-	(346)	-
Interest income	利息收入	323	286	260	-	869
Other income	其他收入	84	26	126	-	236
		<u>164,200</u>	<u>76,763</u>	<u>25,831</u>	<u>(346)</u>	<u>266,448</u>
Total	總額					
Segment results	分部業績	<u>(21,468)</u>	<u>(5,301)</u>	<u>137</u>	<u>-</u>	<u>(26,632)</u>
Unallocated interest income	未分配利息收入					154
Unallocated gains	未分配收益					294
Unallocated expenses	未分配開支					(8,666)
Loss from operating activities	經營業務之虧損					<u>(34,850)</u>

**(b) Geographical segments**

The following tables present revenue and operating profit/(loss) for the Group's geographical segments.

**Group**

		Hong Kong	Elsewhere in the PRC	Asia Pacific other than the PRC	Eliminations	Consolidated
		香港	中國	亞太地區	抵銷	綜合
		2002	2002	2002	2002	2002
		二零零二年	二零零二年	二零零二年	二零零二年	二零零二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment revenue:	分部收入:					
Sales to external customers	向外部客戶所作出之銷售	7,656	187,400	21,701	-	216,757
Intersegment sales	分部間之銷售	-	-	-	-	-
<b>Total</b>	<b>總額</b>	<b>7,656</b>	<b>187,400</b>	<b>21,701</b>	<b>-</b>	<b>216,757</b>
Segment results*	分部業績*	(22,009)	29,644	3,436	-	11,071

**(b) 地區分部**

本集團地區分部之收入及經營溢利／(虧損)之資料列於下表。

**本集團**

		Hong Kong	Elsewhere in the PRC	Asia Pacific other than the PRC	Eliminations	Consolidated
		香港	中國	亞太地區	抵銷	綜合
		2001	2001	2001	2001	2001
		二零零一年	二零零一年	二零零一年	二零零一年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment revenue:	分部收入:					
Sales to external customers	向外部客戶所作出之銷售	22,511	242,832	-	-	265,343
Intersegment sales	分部間之銷售	295	51	-	(346)	-
<b>Total</b>	<b>總額</b>	<b>22,806</b>	<b>242,883</b>	<b>-</b>	<b>(346)</b>	<b>265,343</b>
Segment results*	分部業績*	(16,382)	(18,468)	-	-	(34,850)

\* Disclosed pursuant to the requirements of the Listing Rules

\* 依照上市規則規定作出披露

3. Related party transactions and connected transactions

3. 關 連 方 交 易 及 關 連 交 易

		<b>Six months ended</b>	
		<b>30 June</b>	
		截至六月三十日止六個月	2001
		2002	二零零一年
		二零零二年	HK\$'000
		HK\$'000	千港元
		千港元	千港元
Purchase of information technology products from Related companies	資訊科技產品購自：有關連公司		
– certain members of the Datacraft Asia Ltd group	– Datacraft Asia Ltd 集團之若干成員公司	–	225
Connected parties	關連人士		
– A subsidiary of a shareholder of a non-wholly owned subsidiary	– 一家非全資附屬公司 一名股東之一家附屬公司	<b>81</b>	89
– Non-wholly owned subsidiary	– 非全資附屬公司	–	6,384
Sale of information technology products to a subsidiary of a shareholder of a non-wholly owned subsidiary	向一家非全資附屬公司 一名股東之一家附屬公司 銷售資訊科技產品	–	8
Rental income received from	租金收入收取自：		
– An investee company	– 一家接受投資公司	–	206
– A subsidiary of a shareholder of a non-wholly owned subsidiary	– 一家非全資附屬公司 一名股東之一家附屬公司	<b>231</b>	–

Note: Mr. Derek Peter Althorp, a past director of the Company, is a director of Datacraft Asia Ltd, a company listed on The Singapore Exchange Securities Trading Limited.

附註：本公司已離任董事何偉德先生為在新加坡股票證券交易所有限公司上市之Datacraft Asia Ltd之董事。

In the opinion of the directors, the above related party and connected party transactions were entered into by the Group in the ordinary course of business and on terms agreed with the minority shareholders and related companies. The directors consider that these transactions were made according to prices and conditions similar to those offered to other third parties.

董事認為上述關連方交易及關連人士交易乃於本集團之日常業務中按少數股東與有關連公司協定之條款進行。董事認為該等交易之價格及條件與給予其他第三者之價格及條件相若。

#### 4. Profit/(loss) from operating activities

The Group's profit/(loss) from operating activities is arrived at after charging:

Cost of goods sold	已出售貨品之成本
Depreciation	折舊
Amortization of deferred development costs	遞延發展成本攤銷

#### 4. 經營業務之溢利／（虧損）

本集團經營業務之溢利／（虧損）已扣除：

Six months ended 30 June 截至六月三十日止六個月	
2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
155,483	231,424
3,746	3,551
<b>500</b>	<b>500</b>

#### 5. Tax

Hong Kong	香港
– current period	– 本期間
– overprovision in previous years	– 過往年度超額撥備
Elsewhere	其他地區
– current period	– 本期間
– overprovision in previous years	– 過往年度超額撥備
Deferred	遞延
– current period	– 本期間

#### 5. 稅項

Six months ended 30 June 截至六月三十日止六個月	
2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
3,024	–
(1,889)	–
483	126
(1,486)	–
–	(78)
<b>132</b>	<b>48</b>

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

香港利得稅乃根據期內在香港獲得之估計應課稅溢利按稅率16% (二零零一年: 16%) 作出撥備。於其他地區所賺取溢利之稅項乃根據本集團經營業務所在地區之稅率，按照當地現行法例、詮釋及慣例計算。

## 6. Interim dividend

The Directors have resolved not to pay an interim dividend to shareholders (2001: Nil).

## 6. 中期股息

董事會不建議派發中期股息予股東 (二零零一年: 無)。

## 7. Earnings/(loss) per share

The calculation of the basic earnings per share for the six months ended 30 June 2002 is based on the unaudited consolidated profit attributable to shareholders of approximately HK\$530,000 (2001: Loss HK\$36,558,000) and on the weighted average of 392,676,000 (2001: 362,000,000) ordinary shares in issue during the period.

## 7. 每股盈利／(虧損)

截至二零零二年六月三十日止六個月之每股基本盈利乃根據股東應佔未經審核綜合溢利約530,000港元 (二零零一年: 虧損36,558,000港元) 及期內已發行普通股之加權平均數392,676,000股 (二零零一年: 362,000,000股) 計算。

The calculation of diluted earnings per share for the six months ended 30 June 2002 is based on the unaudited consolidated profit attributable to shareholders of approximately HK\$530,000 and the weighted average of 392,676,000 ordinary shares issued during the period.

截至二零零二年六月三十日止六個月之每股攤薄盈利乃根據股東應佔未經審核綜合溢利約530,000港元及期內已發行普通股之加權平均數392,676,000股計算。

A diluted loss per share amount for the six months ended 30 June 2001 has not been disclosed as the share option outstanding during the period has an anti-dilutive effect on the basic loss per share for the period.

由於截至二零零一年六月三十日止六個月期間尚未行使之購股權對該期間之每股基本虧損造成反攤薄影響，因此並無披露該期間之每股攤薄虧損。

## 8. Accounts receivable

The aged analysis of accounts receivable was as follows:

Current to 90 days	即期至90天
91 days to 180 days	91天至180天
181 days to 365 days	181天至365天
Over 365 days	365天以上

The various group companies have different credit policies, dependent on the requirements of their markets and the business which they operate. In general, the credit period does not exceed 60 days.

