



2008 Champion Technology Holdings Limited  
annual report





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## FINANCIAL HIGHLIGHTS 財務撮要

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
<b>Results (for the year ended 30 June) 業績(截至六月三十日止年度)</b>					
- Turnover	3,635,049	3,164,287	2,996,668	2,461,710	2,249,968
- Adjusted profit before taxation*	997,860	945,815	800,118	610,013	468,536
- Adjusted EBITDA*	1,732,511	1,440,991	1,194,335	821,224	802,010
- EBITDA	991,929	1,327,245	1,098,563	784,795	697,458
- Profit	190,456	626,818	549,994	458,726	296,550
- Dividends	48,112	96,686	73,096	59,867	55,304
- Earnings per share (in HK cents)	11.31	43.70	43.08	37.94	32.13
<b>Financial Position (as at 30 June) 財務狀況(於六月三十日)</b>					
- Cash and cash equivalents	350,728	347,482	921,264	737,795	719,206
- Total assets	8,446,159	7,657,367	6,453,200	5,561,082	4,945,942
- Equity	6,685,006	6,137,672	5,258,760	4,704,867	4,232,113
<b>Financial Ratios (as at 30 June) 財務比率(於六月三十日)</b>					
- Current assets/Current liabilities	3.13	4.32	6.88	5.38	4.43
- Assets/Equity	1.26	1.25	1.23	1.18	1.17
- Sales/Assets	0.43	0.41	0.46	0.44	0.45
- Gearing ratio	0.04	0.04	0.03	0.04	0.04

\* Excluding impairment and fair value change of convertible bonds

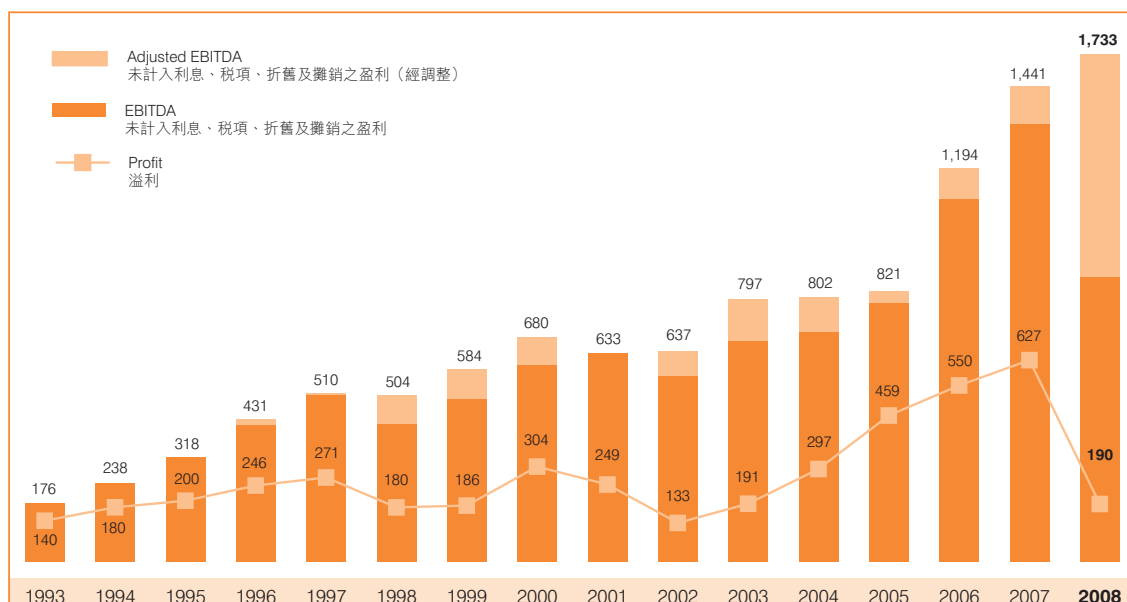
\* 未計入減值及可換股債券公平價值變動

### SIXTEEN YEARS OF SUSTAINED PROFITABILITY

(in HK\$ million)

### 連續十六年保持盈利

(百萬港元)





## CORPORATE INFORMATION

### Executive directors

Paul KAN Man Lok (*Chairman*)  
Leo KAN Kin Leung (*CEO*)  
LAI Yat Kwong

### Non-executive director

Shirley HA Suk Ling

### Independent non-executive directors

Terry John MILLER  
Francis Gilbert KNIGHT  
Prof. LIANG Xiong Jian  
Prof. YE Pei Da  
Frank BLEACKLEY

### Company secretary

Jennifer CHEUNG Mei Ha

### Audit committee

Francis Gilbert KNIGHT (*Committee Chairman*)  
Terry John MILLER  
Frank BLEACKLEY  
Shirley HA Suk Ling

### Registered office

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### Operations centres

*Asia*  
17<sup>th</sup>, Andar G & J  
Macau Finance Centre  
Nos.244 – 246, Rua De Pequim  
Macau

### *Europe*

Multitone House  
Shortwood Copse Lane  
Kempshott, Basingstoke  
Hampshire, RG23 7NL  
UK

### Principal office in Hong Kong

3<sup>rd</sup> Floor  
Kantone Centre  
1 Ning Foo Street  
Chaiwan  
Hong Kong

### Regional office in Hong Kong

1702 One Exchange Square  
Central  
Hong Kong

### Principal bankers

Bank of China  
Bank of East Asia, Macau  
Bank of Tokyo-Mitsubishi UFJ  
Citibank, N.A.  
DBS Bank, Macau  
HSBC, Macau  
Standard Chartered Bank, Macau

### Auditor

Deloitte Touche Tohmatsu  
Certified Public Accountants  
35<sup>th</sup> Floor One Pacific Place  
88 Queensway  
Hong Kong

### Principal share registrar and transfer office

Butterfield Fund Services (Bermuda) Limited  
65 Front Street  
Hamilton  
Bermuda

### Hong Kong branch share registrar and transfer office

Tricor Secretaries Limited  
26<sup>th</sup> Floor, Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

### Company homepage/website

<http://www.championtechnology.com>

### Stock code

0092

### Information and enquiries

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Champion Technology Holdings Limited  
Kantone Centre  
1 Ning Foo Street  
Chaiwan  
Hong Kong

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## CHAIRMAN'S STATEMENT

Dear Shareholders,

Fiscal year 2008 was marked by great uncertainties as the global financial crisis continues to unfold.

Viewed against this backdrop, we have achieved satisfactory results for the year ended 30 June 2008, and have maintained our record of sustained profitability for 16 years. The Group's fundamentals remained strong, as reflected in healthy growth in turnover, a steady base of recurrent revenue, and a range of products and services that deliver value to clients worldwide.

Profit attributable to equity holders was impacted by impairment losses arising from the Group's investments in compliance with international accounting standards to review the carrying values of the financial assets as compared to the estimated cash flow or recoverable amounts from these assets. Excluding such impairment, the Group's results registered positive growth.

Our financial performance is summarised below:

- Turnover increased by 15% to HK\$3.6 billion
- Adjusted profit before tax (before impairment and fair value change of convertible bonds) went up 5.5% to HK\$998 million
- EBITDA (excluding one-off items) rose 20% to HK\$1,733 million
- Profit attributable to equity holders was HK\$190 million
- Adjusted earnings per share (before impairment and fair value change of convertible bonds) was HK45.55 cents, earnings per share was HK11.31 cents

The Group maintains a positive financial position with net cash, adheres to a prudent financial management policy, and does not enter into speculative derivatives or structured product transactions.

Our core business of developing and designing customised wireless systems and communications software solutions was performing well. In particular, we benefited from increasing demand as a result of China's economic growth at double-digits. On a global basis, the need for nations to invest in public safety and security, as well as for enterprises to raise productivity and efficiency amidst ever-increasing competition, is as clear now as ever.

### FINAL DIVIDEND

In anticipation of continuing tight liquidity and market volatilities, as well as grim outlook for economic growth based on estimates by economists, future corporate earnings across the board are expected to come under pressure. The Board has therefore opted for a prudent cash management policy and recommends a final dividend of HK0.25 cent per share. Taking into account the interim dividend of HK2.45 cents per share, total dividend per share would be HK2.7 cents; and total dividend for the year would amount to HK\$48.1 million. This translates into a dividend yield of 10.6 percent, which is competitive with the market.

### BUILDING LONG-TERM VALUE BY COMMITTING TO ONGOING DEVELOPMENT AND STRATEGIC INVESTMENTS

Throughout the years, the Group has adopted a long-term commitment to ongoing investment and development as the basis for the Group's innovation, which is the key to sustained growth, especially in the high-technology industry. Our innovation strategy requires a unique combination of internal development, partnerships, and acquisitions. Going forward, we are determined to continue to take good business risks.

Year-on-year, the Group has invested significant amounts on activities and projects that directly add value to our businesses. These strategic investments are the building blocks for our future business units and the sources of future cash flows and value for our shareholders. We have spent huge amounts positioning and defending our intellectual property. We build high-growth businesses that are going to be important asset plays, including our comprehensive range of homeland security solutions, investment in In-Car Telematics solutions, anti-radiation products, ID card project with related IT security opportunities, and more recently, investment in smart port logistics solutions as completed in May this year.

In times of market uncertainties and global economic downturn as we are currently experiencing, the management will exercise stricter prudence, and some of the new investments may be put on hold pending the return of a more stable operating environment and improvement in market sentiment.



## CHAIRMAN'S STATEMENT

### OUTLOOK

Given the uncertainties arising from the financial turmoil, the global economy is expected to cool down further in the months or even years to come. While Champion Technology's business fundamentals remain strong, we anticipate that continuing difficult conditions may further dampen consumer and business confidence which will affect customer purchases. Based on recent comments from economists and analysts (see **Wake-up Calls on Global Financial Turmoil**), the financial crisis is going to affect every sector and every enterprise across the board. As such, the occurrence of slowing payments and possibly investment delinquencies and project cancellations on a worldwide basis may lead to further industry consolidation, and few can expect their performance not to be affected.

Meanwhile, the Group's investments in privately held companies may be subject to impairment, especially those in the start-up or development stages. We will continue to exercise prudence in managing investment risks and take a critical review of the Group's investment portfolio, making provisions and write-downs where deemed appropriate, in compliance with the requirements of the latest international accounting standards. The rapidly deteriorating operating environment and global financial markets may require management to take greater caution with our financial accounts in the future.

With Mainland China accounting for a significant portion of our operations, we expect to benefit from its continued economic growth. Infrastructure investment is likely to grow with projects such as Sichuan earthquake reconstruction, development of alternative energy resources, and continued investment in the telecoms and related sectors brought on by the success of the aerospace projects.

In line with market trends, the Group's business strategy going forward will focus on high margin and high growth sectors to achieve margin improvement. In terms of business focus, customised communications solutions and integrated security services for applications in multiple markets and sectors will be our direction for growth and expansion. That will include a comprehensive portfolio that embraces different technologies and wide-ranging applications, covering biometric identification, smartcard solutions, logistics and RFID (radio frequency identification) technology, fraud detection systems, and mobile-based applications using video and audio compression

technologies in telematics control, public safety, and personal security. Meanwhile, as information technology is widely adopted today across industries and businesses, as well as our daily lives, new and emerging opportunities, especially in fast growing China, may arise where we can leverage our IT expertise to engage selectively in new projects with attractive returns and good prospects.

Against economic and market uncertainties at multiple levels, we will strengthen efforts on cost management and efficiency improvement, and will closely monitor the operating environment. Prudent as we have always been, there are nevertheless external factors which are beyond our control. It is nevertheless comforting to note that Champion Technology's management and directors are no strangers to dealing with rough times. The past two decades of our establishment were marked by a series of disturbing events, among which were the stock market crash in 1987; the Gulf crisis in 1990; the austerity measures in China in 1994 and 1995; the financial turmoil in Asia in 1997; the burst of the Internet bubble in 2000; 911 terrorist attacks in the US in 2001; the sudden outbreak of SARS in 2003; and the beginning of the global credit crunch in late 2007, all of which resulted in a confidence crisis and a slowdown of the economy in the subsequent years.

For each of the previous crises, Champion Technology has managed to emerge relatively unscathed, a testament to how we build on our solid foundations and manage business risks on a long-term basis. We hope that our positive financial position will enable us to cope with the current turbulent environment, and most importantly, to continue to invest in our businesses and serve our customers well.

### APPRECIATION

Our accomplishments and solid performance over the years are built upon fundamental relationships with all of our stakeholders. I take this opportunity to thank our shareholders, employees worldwide, customers, partners, bankers, professional consultants, and our fellow directors for their ongoing trust, confidence and support. As we forge ahead in even greater uncertainties and turbulent operating environment worldwide, such support and trust will prove invaluable to our long-term development.

**Paul KAN Man Lok**

*Chairman*

24 October 2008





## MANAGEMENT DISCUSSION AND ANALYSIS

The Group's core business remained strong, and growth was reported in both revenue and profit at the operating level before impairment and other operating expenses. The key drivers were a stable economy in China which continued to achieve double digit growth, and demand in the global markets for the Group's customised products and solutions. The Group's profit was reduced by impairment provisions in relation to some of the Group's investments and loss on fair value change of convertible bonds issued by its subsidiary, Kantone Holdings Limited.

### FINANCIAL RESULTS

The Group achieved a turnover of HK\$3,635 million for the year ended 30 June 2008 (the "Year"), an increase of 15 percent as compared with HK\$3,164 million for the previous year (the "Previous Year"). The increase in turnover was in line with the roll-out of several new products and projects. Gross profit increased by 14 percent to HK\$1,288 million, while gross margins remained steady at 35 percent. The results reflected the Group's continued investment in product development and systems advancement, thereby enhancing the value-added features of its products and solutions.

Profit for the year was HK\$255 million, a drop of 69 percent, and profit attributable to equity holders was HK\$190 million, a drop of 70 percent compared with HK\$627 million for the Previous Year. Earnings per share for the Year was HK11.31 cents (2007: HK43.7 cents). The decline in profit was caused by a number of significant items, including:

- impairment losses of HK\$57 million recognised for available-for-sale investments
- impairment losses of HK\$436 million recognised for development costs for systems and networks
- impairment losses of HK\$245 million recognised for deposits and prepaid development costs
- loss of HK\$2 million on fair value change of convertible bonds

Impairment was provided for in compliance with international accounting standards to review the carrying values of the financial assets as compared to the estimated cashflow or recoverable amounts from these assets. In anticipation of the increasing volatilities in the global markets arising from the financial turmoil, management has exercised prudence to provide for impairment losses on those investments where future income may be affected.

Excluding the above one-off items totalling HK\$738 million for impairment losses and HK\$2 million in respect of loss on fair value change of convertible bonds, adjusted profit before tax was HK\$998 million, an increase of 5.5 percent from HK\$946 million of Previous Year; and adjusted EBITDA (earnings before interest, taxation, depreciation and amortisation, impairment losses and loss of fair value change of convertible bonds) was HK\$1,733 million, an increase of 20 percent from HK\$1,441 million of Previous Year.

The continuing demand for the Group's customised solutions in wireless technologies, communications software, homeland security packages, and Internet-related products and services was a result of our ongoing investments in systems and networks which allowed us to significantly improve customer-service metrics while driving industry-leading productivity. The Group maintains a clear competitive edge in providing customised communications solutions for niche markets.

Total operating expenses went up largely in line with the increase in turnover and as a result of a general increase in staff costs on the back of rising inflation. Distribution costs increased 12 percent to HK\$54 million (2007: HK\$48 million), while depreciation and amortisation expenses went up 50 percent to HK\$728 million (2007: HK\$486 million), which were attributable to the roll-out of several new projects. Total general and administrative expenses increased by 22 percent to HK\$262 million (2007: HK\$215 million) due to a general increase in staff costs, audit fees, and other professional fees.

Finance costs for the Year were HK\$6.8 million, compared with HK\$9.6 million in the Previous Year.



China Police 2008



Champion Homeland Security Booth



Mobile Environmental Monitoring Station



Champion Technology's Booth visited by local Police





## MANAGEMENT DISCUSSION AND ANALYSIS

### REVIEW OF OPERATIONS

China market maintained its momentum in line with the country's robust economy, generating an overall increase in capital expenditure by our customers to improve the quality of their networks in order to meet increasing demand. The Group enjoyed a trusted relationship with its customers as a result of its proven track record as a reliable technology partner established over the last 20 years. Key areas of focus were innovative communications and security solutions and services customised to achieve high reliability and high integrity. Our top-of-the-line products embrace a comprehensive range of integrated wireless solutions designed for remote management and security applications; as well as command, control and communications applications for use in mission critical assignments involving public safety, personal security and telematics control.

The Group's new division, Champion Homeland Security, has been working with international partners to offer comprehensive customised solutions for integrated security systems. Products and systems have been exhibited at a number of trade shows and exhibitions in China, including *China Police 2008 – China International Exhibition on Police Technologies and Equipment* in April this year at Beijing Exhibition Center.

The macro-economic tightening measures in China appeared to have only a slight dampening effect on an overheated economy last year, as such measures were specific to certain sectors, which did not include basic infrastructure projects relating to the telecommunications and IT sector. For the Year, China sales accounted for HK\$2,783 million of the Group's turnover, up 16 percent (2007: HK\$2,407 million).

In Europe, the Group reported satisfactory growth in business due to outstanding performance in emergency services and fire control projects, as well as the relaxation of spending constraints on National Health Services projects in the United Kingdom. Several long-term contracts related to mobilising the communications systems for the fire brigades in England and Scotland have been secured. Some delays in systems delivery and project installation were encountered as a result of certain vendors not meeting the customers' requirements. The situation has led to revised schedules which may continue to impact on the Group's financial performance. Management is closely monitoring the situation and will adopt appropriate measures as and when required.

The Group's Lone Worker and Personal Security solutions, based on wireless mesh technology, reported satisfactory growth in light of the changes in European legislations concerning corporate liability for personal injuries which raised the level of responsibility for protection of employees in the workplace. Turnover attributable to the operations in Europe was HK\$597 million, up 11 percent (2007: HK\$536 million).

The Group's strategic investment in In-Car Telematics solutions, anti-radiation products to counteract radio emission from mobile phones, and ID card project with related IT security opportunities progressed as planned. These investments are subject to review periodically to determine if progress was in line with original plan and if anticipated benefits could be achieved. Where required, impairment provisions at an appropriate level would be made.