## 9. Accounts payable

The aged analysis of accounts payable was as follows:

Current to 90 days	即期至90天
91 days to 180 days	91天至180天
181 days to 365 days	181天至365天
Over 365 days	365天以上

## 8. 應收賬項

應收賬項之賬齡分析如下:

At 30 June 2002 於二零零二年 六月三十日 HK\$'000 千港元	At 31 December 2001 於二零零一年 十二月三十一日 HK\$'000 千港元
111,012	145,678
24,508	9,887
39,822	25,594
10,145	16,638
<b>185,487</b>	<b>197,797</b>

集團旗下公司的信貸政策各有不同，乃視乎其經營業務類型及市場而定，信貸期一般不超過60天。

## 9. 應付賬項

應付賬項之賬齡分析如下:

At 30 June 2002 於二零零二年 六月三十日 HK\$'000 千港元	At 31 December 2001 於二零零一年 十二月三十一日 HK\$'000 千港元
23,186	67,009
4,575	10,966
7,837	1,979
7,578	6,206
<b>43,176</b>	<b>86,160</b>

**10. Banking facilities**

- (i) Corporate guarantees executed by the Company to the extent of HK\$86,000,000 (As at 31 December 2001: HK\$86,000,000);
- (ii) A corporate guarantee executed by a minority shareholder of a subsidiary of the Company, to the extent of RMB1,000,000 (equivalent to approximately HK\$943,000) (As at 31 December 2001: HK\$935,000);
- (iii) As at 30 June 2002, the Group's banking facilities were secured by the pledge of the Group's deposits amounting to approximately HK\$45 million (As at 31 December 2001: HK\$31.9 million).

**10. 銀行融資**

- (i) 本公司履行之公司擔保，以 86,000,000 港元（於二零零一年十二月三十一日：86,000,000 港元）為限；
- (ii) 本公司附屬公司一名少數股東之公司擔保，以人民幣 1,000,000 元（相當於約 943,000 港元）（於二零零一年十二月三十一日：935,000 港元）為限；
- (iii) 於二零零二年六月三十日，本集團之銀行融資乃以抵押本集團約達 45,000,000 港元（於二零零一年十二月三十一日：31,900,000 港元）之存款作為擔保。

**11. Finance lease payables**

**11. 融資租賃應付款項**

		<b>At 30 June 2002 於二零零二年 六月三十日 HK\$'000 千港元</b>	<b>At 31 December 2001 於二零零一年 十二月三十一日 HK\$'000 千港元</b>
Amounts payable :	應付款項：		
Within one year	一年內	<b>337</b>	337
in the second year	第二年	<b>308</b>	337
in the third to fifth years, inclusive	第三至第五年 (首尾兩年包括在內)	<b>-</b>	140
Total minimum finance lease payments	融資租賃最低付款總額	<b>645</b>	814
Future finance charges	未來融資支出	<b>(143)</b>	(148)
Total net finance lease payables	融資租賃應付款項總淨額	<b>502</b>	666
Portion classified as current liabilities	列為流動負債之部份	<b>(270)</b>	(270)
Long term portion	長期部份	<b>232</b>	396



## 12. Share Capital

## 12. 股本

## Shares

## 股份

		At 30 June 2002 於二零零二年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2001 於二零零一年 十二月三十一日 (unaudited) (未經審核) HK\$'000 千港元
Authorised:	法定股本:		
1,000,000,000 ordinary shares of HK\$0.10 each	每股面值0.10港元 之普通股 1,000,000,000股	<b>100,000</b>	<b>100,000</b>
Issued and fully paid:	已發行及繳足股本:		
452,769,000 (At 31 December 2001: 362,000,000) ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股452,769,000股 (於二零零一年 十二月三十一日: 362,000,000股)	<b>45,277</b>	<b>36,200</b>

During the period, the following movements in the Company's issued share capital took place:

於期內，本公司已發行股本曾有下列變動：

- (a) On 2 March 2002, 30,769,231 new ordinary shares of the Company were allotted at \$0.65 per share to the Vendor as per note 14(c) to satisfy part of the purchase consideration of DMX.
- (a) 於二零零二年三月二日，30,769,231股新普通股以每股面值0.65港元配發及發行予於附註14(c)中提及之賣方，作為清付收購DMX部份之代價。
- (b) Pursuant to a placing agreement and a subscription agreement both dated 21 May 2002, the Company, through another independent placing agent, placed 60,000,000 new ordinary shares of HK\$0.10 each in the Company at a price of HK\$0.53 per share to independent third parties. A sum of approximately HK\$30 million, net of placement expenses, was raised and used as working capital of the Group.
- (b) 依據均於二零零二年五月二十一日訂立之配售協議及認購協議，本公司透過另一獨立配售代理按每股0.53港元之價格向獨立第三者配售本公司每股面值0.10港元之新普通股60,000,000股。上述事項在扣除配售費用後籌得約30,000,000港元，用作本集團之營運資金。

A summary of the above movements in the Company's issued ordinary share capital during the period/year is as follows:

上文所述本公司已發行股本於期/年內變動之概要如下：

		At 30 June 2002 於二零零二年 六月三十日		At 31 December 2001 於二零零一年 十二月三十一日	
		Carrying amount 賬面值 HK\$'000 千港元	No. of shares 股份數目 '000 千股	Carrying amount 賬面值 HK\$'000 千港元	No. of shares 股份數目 '000 千股
At beginning of period/year	於期/年初	36,200	362,000	36,200	362,000
Issue of Consideration shares	發行代價股份	3,077	30,769	-	-
Placement of new shares	配售新股份	6,000	60,000	-	-
	(b)				
At end of period/year	於期/年終	45,277	452,769	36,200	362,000

## Share options

Under the terms of the share option scheme adopted by the Company on 12 June 1999 ("Existing Share Option Scheme"), the board of directors is authorised, on or before 11 June 2009, at its absolute discretion, to invite any employee, including any executive director of the Company or any of its subsidiaries, to take up options to subscribe for shares in the Company. The subscription price will be the higher of 80% of the average of the closing price of the Company's shares on The Stock Exchange of Hong Kong Limited for the five trading days immediately preceding the date of the offer of grant of the option and the nominal value of the shares. The maximum number of shares in respect of which options may be granted under the share option scheme may not exceed, in nominal amount, 10% of the issued share capital of the Company from time to time which have been duly allotted and issued. The share option scheme became effective upon the listing of the Company's shares on The Stock Exchange of Hong Kong Limited on 6 July 1999.

## 購股權

根據本公司於一九九九年六月十二日採納之購股權計劃（「現有購股權計劃」）之條款，董事會獲批准於二零零九年六月十一日或之前，全權邀請本公司或其任何附屬公司之任何僱員（包括任何執行董事），接納可認購本公司股份之購股權。認購價將為股份於購股權授出日期前五個交易日在香港聯合交易所有限公司之平均收市價80%與股份面值兩者中之較高者。根據購股權計劃授出之購股權可認購股份之數目，最多不可超過本公司當其時已發行股本（經正式配發及發行）面值之10%。購股權計劃已在本公司股份於一九九九年七月六日在香港聯合交易所有限公司上市後生效。

On 30 May 2002, the Existing Share Option Scheme is terminated by an ordinary resolution passed. Any options granted prior to the passing of the resolution shall not be affected or prejudiced and all such options shall continue to be valid and exercisable in accordance with the terms of the Existing Share Option Scheme.

New share option scheme (“New Share Option Scheme”) is adopted by the Company on 30 May 2002. Under the terms of the New Share Option Scheme, the board of directors is authorized, on or before 29 May 2012, at its absolute discretion, to invite any employees of the Group including executive directors, non-executive directors of the Company or any of its subsidiary, any suppliers, agent and any other persons providing research, development or other advisory, consultancy, professional or other services to the Group, whether on a contractual or honorary basis and whether paid or unpaid, who have contributed or will contribute to the Group to take up options to subscribe for shares in the Company. The subscription price will not be less than the higher of the closing price of the Company’s shares on The Stock Exchange of Hong Kong Limited on the date of grant and the average closing price for the five business days immediately preceding the date of grant but in any event not less than the nominal value of the shares. The maximum number of shares in respect of which options may be granted may not exceed 10% of the issued share capital of the Company at the adoption date.