### *New Opportunity*

In May 2008, the Group acquired Smart Port Group, owner of certain intellectual property rights pertaining to proprietary software systems for integrated logistics and smart port management system. The acquisition allows the Group to leverage its IT solutions, core competence in wireless technology and applications, information software expertise, and global presence as a strategic investment for the development of logistics and smart port management systems on an enhanced wireless platform with the deployment of RFID (radio frequency identification) technology. This is expected to provide the Group with an attractive opportunity to expand business to new horizons and capture new businesses arising from the steadily increasing logistics demand in China. (*Details of the acquisition are provided in the Circular dated 9 May 2008.*)

### *Professional Consultants*

As the Group continued to expand its portfolio of investments in online gaming and Internet entertainment, we need to look beyond our management for leadership and professional expertise in specialised areas. During the year, the Group continued to engage the services of professional consultants whose broad experience in international gaming and global strategy has proved to be of immense value in our ongoing pursuit of new and exciting business opportunities in the global arena. These consultants are:

- *John Schreck*, who had served as Chief Stipendiary Steward of the Hong Kong Jockey Club, Director of Racing in Macau, and Chief Stipendiary Steward of the Australian Jockey Club. His expertise lies in his great depth of knowledge of the global gaming operations and the various regulatory frameworks.
- *Michael Thornhill*, who had served as a steward of the Hong Kong Jockey Club and Senior Partner of Johnson Stokes and Master, with particular expertise in licensing arrangements and global strategy.
- *Timothy McNally*, who had served as Director of Security and Corporate Legal Services of the Hong Kong Jockey Club, and Assistant Director-In-Charge of the Federal Bureau of Investigation (FBI), Los Angeles, California. His expertise lies in risk analyses and security management of global gaming operations.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Kantone Holdings Limited (“Kantone”)

Kantone continued to sustain growth. It recorded a turnover of HK\$1,613 million, an increase of 13 percent over the Previous Year, and adjusted profit before tax (before impairment losses and loss on fair value change of convertible bonds) of HK\$474 million, an improvement of 1.6 percent. Profit attributable to equity holders was HK\$143 million, representing a drop of 65 percent compared with HK\$412 million for the Previous Year, attributable to impairment losses of HK\$333 million in relation to some of its development projects and investments.

Sales in China was in line with the country's economic growth. With China's continued economic prosperity, demand for Kantone's customised solutions and products was maintained, and the scope of possibilities for IT applications has expanded. In Europe, UK sales registered steady growth, as the resumption of spending by National Health Services helped to offset some delays encountered in the emergency services sector. Kantone remained well-positioned to secure new long-term contracts, especially in the arena of Fire Services, Personal Security, and Marine Coast Guard Security.

For e-Gaming and Online Entertainment, Kantone continued to invest in betting software and CRM (customer relationship management) solutions. Its paperless lottery project in China is making progress with enhancement of integrated gaming technology solutions and online payment channels. In particular, the popularity of text messaging and the increasingly user-friendly interfaces on mobile-phones has gained much traction among young people and the more well-off white-collar workers. In the arena of telephone-based betting market in China, Kantone commands a leadership position. Its own e-lottery platform with secure micropayment systems connected to banks facilitates one-stop-shop automated betting transactions for multiple lottery games.

The recent clampdown of lottery sales in Mainland China on the Internet is designed to stop fraud and malpractices of illegal websites. Such tightening measures are expected to work to the benefit of Kantone, being a legitimate provider of online solutions and consultancy to some Mainland authorities, in particular the regional Welfare Lottery Issue Centres, in respect of telephone-based betting.

Directors are fully aware that globally lottery and gaming business is fast growing, and such business commands the level of risk and investment commensurate with the higher return. In order to capitalise on existing expertise, Kantone is exploring further opportunities.

### New Acquisition

In September 2008, Kantone acquired some valuable sports media and sports technology assets in China, providing room in the development of gaming software, sports content, sports websites and sports network systems. The acquisition allows Kantone to leverage its IT solutions, information software expertise, and sports and gaming endeavours for further development of the sports media market. This is expected to open up to Kantone an attractive opportunity to expand its business to new horizons and capture new businesses arising from the growing popularity of sports and related activities. *(Details of the acquisition are provided in the Circular dated 20 August 2008.)*

### DIGITALHONGKONG.COM (“Digital HK”)

Digital HK recorded a loss of HK\$986,000 on turnover of HK\$5,018,000, compared with a loss of HK\$12,000 on turnover of HK\$6,351,000 for the Previous Year. The lower turnover reflected a combination of softening economy, a highly competitive market, and Digital HK's strategy of preserving margins by focusing on customised solutions. Digital HK will continue to seek suitable investment opportunities to diversify its revenue streams in order to enhance shareholders' value.

## LIQUIDITY AND FINANCIAL RESOURCES

### Financial Position and Gearing

The Group's financial position remained positive with a low gearing and a net cash position.

As at 30 June 2008, the Group had HK\$351 million made up of deposits, bank balances and cash and HK\$27.8 million of bank overdraft. Current assets were approximately HK\$1,529 million (2007: HK\$1,581 million) and current liabilities amounted to approximately HK\$489 million (2007: HK\$366 million). With net current assets of HK\$1,040 million (2007: HK\$1,214 million), the Group had maintained a high level of financial liquidity. The gearing ratio of the Group, which calculation was based on the Group's total borrowings of HK\$279 million (2007: HK\$268 million) and equity attributable to equity holders of the Company of HK\$6,685 million (2007: HK\$6,138 million), was 0.04 (2007: 0.04).

Total borrowings comprised bank borrowings of HK\$250 million (2007: HK\$230 million), bank overdrafts of HK\$27.8 million (2007: Nil), other borrowings, which represented block discounting loans, of HK\$0.7 million (2007: HK\$2.6 million), and convertible bonds of HK\$35.9 million for 2007. No convertible bonds were outstanding as at 30 June 2008. Finance costs for the Year amounted to HK\$6.8 million (2007: HK\$9.6 million).

Total bank borrowings comprised bank loans of HK\$250 million (2007: HK\$229 million) and mortgage loan of HK\$0.4 million (2007: HK\$1.2 million). During the year, the bank loans were rearranged to provide different repayment terms with HK\$201 million (2007: HK\$229 million) repayable



## MANAGEMENT DISCUSSION AND ANALYSIS

within one year, HK\$4.7 million (2007: Nil) repayable in the second year and HK\$44.3 million (2007: Nil) repayable in the third to fifth year. The mortgage loan of HK\$0.4 million (2007: HK\$0.8 million) was repayable within one year and nil balance (2007: HK\$0.4 million) repayable in the second year. The mortgage loan was secured by the Group's land and buildings with a net book value of HK\$12.6 million (2007: HK\$12.9 million). Bank overdrafts of HK\$27.8 million at 30 June 2008 were repayable on demand.

The other borrowings of HK\$0.7 million (2007: HK\$2.6 million) were unsecured, with HK\$0.5 million (2007: HK\$1.9 million) repayable within one year and the remaining balance of HK\$0.2 million (2007: HK\$0.5 million) repayable in the second year and nil balance (2007: HK\$0.2 million) repayable in the third year.

### Treasury Policy

The Group is committed to financial prudence and maintains a positive financial position with low gearing and a net cash position. The Group finances its operation and business development by a combination of internally generated resources, capital markets instruments, and banking facilities provided by its bankers.

All the borrowings were used by the subsidiaries of the Company, bearing interest at floating rate and were denominated in its local currencies. As such, the currency risk exposure associated with the Group's borrowings was insignificant.

The Group does not engage in any speculative derivatives or structured product transactions, interest rate or foreign exchange speculative activities. It is the Group's policy to manage foreign exchange risk through matching foreign exchange income with expense, and where exposure to foreign exchange is anticipated, appropriate hedging instruments will be used.

### Capital Commitments

As at 30 June 2008, the Group's capital commitments contracted for but not provided in the financial statements was nil (2007: Nil) and the Group's capital commitments authorised but not contracted for was HK\$363 million (2007: HK\$344 million). These commitments are set aside for the acquisition of property, plant and equipment, and development of systems and networks.

### HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 June 2008, the Group employed over 1,500 staff around the globe. Staff costs for the year under review were HK\$131 million (2007: HK\$123 million). Remuneration is determined with reference to market terms and the performance, qualifications, and experience of the individual employee. Remuneration includes monthly salaries, performance-linked bonuses, share options, retirement

benefits under the Mandatory Provident Fund Scheme, and other benefits such as medical scheme.

The Company has established a Human Resources and Remuneration Committee. In determining the remuneration of the directors, the committee will consider factors such as the Company's operating results, individual performance, salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions and desirability of performance-based remuneration.

### FINAL DIVIDEND AND SCRIP DIVIDEND SCHEME

Subject to the approval of shareholders at the forthcoming annual general meeting, the directors have proposed a final dividend of HK0.25 cent per share for the year ended 30 June 2008 (2007: HK3.5 cents per share) to shareholders whose names appear on the register of members of the Company on 27 November 2008. Taking into account the interim dividend of HK2.45 cents per share paid on 13 June 2008, total dividend per share would be HK2.7 cents; and total dividend for the year would be HK\$48.1 million, compared with HK\$96.7 million of last year.

The final dividend will be satisfied by allotment of new shares of the Company, credited as fully paid, by way of scrip dividend, with an alternative to the shareholders to elect to receive such dividend (or part thereof) in cash in lieu of such allotment (the "Scrip Dividend Scheme").

The Scrip Dividend Scheme is subject to the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of a listing of and permission to deal in the shares to be issued pursuant thereto. A circular setting out the details of the Scrip Dividend Scheme together with the form of election will be sent to the shareholders of the Company as soon as practicable.

It is expected that certificates for shares to be issued under the Scrip Dividend Scheme and dividend warrants will be despatched to those entitled thereto on or before 23 January 2009.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 20 November 2008 to 27 November 2008, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the above final dividend and the Scrip Dividend Scheme, all transfers of shares accompanied by the relevant share certificates, and in the case of warrant holders, all duly completed subscription forms accompanied by the relevant warrant certificates and the appropriate subscription moneys, must be lodged with the Company's Branch Share Registrars in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 19 November 2008.



## WAKE-UP CALLS ON GLOBAL FINANCIAL TURMOIL

*In light of the rapidly deteriorating operating environment in September and October, we have assembled a few thought-provoking quotations from economists, analysts, bankers, corporate CEOs, entrepreneurs, and celebrities on global economy, corporate performance, and general market uncertainties.*

### **Ben Bernanke, US Federal Reserve Chairman**

**16 October 2008**

“By restricting flows of credit to households, businesses, state and local governments, the turmoil in financial markets and the funding pressures on financial firms pose a significant threat to economic growth.”

This was despite consolidated responses by relevant authorities in US and Europe to cushion the downside risk facing the global economy.

### **JP Morgan Asia Pacific Equity Research**

**10 October 2008**

“Valuations are less important than safety in a credit crunch environment. We believe companies with a net cash position, decent working capital level, free cash flow, solid fundamentals and customer base, are the ones that will survive.”

### **Intel Corporation CEO on Third Quarter Results**

**14 October 2008**

“Current uncertainty in global economic conditions makes it particularly difficult to predict product demand and other related matters, and makes it more likely that our actual results could differ materially from expectations.”

### **Bank of America Chairman on Third Quarter Results**

**6 October 2008**

“The economy has moved to a recessionary environment and the risk of a prolonged recession has increased.” “We have announced two initiatives to raise capital, which are to sell stock, and to reduce dividend payment.”

### **George Soros, Billionaire Investor**

**October 2008**

“This is the crisis of my lifetime. I haven’t seen anything like it and I won’t see anything like it again.”

### **Director of a Securities Brokerage Company**

**October 2008**

“The stocks are dirt cheap. That’s really a vote of no confidence.”

### **John Tsang, Hong Kong Financial Secretary**

**13 October 2008**

“The chance that Hong Kong’s economy will fall into recession next year is getting higher and higher.”

### **Justin Lin, World Bank Chief Economist**

**12 October 2008**

“China may come through the global financial crisis in better shape than other countries. First, China has the world’s largest foreign exchange reserve; second, the nation’s capital control policy has helped set up a financial firewall against the contagion; third, China has a sound financial position, with surpluses recorded in the past four years. China can bolster the economy by boosting domestic consumption and implementing such measures as spending on education and health care.”

### **Bill Gates, ex-Chairman of Microsoft**

**6 October 2008**

“This is a very interesting crisis,” stressing that he believed “increased innovation and investment would be the answer to the current crisis.”



## DIRECTORS AND SENIOR MANAGEMENT PROFILE

### EXECUTIVE DIRECTORS

**Paul KAN Man Lok**, 61, is the founder and Chairman. He is also the Chairman and an executive director of both Kantone Holdings Limited ("Kantone") and DIGITALHONGKONG.COM ("Digital HK"), subsidiaries of the Company whose shares are listed on the Main Board and the GEM Board of The Stock Exchange of Hong Kong Limited (the "Exchange") respectively. Mr. Kan holds a Master's degree in Business Administration from the Chinese University of Hong Kong, and has over 40 years of experience in the computing and telecommunications industries. Prior to setting up the Group in 1987, he was the general manager in charge of Asiadata Limited, a joint venture computing services company of Cable & Wireless Group, HSBC, Jardines and Barclays.

Mr. Kan has received a number of prestigious awards from local and international professional bodies as well as governments in recognition of his contribution to the community and the industry. These include Young Industrialist Award (1992); Hong Kong Business Award-Enterprise Trophy (1993); Governor's Award for Hong Kong Industries (1989); Honorary Doctor of Humane Letters Degree by the University of Northern Virginia, United States (2005); Honorary Fellow of the Academy of Chinese Studies (2005); Commander of the most Excellent Order of the British Empire (CBE) by Her Majesty Queen Elizabeth II (2006); Commendatore dell'Ordine della Stella della Solidarietà Italiana by the Italian Prime Minister Hon. Romano Prodi (2006); the Hong Kong SAR Government's appointment as a Justice of the Peace (2006); and Chevalier de l'Ordre de la Légion d'Honneur by the Government of France (2007).

In civic duties, Mr. Kan served twice on the Exchange Corporate Governance Working Group during 1994–1995 and 1999–2000, and was a member of the Listing Committee of the Exchange for the period 1999–2003. He is currently the Chairman for the fourth successive term of the Hong Kong Information Technology Industry Council; Chairman of Hong Kong IT Alliance; Chairman of the Hong Kong Trade Development Council Information and Communications Technology Services Advisory Committee; Chairman of ICT Working Group, Hong Kong – United Kingdom Business Partnership; Convener of Hungarian – Hong Kong Innovative Business Council; Council Committee Member of the Federation of Hong Kong Industries; and Member of HKSAR Chief Executive Election Committee for the IT sector. Other memberships include the Chinese People's Political Consultative Conference of Anhui Province in the PRC, and the Election Committee for the Hong Kong representatives of National People's Congress of China.

Mr. Kan also sits on the board of CLP Holdings Limited as an independent non-executive director.

**Leo KAN Kin Leung**, 52, is the Company's executive director and the Chief Executive Officer, as well as a non-executive director of Kantone and Digital HK. He is a brother of Paul Kan Man Lok, Chairman of the Company. He is responsible for formulating the Group's overall policy and development strategy as well as the Group's global operations and management. Prior to joining the Group in 1988, Mr. Kan held management positions in several international companies in Hong Kong. He holds a Master's degree in Business Administration from Dalhousie University in Canada and a Master's degree in Economics from the University of Alberta in Canada. In 2006, Mr. Kan completed the Oxford Advanced Management Programme at the Saïd Business School of the University of Oxford.

Mr. Kan is the Chairman of the IT Committee of the Hong Kong IT Alliance; Honorary Secretary and Council Member of Internet Professional Association and Co-Chairman of Special Interest Group in Venture Capital and New Business Development; Member of the Telecommunications Standards Advisory Committee at the Office of the Telecommunications Authority; and Member of the Ad Hoc Committee for International Outreach and Multi-national Corporations of the Federation of Hong Kong Industries. He serves on a number of sub-committees of the Hong Kong Information Technology Industry Council of the Federation of Hong Kong Industries, including International Development and Co-operation Sub-committee and Sub-vented Funding Sub-committee. He is also the Convener of China Investment, Development and Co-operation Sub-committee.

**LAI Yat Kwong**, 60, is the Group's executive director and the Chief Financial Officer, with responsibility for its financial and accounting policy and control. He is also the Chief Executive Officer (Acting), Chief Financial Officer and an executive director of Kantone, as well as a non-executive director of Digital HK. He joined the Group in March 1994 as Vice President of Internal Audit and Control. In July 1997, he took on responsibility as the Chief Financial Officer of Kantone. He holds a Bachelor's degree in Business Administration from the Chinese University of Hong Kong and has over 36 years of experience in accounting, auditing and company secretarial matters. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants (Practising).

### NON-EXECUTIVE DIRECTOR

**Shirley HA Suk Ling**, 52, has been a non-executive director of the Company since November 2004. She is the Chief Executive Officer and an executive director of Digital HK, as well as a non-executive director of Kantone. She joined the Company in 1992 as its Executive Vice President with responsibility for its corporate development. She has over 25 years of business experience including 10 years in investment banking.





## DIRECTORS AND SENIOR MANAGEMENT PROFILE

Ms. Ha holds a Bachelor's degree in Arts from the University of Hong Kong and a Master's degree in Business Administration from the Chinese University of Hong Kong. She is a General Committee Member of the Federation of Hong Kong Industries and Vice Chairman of the Hong Kong Information Technology Industry Council; Executive Committee Member of Internet Professional Association and Co-Chairman of Special Interest Group in Venture Capital and New Business Development; Member of Information and Communications Technology Industry Training Advisory Committee of Education and Manpower Bureau of HKSAR; Honorary Secretary of Hungarian – Hong Kong Innovative Business Council; and Mentor under the Mentorship Programme of the Hong Kong Science and Technology Parks Corporation. She is also a member of the Hong Kong Corporate Counsel Association.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Terry John MILLER**, 69, has been an independent non-executive director of the Company since 1992. Previously, he held the position of Deputy Chief Executive at Hong Kong Telecommunications Limited, and was the Regional Director, Asia/Pacific, of Cable & Wireless PLC. He is a fellow of the Institute of Chartered Accountants in England and Wales and is the former president of the Hong Kong Institute of the International Association of Financial Executives.