於二零零二年五月三十日，現有購股權計劃已根據所通過之普通決議案予以終止。所有於決議案通過前已授出之購股權將不會受到影響或受到損害，且所有該等購股權將仍具效力，並可繼續根據現有購股權計劃之條款予以行使。

本公司已於二零零二年五月三十日採納新購股權計劃（「新購股權計劃」）。根據新購股權計劃之條款，董事會獲批准於二零一二年五月二十九日或之前，全權邀請本公司或其任何附屬公司之任何僱員（包括執行董事及非執行董事），以及不論以合約或義務基準及不論以有酬或無酬形式為本集團提供研究、開發或其他顧問、諮詢、專業或其他服務之任何供應商、代理商及任何其他人士（且彼等已經或將會對本集團有所貢獻），接納可認購本公司股份之購股權。認購價將不會少於本公司股份於授出日期在香港聯合交易所有限公司之收市價與緊接授出日期前五個營業日之平均收市價兩者中之較高者，惟無論如何不會低於股份面值。所授出之購股權可認購之股份數目，最多不可超過本公司於採納日期之已發行股本10%。

The movements in the number of share options to subscribe for shares in the Company during the period were as follows:

於期內可認購本公司股份之購股權數目變動如下：

Date of grant of share options	Number of share options outstanding at 1 January 2002 於二零零二年一月一日	Number of share options granted during the period 於期內授出之購股權數目	Number of share options lapsed during the period 於期內作廢之購股權數目	Number of share options outstanding at 30 June 2002 於二零零二年六月三十日	Exercise price 行使價	Exercise period 行使期間
購股權之授出日期 21 January 2000 二零零零年一月二十一日	3,518,000	-	2,198,000	1,320,000	HK\$2.532 2.532港元	21 January 2001 to 20 January 2010 二零零一年一月二十一日至二零零一年一月二十日
31 May 2000 二零零零年五月三十一日	500,000	-	-	500,000	HK\$1.82 1.82港元	31 May 2001 to 30 May 2010 二零零一年五月三十一日至二零零一年五月三十日
29 September 2000 二零零零年九月二十九日	200,000	-	200,000	-	HK\$2.108 2.108港元	29 September 2001 to 28 September 2010 二零零一年九月二十九日至二零零一年九月二十八日
27 December 2000 二零零零年十二月二十七日	50,000	-	50,000	-	HK\$1.481 1.481港元	27 December 2001 to 26 December 2010 二零零一年十二月二十七日至二零零一年十二月二十六日
24 May 2001 二零零一年五月二十四日	4,554,000	-	550,000	4,004,000	HK\$0.91 0.91港元	24 May 2002 to 23 May 2011 二零零二年五月二十四日至二零零一年五月二十三日
27 June 2002 二零零二年六月二十七日	-	33,686,000	-	33,686,000	HK\$0.431 0.431港元	27 June 2003 to 29 May 2012 二零零三年六月二十七日至二零零二年五月二十九日
	<u>8,822,000</u>	<u>33,686,000</u>	<u>2,998,000</u>	<u>39,510,000</u>		

As at 30 June 2002, the Company had 39,510,000 share options outstanding. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 39,510,000 new ordinary shares of HK\$0.10 each in the Company.

於二零零二年六月三十日，本公司尚有 39,510,000 份購股權未獲行使。根據本公司之現行股本結構，倘尚餘之購股權獲全數行使，本公司將需發行每股面值 0.10 港元之新普通股 39,510,000 股。

## 13. Reserves

## 13. 儲備

		Share premium account 股份 溢價賬 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Goodwill reserve 商譽儲備 HK\$'000 千港元	Exchange fluctuation reserve 滙兌 波動儲備 HK\$'000 千港元	Retained profit/ (accumulated losses) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2001	於二零零一年一月一日	277,121	(19)	(37,548)	45	61,243	300,842
Additional consideration paid for acquisition of subsidiaries in prior year	上年度就收購附屬公司所支付之額外代價	-	-	(2,500)	-	-	(2,500)
Exchange realignments	滙兌調整	-	-	-	13	-	13
Net loss for the year	本年度淨虧損	-	-	-	-	(88,808)	(88,808)
At 31 December 2001 and 1 January 2002	於二零零一年十二月三十一日及二零零二年一月一日	277,121	(19)	(40,048)	58	(27,565)	209,547
Premium arising on issue of shares	發行股份所得之溢價	42,723	-	-	-	-	42,723
Share issue expenses	發行股份開支	(1,687)	-	-	-	-	(1,687)
Adjustment to acquisition cost previously recognised	早前已確認收購成本之調整	-	-	(2,430)	-	-	(2,430)
Exchange realignments	滙兌調整	-	-	-	(33)	-	(33)
Net profit for the period	本期純利	-	-	-	-	530	530
At 30 June 2002	於二零零二年六月三十日	318,157	(19)	(42,478)	25	(27,035)	248,650

As further detailed in note 14 the Group acquired a 55% shareholding in a subsidiary during the year ended 31 December 2000. The goodwill of HK\$36,946,000 so arising from such acquisition was eliminated against reserves during the year ended 31 December 2000. Pursuant to the sale and purchase agreement, the seller will be entitled to additional consideration. The first additional consideration for last year and the current period was quantified to be HK\$2,500,000 and HK\$2,430,000 respectively, these amounts have been accounted for as an adjustment to the cost of acquisition previously recognised, and accordingly the goodwill then arising was adjusted.

誠如附註14進一步詳述，本集團於截至二零零零年十二月三十一日止年度收購一家附屬公司之55%股權。該收購所產生之商譽36,946,000港元已於截至二零零零年十二月三十一日止年度與儲備對銷。根據買賣協議，賣方將有權收取額外代價。上年度及本期間之第一筆額外代價分別為2,500,000港元及2,430,000港元。該款項乃作為早前已確認收購成本之調整，故當時所產生之商譽亦已因而予以調整。

The contributed surplus of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the Group reorganisation on 12 June 1999 over the nominal value of the share capital of the Company issued in exchange therefor.

本集團之實繳盈餘為依據於一九九九年六月十二日所進行之集團重組所收購附屬公司之股本面值與就交換上述股本而發行之本公司股本面值兩者之差額。

#### 14. Capital commitments

- (a) As at 30 June 2002, the Group was committed to make a capital injection to a subsidiary in the PRC of approximately HK\$13.3 million.
- (b) On 28 November 2000, the Group entered into a sale and purchase agreement (the "S&P Agreement") with an independent third party (the "Seller") for the acquisition of a 55% shareholding in a subsidiary (the "Subsidiary") for a total consideration of HK\$36,750,000, of which HK\$23,176,000 has been settled.

In addition, pursuant to the S&P Agreement, the Seller will be entitled to additional consideration. The first additional consideration is calculated by multiplying HK\$6,200,000 to the quotient of the audited after tax profits of the Subsidiary for the first 12 months following the acquisition by the Group and HK\$15,000,000. The amount was quantified to be HK\$4,930,000, of which HK\$4,700,000 has been settled up to the balance sheet date.

- (c) On 28 November 2000, the Group entered into a sale and subscription agreement (the "Agreement") with, inter alia, an independent third party (the "Vendor") to acquire 2,710 existing issued shares (the "Existing Shares") and to subscribe for 4,880 new shares (the "New Shares") in DMX. The consideration for the Existing Shares and the New Shares are HK\$50,000,000 (the "Existing Share Consideration"), subject to the adjustments, and HK\$90,000,000 (the "New Share Consideration"), respectively. Immediately upon the completion of the Agreement, the Group own 51% of the issued share capital of DMX.