**Francis Gilbert KNIGHT**, 78, has been an independent non-executive director of the Company since February 2000. He is also the Chairman of the audit committee. He was appointed as an independent non-executive director of Digital HK in March 2000. Mr. Knight is the Chairman and Managing Director of Asian Security and Investigation Services Limited. He has over 20 years' experience in the field of copyright protection, security and commercial investigations, and acts as security adviser to a number of major organisations. Mr. Knight is a member of the International Association of Police Chiefs; a member of the Hong Kong Intellectual Property Society; and a fellow of each of the British Institute of Directors and the British Institute of Management. He is also a former President of the American Society for Industrial Security (Hong Kong Branch).

**Professor LIANG Xiong Jian**, 74, has been an independent non-executive director of the Company since November 2001. He is also an independent non-executive director of Kantone. He has over 30 years of experience in telecommunications in China. He is presently a professor of the School of Economics and Management at the Beijing University of Posts and Telecommunications (BUPT) and Director of the Research Institute of Telecommunications Management of BUPT. From 1986 to 1993, he was the Dean of Management Engineering Department of BUPT. His other positions include member of National Committee of Chinese People's Political Consultative Conference (CPPCC); Deputy to the People's Congress, Beijing Municipality; General Committee Member of China Institute of Communications and Director of Communication Economy & Management Committee. He was also an independent director of PRC company China Satcom Guomai Communications Company Limited, which is listed on the Shanghai Stock Exchange with its main businesses in data communications, messaging, and wireless telecommunications.

Professor Liang is well-known to the telecom community in Hong Kong, having been invited on numerous occasions to chair and lecture at major wireless and various other telecom conferences held in Hong Kong and the Region.

**Professor YE Pei Da**, 93, has been an independent non-executive director of the Company since November 2001. He is also an independent non-executive director of Kantone. He is a professor and Honorary President of Beijing University of Posts & Telecommunications in China, and a director of Lucent Technologies Fibre Optic Cable Company. He is also a senior member of the Chinese Academy of Science.

**Frank BLEACKLEY**, 71, has been an independent non-executive director of the Company since November 2001. He is also an independent non-executive director of Kantone. He was formerly Managing Director of Chubb China Holdings Limited, a subsidiary of the Chubb Security Group, a manufacturer and distributor of security and safety products and systems headquartered in the United Kingdom. He has more than 30 years of experience in the management and business development of joint venture companies in Hong Kong and Mainland China.



## DIRECTORS AND SENIOR MANAGEMENT PROFILE

### COMPANY SECRETARY

**Jennifer CHEUNG Mei Ha**, 52, has been the Company Secretary since 1992. She is a solicitor practising in Hong Kong. She is also the Company Secretary of Kantone and Digital HK.

### SENIOR MANAGEMENT

**Francis KAN**, 60, is Executive Vice President, Systems Development, and has held positions of responsibility in information technology, both in Hong Kong and abroad, for over 20 years. Since 1994, he has been responsible for the operations and expansion of the Group's systems, overseeing all Internet-related activities and alliances with major partners. He is a brother of Paul Kan Man Lok. Mr. Kan has a Master's degree from the University of Alberta in Canada.

**Iris KOO Kin Hing**, 44, is Senior Vice President, Finance, overseeing all financial operations of the Group. She is based in Macau. Before joining the Group in 1989, she worked at an international accounting firm where she had gained valuable experience. She holds a Bachelor's degree in Accountancy from the Hong Kong Polytechnic University. She is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

**FUNG Kin Leung**, 47, is Senior Vice President of Microelectronics. He is responsible for managing the Group's research and development capacity to facilitate its global operations. He is also a director of several of the Group's subsidiaries. Mr. Fung has over 20 years' experience in software and product development. He joined the Group in 1987 as Technical Manager, and was promoted through the ranks to his current position. In recent years, he has been focusing on the development of information delivery systems to enhance wireless Internet applications. He holds a Bachelor's degree in Science and Electronics from the Hong Kong Polytechnic University and a Master's degree in Electronics Engineering from the University of Hong Kong. He is a Chartered Engineer as well as a member of the Institution of Electrical Engineers and the Hong Kong Institution of Engineers.

**Luiz Octavio VILLA-LOBOS**, 47, is Managing Director of the Group's Brazilian operations. He is responsible for running and developing business in South America. He is also Vice President of Interactive Knowledge Delivery for the Group's International Operations, overseeing international clients' requirements for enterprise solutions. He joined the Group in 1997 and set up from its inception the business in Brazil. He holds a Master's degree in Aerospace Engineering from Sup'Aero in France and an MBA from the London Business School.

**WANG Yu Peng**, 43, was appointed as Chief Operating Officer, e-Lottery Business at Kantone in September 2005. He is the founder of a member company of the Group which is a pioneer systems developer and service provider in paperless betting systems in China, and a graduate of Tsing Hua University in Computer Science. He owns two invention patents in telephone betting systems.

**Roy GOSS**, 65, is Director of International Business, with responsibility for the Group's contract negotiation, license management, agency distribution and customer liaison. He is based in Macau and is also a director of several of the Group's subsidiaries. Mr. Goss is a seasoned expert in finance and telecommunications, having served in the Middle East and Macau with Cable and Wireless companies for almost 20 years. He is a fellow member of the Institute of Chartered Accountants in England and Wales. Prior to joining the Group, he was the Finance Director of Macau Telecommunications Company, a subsidiary of Cable and Wireless PLC, where he worked for more than 17 years.

**Stephen GENTRY**, 52, is Head of International Businesses at Kantone and Chief Executive of Multitone, a member company of the Group, with responsibilities for formulating the overall policy and development strategy for the Group's international operations. He is also a director of several of the Group's subsidiaries. He joined the Group in 1988 as financial accountant of the UK operations, and has considerable experience working for the Group's various European and American operations. He was promoted to the position of Chief Executive of Multitone in 2003 and is a member of the Institute of Directors.

**Detlef KRULL**, 62, is Managing Director of German operations at Kantone, responsible for Central European activities. He joined the Group in 1974 and concentrated on project management. He became the Managing Director of the German operation in 1993 and was promoted to the Multitone Board in 1995. He holds a degree (Diplom-Ing) in both Electronics and Business Administration and has significant experience in wireless messaging.





## DIRECTORS AND SENIOR MANAGEMENT PROFILE

**Frank ROTTHOFF**, 45, is Managing Director Designate of the Group's German operations. He joined the Group in 2008 and has extensive experience in sales and marketing management within the electronics industry. His earlier career covered international sales of industrial machinery and process technology before entering the semiconductor sector in 1989. He was responsible for the sales organisation of a leading European distributor of electronic components before joining the Group.

**Cindy MAK Man Yee**, 40, is Vice President, Administration and Logistics. She is the Group's primary liaison point with external organisations and coordinates a wide range of the Group's operations in logistics, corporate resource development and purchasing. She joined the Group after graduating from the University of Hong Kong in 1990, as a management trainee and was promoted through the ranks to her present position. Ms. Mak holds a Bachelor's degree in Social Sciences and a Master's degree in Business Administration. She also serves on the Executive Committee of Hong Kong IT Alliance.

**Joanne CHIU Yim Fan**, 37, is Vice President, Compliance, with responsibility for promoting good corporate governance practices for the Company in accordance with the relevant listing requirements in Hong Kong. She is also Vice President, Human Resources, responsible for formulating and implementing the Group's human resources policies. Ms. Chiu graduated from the University of Hong Kong with a Bachelor's degree in Arts. She also holds a Master's degree in Business Administration and is a member of the Hong Kong Institute of Human Resource Management. She joined the Group in 1994.

**Teresa TONG Seek Fan**, 42, is Vice President, Operations. She runs the Group's call centre and is also responsible for customer care, product design and the retail aspects of the Group's business. She holds a Bachelor's degree in Business Administration. She joined the Group in 1990 and is a member of the Internet Professional Association and the China Investment, Development and Co-operation Sub-committee of the Hong Kong Information Technology Industry Council.

**Julia LEUNG Yiu Lin**, 43, is Vice President, Business Development, with responsibility for sales and marketing, identifying distributors and sales agents, as well as liaising with suppliers for the Group's products and services. Ms. Leung has served the Group in a number of key areas since the start of operations in the 1980's, having previously worked with Cable and Wireless Group in Hong Kong. She is also a member of the International Development and Co-operation Sub-committee and the Education and Community Awareness Sub-committee of the Hong Kong Information Technology Industry Council.

**Gary CHOY Kin Chung**, 38, is Vice President, China Investment. He oversees business investment in China and plays a pivotal role in the execution of the Group's growth strategy in China. He is also a member of the Group's Investment Committee and a director of several of the Group's subsidiaries. Mr. Choy holds a Bachelor's degree in Electrical Engineering from Georgia Institute of Technology, Atlanta, Georgia, USA and a Master's degree in Business Administration (Executive MBA Programme) from the Chinese University of Hong Kong. He joined the Group in 1992 and worked with a number of divisions within the Group.

**Robert SIA Chun Chung**, 36, is Vice President, e-Commerce Projects at Digital HK, with responsibility for technical management and systems support. He holds a Bachelor's degree in Engineering from the University of Hong Kong and a Master's degree in Electronic Engineering from the Polytechnic University of Hong Kong. He has been with the Group since 1995 and has worked with a number of divisions within the Group. He also serves on the Hong Kong Radio Paging Association and the Hong Kong IT Alliance as an executive committee member, and Telecommunications Standards Advisory Committee at the Office of the Telecommunications Authority as alternate member.



## SOCIAL REINVESTMENT AND CORPORATE CITIZENSHIP 社會服務再投資和企業公民意識

We are proud of our people and the way that Champion Technology commits to acting as a good corporate citizen. Underlying the Group's business pursuits is a strong sense to work for good causes, for more loving care, for peace and harmony, and ultimately for a better tomorrow. Our business solutions revolve around the themes of safety, security, systems integrity and reliability, probity, philanthropy, and community.

Last year we celebrated the Group's 20th anniversary by embarking on such social reinvestment efforts as cultural events, academic and youth programmes, promotion of IT adoption and responsible citizenship. During the year, we have continued to support educational and cultural events as well as exhibitions such as:

- The 40th Joint School Science Exhibition;
- "Peace and Harmony: The Divine Spectra of Avalokitesvara from Tibet, China – with 108 pieces of Avalokitesvara and related artifacts" exhibition;
- China Space Expo cum Space Odyssey (*jointly organised by the various aerospace related organisations from China*);
- "Treasures of the World's Cultures from the British Museum" exhibition;
- "Fascinated by the Orient: Life and Works of Marc Aurel Stein" exhibition;
- "Paris 1730–1930: A Taste for China" exhibition.

Subsequent to the balance sheet date, we have supported two further events as follows:

- "Otium Ludens Leisure and Play: Ancient Relics of the Roman Empire" exhibition; and
- "Visions of the Celestial Empire: China's Image in Western Cartography" exhibition (*open to the public till November 2008*)

To be truly global today, a company has to do a lot more than set up sales offices or research facilities in multiple markets. Doing business is about relationships, not just transactions. It is the Group's strong belief that we have to engage at the level of culture, as well as process. We have to build trust, to be integrated with other civilizations and communities, and to understand their point of view on business and innovation. This takes time, requires commitment for the long term, and we are prepared to invest and continue with this meaningful corporate initiative in the years to come.

Another area of passion for Champion Technology is the importance of environmental sustainability. The Group is committed to developing its "green" vision and strategy, working closely with our suppliers to implement "green" initiatives, and supporting environmental events such as **Greening for the Chest**. The Group also participated in the project in relation to **Sichuan earthquake relief** in June this year.

本集團對旗下之員工及冠軍科技承諾竭盡良好企業公民的責任均感到驕傲。集團從事業務一貫抱著崇高目標，努力奉獻愛與關懷，追求祥和而達致更好明天。集團提供的解決方案致力於拯救生命、提升保安、系統的完整性及可靠性，並以誠信、博愛、及回饋社會為核心價值觀念。

集團去年慶祝成立二十周年，透過支持及舉辦多項文化活動、學術及青年計劃，推廣資信科技應用及公民意識等一系列的活動，以回饋社會。於本年度，集團繼續支持以下多項教育及文化活動，以及展覽會：

- 第四十屆聯校科學展覽；
- 祥和—中國西藏之光：觀世音菩薩尊像珍藏展；
- 中國航天展暨太空探秘(由國內多個航天機構聯合舉辦)；
- 世界文明瑰寶—大英博物館藏珍展；
- 東方奇程：史坦因的生平與著作；
- 華采巴黎1730-1930：中國精神•法國品味。

於六月過後，集團亦支持另外兩項活動：

- 天火遺珍：羅馬帝國的遊樂與文物；及
- 大觀天下：西方繪製的中國輿圖(開放予公眾至二零零八年十一月)

當今要真正做到全球性，企業要做的事情不單只在多個市場設立銷售辦事處或研究設施。業務發展講求關係，不僅限於交易。集團堅信我們需要參與各項文化活動以及過程，建立信任關係，融合其他文明社會及社區，以了解他們對業務及創新之觀點。這需要時間及長遠的承擔，集團準備在往後的歲月裡，繼續為這項有意義的企業精神作出投資。

冠軍科技之另一熱衷領域為倡議持續優化環境的重要性。集團承諾制定其「綠色」規劃及策略，與供應商緊密合作，實行「綠色」精神，支持各項如**公益綠「識」日**之環保活動。集團亦於本年六月參與**四川地震救災**項目。



## DIRECTORS' REPORT 董事會報告

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

董事會同寅謹提呈截至二零零八年六月三十日止年度之年報及經審核綜合財務報告。

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in sales of general systems products, provision of services (including software customisation and provision of e-lottery services) and software licensing, leasing of systems products, investments in telecommunications networks and projects and e-commerce projects and holding strategic investments in advanced technology product development companies.

### 主要業務

本公司乃一間投資控股公司。其附屬公司主要從事銷售一般系統產品、提供服務(包括訂製軟件及提供電子彩票服務)及軟件特許權、租賃系統產品、投資電訊網絡及項目以及電子商貿項目，並於高科技產品開發公司持有策略性投資。

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30 June 2008 are set out in the consolidated income statement on page 30 and in the accompanying notes to the consolidated financial statements. An interim dividend in scrip form equivalent to HK2.45 cents per share, with a cash option, was distributed to the shareholders during the year. A final dividend in scrip form equivalent to HK0.25 cent per share, with a cash option, is proposed by the directors.

### 業績及分配

本集團截至二零零八年六月三十日止年度之業績載於第30頁之綜合損益表以及綜合財務報告附註內。相等於每股2.45港仙之中期股息已於本年度內按以股代息方式(可選擇現金)派發予股東。董事會建議按以股代息方式派發相等於每股0.25港仙之末期股息(可選擇現金)。

### SHARE CAPITAL AND WARRANTS

Details of movements in the share capital and warrants of the Company during the year are set out in note 30 to the consolidated financial statements.

### 股本及認股權證

本公司於本年度內之股本及認股權證變動詳情載於綜合財務報告附註30。

### DISTRIBUTABLE RESERVE OF THE COMPANY

The Company's reserves available for distribution represent the aggregate of dividend reserve, general reserve, special reserve and the retained profits of HK\$1,689,972,000.

### 本公司之可分派儲備

本公司可供分派之儲備為股息儲備、一般儲備、特別儲備及保留溢利之總和1,689,972,000港元。

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred an aggregate of approximately HK\$9 million mainly for the acquisition of additional plant and machinery and telecommunications networks. Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

### 物業、廠房及設備

於本年度內，本集團添置約共值9,000,000港元之廠房、機器及電訊網絡。本集團於本年度內有關物業、廠房及設備之添置及其他變動詳情載於綜合財務報告附註14。

### ASSOCIATE

Particulars of the Group's associate at 30 June 2008 are set out in note 19 to the consolidated financial statements.

### 聯營公司

於二零零八年六月三十日有關本集團聯營公司之詳細資料載於綜合財務報告附註19。



## DIRECTORS' REPORT 董事會報告

### DIRECTORS AND SERVICE CONTRACTS

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

#### Executive directors:

Mr. Paul Kan Man Lok  
Mr. Leo Kan Kin Leung  
Mr. Lai Yat Kwong

#### Non-executive director:

Ms. Shirley Ha Suk Ling

#### Independent non-executive directors:

Mr. Terry John Miller  
Mr. Francis Gilbert Knight  
Mr. Frank Bleackley  
Prof. Liang Xiong Jian  
Prof. Ye Pei Da

In accordance with section 87(1) of the Company's Bye-laws, Mr. Leo Kan Kin Leung, Ms. Shirley Ha Suk Ling and Prof. Liang Xiong Jian will retire at the forthcoming annual general meeting and, being eligible, Mr. Leo Kan Kin Leung and Ms. Shirley Ha Suk Ling have offered themselves for re-election.

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

The non-executive directors have been appointed for a term of one year subject to retirement by rotation as required by the Company's Bye-laws. There is no service contract between any of the executive directors and the Company.

### CONFIRMATION OF INDEPENDENCE

The Company confirms it has received from each of its independent non-executive directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and considers that the independent non-executive directors are independent.