#### 14. 資本承擔

- (a) 於二零零二年六月三十日，本集團承諾向中國一家附屬公司注入資本約13,300,000港元。
- (b) 於二零零零年十一月二十八日，本集團與一獨立第三者（「賣方」）訂立一項買賣協議（「買賣協議」），以總代價36,750,000港元收購一家附屬公司（「該附屬公司」）之55%股權，其中23,176,000港元經已結清。

此外，根據買賣協議，賣方將有權收取額外代價。第一筆額外代價乃將該附屬公司獲本集團收購後十二個月之經審核除稅後溢利與15,000,000港元兩者相除之數乘以6,200,000港元計算。該金額已確定為4,930,000港元，其中4,700,000港元於結算日經已結清。

- (c) 於二零零零年十一月二十八日，本集團與（其中包括）一獨立第三者（「賣方」）訂立一項出售及認購協議（「該協議」），以收購DMX現有已發行股份2,710股（「現有股份」）及認購新股份4,880股（「新股份」）。現有股份及新股份之代價分別為50,000,000港元（「現有股份代價」）（可予調整）及90,000,000港元（「新股份代價」）。緊隨該協議完成時，本集團將擁有DMX已發行股本之51%。

The remaining Existing Share Consideration of HK\$20,000,000, subject to adjustments, is payable in two instalments. The amount will be settled to the Vendor according to the formulae as set out in the announcement of 2 January 2001.

On 10 June 2002, the Group entered into a supplemental agreement with the Vendor such that the remaining New Share Consideration is fully settled as at the balance sheet date.

On 4 June 2002, the Group has entered into an agreement for acquisition of additional 10% shareholding in DMX for the consideration of HK\$28,080,000 after the balance sheet date. On 19 July 2002, the consideration is fully settled by the allotment and issue of a total of 49,964,413 shares of the Company at HK\$0.562 per share.

現有股份代價之餘款20,000,000港元(可予調整)須分兩期支付。賣方可按二零零一年一月二日公佈所用之計算方法獲得該代價。

於二零零二年六月十日，本集團與賣方訂立補充協議，據此，新股份代價之餘款於結算日全數付清。

於二零零二年六月四日，本集團已訂立協議，於結算日後以代價28,080,000港元收購DMX額外10%股權。於二零零二年七月十九日，本公司已按每股0.562港元配發及發行合共49,964,413股股份而全數結清代價。

## 15. Contingent liabilities

## 15. 或然負債

		At 30 June 2002 於二零零二年 六月三十日 HK\$'000 千港元	At 31 December 2001 於二零零一年 十二月三十一日 HK\$'000 千港元
Bills discounted with recourse	附追溯權已貼現票據	2,212	-
Guarantees in respect of performance bonds in favour of contract customers	向合約客戶發出履約保證之擔保	-	236
Guarantees given to finance lease companies in respect of the finance lease facilities granted to certain directors of the Company	就授予本公司若干董事之融資租賃信貸而向融資租賃公司作出之擔保	-	1,108
		<b>2,212</b>	<b>1,344</b>

## Management Discussion And Analysis

### Review of Performance

For the six month ended 30 June 2002 (1H2002), the Group's turnover was approximately HK\$216,757,000, which was 18% lower compared to HK\$265,343,000 of the corresponding period in 2001 (1H2001). This is mainly the result of the move from the high-revenue, lower-margin product sales strategy adopted in 2000 and 2001 due to irrational exuberance of the IT market, to a lower-revenue, higher-margin service contracts strategy in 2002.

In 1H2002, COGS decreased by 33% to HK\$155,483,000 from HK\$231,424,000 in 1H2001. As COGS decreased at a faster pace than revenue, the Group recorded an increase of 81% in gross profit to HK\$61,274,000 in 1H2002 from HK\$33,919,000 in the same period in 2001. In fact, our gross profit margin has increased by 15 percentage points to 28% from 13%.

We were able to reduce our selling and distribution expenses by 21% to HK\$19,592,000 in 1H2002 from HK\$24,852,000. This was a result of our cost cutting measures and lower selling and distribution expenses for service contracts.

## 管理層討論及分析

### 業績回顧

截至二零零二年六月三十日止六個月期間(二零零二上半年),集團錄得營業額約216,757,000港元,較二零零一年同期(二零零一上半年)之265,343,000港元下跌18%。營業額下降,主要由於集團改變營銷策略,由二零零零及二零零一年資訊科技市場非理性地興旺時採用的高收入、低邊際利潤產品銷售模式,轉至二零零二年的低銷售、高邊際利潤的服務合約形式。

二零零二上半年,銷售成本從二零零一上半年之231,424,000港元下降33%,至155,483,000港元。由於銷售成本下降速率高於營業額,故集團錄得81%毛利增長,由二零零一上半年的33,919,000港元上升至二零零二上半年的61,274,000港元。事實上,集團之毛利率亦上升15個百分點,由13%增至28%。

集團在二零零二上半年實施了多項減省成本措施,並成功減低服務合約的銷售及分銷支出,故能令銷售及分銷開支減少21%,由24,852,000港元減低至二零零二上半年的19,592,000港元。



Our administrative expenses also reduced by 34% to HK\$28,980,000 in 1H2002 from HK\$44,113,000 in the same period last year. This is mainly from staff retrenchment as we did not require a large administrative infrastructure to support the business in 2002.

As a result, the Group recorded a profit after tax and before minority interests of HK\$10,274,000 in 1H2002 compared to a loss of HK\$35,693,000 in the same period last year. This represents a positive gain of HK\$45,967,000 or a growth of 129% relative to that of 1H2002. The Directors are pleased to report this result, as it represents a significant, positive turnaround for the Group.

In 1H2002, goodwill amortization has risen by 198% to HK\$3,794,000 from HK\$1,274,000. This increase is mainly due to the amortization of goodwill through the increase in payment for acquisition consideration of DMX Technologies.

As a result, the Group recorded a net profit attributable to shareholders of HK\$530,000 in 1H2002, compared to a loss of HK\$36,558,000 in the previous period.

In summary, the Group managed to achieve this positive turnaround through a series of cost cutting measures, efficient improvement steps, and a slight improvement in the IT market, after the sharp downturn caused by Internet bubble burst aggregated by the 911 event.

此外，踏入二零零二年，集團日常營運所需之行政支援較過往為低，故可減省部份員工，行政支出亦相應減少34%，由去年同期之44,113,000港元，遞減至二零零二上半年的28,980,000港元。

因此，集團在二零零二上半年錄得未計少數股東權益之稅後溢利10,274,000港元，比對去年同期虧損35,693,000港元，相等於45,967,000港元的正增長，或129%增幅。集團董事對於本期業績深表滿意，反映集團已錄得重大的、正面的逆轉。

二零零二上半年，由於增加收購宏天科技代價引致之商譽攤銷，令集團的總商譽攤銷上升198%，由1,274,000港元升至3,794,000港元。

計入上述因素，集團在二零零二上半年錄得股東應佔純利530,000港元，去年同期則錄得虧損36,558,000港元。

總括而言，集團能轉虧為盈，主要由於一連串減省成本及提升效率的措施。此外，資訊科技業遭受科網泡沫爆破，加上美國九一一事件之雙重影響而嚴重萎縮後，近期終有輕微復甦跡象，對集團業績亦有一定幫助。

## Review of Operations

### *Sequent China*

Sequent China, the Group's mainframe systems-integration arm, has re-positioned from selling products to provisioning of solutions and services, and such efforts are beginning to reflect in improved business performance.