### 董事及服務合約

本年度及截至本報告刊發日期止，本公司之董事為：

#### 執行董事：

簡文樂先生  
簡堅良先生  
黎日光先生

#### 非執行董事：

夏淑玲女士

#### 獨立非執行董事：

苗禮先生  
Francis Gilbert Knight先生  
Frank Bleackley 先生  
梁雄健教授  
葉培大教授

根據本公司公司細則第87(1)條之規定，簡堅良先生、夏淑玲女士及梁雄健教授將於應屆股東週年大會退任，簡堅良先生及夏淑玲女士合資格並願膺選連任。

擬於應屆股東週年大會膺選連任之董事概無訂立任何本集團不能於一年內毋須補償(法定補償除外)而終止之服務合約。

獲委任之非執行董事任期為一年，並須根據本公司之公司細則規定輪值退任。各執行董事與本公司並無訂立服務合約。

### 獨立性確認

本公司確認，其已接獲各獨立非執行董事根據香港聯合交易所有限公司證券上市規則(「上市規則」)第3.13條發出之年度獨立性確認函，且認為獨立非執行董事為獨立人士。



## DIRECTORS' REPORT 董事會報告

### SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The Company and two of its subsidiaries, Kantone Holdings Limited ("Kantone") and DIGITALHONGKONG.COM ("Digital HK"), each has a share option scheme under which eligible persons, including directors of the Company, Kantone, Digital HK or any of their respective subsidiaries, may be granted options to subscribe for shares of the Company, Kantone and Digital HK respectively.

Details of the share option schemes of the Company, Kantone and Digital HK are set out in note 31 to the consolidated financial statements.

Other than the share option schemes described in note 31 to the consolidated financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 June 2008, the interests and short positions of the directors of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

	Name of director	Capacity	Number of shares	Approximate percentage of the issued share capital	Number of warrants
	董事姓名	身份	股份數目	佔已發行股本之概約比率	認股權證數目
Securities of the Company 本公司證券	Mr. Paul Kan Man Lok 簡文樂先生	Corporate interest 公司權益	Note 1 附註1	26.06%	Note 1 附註1
Securities of Kantone 看通證券	Mr. Paul Kan Man Lok 簡文樂先生	Corporate interest 公司權益	Note 2 附註2	59.79%	Note 2 附註2
Securities of Digital HK 數碼香港證券	Mr. Paul Kan Man Lok 簡文樂先生	Corporate interest 公司權益	Note 3 附註3	79.98%	—

### 購股權及董事購買股份或債券之權利

本公司及其兩間附屬公司看通集團有限公司(「看通」)及數碼香港(「數碼香港」)均設有購股權計劃，據此，合資格人士(包括本公司、看通及數碼香港或其各自之任何附屬公司之董事)可獲授購股權以分別認購本公司、看通及數碼香港之股份。

本公司、看通及數碼香港之購股權計劃詳情載於綜合財務報告附註31。

除綜合財務報告附註31所述之購股權計劃外，本公司或其任何附屬公司於年內任何時間概無參與任何安排，以致本公司董事可透過購入本公司或任何其他法人團體之股份或債券而獲益。

### 董事之證券權益及淡倉

於二零零八年六月三十日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置之股東名冊記錄所示，或根據《上市公司董事進行證券交易的標準守則》向本公司及香港聯合交易所有限公司(「聯交所」)另行作出之通知，本公司董事在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有之權益及淡倉如下：



## DIRECTORS' REPORT 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

Notes:

1. 514,491,761 shares and 100,701,319 units of warrants (approximately 5.1% of the issued share capital of the Company as at 30 June 2008 when exercised) were held by Lawnside International Limited ("Lawnside"). Lawnside is beneficially wholly owned by Mr. Paul Kan Man Lok. As at 30 June 2008, Lawnside held interests in approximately 26.06% of the entire issued share capital of the Company. Mr. Paul Kan Man Lok was deemed to have corporate interest in these shares and warrants owned by Lawnside. The warrants were issued by the Company pursuant to a bonus issue effected in March 2008, all of which will expire on 16 April 2009. These warrants have not been taken into account in calculating the percentage of the issued share capital of the Company held by it. Lawnside's interests in the shares and underlying shares of the Company are required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO. Mr. Paul Kan Man Lok and Mr. Leo Kan Kin Leung are directors of Lawnside.
2. 1,740,200,873 shares and 300,278,027 units of warrants of Kantone were held by the Company while 299,290,629 shares and 82,058,443 units of warrants of Kantone were held by Lawnside. The warrants were issued by Kantone pursuant to a bonus issue effected in December 2007, all of which will expire on 8 January 2009. These warrants have not been taken into account in calculating the percentage of the issued share capital of Kantone held by them.
3. 117,300,000 shares of Digital HK were held by the Company and 2,669,171 shares of Digital HK were held by Lawnside.

Save as disclosed above and other than certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, none of the directors or chief executive of the Company had any interest or short position in the securities, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) as at 30 June 2008 as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

### 董事之證券權益及淡倉(續)

附註：

1. 本公司之514,491,761股股份及100,701,319份認股權證(倘若行使約佔於二零零八年六月三十日之已發行股本5.1%)由Lawnside International Limited(「Lawnside」)持有。Lawnside由簡文樂先生實益全資擁有。於二零零八年六月三十日，Lawnside持有本公司全部已發行股本約26.06%權益，而簡文樂先生則被視為擁有Lawnside所擁有該等股份及認股權證之公司權益。認股權證乃由本公司根據於二零零八年三月生效之派發紅利而發行，所有該等認股權證將於二零零九年四月十六日屆滿。於計算其持有本公司已發行股本之百分比時並未將該等認股權證考慮在內。Lawnside於本公司股份及相關股份之權益須根據證券及期貨條例第XV部第2及第3分部作出披露。簡文樂先生及簡堅良先生為Lawnside之董事。
2. 看通之1,740,200,873股股份及300,278,027份認股權證由本公司持有，而299,290,629股股份及82,058,443份看通認股權證由Lawnside持有。該等認股權證乃由看通根據於二零零七年十二月生效之派發紅利而發行，所有該等認股權證將於二零零九年一月八日屆滿。於計算彼等所持有看通已發行股本之百分比時，並未將該等認股權證考慮在內。
3. 數碼香港之117,300,000股股份由本公司持有，而2,669,171股數碼香港股份則由Lawnside持有。

除上文所披露者及由董事以本公司或其附屬公司之受託人名義持有之附屬公司若干代理人股份外，於二零零八年六月三十日，本公司董事或行政總裁概無擁有本公司或其任何相聯法團(定義見證券及期貨條例第XV部)根據證券及期貨條例第352條須記錄於本公司保存之登記冊內，或根據《上市公司董事進行證券交易之標準守則》須知會本公司及聯交所之任何證券、相關股份或債券之權益或淡倉。





## DIRECTORS' REPORT 董事會報告

### DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

During the year, the Company and its subsidiaries other than Kantone and its subsidiaries (the "Kantone Group") and Digital HK and its subsidiaries (the "Digital HK Group") had the following transactions with the Kantone Group and the Digital HK Group:

		<b>Transactions with the Kantone Group 與看通集團 之交易 HK\$'000 千港元</b>	<b>Transactions with the Digital HK Group 與數碼香港 集團之交易 HK\$'000 千港元</b>
Fees received for the provision of office premises and facilities, and management services, on cost basis	按成本基礎收取提供辦公室及設施及管理服務費用	100	522
Annual fee and technical fee paid (Note)	支付年費及技術費用(附註)	-	111

Note: Digital HK Group had provided e-payment platform services to a subsidiary of the Company at a fee chargeable with reference to comparable market price as agreed.

In the opinion of the independent non-executive directors of the Company, the above transactions were carried out in the usual course of business and on normal commercial terms and are in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The aforesaid transactions constitute continuing connected transactions under the Listing Rules and are exempt from the reporting, announcement and shareholders' approval disclosure requirements under Chapter 14A of the Listing Rules.

Save as disclosed above, no contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Save as disclosed above, there is no contract of significance between the Group and a controlling shareholder of the Company (as defined in the Listing Rules) or any of its subsidiaries, including for the provision of services to the Group.

### 董事於合約及關連交易之權益

於本年度內，本公司及其附屬公司(看通及其附屬公司(「看通集團」)以及數碼香港及其附屬公司(「數碼香港集團」)除外)曾與看通集團及數碼香港集團進行下列交易：

	<b>Transactions with the Kantone Group 與看通集團 之交易 HK\$'000 千港元</b>	<b>Transactions with the Digital HK Group 與數碼香港 集團之交易 HK\$'000 千港元</b>
Fees received for the provision of office premises and facilities, and management services, on cost basis	100	522
Annual fee and technical fee paid (Note)	-	111

附註：數碼香港集團提供電子付款平台服務予本公司一間附屬公司，協定之收費乃參考可資比較之市場價格。

本公司之獨立非執行董事認為上述交易乃按日常業務程序及一般商業條款進行，並根據約束該等交易之相關協議，按公平合理且符合本公司股東整體權益之條款進行。

前述交易根據上市規則構成持續關連交易，並獲豁免遵守上市規則第14A章之申報、公佈及股東批准之披露規定。

除上文所披露者外，本公司董事在本公司或其任何附屬公司所參與且在本年度結束時或在本年度內任何時間仍然有效之重大合約中概無直接或間接擁有重大權益。

除上文所披露者外，本集團與本公司及其任何附屬公司控股股東(定義見上市規則)間並無訂立任何重大合約(包括向本集團提供服務)。





## DIRECTORS' REPORT 董事會報告

### SUBSTANTIAL SHAREHOLDERS

As at 30 June 2008, the following persons (other than a director or chief executive of the Company) had interests or short positions in the share capital or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

### 主要股東

於二零零八年六月三十日，根據證券及期貨條例第336條本公司須予保存之登記冊所記錄，下列人士（本公司董事或行政總裁除外）於本公司股本或相關股份中擁有權益或淡倉：

Name of shareholders	Capacity	Number of shares	Description of derivatives	Number of underlying shares	Approximate percentage of issued share capital
股東名稱	身份	股份數目	衍生工具說明	相關股份數目	佔已發行股本之概約比率
Lawnside (Note 1) (附註1)	Beneficial owner 實益擁有人	514,491,761	–	–	26.06%
	Beneficial owner 實益擁有人	–	Warrants to subscribe for shares 認購股份之認股權證	100,701,319	5.10%
Cheah Cheng Hye (Note 2) 謝清海(附註2)	Founder of a discretionary trust 全權信託之創辦人	118,117,839	–	–	5.98%
Cheah Capital Management Limited (Note 2)(附註2)	Corporate interest 公司權益	118,117,839	–	–	5.98%
Cheah Company Limited (Note 2)(附註2)	Corporate interest 公司權益	118,117,839	–	–	5.98%
Hang Seng Bank Trustee International Limited (Note 2)(附註2)	Trustee 受託人	118,117,839	–	–	5.98%
To Hau Yin (Note 2) 杜巧賢(附註2)	Spouse 配偶	118,117,839	–	–	5.98%
Value Partners Group Limited (Note 2) 惠理集團有限公司(附註2)	Corporate interest 公司權益	118,117,839	–	–	5.98%
Value Partners Limited (Note 2) 惠理基金管理公司(附註2)	Investment manager 投資經理	118,117,839	–	–	5.98%
Allianz SE (Note 3)(附註3)	Corporate interest 公司權益	112,401,666	–	–	5.69%
Dresdner Bank Aktiengesellschaft (Note 3)(附註3)	Corporate interest 公司權益	112,401,666	–	–	5.69%
Veer Palthe Voute NV (Note 3)(附註3)	Investment manager 投資經理	112,401,666	–	–	5.69%



## DIRECTORS' REPORT 董事會報告

### SUBSTANTIAL SHAREHOLDERS (Continued)

Notes:

1. See Note 1 to the section headed "Directors' Interests and Short Positions in Securities".
2. These shares were held by Value Partners Limited as investment manager, Value Partners Limited is wholly owned by Value Partners Group Limited. Mr. Cheah Cheng Hye is a founder of a trust, the trustee of which namely, Hang Seng Bank Trustee International Limited, holds 100% interest in Cheah Company Limited, which holds 100% interest in Cheah Capital Management Limited, which in turn holds 35.65% interest in Value Partners Group Limited. Ms. To Hau Yin is the spouse of Mr. Cheah Cheng Hye.
3. Veer Palthe Voute NV held these shares as investment manager. It is wholly owned by Dresdner Bank Aktiengesellschaft, in which Allianz Finanzbeteiligungs GmbH has 81.1% interest. Allianz Finanzbeteiligungs GmbH is wholly owned by Allianz SE.

Save as disclosed above, as at 30 June 2008, no person had any interests or short positions in the shares or underlying shares of the Company according to the register of interests required to be kept by the Company under Section 336 of the SFO.

### CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than convertible bonds and warrants set out in notes 28 and 30 respectively to the consolidated financial statements, the Company and its subsidiaries had no outstanding convertible securities, options, warrants or other similar rights as at 30 June 2008. Particulars of the exercise of warrants or similar rights during the year are set out in the aforesaid notes.

### 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 year.

### PRE-EMPTIVE RIGHTS

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

### MAJOR CUSTOMERS AND SUPPLIERS

The Group sells its products to customers who act as its distributors, and purchases materials and components from suppliers who act as its merchandisers.

### 主要股東(續)

附註：

1. 參閱「董事於證券之權益及淡倉」一節附註1。
2. 該等股份由惠理基金管理公司以投資經理之身份持有，惠理基金管理公司由惠理集團有限公司全資擁有。謝清海先生為一信託之創辦人，該信託之受託人為Hang Seng Bank Trustee International Limited，該受託人擁有Cheah Company Limited的100%權益，而Cheah Company Limited擁有Cheah Capital Management Limited的100%權益，Cheah Capital Management Limited則擁有惠理集團有限公司的35.65%權益。杜巧賢女士為謝清海先生之配偶。
3. Veer Palthe Voute NV以投資經理之身份持有該等股份，Veer Palthe Voute NV由Dresdner Bank Aktiengesellschaft全資擁有，而Allianz Finanzbeteiligungs GmbH則擁有Dresdner Bank Aktiengesellschaft 81.1%權益。Allianz Finanzbeteiligungs GmbH由Allianz SE全資擁有。

除上文所披露者外，於二零零八年六月三十日，根據按證券及期貨條例第336條本公司須予保存之權益登記冊，概無其他人士於本公司之股份或相關股份擁有任何權益或淡倉。

### 可換股證券、購股權、認股權證或類似權利

除分別見綜合財務報告附註28及30所述之可換股債券及認股權證外，本公司及其附屬公司於二零零八年六月三十日並無任何尚未行使之可換股證券、購股權、認股權證或其他類似權利。認股權證或類似權利於年內之行使詳情已載於前述附註。

### 購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

### 優先購股權

本公司之公司細則或百慕達法例並無載有任何優先購股權之條文，規定本公司須按比例向現有股東提呈發售新股。

### 主要客戶及供應商

本集團向作為其分銷商之客戶銷售貨品，並從作為其採購商之供應商購買原料及零件。



## DIRECTORS' REPORT 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

(Continued)

For the year ended 30 June 2008, the aggregate amount of turnover and purchases attributable to the five largest ultimate customers and suppliers through these distributors and merchandisers respectively represented less than 30% of the Group's total turnover and purchases.

None of the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's issued share capital) had any interest in the share capital of the five largest customers or suppliers of the Company.

### POST BALANCE SHEET EVENTS

Details of significant post balance sheet events are set out in note 38 to the consolidated financial statements.

### REMUNERATION POLICY

The remuneration policy of the Group for its employees takes into account of the individuals' merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Human Resources and Remuneration Committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics. Details of the directors' emoluments for the year ended 30 June 2008 are set out in note 10 to the consolidated financial statements.

The Company has adopted a share option scheme as an incentive to directors and eligible employees. Details of the scheme are set out in note 31 to the consolidated financial statements.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

### AUDITOR

A resolution will be proposed at the annual general meeting to re-appoint Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

**Paul KAN Man Lok**  
CHAIRMAN

Hong Kong  
24 October 2008

### 主要客戶及供應商(續)

截至二零零八年六月三十日止年度，本集團五大最終客戶及供應商透過該等分銷商及採購商所佔之營業總額及購貨總額分別佔本集團之營業總額及購貨總額不足30%。

概無任何董事、其聯繫人士或據董事所知擁有本公司已發行股本5%以上之股東於本公司任何五大客戶或供應商之股本中擁有任何權益。

### 結算日後事項

結算日後重大事項詳情已載於綜合財務報告附註38。

### 薪酬政策

本集團僱員之薪酬政策乃根據彼等之表現、資歷及工作能力而釐定。

本公司董事之薪酬乃由本公司人力資源薪酬委員會釐定，並已參考本公司之經營業績、個人表現及可資比較市場統計。董事於截至二零零八年六月三十日止年度之薪酬詳載於綜合財務報告附註10。

本公司採納一項購股權計劃作為對董事及合資格僱員之獎勵，計劃之詳情載於綜合財務報告附註31。

### 公眾持股量

根據本公司之公開資料及據董事所知，於本報告日期，股份之公眾持股量足夠，符合上市規則不少於本公司已發行股份25%之規定。

### 核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於股東週年大會提呈。

承董事會命

主席  
簡文樂

香港  
二零零八年十月二十四日



# CORPORATE GOVERNANCE REPORT 企業管治報告

## CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. It met all the code provisions in the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in the year ended 30 June 2008.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions on terms set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules.

The Company has made specific enquiry of all directors of the Company and they have confirmed compliance with the required standard set out in the Model Code during the year ended 30 June 2008.

## BOARD OF DIRECTORS

The Company is governed by a board of directors (the "Board") which has the responsibility for leadership and control of the Company. The directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board set strategies and directions for the Group's activities with a view to developing its business and enhancing shareholders value.

The Board met 5 times during the year ended 30 June 2008. Its composition and the attendance of individual directors at these board meetings were as follows:

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<b>Executive directors</b>			
Paul KAN Man Lok (Chairman)	簡文樂(主席)	5	5
Leo KAN Kin Leung* (Chief Executive Officer)	簡堅良*(行政總裁)	5	5
LAI Yat Kwong	黎日光	5	5
<b>Non-executive director</b>			
Shirley HA Suk Ling	夏淑玲	5	5
<b>Independent non-executive directors</b>			
Terry John MILLER	苗禮	5	5
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	5	5
Prof. LIANG Xiong Jian	梁雄健教授	5	5
Prof. YE Pei Da	葉培大教授	5	5
Frank BLEACKLEY	Frank BLEACKLEY	5	5

\* Mr. Leo KAN Kin Leung is a brother of Mr. Paul KAN Man Lok.

## 企業管治常規

本公司致力維持高水平之企業管治。於截至二零零八年六月三十日止年度內，本公司已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)之所有條文。

## 董事的證券交易

本公司已根據上市規則附錄10所載的上市公司董事進行證券交易的標準守則(「標準守則」)的條款，就董事進行證券交易採納一套操守守則。

本公司已向本公司全體董事作出特定查詢，所有董事均已確認於截至二零零八年六月三十日止年度內均有遵守標準守則的規定標準。

## 董事會

本公司受董事會(「董事會」)監管，彼等須負責領導及監察本公司。董事負責指示及監控本集團之事務，共同帶領本集團邁向成功。董事會製訂本集團業務之策略及方向，使業務得以發展及提升股東價值。

董事會於截至二零零八年六月三十日止年度內共舉行5次會議。其組成架構及各董事於該等董事會會議之出席情況載列如下：

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<b>Executive directors</b>			
Paul KAN Man Lok (Chairman)	簡文樂(主席)	5	5
Leo KAN Kin Leung* (Chief Executive Officer)	簡堅良*(行政總裁)	5	5
LAI Yat Kwong	黎日光	5	5
<b>Non-executive director</b>			
Shirley HA Suk Ling	夏淑玲	5	5
<b>Independent non-executive directors</b>			
Terry John MILLER	苗禮	5	5
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	5	5
Prof. LIANG Xiong Jian	梁雄健教授	5	5
Prof. YE Pei Da	葉培大教授	5	5
Frank BLEACKLEY	Frank BLEACKLEY	5	5

\* 簡堅良先生為簡文樂先生之胞弟。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman and Chief Executive Officer of the Company are segregated, with a clear division of responsibilities.

The Chairman is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role and for setting its agenda and taking into account any matters proposed by other directors for inclusion in the agenda. Through the Board, he is responsible for ensuring that good corporate governance practices and procedures are followed by the Group.

The Chief Executive Officer is responsible for the day-to-day management of the Group's business.

### 主席及行政總裁

本公司主席及行政總裁之職務已予分開，並清晰界定彼等之責任。

主席須負責領導董事會，確保董事會能有效益地履行其各方面之職務，並須負責釐定議程，以及考慮將其他董事所提出之事宜載入議程內。透過董事會，彼負責確保本集團有遵守良好企業管治常規及程序。

行政總裁負責管理本集團之日常業務。

### NON-EXECUTIVE DIRECTORS

All the non-executive directors of the Company are appointed for a term of 1 year and are subject to retirement by rotation and re-election at the Company's annual general meetings every three years in accordance with the Bye-laws of the Company.

### 非執行董事

本公司所有非執行董事之任期均為一年，並須根據本公司之公司細則每3年於本公司之股東週年大會上輪席退任及重選連任。

### REMUNERATION OF DIRECTORS

The Human Resources & Remuneration Committee (the "Remuneration Committee") has 3 members, currently comprising Mr. Francis Gilbert KNIGHT and Mr. Terry John MILLER (independent non-executive directors); and Mr. Leo KAN Kin Leung (executive director). The Remuneration Committee is chaired by Mr. Francis Gilbert KNIGHT.

### 董事薪酬

人力資源及薪酬委員會(「薪酬委員會」)由3名成員組成，目前包括Francis Gilbert KNIGHT先生、苗禮先生(獨立非執行董事)及簡堅良先生(執行董事)。Francis Gilbert KNIGHT先生為薪酬委員會之主席。

The terms of reference of the Remuneration Committee follow the guidelines set out in the Code and it is responsible for, among other things, making recommendations to the Board on the Company's policy for the remuneration of directors and senior management.

本公司已根據守則所載之指引制訂薪酬委員會之職權範圍，其職能之一為就本公司董事及高級管理人員的薪酬政策向董事會提出建議。

During the year ended 30 June 2008, the Remuneration Committee met 2 times and work performed by the committee includes reviewing the Group's remuneration policy for its executive directors and senior management and their levels of remuneration. The attendance of individual members at these meetings was as follows:

薪酬委員會於截至二零零八年六月三十日止年度內共舉行2次會議；其工作包括審閱本公司執行董事及高級管理人員之薪酬政策及彼等之薪酬水平。各成員於該等會議之出席情況載列如下：

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<b>Independent non-executive directors</b>			
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	2	2
Terry John MILLER	苗禮	2	2
<b>Executive director</b>			
Leo KAN Kin Leung	簡堅良	2	2



## CORPORATE GOVERNANCE REPORT 企業管治報告

### NOMINATION OF DIRECTORS

The Nomination Committee has 5 members, currently comprising Mr. Frank BLEACKLEY, Mr. Francis Gilbert KNIGHT and Mr. Terry John MILLER (independent non-executive directors); and Ms. Shirley HA Suk Ling (non-executive director); and Mr. Paul KAN Man Lok (executive director). This committee is chaired by Mr. Frank BLEACKLEY.

The terms of reference of the Nomination Committee have been determined with reference to the Code.

The Nomination Committee is responsible for identifying potential new directors and recommending to the Board for decision. A director appointed by the Board is subject to re-election by shareholders at the first annual general meeting after his/her appointment. Under the Company's Bye-laws, all directors are subject to retirement by rotation and re-election by shareholders every 3 years.

Potential new directors are selected on the basis of their qualifications, skills and experience which the Nomination Committee considers will make a positive contribution to the performance of the Board.

No new director was nominated for appointment during the year ended 30 June 2008.

The Nomination Committee met 2 times during the year ended 30 June 2008 and work performed by the committee includes reviewing the structure, size and composition of the Board; and reviewing the independence of the independent non-executive directors of the Company. The attendance of individual members at these meetings was as follows:

### 董事提名

提名委員會由5名成員組成，目前包括 Frank BLEACKLEY 先生、Francis Gilbert KNIGHT 先生及苗禮先生（獨立非執行董事），以及夏淑玲女士（非執行董事）及簡文樂先生（執行董事）。Frank BLEACKLEY 先生為該委員會之主席。

本公司已參考守則釐訂提名委員會之職權範圍。

提名委員會負責物色有潛質成為新任董事之人士，並就董事會作出決定提供推薦建議。由董事會委任之董事須於其獲委任後之首個股東週年大會上經股東重選。根據本公司之公司細則，所有董事須每3年輪席退任一次及經股東重選。

挑選有潛質成為新任董事之人士時，提名委員會將以該等人士之資歷、技能及經驗是否能對董事會之表現帶來正面貢獻作為遴選基準。

於截至二零零八年六月三十日止年度並無提名委任新董事。

於截至二零零八年六月三十日止年度內，提名委員會共舉行2次會議；其工作包括審閱董事會之架構、人數及組成，以及檢視本公司獨立非執行董事之獨立性。各成員於該等會議之出席情況載列如下：

Name	姓名	Number of meetings held during the director's term of office 於董事任期舉行之會議次數	Number of meetings attended 所出席會議次數
<b>Independent non-executive directors</b>			
Frank BLEACKLEY	獨立非執行董事 Frank BLEACKLEY	2	2
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	2	2
Terry John MILLER	苗禮	2	2
<b>Non-executive director</b>			
Shirley HA Suk Ling	非執行董事 夏淑玲	2	2
<b>Executive director</b>			
Paul KAN Man Lok	執行董事 簡文樂	2	2





## CORPORATE GOVERNANCE REPORT 企業管治報告

### ACCOUNTABILITY AND AUDIT

The directors acknowledge their responsibility for preparing the accounts of the Company. As at 30 June 2008, the directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the directors have prepared the financial statements of the Company on a going-concern basis.

The responsibilities of the external auditors about their financial reporting are set out in the Independent Auditor's Report attached to the Company's Financial Statements for the year ended 30 June 2008.

The Board has conducted a review of the effectiveness of the Group's internal control system with an aim to safeguard the shareholders' investment and the Company's assets. The purpose is to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Group's business objectives.

### AUDITORS' REMUNERATION

For the year ended 30 June 2008, fee for the Company's external auditors for audit services was HK\$5,740,000 (2007: HK\$4,896,000) and that for non-audit services mainly relating to taxation matters and other services was HK\$588,000 (2007: HK\$599,000).

### AUDIT COMMITTEE

The Audit Committee has 4 members, currently comprising Mr. Francis Gilbert KNIGHT, Mr. Frank BLEACKLEY and Mr. Terry John MILLER (independent non-executive directors); and Ms. Shirley HA Suk Ling (non-executive director). The Chairman of this committee is Mr. Francis Gilbert KNIGHT.

The terms of reference of the Audit Committee follow the guidelines set out in the Code.

During the year ended 30 June 2008, the Audit Committee met 2 times and work performed by the committee includes reviewing the Group's interim and annual results as well as its internal control system. The attendance of individual members at these meetings was as follows:

Name	姓名	Number of meetings held during the director's term of office 於董事任期 舉行之會議次數	Number of meetings attended 所出席會議次數
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>		
Francis Gilbert KNIGHT	Francis Gilbert KNIGHT	2	2
Frank BLEACKLEY	Frank BLEACKLEY	2	2
Terry John MILLER	苗禮	2	2
<b>Non-executive director</b>	<b>非執行董事</b>		
Shirley HA Suk Ling	夏淑玲	2	2

### 問責及核數

董事明白彼等有編製本公司賬目的責任。於二零零八年六月三十日，董事並不知悉任何可能會嚴重影響本公司持續經營能力的重大不明朗事件或情況。因此，董事已按持續經營基準編製本公司之財務報告。

外聘核數師對財務申報之責任載列於本公司截至二零零八年六月三十日止年度之財務報告中之獨立核數師報告。

董事會已對本集團內部監控系統之效益進行檢討，以保障股東之投資及本公司之資產。目的在於合理（而非絕對地）保證並無重大失實陳述、錯誤、損失或欺詐，以及管理而非抵銷未能達致本集團業務目標之風險。

### 核數師酬金

截至二零零八年六月三十日止年度，本公司外聘核數師之核數服務費用為5,740,000港元（二零零七年：4,896,000港元），主要關於稅務事項及其他服務之非核數服務費用則為588,000港元（二零零七年：599,000港元）。

### 審核委員會

審核委員會由4名成員組成，目前包括Francis Gilbert KNIGHT先生、Frank BLEACKLEY先生及苗禮先生（獨立非執行董事），以及夏淑玲女士（非執行董事）。Francis Gilbert KNIGHT先生為該委員會之主席。

本公司已根據守則所載之指引製訂審核委員會之職權範圍。

截至二零零八年六月三十日止年度內，審核委員會共舉行2次會議；其工作包括審閱本集團之中期及全年業績，以及其內部監控系統。各成員於該等會議之出席情況載列如下：





# INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

# Deloitte.

## 德勤

### TO THE SHAREHOLDERS OF CHAMPION TECHNOLOGY HOLDINGS LIMITED

(continued in Bermuda with limited liability)

We have audited the consolidated financial statements of Champion Technology Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 30 to 102, which comprise the consolidated balance sheet as at 30 June 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

### 致冠軍科技集團有限公司列位股東

(於百慕達延續之有限公司)

本核數師行已完成審核載於第30頁至第102頁冠軍科技集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報告。綜合財務報告包括於二零零八年六月三十日的綜合資產負債表、截至該日止年度的綜合損益表、綜合股本權益變動表及綜合現金流動表，以及重大會計政策概要及其他說明附註。

### 董事就綜合財務報告須承擔的責任

貴公司董事須根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製以及真實及公平地呈列之綜合財務報告。這包括設計、實施及維護與編製及真實而公平地呈列綜合財務報告相關的內部監控，以使綜合財務報告不會因欺詐或錯誤而導致重大錯誤陳述；選擇和應用適當的會計政策；及按情況作出合理的會計估計。

### 核數師的責任

本行之責任乃根據本行之審核而對該等綜合財務報告作出意見，並僅遵照百慕達公司法第90條向整體股東報告，除此以外別無其他目的。本行概不就本報告書內容對其他任何人士承擔任何責任。本行已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求本行遵守道德規範，並規劃及實行審核，以合理確定該等綜合財務報告是否並無任何重大錯誤陳述。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

### AUDITOR'S RESPONSIBILITY (Continued)

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

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

### OPINION

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

### Deloitte Touche Tohmatsu

Certified Public Accountants  
Hong Kong

24 October 2008

### 核數師的責任(續)

審核涉及執行程序以獲取有關綜合財務報告所載金額及披露資料的審核憑證。所選定的程序取決於核數師之判斷，包括評估因欺詐或錯誤而導致綜合財務報告存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公正地呈列綜合財務報告相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控的效能發表意見。審核亦包括評估董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評估綜合財務報告的整體呈列方式。

本行相信，我們所獲得的審核憑證充足和適當地為本核數師行的審核意見提供基礎。

### 意見

本行認為綜合財務報告已根據香港財務報告準則真實及公平地反映 貴集團於二零零八年六月三十日之財務狀況及截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

### 德勤•關黃陳方會計師行

執業會計師  
香港

二零零八年十月二十四日



# CONSOLIDATED INCOME STATEMENT 綜合損益表

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

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Turnover	營業額	6	<b>3,635,049</b>	3,164,287
Direct operating expenses	直接經營成本		<b>(2,346,833)</b>	(2,033,154)
Gross profit	毛利總額		<b>1,288,216</b>	1,131,133
Other income	其他收入	7	<b>31,913</b>	64,542
Distribution costs	分銷成本		<b>(53,580)</b>	(47,902)
General and administrative expenses	一般及行政支出		<b>(262,104)</b>	(215,019)
Impairment losses recognised for available-for-sale investments	就可供出售投資所確認之減值虧損	18	<b>(56,502)</b>	(80,605)
Impairment losses recognised for development costs for systems and networks	就系統及網絡之開發成本所確認之減值虧損	15	<b>(436,488)</b>	–
Impairment losses recognised for deposits and prepaid development costs	就按金及預付開發成本所確認之減值虧損	20	<b>(245,310)</b>	–
Impairment loss recognised for interest in an associate	就於聯營公司之權益所確認之減值虧損		–	(312)
Gain on disposal of development costs for systems and networks	出售系統及網絡之開發成本之收益	8	–	23,140
Gain (loss) on deemed disposal of subsidiaries	被視為出售附屬公司之收益 (虧損)		<b>196</b>	(465)
Loss on fair value change of convertible bonds	可換股債券公平價值變動之虧損		<b>(2,282)</b>	(32,829)
Finance costs	財務成本	9	<b>(6,781)</b>	(9,614)
Profit before taxation	除稅前溢利	10	<b>257,278</b>	832,069
Taxation	稅項	11	<b>(2,063)</b>	(9,171)
Profit for the year	本年度溢利		<b>255,215</b>	822,898
Attributable to:	應佔溢利			
Equity holders of the Company	本公司股本權益持有人		<b>190,456</b>	626,818
Minority interests	少數股東權益		<b>64,759</b>	196,080
			<b>255,215</b>	822,898
Earnings per share	每股盈利	13		
– Basic	– 基本		<b>HK11.31 cents 港仙</b>	HK43.70 cents 港仙
– Diluted	– 經攤薄		<b>HK11.08 cents 港仙</b>	HK43.42 cents 港仙



# CONSOLIDATED BALANCE SHEET 綜合資產負債表

at 30 June 2008 於二零零八年六月三十日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	58,586	67,184
Development costs for systems and networks	系統及網絡之開發成本	15	2,743,823	2,137,057
Goodwill	商譽	16	36,795	36,795
Intangible assets	無形資產	17	5,310	7,670
Available-for-sale investments	可供出售投資	18	1,509,822	1,786,794
Interest in an associate	於聯營公司之權益	19	-	-
Deposits and prepaid development costs	按金及預付開發成本	20	2,563,105	2,041,260
			<b>6,917,441</b>	6,076,760
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	21	25,464	30,449
Trade and other receivables	應收貿易及其他賬款	22	1,152,497	1,202,327
Taxation recoverable	可收回稅項		29	349
Deposits, bank balances and cash	存款、銀行結存及現金	23	350,728	347,482
			<b>1,528,718</b>	1,580,607
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付貿易及其他賬款	24	248,931	87,291
Warranty provision	保養撥備	25	2,136	1,860
Customers' deposits	客戶按金		6,275	9,803
Taxation payable	應付稅項		2,009	20
Bank borrowings – amount due within one year	銀行借貸 — 於一年內到期	26	201,313	229,408
Other borrowings – amount due within one year	其他借貸 — 於一年內到期	27	489	1,861
Convertible bonds	可換股債券	28	-	35,880
Bank overdrafts	銀行透支	23	27,816	-
			<b>488,969</b>	366,123
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>1,039,749</b>	1,214,484
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>7,957,190</b>	7,291,244
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank borrowings – amount due after one year	銀行借貸 — 於一年後到期	26	48,952	373
Other borrowings – amount due after one year	其他借貸 — 於一年後到期	27	193	716
Retirement benefit obligations	退休福利承擔	10	92,283	95,985
Deferred taxation	遞延稅項	29	157	149
			<b>141,585</b>	97,223
<b>Net assets</b>	<b>資產淨值</b>		<b>7,815,605</b>	7,194,021



## CONSOLIDATED BALANCE SHEET 綜合資產負債表

at 30 June 2008 於二零零八年六月三十日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Capital and reserves	股本及儲備			
Share capital	股本	30	197,450	160,362
Reserves	儲備		6,487,556	5,977,310
Equity attributable to equity holders of the Company	本公司股本權益持有人 應佔股本權益		6,685,006	6,137,672
Subscription right reserve of a listed subsidiary	一間上市附屬公司之 認購權儲備		–	4,639
Minority interests	少數股東權益		1,130,599	1,051,710
			<b>7,815,605</b>	7,194,021

The consolidated financial statements on pages 30 to 102 were approved and authorised for issue by the Board of Directors on 24 October 2008 and are signed on its behalf by:

第30頁至第102頁所載之綜合財務報告已於二零零八年十月二十四日由董事會批核及授權刊發，並由下列董事代表簽署：

**Paul KAN Man Lok 簡文樂**  
DIRECTOR 董事

**Leo KAN Kin Leung 簡堅良**  
DIRECTOR 董事



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合股本權益變動表

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

		Attributable to equity holders of the Company 本公司股本權益持有人應佔												
		Share capital	Share premium	Dividend reserve	Capital redemption reserve	General reserve	Capital reserve	Merger reserve	Translation reserve	Retained profits	Total	Subscription right reserve	Minority interests	Total equity
		股本	股份溢價	股息儲備	贖回儲備	一般儲備	資本儲備	合併儲備	匯兌儲備	保留溢利	合計	儲備	權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2006	於二零零六年七月一日	131,420	1,270,577	43,369	50	1,366,003	105,495	8,358	(4,520)	2,338,008	5,258,760	1,850	833,032	6,093,642
Exchange difference arising on translation of operations outside Hong Kong recognised directly in equity	因換算香港以外之業務所產生並直接於股本權益內確認之匯兌差額	-	-	-	-	-	-	-	(4,580)	-	(4,580)	-	(3,880)	(8,460)
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	626,818	626,818	-	196,080	822,898
Total recognised income and expense for the year	年內已確認之收支總額	-	-	-	-	-	-	-	(4,580)	626,818	622,238	-	192,200	814,438
Issue of shares upon exercise of warrants	因行使認股權證發行股份	25,144	265,296	-	-	-	-	-	-	-	290,440	-	-	290,440
On issue of subscription rights	因發行認購權	-	-	-	-	-	-	-	-	-	-	2,789	-	2,789
Conversion of convertible bonds	兌換可換股債券	-	-	-	-	-	-	-	-	-	-	-	75,274	75,274
Dividends for the year	本年度股息	-	-	-	-	-	-	-	-	-	-	-	-	-
- underprovision in prior year	- 上年撥備不足	-	-	2,556	-	-	-	-	-	(2,556)	-	-	-	-
- interim	- 中期	-	-	38,003	-	-	-	-	-	(38,003)	-	-	-	-
- final	- 期末	-	-	56,127	-	-	-	-	-	(56,127)	-	-	-	-
Dividends paid	已付股息	-	-	(33,766)	-	-	-	-	-	-	(33,766)	-	-	(33,766)
Issue of shares as scrip dividend	按以股代息發行股份	3,798	46,364	(50,162)	-	-	-	-	-	-	-	-	-	-
Dividends paid to minority interests	付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	-	(24,809)	(24,809)
Acquisition of additional interests in a subsidiary	收購附屬公司之額外權益	-	-	-	-	-	-	-	-	-	-	-	(23,987)	(23,987)
		28,942	311,660	12,758	-	-	-	-	-	(96,686)	256,674	2,789	26,478	285,941
At 30 June 2007	於二零零七年六月三十日	160,362	1,582,237	56,127	50	1,366,003	105,495	8,358	(9,100)	2,868,140	6,137,672	4,639	1,051,710	7,194,021



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合股本權益變動表

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

		Attributable to equity holders of the Company 本公司股本權益持有人應佔												
		Share capital	Share premium	Dividend reserve	Capital redemption reserve	General reserve	Capital reserve	Merger reserve	Translation reserve	Retained profits	Subscription right reserve	Minority interests	Total equity	
		股本	股份溢價	股息儲備	贖回儲備	一般儲備	資本儲備	合併儲備	匯兌儲備	保留溢利	合計	儲備	權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2007	於二零零七年七月一日	160,362	1,582,237	56,127	50	1,366,003	105,495	8,358	(9,100)	2,868,140	6,137,672	4,639	1,051,710	7,194,021
Exchange difference arising on translation of operations outside Hong Kong recognised directly in equity	因換算香港以外之業務所產生並直接於股本權益內確認之匯兌差額	-	-	-	-	-	-	-	1,402	-	1,402	-	2,011	3,413
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	190,456	190,456	-	64,759	255,215
Total recognised income and expense for the year	年內已確認之收支總額	-	-	-	-	-	-	-	1,402	190,456	191,858	-	66,770	258,628
Issue of shares upon exercise of warrants	因行使認股權證發行股份	5,933	75,935	-	-	-	-	-	-	-	81,868	-	223	82,091
Exercise of subscription rights	因行使發行認購權	-	-	-	-	-	-	-	-	-	(2,310)	-	19,321	17,011
Conversion of convertible bonds	兌換可換股債券	-	-	-	-	-	-	-	-	-	-	-	36,634	36,634
Subscription right of a subsidiary lapsed	附屬公司認購權失效	-	-	-	-	-	-	-	-	1,188	1,188	(2,329)	1,141	-
Dividends for the year	本年度股息	-	-	-	-	-	-	-	-	-	-	-	-	-
- underprovision in prior year	- 上年撥備不足	-	-	1,816	-	-	-	-	-	(1,816)	-	-	-	-
- interim	- 中期	-	-	41,360	-	-	-	-	-	(41,360)	-	-	-	-
- final	- 期末	-	-	4,936	-	-	-	-	-	(4,936)	-	-	-	-
Dividends paid	已付股息	-	-	(41,140)	-	-	-	-	-	-	(41,140)	-	-	(41,140)
Issue of shares as scrip dividend	按以股代息發行股份	4,355	53,808	(58,163)	-	-	-	-	-	-	-	-	-	-
Dividends paid to minority interests	付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	-	(42,340)	(42,340)
Issue of shares as considerations for acquisition of subsidiaries	發行股份作為收購附屬公司之代價	26,800	286,760	-	-	-	-	-	-	-	313,560	-	-	313,560
Deemed acquisition of additional interests in a subsidiary	被視為收購附屬公司額外權益	-	-	-	-	-	-	-	-	-	-	-	(2,860)	(2,860)
		37,088	416,503	(51,191)	-	-	-	-	-	(46,924)	355,476	(4,639)	12,119	362,956
At 30 June 2008	於二零零八年六月三十日	197,450	1,998,740	4,936	50	1,366,003	105,495	8,358	(7,698)	3,011,672	6,685,006	-	1,130,599	7,815,605

The general reserve represents the reserve arising from the reduction of the nominal amount of the shares of the Company (after the consolidation of shares of 25 ordinary shares of HK\$0.1 each into 1 share in 2002) of HK\$2.5 each by cancelling the paid up capital to the extent of HK\$2.4 on each share of the Company in 2002.

一般儲備乃本公司於二零零二年藉註銷本公司股份之繳足股本(以每股2.4港元為限)之方式，削減其每股面值為2.5港元之股份的面值所產生之儲備(於二零零二年進行股份合併後，據此25股每股面值0.1港元之普通股合併為1股)。

The merger reserve represents the reserve arising from the group reorganisation in 1992.

合併儲備乃本集團於一九九二年重組時所產生之儲備。

The capital reserve represents the amount arising from a bonus issue of shares of a subsidiary of the Company by way of capitalising the subsidiary's retained profits.

資本儲備乃本公司一間附屬公司以保留溢利資本化之方式發行紅股時所產生之金額。





# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流動表

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash flows from operating activities	經營業務之現金流量		
Profit before taxation	除稅前溢利	257,278	832,069
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12,440	12,548
Amortisation of development costs for systems and networks	系統及網絡之開發成本之攤銷	713,070	470,654
Amortisation of intangible assets	無形資產之攤銷	2,360	2,360
Impairment losses recognised for available-for-sale investments	就可供出售投資所確認之減值虧損	56,502	80,605
Impairment losses recognised for development costs for systems and networks	就系統及網絡之開發成本所確認之減值虧損	436,488	-
Impairment losses recognised for deposits and prepaid development costs	就按金及預付開發成本所確認之減值虧損	245,310	-
Impairment loss recognised for interest in an associate	就於聯營公司之權益所確認之減值虧損	-	312
Impairment loss recognised for property, plant and equipment	就物業、廠房及設備所確認之減值虧損	5,085	-
Gain on disposal of development costs for systems and networks	出售系統及網絡之開發成本之收益	-	(23,140)
Discount on acquisition of additional interest in a subsidiary	收購附屬公司額外權益之折扣	-	(4,402)
Discount on deemed acquisition of additional interest in a subsidiary	被視為收購附屬公司額外權益之折扣	(2,860)	(6,463)
Gain (loss) on deemed disposal of subsidiaries	被視為出售附屬公司之收益(虧損)	(196)	465
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	-	(11,888)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(164)	(2,004)
Interest on bank and other borrowings	銀行及其他借貸之利息	6,781	7,484
Issue costs of convertible bonds	可換股債券發行費用	-	2,130
Interest income	利息收入	(8,577)	(21,147)
Loss on fair value change of convertible bonds	可換股債券公平價值變動之虧損	2,282	32,829
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	1,725,799	1,372,412
Decrease (increase) in inventories	存貨減少(增加)	4,985	(2,393)
Decrease (increase) in trade and other receivables	應收貿易及其他賬款之減少(增加)	49,830	(127,883)
Increase in trade and other payables	應付貿易及其他賬款之增加	153,937	17,858
Increase in warranty provision	保養撥備增加	276	39
Decrease in customers' deposits	客戶按金減少	(3,528)	(4,137)
Cash generated from operations	營運產生之現金	1,931,299	1,255,896
Hong Kong Profits Tax refunded (paid)	已退回(已繳納)香港利得稅	222	(9,186)
Taxation in other jurisdictions refunded (paid)	已退回(已繳納)其他司法地區稅項	54	(44)
Net cash from operating activities	經營業務所得之現金淨額	1,931,575	1,246,666



## CONSOLIDATED CASH FLOW STATEMENT 綜合現金流動表

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

				2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		NOTE 附註			
Cash flows from investing activities	投資活動之現金流量				
Deposits and prepayments paid in respect of development costs for systems and networks	有關系統及網絡之開發成本之已付按金及預付款項			(2,052,804)	(2,258,690)
Purchase of available-for-sale investments	購入可供出售投資			-	(519,688)
Acquisition of a subsidiary	收購附屬公司	32		(50,000)	-
Acquisition of additional interest in a subsidiary	收購附屬公司額外權益			-	(13,122)
Purchase of property, plant and equipment	購買物業、廠房及設備			(8,910)	(9,540)
Contributions from minority shareholders	少數股東之出資			-	-
Refund of deposits paid in connection with projects relating to development costs for systems and networks and acquisition of investments	退回系統及網絡之開發成本相關之項目及收購投資之已付按金			-	327,600
Capital receipts from available-for-sale investments	可供出售投資所收之資本			437,310	358,899
Interest received	已收利息			8,577	21,147
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得之款項			-	19,561
Proceeds from disposal of development costs for systems and networks	出售系統及網絡之開發成本所得之款項			-	140,400
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得之款項			364	2,870
Payments for development costs for systems and networks	系統及網絡之開發成本之付款			(319,800)	(234,940)
<b>Net cash used in investing activities</b>	<b>投資活動所耗現金淨額</b>			<b>(1,985,263)</b>	<b>(2,165,503)</b>
Cash flows from financing activities	融資活動之現金流量				
Net cash receipt from issue of convertible bonds (net of issue costs of HK\$2,130,000)	發行可換股債券所收現金淨額 (已扣除2,130,000港元之發行費用)			-	60,270
Repayment of borrowings	償還借貸			(2,694)	(229,721)
Proceeds from issue of warrants	發行認股權證所得款項			-	290,440
New loans raised	新籌集之貸款			21,283	302,000
Dividends paid	已付股息			(41,140)	(33,766)
Proceeds from exercise of subscription rights	行使認購權所得之款項			17,011	-
Dividends paid to minority shareholders	已支付予少數股東之股息			(42,340)	(24,809)
Interest paid	已付利息			(6,781)	(7,484)
Redemption of convertible bonds	贖回可換股債券			(780)	-
Proceeds received upon exercise of warrants	行使認股權證已收之款項			82,091	-
<b>Net cash from financing activities</b>	<b>融資活動所得現金淨額</b>			<b>26,650</b>	<b>356,930</b>
Net decrease in cash and cash equivalents	現金及現金等額之減少淨值			(27,038)	(561,907)
Cash and cash equivalents at beginning of the year	年初現金及現金等額			347,482	921,264
Effect on foreign exchange rate changes	匯率變動之影響			2,468	(11,875)
<b>Cash and cash equivalents at end of the year</b>	<b>年結現金及現金等額</b>			<b>322,912</b>	<b>347,482</b>
Represented by	包括				
Deposits, bank balances and cash	存款、銀行結存及現金			350,728	347,482
Bank overdrafts	銀行透支			(27,816)	-
				<b>322,912</b>	<b>347,482</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報告附註

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

### 1. GENERAL

The Company was originally incorporated in the Cayman Islands but subsequently re-domiciled to Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information Section of the annual report.

The Company is an investment holding company. The principal activities of its subsidiaries and associate are set out in notes 37 and 19 respectively.

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (the "HKFRSs"), Hong Kong Accounting Standards (the "HKASs") and Interpretations ("INT") (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for accounting periods beginning on or after 1 July 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 10	Interim financial reporting and impairment
HK(IFRIC) – INT 11	HKFRS 2 – Group and treasury share transactions

The adoption of the new HKFRSs has no material effect on how the results of the Group are prepared and presented for the current and prior accounting years. Accordingly, no prior year adjustment is required.

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

### 1. 一般資料

本公司原於開曼群島註冊成立，惟其後已遷冊往百慕達，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址已於年報之企業資信一節中披露。

本公司為一間投資控股公司，其附屬公司及聯營公司之主要業務已分別載於附註37及19。

綜合財務報告乃以港元呈示，而港元亦為本公司之功能貨幣。

### 2. 採納新訂及經修訂香港財務報告準則

於本年度，本集團首次應用由香港會計師公會（「香港會計師公會」）頒佈的多項新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）（以下統稱「新訂香港財務報告準則」）。此等新訂香港財務報告準則於二零零七年七月一日或之後開始的會計期間起生效。

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

採納新訂香港財務報告準則對本集團於本年及過往會計年度業績的編製及呈列方式並無重大影響。因此，毋須作出過往年度調整。

本集團已追溯採用香港會計準則第1號(修訂)及香港財務報告準則第7號之披露規定。若干於上年度根據香港會計準則第32號之規定呈列之資料已刪除，其相關之比較資料亦於本年度首次根據香港會計準則第1號(修訂)及香港財務報告準則第7號之規定而編製。



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## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The Group has not early adopted the following new standards, amendments and interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of financial statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and separate financial statements <sup>2</sup>
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation <sup>1</sup>
HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets <sup>6</sup>
HKFRS 2 (Amendment)	Vesting conditions and cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business combinations <sup>2</sup>
HKFRS 8	Operating segments <sup>1</sup>
HK(IFRIC) – INT 12	Service concession arrangements <sup>3</sup>
HK(IFRIC) – INT 13	Customer loyalty programmes <sup>4</sup>
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction <sup>3</sup>
HK(IFRIC) – INT 15	Agreements for the construction of real estate <sup>1</sup>
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation <sup>5</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2009.  
<sup>2</sup> Effective for annual periods beginning on or after 1 July 2009.  
<sup>3</sup> Effective for annual periods beginning on or after 1 January 2008.  
<sup>4</sup> Effective for annual periods beginning on or after 1 July 2008.  
<sup>5</sup> Effective for annual periods beginning on or after 1 October 2008.  
<sup>6</sup> Effective from 1 July 2008.

## 2. 採納新訂及經修訂香港財務報告準則(續)

本集團並未提前應用下列經已頒佈但尚未生效的新準則、修訂及詮釋。

香港會計準則第1號 (經修訂)	財務報表呈列 <sup>1</sup>
香港會計準則第23號 (經修訂)	借款成本 <sup>1</sup>
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 <sup>2</sup>
香港會計準則第32號及第1號(修訂)	可沽售金融工具及清盤產生之責任 <sup>1</sup>
香港會計準則第39號及香港財務報告準則第7號(修訂)	重新分類金融資產 <sup>6</sup>
香港財務報告準則第2號(修訂)	歸屬條件及註銷 <sup>1</sup>
香港財務報告準則第3號(經修訂)	業務合併 <sup>2</sup>
香港財務報告準則第8號	業務分類 <sup>1</sup>
香港(國際財務報告詮釋委員會)–詮釋第12號	服務特許權安排 <sup>3</sup>
香港(國際財務報告詮釋委員會)–詮釋第13號	客戶忠誠計劃 <sup>4</sup>
香港(國際財務報告詮釋委員會)–詮釋第14號	香港會計準則第19號 – 界定福利資產限額、最低資金要求及其相互關係 <sup>3</sup>
香港(國際財務報告詮釋委員會)–詮釋第15號	房地產建築協議 <sup>1</sup>
香港(國際財務報告詮釋委員會)–詮釋第16號	外國業務投資淨額對沖 <sup>5</sup>

- <sup>1</sup> 於二零零九年一月一日或之後開始之年度期間生效。  
<sup>2</sup> 於二零零九年七月一日或之後開始之年度期間生效。  
<sup>3</sup> 於二零零八年一月一日或之後開始之年度期間生效。  
<sup>4</sup> 於二零零八年七月一日或之後開始之年度期間生效。  
<sup>5</sup> 於二零零八年十月一日或之後開始之年度期間生效。  
<sup>6</sup> 於二零零八年七月一日生效。



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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The adoption of HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of the other new or revised standards, amendments and interpretations will have no material impact on the results and the financial position of the Group.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

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

#### Basis of consolidation

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

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

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

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

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

### 2. 採納新訂經修訂香港財務報告準則 (續)

採納香港財務報告準則第3號(經修訂)可能影響收購日期於以二零零九年七月一日或之後開始為首個年度報告期間之業務會併之會計處理方法。倘母公司於附屬公司之擁有權變動並無導致失去控制權，則採納香港會計準則第27號(經修訂)將影響有關擁有權變動之會計處理方法並將之以股權交易入賬。本公司董事預期應用其他新訂或經修訂準則、修訂及詮釋不會對本集團之業績及財務狀況造成重大影響。

### 3. 主要會計政策

除若干以公平價值計量之金融工具以外，綜合財務報告乃根據歷史成本基準編製。

綜合財務報告乃按香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報告亦載入聯交所證券上市規則及香港的香港公司條例所規定之適用披露資料。

#### 綜合基準

綜合財務報告包括本公司及其附屬公司截至每年六月三十日止之財務報告。

年內收購或出售之附屬公司之業績由該等公司之收購生效日起，計入綜合損益表內，或結算至出售生效日期止(如適用)。

如有需要，附屬公司之財務報告會作出調整，以使其會計政策與本集團其他成員公司所採用者一致。

所有集團內部交易、結餘及收支於綜合賬目時對銷。

綜合附屬公司資產淨值內之少數股東權益與本集團於當中之權益分開呈列。資產淨值內之少數股東權益包括該等權益於原有業務合併當日之金額，以及自合併日期起少數股東應佔之權益變動。除少數股東因負有約束力之責任及有能力注入額外投資以彌補虧損外，少數股東應佔虧損超出少數股東於附屬公司之權益中之數額會撥歸於本集團之權益中對銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Basis of consolidation (Continued)

Acquisition of additional interests in subsidiaries is recorded at historical cost and the excess of the carrying amounts of net assets acquired over the cost of acquisition is recognised as discount on acquisition and charged to consolidated income statement.