In particular, the division has chosen to undertake maintenance service contracts for mainframe related equipment. Although a typical service contract's revenue is much lower from that of equipment, they are highly profitable.

The division achieved a 100% success rate in competing and winning mainframe related services contracts in the first half of 2002. New services contracts, especially those in the banking and finance sector, are expected to be signed in the second half of 2002 (2H2002).

## 業務回顧

### *Sequent China*

Sequent China為集團從事大型主機系統集成的業務單位。該部門已重新定位，由產品銷售轉型至解決方案及服務提供。部門業務表現取得改善，反映其轉型得到初步成效。

在轉型過程中，Sequent China尤其選擇承接大型主機相關設備的保養服務合約。雖然典型服務合約的收入遠較銷售設備為低，利潤卻非常豐厚。

二零零二年上半年度，Sequent China爭取大型主機相關服務合約的成功率達到100%。該部門預期在二零零二年下半年度（二零零二下半年）落實更多新服務合約，特別是銀行及金融客戶的合約。

At the same time, Sequent China is actively exploring additional niche products and market segments to expand its revenue sources. The division is actively marketing to banks, government organizations and business enterprises highly sophisticated offerings such as Solid State Disks (SSD), a new-generation file-caching product designed to speed up input and output processing time; data storage and Customer Relationship Management (CRM) systems through technological exchanges and on-site demonstrations. Sequent China expects to receive new orders from such intensive marketing initiatives in the second half of the year.

As indicated above, Sequent China has identified the provision of maintenance services as a new revenue stream, and has made some good tractions in this new business area. Therefore, the division will allocate further resources to grow this revenue stream. Already, the division has identified the need to expand its geographical coverage to better serve large China national enterprises. To this end, Sequent China is working closely with TopAsia, a sister company, who has extensive geographical coverage in China to address this demand.

同時，Sequent China亦積極開拓更多具特色的產品及新市場空間，從而擴闊收入來源。該部門正積極與銀行、政府部門及商業機構等進行技術交換及即場示範，以推廣更先進的產品，包括新一代檔案快取存儲產品(SSD，Solid State Disks)、資訊存儲及客戶關係管理(CRM)產品。Sequent China期望透過密集的推廣，在今年下半年取得新訂單。

如上所述，Sequent China已開拓了保養服務為新的收入來源，並在此新業務範疇取良好進展。因此，該部門會調配更多資源，發展此項新業務。集團認為有需要擴展Sequent China的地域覆蓋，以便為國內的大型企業提供更佳服務。Sequent China正與在國內擁有廣闊網絡的姊妹公司冠亞緊密合作，達致上述目標。

## TopAsia

The Group's peripherals systems-integration business, operated under TopAsia, continued to be a profit contributor in 1H2002. It complements the Group's core competence in China's banking and finance sector with a complete range of automated system solutions and technical services.

While working towards its ultimate goal of becoming the leading Automatic Teller Machine (ATM) systems integrator in China, TopAsia achieved remarkable accomplishments in the development of lucrative ATM maintenance and service operations. The division has won the much-coveted tender from Bank of Communications (BOC) for the provision of maintenance services to branches in Taiyuan, Xian, Nanjing and Nantong, making it the fastest growing service company of all services providers to the bank. BOC awarded the contract to TopAsia for its comprehensive service network, prompt response and high quality delivery. On top of that, in the annual tender of China Merchants Bank (CMB), TopAsia successfully secured three of the four nationwide maintenance projects on offer – ATM, Cash Deposit Machines (CDM) and Automatic Balance Enquiry Machines (AEM) – further consolidating its status as CMB's foremost service provider.

## 冠亞

冠亞主要提供周邊系統集成產品，該部門在二零零二上半年仍然是集團的盈利貢獻單位。冠亞提供全面的系統自動化方案及技術服務，令集團在中國金融業的領先優勢更形鞏固。

冠亞的企業目標，是成為國內主要自動櫃員機(ATM)系統集成商。該部門在開發盈利優厚的ATM保養及服務業務上，取得顯著成績，包括贏得交通銀行的重大合約，為該行的太原、西安、南京及南通支行提供保養服務。連同此合約，冠亞已成為交通銀行服務供應商中增長最快速的一家。冠亞能贏取交通銀行的大型合約，主要憑藉全面的服務網絡，以及快速及高質素的反應。此外，冠亞亦在中國招商銀行（招商銀行）的年度招標中，成功奪得四項全國性保養合約中之三項，包括ATM、現金存款機(CDM)及銀行結餘自動查詢機(AEM)之保養服務，進一步鞏固冠亞作為招商銀行主要服務供應商的地位。

TopAsia stepped up the provision of value-added systems-integration services by entering into a collaboration with EMC, the world's largest independent provider of enterprise intelligence storage systems and software. Through this partnership, TopAsia has won a number of service contracts such as those from Jiangsu Mobile Communications and Jiangxi Mobile Communications for the disaster recovery center.

TopAsia is in the process of transforming into a more efficient operation with a streamlined operating structure and optimized staff force. This has led to lower operating costs, higher efficiency and a better defined corporate positioning with a more focused business profile.

TopAsia will continue to improve profitability through new business development and tighter control of costs. The division is expected to secure ISO9000 certification in 2H2002.

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Apart from further expanding its service network and improving service quality, TopAsia is soliciting a new business initiative in CRM through a close co-operation with NCR.

冠亞透過與全球最大企業智能存儲系統及軟件獨立供應商EMC合作，加強提供增值系統集成服務的實力。透過此夥伴關係，冠亞取得了江蘇移動通信及江西移動通信等機構的備份中心服務合約。

冠亞正透過精簡營運架構及人手，提升部門的整體營運效率。此等措施不但有助降低營運成本及提升效率，更令部門的業務焦點及企業定位更為清晰。

透過拓展新業務及加強成本控制，冠亞的盈利狀況持續得到改善。冠亞亦期望在二零零二下半年考取ISO9000認證。

除了進一步擴展服務網絡及改善服務質素外，冠亞亦透過與NCR緊密合作，開發新的CRM業務。

## TopSoft

TopSoft continued to provide enterprise e-business solutions and information enabling services in 1H2002. The strategy was to focus on securing repeated business through both value-added solutions and new product offerings, while exploring cost-effective ways of soliciting new clients.

As one of the few services providers with ISO9001 certification in application design and development, TopSoft launched a spectrum of value-added solutions on top of existing products from internationally recognized software manufacturers, and expanded its offerings with newly acquired products.

Through a close collaboration with DMX Technologies, newly developed value-added solutions include a broadband services administration portal for the Subscriber Management Solution from Redback Networks, and a do-it-yourself content delivery portal for the Video-on-Demand Solution from Storage Computer. In the area of security infrastructure, TopSoft developed a client enabling layer for the Secured File Transfer Solution from Utimaco and a smartcard enabling layer for the Database Encryption Solution of Protegrity.

These solutions are marketed as optional items with the standard products through resellers of the software manufacturers. It is anticipated that revenue from these solutions will be booked in 2H2002.

## 宏昌軟件

二零零二上半年，宏昌軟件繼續專注提供企業電子商業方案及其他電子化服務。宏昌軟件的策略，是透過提供增值方案及新產品，集中爭取客戶的重複訂單，並在合乎成本效益的前提下吸收新客戶。

作為在應用方案設計及開發上取得ISO9001認證的少數服務供應商之一，宏昌軟件在代理國際知名軟件商的現有產品之餘，亦推出了一系列增值方案，並爭取得新產品代理權，以擴闊產品系列。

宏昌軟件與宏天科技緊密合作開發的增值方案，包括為Redback Networks登記者管理方案建構的寬頻服務行政入門網站，及為Storage Computer錄像點播方案設計的「自由」(DIY)內容傳輸入門網站。在保安基建方面，宏昌軟件為Utimaco的檔案傳輸保安方案設計了客戶使用界面，以及為Protegrity的資料庫加密方案開發智能卡應用界面。

此等方案透過軟件商之分銷商，作為標準產品以外的選擇以作推廣。該部門預期源自此等方案的收益可於二零零二下半年入帳。

Two of the more significant product offerings are RiskNet, a Fault Management Solution from ai Corporation which helps credit card operators minimize losses due to fraud; and eProcurement solution from InterShop which automates the tendering and procurement process for government agencies and private enterprises.