#### Goodwill

Goodwill arising on an acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary, at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

#### Revenue recognition

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

Service income is recognised when the services are rendered.

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

Income from licensing is recognised when the relevant licensing agreements are formally concluded.

### 3. 主要會計政策(續)

#### 綜合基準(續)

收購附屬公司之額外權益以歷史成本入賬，而所收購淨資產賬面值超逾收購成本之數額會確認為收購折扣，並於綜合損益表中扣除。

#### 商譽

就收購附屬公司所產生之商譽，指於收購當日之收購成本高於本集團應佔有關附屬公司可識別資產、負債及或然負債之淨公平價值之差額。該等商譽乃按成本減任何累積減值虧損列賬。

收購附屬公司產生之撥充資本商譽乃於綜合資產負債表中單獨呈列。

就減值測試而言，收購所產生之商譽乃被分配到各預期可受惠於因收購而產生協同效應之相關變現單位或一組變現單位。獲分配商譽之變現單位須每年及有關單位有跡象出現減值時進行減值測試。就於某個財政年度之收購所產生之商譽而言，獲分配商譽之變現單位於該財政年度完結前進行減值測試。倘變現單位之可收回金額少於該單位之賬面值，則減值虧損先分配至該單位之商譽賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽之任何減值虧損乃直接於綜合損益表內確認。商譽之減值虧損於其後期間不予撥回。

倘其後出售附屬公司，計算出售盈虧金額時會計入已撥充資本之商譽之應佔金額。

#### 收入之確認

收益按已收或應收代價之公平價值計量，即相當於日常業務中售出貨品及提供服務之應收款項減去折扣及銷售相關稅項後之金額。

服務收入乃於服務已提供時確認。

出售貨品於貨品已交付及所有權已轉讓時確認。

源自特許權之收入於有關之特許權協議正式訂立後確認。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Revenue recognition (Continued)

Income from certain available-for-sale investments where the Group is contracted to receive a pre-determined minimum sum over the period of the projects is allocated to accounting periods so as to reflect a constant periodic rate of return on the investment in these available-for-sale investments. Income from other available-for-sale investments are recognised when the Group's right to receive the distributions has been established.

Rental income, including rental invoiced in advance from properties under operating leases, is recognised on a straight line basis over the term of the relevant lease.

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

#### Property, plant and equipment

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

Costs incurred by the Group in establishing its telecommunication networks include, among other things, property and equipment, internally developed and acquired software and the acquisition of required licenses.

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

Freehold land	Nil
Leasehold land	Over the shorter of the remaining unexpired terms of the relevant leases or 50 years
Buildings	2% – 5%
Plant and machinery and telecommunications networks	10% – 50%
Furniture and fixtures	20% – 33 $\frac{1}{3}$ %
Motor vehicles	25%

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

### 3. 主要會計政策(續)

#### 收入之確認(續)

就本集團已訂約據此於項目期間收取預定最低金額之若干可供出售投資而言，其收入乃於會計期間分配，以便於該等可供出售投資之投資淨值反映固定之定期回報率。其他可供出售投資之收入乃於本集團收取分派之權利獲得確立時予以確認。

租金收入(包括來自經營租賃項下物業之預收租金)乃根據直線法在有關租約期內確認。

財務資產之利息收入乃按時間基準，根據未償還本金額及適用之實際利率(即於財務資產預計有效年期內將估計未來現金收款貼現至該資產之淨賬面值之比率)計算而定。

#### 物業、廠房及設備

物業、廠房及設備乃按成本值減除折舊及任何累計減值虧損後列賬。

本集團設立電信網絡所涉及之成本包括物業及設備、內部發展及購入之軟件以及購入所需特許權等。

物業、廠房及設備之成本值以直線法折舊，按其估計可使用年期及在已考慮其估計剩餘價值後並按以下年率予以撇銷：

永久業權土地	無
租賃土地	按有關契約之尚餘年期或50年攤分，以較短者為準
樓宇	2% – 5%
廠房、機器及電信網絡	10% – 50%
傢俬及裝置	20% – 33 $\frac{1}{3}$ %
汽車	25%

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。解除確認資產之任何損益(按出售所得款項淨額與該項目之賬面值之差額計算)在項目解除確認之年度計入綜合損益表。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Owner-occupied leasehold interest in land

The land and building elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease.

#### Impairment (other than goodwill, development costs for systems and networks and financial assets)

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

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

#### Intangible assets

On initial recognition, intangible assets acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

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

#### Research and development expenditures

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

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

### 3. 主要會計政策(續)

#### 業主自用租賃土地之權益

土地及樓宇之租賃之土地及樓宇成分乃就租賃分類所需分開考慮，除非土地及樓宇成分之間之租賃付款不能可靠地分配，在該情況下，整項租賃一般均視作融資租賃處理。

#### 減值(商譽、系統及網絡之開發成本以及財務資產除外)

於每個結算日，本集團檢討其資產之賬面值以決定是否有任何顯示該等資產受到減值虧損。若某資產之可收回金額估計少於其賬面值，該資產賬面值減至其可收回金額。減值虧損隨即確認為開支。

當減值虧損其後撥回，該資產之賬面值會增至其可收回金額之修訂估計值，惟賬面值之增加不會超過假若該資產過往年度並無作出減值確認而釐定之賬面值。減值虧損之撥回數額隨即確認為收入。

#### 無形資產

於初步確認時，自獨立收購及業務合併所產生之無形資產分別按成本及公平價值確認。於初步確認後，可使用年期有限之無形資產按成本減累計攤銷及任何累計減值虧損列賬。可使用年期有限之無形資產以直線法按其估計可使用年期攤銷。

解除確認無形資產所產生之盈虧按出售所得款項淨額與資產賬面值之差額計算，於解除確認資產時在綜合損益表確認。

#### 研究與開發支出

研究活動支出於產生之期間支銷。

開發支出所帶來自行產生之無形資產，僅在預期資產會用於清楚界定之項目中，而開支可透過未來商業活動收回之情況下，方獲確認。項目完成之資產按直線法在可使用年內攤銷，並按成本減其後之累計攤銷及任何累計減值虧損列賬。

倘並無自行產生之無形資產可予確認，則開發支出於產生期間在損益中扣除。



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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

**Leases**

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

*The Group as lessor*

Rental income from operating leases is recognised in the consolidated income statement on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight line basis over the lease term.

*The Group as lessee*

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

**Deposits and prepaid development costs**

Deposits and prepaid development costs represent the development costs for systems and networks projects under construction. Deposits and prepaid development costs are transferred to development costs for systems and networks when it is implemented for its intended use. Deposits and prepaid development costs are stated at cost less impairment.

**Development costs for systems and networks**

Development costs for systems and networks are stated at cost less amortisation and any accumulated impairment losses.

Development costs for systems and networks represent all direct costs incurred by the Group in setting up systems and networks, including the cost of equipment, development cost and subcontracting expenditure. Such assets are recognised only if all of the following conditions are met:

- the technical feasibility of completing the asset so that it will be available for use or sale.
- its intention to complete the asset and use or sell it.
- its ability to use or sell the asset.
- how the asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the asset or the asset itself or, if it is to be used internally, the usefulness of the asset.

3. 主要會計政策(續)

**租賃**

凡租賃條款規定，將所有權之所有風險及報酬大部分轉移至承租人之租賃，均列為融資租賃。所有其他租賃均列為經營租賃。

*本集團作為出租人*

經營租賃之租金收入於有關租賃期內按直線基準在綜合損益表內確認。商討及安排經營租賃之最初直接成本會加入所租賃資產之賬面金額，並於租賃期內按直線基準確認為開支。

*本集團作為承租人*

經營租賃之應付租金按有關租賃期以直線基準自損益中扣除。為鼓勵達成經營租賃之已收及應收利益會按直線基準於租賃期內確認為租金開支之減省。

**按金及預付開發成本**

按金及預付開發成本指在建中之系統及網絡項目之開發成本。當按金及預付開發成本按其擬定用途實施時會轉撥至系統及網絡之開發成本。按金及預付開發成本以成本扣除減值列賬。

**系統及網絡之開發成本**

系統及網絡之開發成本乃按成本減攤銷及任何累計減值虧損列賬。

系統及網絡之開發成本為本集團於設立系統及網絡時所產生之所有直接成本，包括設備成本、開發成本及外判費用。該等資產僅於達至下列所有條件時方獲確認：

- 擁有使資產完成以供使用或銷售之技術可行性。
- 擁有使資產完成並予以使用或銷售之意向。
- 擁有使用或銷售資產之能力。
- 資產將如何帶來未來經濟收益。除其他事項外，實體可展示資產之出品或資產本身存有市場，或倘資產供內部使用，則展示資產之可用性。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Development costs for systems and networks

(Continued)

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset.
- its ability to measure reliably the expenditure attributable to the asset during its development.

Development costs that cannot fulfil the above conditions are recognised as expenses in the period in which it is incurred. Development costs for systems and networks which are implemented for its intended use and fulfil the above conditions are amortised on a straight line basis over their estimated useful lives, subject to a maximum of five years. Where the recoverable amount of development costs for systems and networks has declined below their carrying amount, the carrying amount is reduced to reflect the decline in value.

Development costs for systems and networks that are not yet available for intended use are stated at cost less any accumulated impairment losses. Impairment test is performed at least annually.

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

#### Financial instruments

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

### 3. 主要會計政策(續)

#### 系統及網絡之開發成本(續)

- 具備充裕技術、財務及其他資源以完成開發及使用或銷售資產。
- 能可靠地計量於開發期間之資產應佔開支。

未能滿足上述條件之開發成本於產生期間確認為支出。能滿足上述條件所開發之系統及網絡之開發成本以直線法按其估計可使用年期(最多為五年)予以攤銷。倘系統及網絡之可收回款額減至低於其賬面值，則扣減其賬面值以反映有關減值。

尚未投入作擬定用途之系統及網絡之開發成本按成本減任何累計減值虧損列賬，最少每年進行一次減值測試。

系統及網絡之開發成本項目會在出售或預期繼續使用該資產不會帶來未來經濟利益時解除確認。解除確認該資產的任何損益(按出售所得款項淨額與該項目的賬面值之間的差額計算)在項目解除確認的年度計入綜合損益表。

#### 金融工具

當集團個體成為工具合約條款的一方時，財務資產及財務負債會在綜合資產負債表上確認。財務資產和財務負債在初始確認時會以公平價值進行計量。直接歸屬於購置或發行財務資產及財務負債(按公平價值計入損益之財務資產及財務負債除外)之交易費用在初始確認時適當地計入或扣自各財務資產或財務負債之公平價值。直接歸屬於購置按公平價值計入損益之財務資產或財務負債之交易費用立即在損益中確認。



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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Financial assets

The Group's financial assets are mainly classified into one of the two categories, including loans and receivables and available-for-sale financial assets. The accounting policies adopted in respect of each category of financial assets are set out below.

##### Effective interest method

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

Income is recognised on an effective interest basis for debt instruments.

##### Loans and receivables

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

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories.

For available-for-sale debt investments with guaranteed return, payments receivables each year for investments are apportioned between income and reduction of the carrying value of the investments so as to reflect a constant periodic rate of return. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment of financial assets below).

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 財務資產

本集團之財務資產主要歸入兩個類別之一，包括貸款及應收款項以及可供出售財務資產。就各類別財務資產所採納之會計政策載列如下。

##### 實際利率法

實際利率法乃計算財務資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計日後現金收入（包括所支付或所收取能構成整體實際利率之所有費用及利率差價、交易費用及其他溢價或折讓）按財務資產之預期使用年期或較短期間（倘合適）實際折現之利率。

債務工具之收入乃按實際利率基準確認。

##### 貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款之非衍生財務資產。於初始確認後之各個結算日，貸款及應收款項（包括應收貿易及其他賬款、存款、銀行結存及現金）乃利用實際利息法按攤銷成本扣除任何已確定減值虧損列賬（見下文有關財務資產減值之會計政策）。

##### 可供出售財務資產

可供出售財務資產為指定為或並非分類為任何其他類別之非衍生工具。

具保證回報之可供出售債務投資每年之投資應收款項在收入與投資賬面值減值之間分配，以反映固定之定期回報率。於初始確認之後各結算日，可供出售財務資產按公平價值計量。

至於並無於活躍市場有掛牌市價且公平價值未能可靠地計量之可供出售股本投資，則於初始確認後之各結算日按成本減去任何已確認之減值虧損計量（見下文有關財務資產之會計政策）。



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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Impairment of financial assets

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

For loans and receivables, objective evidence of impairment could include:

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

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and an increase in the number of delayed payments.

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

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

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

For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 財務資產之減值

財務資產於各結算日評估是否出現減值跡象。倘有客觀證據顯示財務資產之預期未來現金流量因於初始確認該財務資產後發生之一項或多項事件而受到影響時作出減值。

就貸款及應收賬款而言，減值之客觀證據可包括：

- 發行人或交易對方出現重大財務困難；或
- 未能繳付或拖欠償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就若干財務資產類別(如應收貿易賬款)而言，不會個別作出減值評估之資產會於其後彙集一併評估減值。應收賬款組合出現減值之客觀證據包括本集團過往之收款經驗及延遲付款增加。

就以攤銷成本列賬之財務資產而言，當有客觀證據證明資產已減值，減值虧損於收益賬中確認，並按資產賬面值與按原實際利率貼現之估計未來現金流之差額計算。

就以成本列賬之財務資產而言，減值虧損按資產賬面值與按類似財務資產當時之市場回報率貼現之估計未來現金流之差額計算。該項減值虧損將不會於往後期間撥回。

所有財務資產之賬面值均直接減去其所產生之減值虧損。

就以攤銷成本列賬之財務資產而言，如在隨後期間，減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將於損益表予以撥回，惟該資產於減值被撥回當日之賬面值不得超過倘該項減值未獲確認之攤銷成本。

就可供出售債務投資而言，倘投資之公平值在客觀上與確認減值虧損後發生之事件有關，則減值虧損其後予以撥回。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

##### Effective interest method

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

Interest expense is recognised on an effective interest basis.

##### Convertible bonds

The convertible bonds issued by the Group includes a liability component, a conversion option, a call option and a put option and an early redemption option. Convertible bonds that will not be settled other than by the exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments are financial liabilities with embedded derivatives. Derivatives embedded in a financial instrument are treated as separate derivatives when their economic risks and characteristics are not closely related to those of the host contract (the liability component) and the host contract is not carried at fair value through profit or loss.

The convertible bonds (including the liability component, the conversion option, the call option and the put option and an early redemption option) as a whole are designated as financial liabilities at fair value through profit or loss on initial recognition. At each subsequent balance sheet date, the entire convertible bonds will be measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Transaction costs that are directly attributable to the issue of the convertible bonds designated as financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 財務負債及權益

集團個體發行的財務負債及股本工具根據所訂立之合約安排之實質內容以及財務負債及股本工具之定義分類。

股本工具指任何合約證明其擁有本集團資產在減除其所有負債後之剩餘權益。

##### 實際利率法

實際利率法乃計算財務負債之攤銷成本及按有關期間攤分利息支出之方法。實際利率乃將估計日後現金付款按財務負債之預期使用年期，或較短期間(倘合適)實際貼現之利率。

利息開支乃按實際利率基準確認。

##### 可換股債券

本集團發行之可換股債券包括負債部分、兌換權、認購權及認沽權及提早贖回權。可換股債券如將不會以固定現金金額交換固定數目之本公司股本工具之方式結算，則屬具內含衍生工具之財務負債。當其經濟風險及特徵與主合約(負債部分)並不密切相關，及主合約未按公平價值於損益表列賬時，該包含於金融工具內之各衍生工具被視為個別衍生工具。

於初始確認時，可換股債券(包括負債部分、兌換權、認購權及認沽權及提早贖回權)整體指定為按公平價值於損益列賬之財務負債。於其後每個結算日，所有可換股債券將按公平價值計算，公平價值之變動於發生期內直接於損益內確認。

因發行指定為按公平價值於損益列賬之財務負債之可換股債券而產生之直接交易費用即時於損益表確認入賬。



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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

Financial liabilities and equity (Continued)

##### Convertible bonds (Continued)

Subscription rights granted to the convertible bond holders to subscribe for the ordinary shares of a subsidiary of the Company are recognised at fair value on initial recognition and will remain in subscription right reserve until the subscription rights are exercised (in which case the balance in the subscription right reserve will be transferred to share premium). Where the subscription rights remain unexercised at the expiry date, the balance in the subscription right reserve will be released to retained profits. No gain or loss is recognised in profit or loss upon exercise or expiration of the subscription rights.