The division is pleased to report that DMX Technologies, the Group's flagship networking solution provider, has adopted all of the above solutions as parts of its D-soft offerings and hence DMX Technologies sales and marketing professionals are promoting TopSoft's solutions in their region of coverage.

TopSoft will continue to strengthen its capabilities through strategic collaboration with DMX Technologies, in vying for projects of larger scale across the region.

#### ADT

Advanced Digital Technology (ADT) is the Group's 55%-owned flagship provider of advanced systems-integration and software solutions to banks and financial institutions in China.

新供應的產品中，兩項最重要的包括ai Corporation之誤差管理方案RiskNet，以及InterShop的電子採購方案。RiskNet主要協助信用咭公司減低因欺詐引致的損失，電子採購方案則為政府部門及私人企業將招標及採購過程自動化。

值得欣喜的是，集團的旗艦網絡方案供應商宏天科技已正式採用上述方案，歸納為D-soft產品的一部份。換言之，宏天科技的專業營銷及推廣隊伍正透過其區域網絡，推廣宏昌軟件的方案。

宏昌軟件將繼續維持與宏天科技的策略合作，鞏固本身的能力，以爭取區內更具規模的項目合約。

#### 先進數碼

先進數碼為集團持有55%權益之附屬公司，專門為中國銀行及金融機構提供高端系統集成及軟件方案。

During 1H2002, major contracts won include the RMB23-million integrated network project for the Construction Bank of China (CCB) head office and RMB12-million storage facility agreement for the same customer at Sichuan branch. ADT also achieved significant progress in enhancing its technological prowess targeted at banks and the public sector in China. It has successfully developed and registered 12 new software products, of which the information management system and foreign exchange trading facilities for individual customers are already in operation at a number of CCB branches.

The large-scale front-office platform is currently implemented at various CCB branches, while the core banking system for commercial banks has already been deployed in a number of small to medium sized banks. Other new software applications are also in use at different settings.

To strengthen its software capabilities, ADT established an international software taskforce last year, and alliances with world-class vendors such as NEC and INDEX had been formed to jointly develop and promote sales of new software services in accordance with a development management and quality assurance system of international standards.

二零零二上半年，先進數碼取得的主要合約，包括建設銀行總行的網絡集成項目及建設銀行四川支行的存儲設施項目；兩項合約金額分別為2,300萬人民幣及1,200萬人民幣。此外，先進數碼亦加大力度，提升技術能力，增強在中國銀行及公營部門項目上的實力。期間，先進數碼成功開發及註冊12項新軟件產品，其中的訊息管理系統及個人外匯交易設施已在建設銀行多家分行推行。

大型前置平台已獲建設銀行多家分行採用，而為商業銀行開發的核心銀行系統亦已在多家中小型銀行內使用，其他新軟件也獲不同客戶應用。

先進數碼去年成立了國際軟件專責小組，以增強軟件開發能力，並與NEC及INDEX等世界級公司組成聯盟，按發展管理及品質保證系統的國際標準，共同開發及推銷新軟件服務。



A strong engineering team derived from this taskforce has already implemented a dozen of software development projects for overseas clients. ADT will continue to pursue this business initiative further.

In addition to new software offerings for the banking sector, ADT is also actively cultivating new businesses in the provision of network facilities maintenance services in which ADT has sealed service contracts with seven provincial branches of the Industrial and Commercial Bank of China (ICBC) and two provincial branches of CCB. This also indicates the structural transformation of ADT's corporate information department from the sale and installation of hardware to the more lucrative provision of services.

Looking forward, ADT will leverage on its established relationships with China's major banks to secure further business opportunities as they continue to strengthen their technological infrastructure. It will seek to strengthen its synergistic liaison with ICBC in software development, and also actively explore the deployment of its server consolidation software (Zhejiang version) at CCB as certain of its branches have enrolled in the consolidation program.

In the remainder of 2002, ADT plans to strengthen its corporate sales capacity as its branch offices in Shanghai and Guangzhou become fully fledged. Major banks in China are ADT's primary targets but the division will also seek to tap further into small to medium-sized banks.

小組的其中一項工作，是成立專責工程隊伍。工程隊已為海外客戶實施了十多個軟件開發項目。先進數碼將繼續拓展這方面的業務機會。

除了為銀行業提供新軟件外，先進數碼亦積極發展網絡設備保養業務，並已與工商銀行七間省級分行及建設銀行兩間省級分行簽訂服務合約。上述項目，反映先進數碼企業訊息部門的結構轉型，從硬件銷售安裝，過渡至提供服務的營運模式。

展望未來，中國主要銀行均會繼續強化本身的技術基建，先進數碼將進一步鞏固與各主要銀行的關係，從而爭取更多拓展機會。當中，先進數碼會加強與工商銀行在軟件開發方面的協同合作，以及利用建設銀行部份省級分行進行伺服器大集中的機會，推廣已開發的伺服器大集中軟件（浙江版）。

由於先進數碼在上海及廣州的辦事處已初具規模，故在二零零二下半年，先進數碼將加大兩地的企業營銷力度。先進數碼的主要目標客戶是中國的大型銀行，但亦會爭取打開中小型銀行方面的業務。

## DMX Technologies

DMX continued to pursue the total strategy of transforming traditional telecommunication infrastructures into Internet-based architectures, and help enterprises migrate their systems to meet the requirements of the digital era.

The approach has yielded upgrade contracts from existing customers in China and Malaysia during 1H2002, and these addition orders represent a favorable revenue source for the division. Major customers in China include China Telecom, China Customs and CATV in seven provinces. There are plans to set up a wholly-owned operation in China to effect better customer services and support marketing initiatives.

DMX launched a nationwide road-show earlier this year to promote its D-net solution in China, covering major cities such as Beijing, Xian, Hangzhou, Guangzhou and Hong Kong. With participation from strategic suppliers such as Juniper, Extreme and Cosine, the road-show helped spearhead product awareness and penetration in various parts of China.

In addition to China, DMX also provides infrastructure systems to a major service provider in Malaysia through strategic alliance with a domestic partner. More orders are expected from Malaysia, and DMX is also actively exploring opportunities in Korea and Thailand.

## 宏天科技

宏天科技繼續採取全面方案的策略，為客戶將傳統的電訊基建，轉型為建基於互聯網的架構，並協助企業將舊有系統過渡至數碼世紀的新模式。

基於此策略，宏天科技於二零零二上半年在中國及馬來西亞，從原有客戶中取得升級服務的合約；此等新增合約為公司帶來正面收益。中國的主要客戶包括中國電信、中國海關，以及七個省份的有線電視。宏天科技正計劃在中國成立全資擁有的營運部門，以提升客戶服務質素及市場推廣的支援。

宏天科技在今年早前進行了一次全國性的路演，在北京、西安、杭州、廣州及香港等主要城市，推介D-Net軟件方案。路演還得到Juniper、Extreme及Cosine等策略供應商的參與，大大提升D-Net在中國的市場認受及滲透。

在中國以外，宏天科技在馬來西亞亦透過與當地夥伴合作，為一家主要服務供應商提供基建系統。宏天科技冀進一步擴展馬來西亞的業務，同時亦積極開發韓國及泰國等市場。

Looking ahead, DMX will continue to strengthen its Asia-wide operations through its total approach of transforming traditional telecommunication infrastructures into Internet-based architectures. Major locomotives for market entry and penetration are D-net iBAS series of Ethernet switches, D-Secure solutions from Utimaco and Protegrity, and D-Soft EAI software solutions that have been developed jointly with TopSoft, also a business unit of the Group.

In July 2002, the Group increased its equity interest in DMX from 51% to 61%, and the additional investment was fulfilled through an issue of new shares.

At the end of July 2002, DMX lodged an application to the Singapore Stock Exchange for a public listing on its Main Board. The proposed spin-off of DMX in Singapore is subject to approvals from relevant authorities in Hong Kong and Singapore.

展望未來，宏天科技將繼續提供全面方案，為傳統電訊基建轉型至網絡架構，進一步強化亞洲區的業務。市場拓展由產品推動，其中包括D-net iBAS以太網轉換器、Utimaco及Protegrity的D-Secure方案，以及與集團另一業務單位宏昌軟件共同開發的D-Soft EAI軟件方案。

二零零二年七月，集團透過發行新股增持宏天科技之權益，由51%增加至61%。

二零零二年七月底，宏天科技已向新加坡交易所申請在主板上市。建議中的分拆計劃有待香港及新加坡有關機構審批。

*ChinaCast*

ChinaCast Technology, in which the Group holds a 19.9% interest, sustained its leadership in the provision of satellite-based distance learning services in China. Expansion trail continued in 1H2002, further enriching its comprehensive deployments in tertiary, fundamental, IT certification and professional education segments.

In tertiary education, ChinaCast has signed up a total of 12 universities, doubling the 2001 level. New partners include Northeast Agriculture University, Northwest Sci-Tech University of Agriculture and Forestry, Shanxi Finance University and Zhongshan University. More than 10,000 students are already enrolled in distance learning courses empowered by ChinaCast's tertiary distance learning platform.

Enrollment to ChinaCast's IT certification courses has already commenced. The company's new co-operation pact with Sina.com is expected to accelerate continued roll out of IT certification services.

In addition, ChinaCast is working closely with DMX Technologies, the Group's networking arm, to promote digital multimedia solution to various CATV and Satellite broadcast companies. Basically, we are taking advantage of our know-how to provide IT consulting services to other service providers through DMX Technologies.

*ChinaCast*

集團持有19.9%權益之ChinaCast，繼續主導中國的衛星遙距教育服務。二零零二上半年，ChinaCast進一步實施全系列的教學課程，包括大專、基礎、資訊科技證書及專科教育課程。

在大專教育方面，ChinaCast與十二家大學簽訂合約，較二零零一年增加一倍。新夥伴包括東北農業大學、西北農林科技大學、山西財經大學及中山大學。現時，ChinaCast大專遙距教育平台的註冊學生已超過一萬名。

資訊科技證書課程亦已開始接受註冊。ChinaCast與新浪網(Sina.com)的最新合作，可望加速資訊科技證書服務的推廣。

此外，ChinaCast與集團的網絡旗艦宏天科技正緊密合作，向多家有線電視及衛星廣播公司推廣數碼多媒體方案，目標是透過宏天科技，為其他服務供應商提供資訊科技顧問服務。

## Liquidity and financial resources

### Net assets

As at 30 June 2002, the Group recorded total assets of approximately HK\$535,563,000 which were financed by liabilities of 179,831,000 and equity of 293,927,000. The Group's net asset value as at 30 June 2002 increased by 20% to approximately HK\$293,927,000 as compared to approximately HK\$245,747,000 as at 31 December 2001.

### Liquidity

The Group had total cash and bank balances of approximately HK\$132,187,000 as at 30 June 2002 (As at 31 December 2001: approximately HK\$129,045,000). After deducting bank loans and overdrafts of approximately HK\$29,118,000 (As at 31 December 2001: approximately HK\$36,917,000), the Group recorded a net cash balance of approximately HK\$103,069,000 as compared to that of approximately HK\$92,128,000 as at 31 December 2001. As at 30 June 2002, the current ratio has been changed to 2.26 (As at 31 December 2001: 1.67) and the gearing ratio has been changed to 0.10 (As at 31 December 2001: 0.15) with equity being defined as the total of capital and reserves.

## 流動資金及財務資源

### 資產淨值

於二零零二年六月三十日，本集團之資產總值約為535,563,000港元，其中包括負債約179,831,000港元及資本及儲備約293,927,000港元。本集團於二零零二年六月三十日之資產淨值約為293,927,000港元，而於二零零一年十二月三十一日則約為245,747,000港元，增幅達20%。

### 流動資金

本集團於二零零二年六月三十日之現金及銀行結餘總額約為132,187,000港元（於二零零一年十二月三十一日：約129,045,000港元）。於扣除銀行貸款及透支約29,118,000港元（於二零零一年十二月三十一日：約36,917,000港元）後，本集團之淨現金結餘約為103,069,000港元，而於二零零一年十二月三十一日則約為92,128,000港元。於二零零二年六月三十日之流動比率為2.26（於二零零一年十二月三十一日：1.67），而槓桿比率則為0.10（於二零零一年十二月三十一日：0.15）。股本指資本與儲備合計。

*Charge on assets*

As at 30 June 2002, fixed deposits of approximately HK\$45,006,000 (As at 31 December 2001: HK\$31,936,000) were pledged to banks to secure banking facilities granted.

*Treasury policies*

The Group generally finance its operations with internally generated resources and credit facilities provided by banks in Hong Kong. Subsidiaries in PRC use short-term borrowing in PRC to finance working capital, which amount to HK\$943,000. Borrowing methods used by the Group mainly include trust receipt loans, overdrafts and term loans. The interest rates of most of these are fixed by reference to the Hong Kong Dollar Prime Rate. Both bank deposits and borrowings are mainly in Hong Kong dollars and United States dollars ("US dollars").

**Contingent liabilities**

As at 30 June 2002, the Company had contingent liabilities in relation to bills discounted to bank with recourse amounted to HK\$2.2 million.

*資產抵押*

於二零零二年六月三十日，本集團將約45,006,000港元（於二零零一年十二月三十一日：31,936,000港元）之定期存款抵押予銀行，以取得銀行融資。

*庫務政策*

本集團一般透過內部資金與香港銀行給予之信貸融資提供其業務運作所需資金，位於中國之附屬公司以中國之短期借貸作為營運資金，金額為943,000港元。本集團採用之借貸方式主要包括信託收據貸款、透支及有期貨款。上述貸款及透支之利息大部份參照港元最優惠利率釐定。銀行存款及借貸主要以港元及美元之單位。

**或然負債**

於二零零二年六月三十日，本公司就附追索權之已貼現票據2,200,000港元而出現或然負債。

## Foreign exchange exposure

The Group mainly earns revenue and incurs costs in US dollars and Hong Kong dollars. Foreign exchange exposure of the Group's is minimal as long as the policy of the Government of HKSAR to link the Hong Kong dollars to the US dollars remains in effect.

## Subsequent event

After the balance sheet date, the Company has repurchased and cancelled 1,062,000 and 462,000 ordinary shares of its own shares of HK\$0.10 each on the Stock Exchange at a consideration of HK\$260,000 and HK\$97,000 respectively.

## Prospects

While encouraged by signs of a more conducive business environment, the Group remains cautiously optimistic as to the sustainability of such an indicative rebound, and will continue to improve its revenue generating mechanism through closer synergistic integration of all business units, especially ADT and DMX.

Joint efforts of various business units will also be exerted on product level to enhance the solutions provided to customers, who increasingly seek multi-level support from their suppliers. Product taskforces set up by different divisions will continue to drive this initiative into the coming year.

## 外匯風險

本集團主要以美元及港元賺取收益及支付費用。鑑於香港特區政府仍然實施港元與美元掛鈎之政策，故此本集團之外匯風險甚低。

## 結算日後事項

於結算日後，本公司在聯交所購回並註銷本身每股面值0.10港元之普通股1,062,000股及462,000股，代價分別為260,000港元及97,000港元。

## 業務展望

跡象顯示，整體經濟環境可望進一步回穩，但集團對於宏觀環境能否持續向好，仍保持審慎樂觀態度。集團會繼續增強各業務部門，特別是先進數碼及宏天科技的協同合作，進一步改善收益基礎。

各部門亦會在產品的層面尋求合作，不斷改進方案，以切合客戶在不同層面的需求。各部門設立的产品專責小組將繼續在來年進行產品開發工作。

## Employee and remuneration policies

As at 30 June 2002, the Group employed approximately 458 full time staff in the Mainland China and Hong Kong. The Group remunerates its employees based on their performance, work experience and the prevailing market price. Performance related bonuses are granted on a discretionary basis. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs and share option scheme.

## 僱員及薪酬政策

於二零零二年六月三十日，本集團已於中國及香港聘用約458名全職僱員。本集團乃根據僱員之表現、工作經驗及現行市價釐訂僱員之薪酬。有關表現之花紅乃按酌情基準授出。其他僱員福利包括強制性公積金、保險及醫療保險、培訓課程及購股權計劃。



## Director's Interests in Securities

As at 30 June 2002, the interests of the directors, chief executives and their associates in the share capital of the Company or any of its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register maintained by the Company under Section 29 of the SDI Ordinance were as follows:

## 董事之證券權益

於二零零二年六月三十日，根據證券（披露權益）條例（「披露權益條例」）第29條本公司須予置存之登記冊所載，各董事、主要行政人員及彼等之聯繫人士於本公司或其任何聯繫公司（定義見披露權益條例）之權益如下：

Director 董事	Number of Shares held in the Company 持有本公司股份數目			
	Corporate interests 公司權益	Personal interests 個人權益	Family interests 家族權益	Total interests 合共權益
Chan Tze Ngon, Ron ("Mr Chan") 陳子昂 （「陳先生」）	-	82,614,000	-	82,614,000
Luk Chung Po, Terence 陸忠甫	-	33,630,000	-	33,630,000
Tang Kin Hung, Barry 鄧健洪	-	12,600,000	-	12,600,000

Save as disclosed above, none of the directors or their associates had any personal, family, corporate or other interests in the share capital of the Company or any of its associated corporations as defined in the SDI Ordinance.

除上文所披露者外，各董事或彼等之聯繫人士概無於本公司或其任何聯繫公司（定義見披露權益條例）之股本中擁有任何個人、家族、公司或其他權益。

## Directors' Rights to Acquire Shares or Debentures

## 董事認購證券之權利

The following options were granted to directors pursuant to the share option scheme adopted by the Company on 12 June 1999 and remained unexercised as at 30 June 2002:—

根據本公司於一九九九年六月十二日採納之購股權計劃授予董事，且於二零零二年六月三十日尚未行使之購股權如下：—

Director 董事姓名	Date of grant 授出日期	Number of option 購股權數目 HK\$ 港元	Exercise price 行使價	Exercise period 行使期限
Chow Siu Lam, Cliff 周少霖	31 May 2000 二零零零年 五月三十一日	500,000	1.82	31 May 2001 to 30 May 2010 二零零一年五月三十一日至 二零一零年五月三十日
Chow Siu Lam, Cliff 周少霖	24 May 2001 二零零一年 五月二十四日	400,000	0.91	24 May 2002 to 23 May 2011 二零零二年五月二十四日至 二零一一年五月二十三日

The following options were granted to directors pursuant to the share option scheme adopted by the Company on 30 May 2002 and remained unexercised as at 30 June 2002:—

根據本公司於二零零二年五月三十日採納之購股權計劃授予董事，且於二零零二年六月三十日尚未行使之購股權如下：—

Director 董事姓名	Date of grant 授出日期	Number of option 購股權數目	Exercise price 行使價	Exercise period 行使期限
Emmy Wu 吳安敏	27 June 2002 二零零二年 六月二十七日	3,800,000	0.431	27 June 2003 to 29 May 2012 二零零三年六月二十七日至 二零一二年五月二十九日
Tang Kin Hung, Barry 鄧健洪	27 June 2002 二零零二年 六月二十七日	3,800,000	0.431	27 June 2003 to 29 May 2012 二零零三年六月二十七日至 二零一二年五月二十九日
Teo Chor Khin, Jismyl 張楚琴	27 June 2002 二零零二年 六月二十七日	3,800,000	0.431	27 June 2003 to 29 May 2012 二零零三年六月二十七日至 二零一二年五月二十九日

Save as disclosed above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

除上文所披露者外，於期內任何時間，董事或彼等各自之配偶或十八歲以下的子女概無獲授可藉購入本公司的股本或債券而獲益的權利，或行使任何該等權利；或本公司或其任何附屬公司概無訂立任何安排，致使董事獲得任何其他法人團體之該等權利。

## Substantial Shareholders

Other than the shares held by Mr. Chan as disclosed above, which represent 18.25% of the Company's issued share capital as at 30 June, 2002, the register of substantial shareholders maintained by the Company under section 16(1) of the SDI Ordinance discloses no other person as having an interest of 10% or more in the issued share capital of the Company.

## Purchase, Sale or Redemption of Shares

There was no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the six months ended 30 June 2002.

## Review by Audit Committee

The interim results have been reviewed by the Audit Committee.

## 主要股東

除以上披露由陳先生持有之股份（佔本公司於二零零二年六月三十日之已發行股本18.25%）外，據本公司按照披露權益條例第16(1)條置存之主要股東登記冊所披露，概無其他人士擁有本公司已發行股本10%或以上之權益。

## 買賣、出售或贖回股份

截至二零零二年六月三十日止六個月期間，本公司或其任何附屬公司並無買賣、出售或贖回本公司股份。

## 審計委員會審閱

中期業績已由審核委員會審閱。

## Code of Best Practice

In the opinion of the directors, the Company complied with the Code of Best Practice, as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, throughout the accounting period covered by this interim report, except that the non-executive directors of the Company were not appointed for specific terms but were subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's bye-laws. The company established an audit committee in 1999, which comprises two independent non-executive directors, in accordance with paragraph 14 of the Code of Best Practice. The audit committee meets regularly mainly to consider the nature and scope of audit reviews, the effectiveness of the Company's internal control systems and compliance with the relevant rules and regulations.

## Appreciation

The Directors are thankful to TVH's business and technology partners, as well as its shareholders and dedicated staff, for their support in achieving the Group's turnaround.

By order of the Board  
**Chan Tze Ngon, Ron**  
*Chairman*

Hong Kong, 27 September 2002

## 最佳應用守則

董事會認為，除本公司之非執行董事並無指定任期，但須根據本公司之公司細則於本公司之股東週年大會上輪值告退及膺選連任外，本公司於本中期報告所述會計期間一直遵守香港聯合交易所有限公司之證券上市規則附錄十四所載之最佳應用守則。本公司已根據最佳應用守則第14段之規定於一九九九年成立一個由兩位獨立非執行董事組成之審核委員會。該審核委員會定期開會，主要考慮審核之性質及範圍、本公司之內部監控系統之成效，以及是否已遵照相關規則及條例。

## 致謝

集團董事向各業務及技術夥伴，以及股東和員工團隊致以謝意。集團成功扭轉逆勢，有賴他們的鼎力支持。

承董事會命  
主席  
**陳子昂**

香港，二零零二年九月二十七日