##### Equity instruments

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

##### Derecognition

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

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

##### Interest in an associate

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

### 3. 主要會計政策(續)

#### 金融工具(續)

財務負債及權益(續)

##### 可換股債券(續)

授予可換股債券持有人以認購本公司一間附屬公司之普通股之認購權於初始確認時按公平價值確認，並將於認購權獲行使前列作認購權儲備(倘認購權獲行使則認購權儲備款額將轉撥至股份溢價)。倘認購權於到期日仍未獲行使，則認購權儲備餘額將轉至保留溢利。認購權獲行使或到期將不會在損益表內確認盈虧。

##### 股本工具

本公司發行之股本工具乃按實得款項(扣除直接發行成本)入賬。

##### 解除確認

當從資產收取現金流之權利屆滿時，或財務資產已轉讓而本集團已大致轉移財務資產之所有權及控制權所附帶之全部風險及報酬後，即會解除確認該項財務資產。一旦解除確認財務資產，資產賬面值與已收及應收代價及已直接在權益中確認之累計損益總和兩者之差額會在損益中確認。

財務負債於有關合約中規定之義務解除、取消或到期時解除確認。解除確認之財務負債之賬面值與已付及應付代價之間之差額會在損益中確認。

##### 於聯營公司之權益

聯營公司為本集團對其具有重大影響之實體，而該實體並非附屬公司或本集團於合營企業之權益。重大影響指有權參與投資對象之財務及營運決策，但並非對該等政策擁有控制權或共同控制權。

於聯營公司業績及資產與負債乃以權益會計法計入綜合財務報告內。根據該權益法，於聯營公司之投資乃按成本另就本集團於收購後攤佔聯營公司之損益及股本權益之變動調整，減任何已識別減值虧損列於綜合資產負債表。當本集團攤佔聯營公司之虧損等同或超過其於該聯營公司之權益(包括實質構成本集團於該聯營公司投資淨額一部分之長期權益)，本集團不再確認其攤佔之進一步虧損。惟當因招致之法定或推定責任或已代表該聯營公司支付款項，本集團會撥備額外攤佔虧損並確認為負債。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Interest in an associate (Continued)

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

#### Inventories

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

#### Borrowing costs

All borrowing costs are expensed as incurred.

#### Taxation

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

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

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

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

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

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

### 3. 主要會計政策(續)

#### 於聯營公司之權益(續)

當集團個體與本集團之聯營公司進行交易，損益會互相抵銷，數額以本集團於有關聯營公司之權益為限。

#### 存貨

存貨乃按成本值與可變現淨值兩者中之較低者入賬。成本按先入先出法計算。

#### 借貸成本

所有借貸成本於產生期間列為開支。

#### 稅項

所得稅支出指本期應付稅項及遞延稅項之總和。

本期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益表中所報溢利不同，此乃由於前者不包括在其他年度應課稅或可扣稅收入或開支，並且不包括損益表內永不用課稅及永不獲減免之項目。

遞延稅項指預期就綜合財務報告內資產及負債賬面值及用以計算應課稅溢利所用之相應稅基之差額須支付或可收回之稅項，並以資產負債表負債法處理。遞延稅項負債一般就所有應課稅臨時差額確認，而遞延稅項資產亦會被確認，直至應課稅溢利可用作抵銷可扣稅臨時差額。若商譽或於一項交易中初次確認之資產及負債(業務合併除外)而引致之臨時差異既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項資產之賬面值於每個結算日作檢討，並予以扣減直至再無可能有足夠應課稅溢利以收回全部或部分資產為止。

遞延稅項負債乃就附屬公司及聯營公司之投資及合營企業權益所產生之應課稅臨時差額而確認，惟倘本集團可控制臨時差額之撥回，且該臨時差額有可能於可見將來不予撥回則除外。

遞延稅項乃按預期於負債償還或資產變現期間之預期適用稅率計算。遞延稅項於損益表中扣除或計入損益表，除非其與直接自權益中扣除或計入權益之項目有關，在此情況下，遞延稅項亦會於權益中處理。



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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

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

#### Retirement benefit cost

Payments to the Group's defined contribution retirement benefit schemes are charged as expense when employees have rendered service entitling them to contributions.

For the Group's defined benefit retirement benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses which exceed 10% of the greater of the present value of the Group's pension obligations and the fair value of scheme assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the amended benefits become vested. Any assets resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contribution to the scheme.

### 3. 主要會計政策(續)

#### 外幣

編製各集團實體之財務報告時，以該實體功能貨幣以外之貨幣(外幣)進行之交易乃按交易當日之當前匯率以功能貨幣(該實體經營所在之主要經濟環境貨幣)列賬。於各結算日，以外幣列值之貨幣項目乃按於結算日之當時適用匯率重新換算。以外幣計值按公平價值列賬之非貨幣項目乃以公平價值釐定日期之當時適用匯率重新換算。按外幣及歷史成本計量之非貨幣項目不作重新換算。

結算及換算貨幣項目時所產生的匯兌差額會計入期間的盈虧。換算按公平價值列賬之非貨幣項目時所產生的匯兌差額會計入期間的盈虧，惟換算有關盈虧會直接在權益中確認之非貨幣項目時所產生的匯兌差額除外，在此情況下，有關匯兌差額亦會直接在權益中確認。

為呈列綜合財務報告，本集團海外業務之資產及負債乃按於結算日之當時適用匯率換算為本公司之呈報貨幣(港元)，而該等業務之收入及開支乃按照年度平均匯率換算，除非期內匯兌大幅波動，於該情況下，則使用交易日期之當時適用匯率。所產生之匯兌差額(如有)乃確認為獨立權益部分(換算儲備)。該等匯兌差額乃於出售海外業務期內於損益確認。

#### 退休福利成本

本集團定額供款退休福利計劃之款項於員工提供服務令其合資格享有供款時作為開支扣除。

就本集團之定額退休福利計劃而言，提供福利之成本乃以預計單位貸記法釐定，並於各結算日進行精算估值。精算收益及虧損如超出本集團公積金承擔之現值或計劃資產之公平價值(以較高者為準)10%，則會按參與計劃之僱員之預期平均餘下服務年期予以攤銷。過往之服務成本乃即時確認，惟以經已歸屬之福利為限，否則會於平均年期按直線基準攤銷，直至經修訂之福利收入歸屬為止。該計算產生之任何資產只限於未確認精算虧損及過往服務成本，另加可動用退款現值及對計劃之未來供款之扣減。



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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

**Retirement benefit cost** (Continued)

The amount recognised in the consolidated balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and as reduced by the fair value of scheme assets.

Any assets resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contribution to the scheme.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

**Estimated impairment of goodwill**

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. As at both balance sheet dates, the carrying amount of goodwill was HK\$36,795,000. Details of the recoverable amount calculation are disclosed in note 16.

**Development costs for systems and networks**

(a) *Estimated useful life*

As at 30 June 2008, the carrying value of development costs for systems and networks amounts to HK\$2,743,823,000 (2007: HK\$2,137,057,000). The estimated useful life of the assets reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the development.

(b) *Estimated impairment*

Determining whether development costs for systems and networks and deposits and prepaid development costs are impaired requires an estimation of the value in use. The value in use calculation requires the Group to estimate the future cash flow expected to arise from the continuing use of the assets and a suitable discount rate in order to calculate the present value. As at 30 June 2008, the carrying amount of development costs for systems and networks and deposits and prepaid development costs were HK\$2,743,823,000 (2007: HK\$2,137,057,000) and HK\$2,563,105,000 (2007: HK\$2,041,260,000) respectively.

3. 主要會計政策(續)

**退休福利成本(續)**

於綜合資產負債表所確認之金額乃指定額福利承擔之現值，並經就未確認之精算盈虧及未確認之過往服務成本作出調整，以及按計劃資產之公平價值扣減。

按此計算產生之任何資產只限於未確認精算虧損及過往服務成本，另加可動用退款現值及對計劃之未來供款之扣減。

4. 估計不確定性之主要來源

以下為有關日後之主要假設，以及於資產負債表中估計不確定性之其他主要來源，或會導致下一個財政年度內資產及負債之賬面值出現重大調整。

**商譽之估計減值**

釐定商譽是否減值須對獲分派商譽之變現單位之使用價值作出估計。計算使用價值時，本集團須估計預期產生自變現單位日後之現金流量及合適之貼現率以計算現值。於兩個年度之結算日，商譽之賬面值為36,795,000港元。可收回金額計算方法之詳情於附註16披露。

**系統及網絡之開發成本**

(a) *估計可使用年期*

於二零零八年六月三十日，系統及網絡之開發成本之賬面值為2,743,823,000港元(二零零七年：2,137,057,000港元)。資產之估計可用年期反映董事估計本集團可自使用開發項目獲得未來經濟利益之年期。

(b) *估計減值*

釐定系統及網絡之開發成本以及按金及預付開發成本是否減值須對使用價值作出估計。計算使用價值時，本集團須估計預期產生自持續使用資產日後之現金流量及合適之貼現率以計算現值。於二零零八年六月三十日，系統及網絡之開發成本以及按金及預付開發成本之賬面值分別為2,743,823,000港元(二零零七年：2,137,057,000港元)及2,563,105,000港元(二零零七年：2,041,260,000港元)。



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4. KEY SOURCES OF ESTIMATION  
UNCERTAINTY (Continued)**Estimated impairment of available-for-sale investments**

Determining whether available-for-sale investments are impaired requires an estimation of future cash flows discounted at the current market rate of return of similar assets. As at 30 June 2008, the carrying amount of available-for-sale investments was HK\$1,509,822,000 (2007: HK\$1,786,794,000).

## 4. 估計不確定性之主要來源(續)

**可供出售投資之估計減值**

釐定可供出售投資是否減值須估計日後之現金流量，並按類似資產當時之市場回報率貼現。於二零零八年六月三十日，可供出售投資之賬面值為1,509,822,000港元(二零零七年：1,786,794,000港元)。

5. FINANCIAL INSTRUMENTS  
Categories of financial instruments5. 金融工具  
金融工具之種類

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Financial assets	財務資產		
Available-for-sale investments	可供出售投資	<b>1,509,822</b>	1,786,794
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及現金等額)		
– Trade and other receivables	– 應收貿易及其他賬款	<b>1,152,497</b>	1,202,327
– Deposit, bank balances and cash	– 存款、銀行結存及現金	<b>350,728</b>	347,482
		<b>1,503,225</b>	1,549,809
		<b>3,013,047</b>	3,336,603
Financial liabilities	財務負債		
Amortised cost	已攤銷成本		
– Trade and other payables	– 應付貿易及其他賬款	<b>248,931</b>	87,291
– Bank borrowings	– 銀行借貸	<b>250,265</b>	229,781
– Other borrowings	– 其他借貸	<b>682</b>	2,577
– Bank overdrafts	– 銀行透支	<b>27,816</b>	–
		<b>527,694</b>	319,649
Financial liabilities at fair value through profit or loss	以公平值計入損益之 財務負債		
– Convertible bonds	– 可換股債券	–	35,880
		<b>527,694</b>	355,529



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### 5. FINANCIAL INSTRUMENTS (Continued) Financial risk management objectives and policies

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

#### Credit risk

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 30 June 2008 in relation to financial assets is the carrying amounts of those assets stated in the consolidated balance sheet.

In order to minimise the credit risk in relation to trade receivables, the management of the Group will only advance credit to customers with good credit history. In addition, the management reviews the recoverable amount of each individual debt at each balance sheet date, taking into account of future discounted cash flows, to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on trade receivables is concentrated on a few distributors. Receivables from top five distributors represented approximately 88.6% of trade receivables at the balance sheet date. In addition, the credit risk on guaranteed distribution receivable is also concentrated on a few number of guarantors of investments. Receivables from the top five guarantors of investments represented approximately 22.1% of guaranteed distribution receivables at the balance sheet date. The management considers that there are no significant credit risks due to the long and good credit history of these debtors.

As at 30 June 2008, the Group maintains approximately HK\$71,409,000 (2007: nil) of deposits with certain overseas financial institutions. The management considers there are no significant credit risks due to the long and good credit history with these financial institutions. The credit risk on other liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

### 5. 金融工具(續) 財務風險管理目標及政策

本集團之主要財務工具包括可供出售投資、應收貿易賬款、存款、銀行結存及現金、應付貿易賬款以及銀行及其他借貸。該等金融工具之詳情於各自之附註披露。與該等金融工具相關之風險及如何減低該等風險之政策載於下文。管理層管理及監控該等風險，以確保及時並有效採取適當措施。

#### 信貸風險

倘對方未能履行於二零零八年六月三十日彼等就財務資產之責任，則該等於綜合資產負債表列賬之資產之賬面值為本集團承受之最大信貸風險。

為盡量減低有關應收貿易賬款之信貸風險，本集團僅向具良好信譽記錄之客戶提供信貸。此外，管理層於各結算日審閱各個別債項之可收回金額，並考慮未來貼現現金流，以確保已就不可收回金額作出足夠減值虧損。據此，本公司董事認為本集團之信貸風險已大幅降低。

應收貿易賬款之信貸風險集中於少數分銷商。五大分銷商之應收賬款佔結算日之應收貿易賬款約88.6%。此外，應收保證分派之信貸風險亦集中於少數投資擔保人。五大投資擔保人之應收款項佔結算日之應收保證分派約22.1%。管理層認為，由於該等債務人具有悠久及良好信譽記錄，故信貸風險並不重大。

於二零零八年六月三十日，本集團於若干海外財務機構之存款約71,409,000港元（二零零七年：無）。管理層認為，由於該等財務機構具悠久及良好的信貸紀錄，故並無重大信貸風險。由於對方均為於國際信貸評級機構具備高信貸評級之銀行，故其他流動資金之信貸風險有限。



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5. FINANCIAL INSTRUMENTS (Continued)  
Financial risk management objectives and policies

(Continued)

## Liquidity risk

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

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

5. 金融工具(續)  
財務風險管理目標及政策(續)

## 流動資金風險

於流動資金風險管理而言，本集團對現金及現金等額進行監察及維持至管理層視為充裕之水平，以作為本集團營運並減低現金流動所帶來之影響。

下表詳列本集團金融負債之剩餘合約年期。列表乃按本集團最早可被要求償還之財務負債未貼現現金流列示。

		Interest rate	0 – 6 months	7 – 12 months	Over 1 year	Total undiscounted cash flow	Carrying amount at 30 June 2008
		利率	0至6個月	7至12個月	1年以上	未貼現現金流總額	於二零零八年六月三十日之賬面值
		%	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
<b>2008</b>	<b>二零零八年</b>						
Trade and other payables	應付貿易及其他賬款	N/A	248,931	–	–	248,931	248,931
Bank borrowings	銀行借貸	2.8	201,510	3,302	57,758	262,570	250,265
Other borrowings	其他借貸	9.0	523	14	205	742	682
Bank overdrafts	銀行透支	5.7	27,819	–	–	27,819	27,816
			<b>478,783</b>	<b>3,316</b>	<b>57,963</b>	<b>540,062</b>	<b>527,694</b>
		Interest rate	0 – 6 months	7 – 12 months	Over 1 year	Total undiscounted cash flow	Carrying amount at 30 June 2007
		利率	0至6個月	7至12個月	1年以上	未貼現現金流總額	於二零零七年六月三十日之賬面值
		%	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
<b>2007</b>	<b>二零零七年</b>						
Trade and other payables	應付貿易及其他賬款	N/A	87,291	–	–	87,291	87,291
Bank borrowings	銀行借貸	5.9	180,946	53,427	382	234,755	229,781
Other borrowings	其他借貸	8.0	2,042	14	752	2,808	2,577
Convertible bonds	可換股債券	1.0	–	18,860	–	18,860	35,880
			<b>270,279</b>	<b>72,301</b>	<b>1,134</b>	<b>343,714</b>	<b>355,529</b>

## Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank borrowings and bank deposits. The Group currently does not have a policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arises.

## 利率風險

本集團之現金流利率風險主要與浮息銀行借貸及銀行存款有關。本集團目前並無對沖利率風險之現金流對沖政策。然而，管理層已監控利率風險，並在需要時將考慮對沖重大利率風險。





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5. FINANCIAL INSTRUMENTS (Continued)  
Financial risk management objectives and policies (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings only, as management considers interest rates on bank balances are not subject to significant fluctuations in interest rates. The analysis is prepared assuming the amount of balances outstanding at the balance sheet date was the amount outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the year ended 30 June 2008 would decrease or increase by approximately HK\$1,391,000 (2007: decrease or increase by HK\$1,145,000).

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

Foreign currency risk

Several subsidiaries of the Company have foreign currency denominated monetary assets and liabilities, which expose the Group to foreign currency risk.

The carrying amounts of the group entities' foreign currency denominated monetary assets and monetary liabilities (including intra-group current accounts) at the reporting date are as follows:

		2008 二零零八年		2007 二零零七年	
		Assets 資產	Liabilities 負債	Assets 資產	Liabilities 負債
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Euro	歐元	5,381	167	6,455	1,187
Pound Sterling	英鎊	325	–	155	–
Macao Pataca	澳門幣	436	67	133	–
United States dollar	美元	513,688	20,172	259,114	37,411

5. 金融工具(續)  
財務風險管理目標及政策(續)

利率風險(續)

敏感度分析

以下敏感度分析僅以浮息銀行借貸所承受之利率變動為基準而釐定，因管理層認為銀行結存之利率受利率波動之影響並不重大。分析乃假設於結算日未償還之結餘金額在整個年度內均未償還。為向主要管理人員內部匯報利率風險而採用之50點子之增減，代表管理層對利率之合理潛在變動作出之評估。

倘利率增加或減少50點子，且所有其他可變因素維持不變，本集團截至二零零八年六月三十日止年度之溢利將減少或增加約1,391,000港元（二零零七年：減少或增加1,145,000港元）。

管理層認為年結日之利率風險並無反映年內之風險，故敏感度分析不代表固有利率風險。

外幣風險

本公司若干附屬公司持有以外匯計值之貨幣性資產及負債，令本集團面對外幣風險。

於報告日期，集團實體以外幣計值之貨幣性資產及貨幣性負債（包括集團間之流動賬）之賬面值如下：





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### 5. FINANCIAL INSTRUMENTS (Continued) Financial risk management objectives and policies (Continued)

#### Foreign currency risk (Continued)

The Group currently does not engage in any foreign currency hedging instruments. It is the Group's policy to manage foreign exchange risk through matching foreign currency income with expense, and where exposure to foreign exchange is anticipated, appropriate hedging instruments will be used.

#### Sensitivity analysis

The group entities are mainly exposed to foreign currency risk from Euro and United States dollar. Under the pegged exchange rate system, the financial exposure on exchange rate fluctuation between Hong Kong dollar and United States dollar is considered by the directors to be insignificant and therefore no sensitivity analysis has been prepared.

The following table details the group entities' sensitivity to a 5% increase and decrease in Euro against each group entity's functional currency. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where Euro strengthen 5% against each group entity's functional currency. For a 5% weakening of Euro against each group entity's functional currency, there would be an equal and opposite impact on the profit.

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Euro	歐元	261	263

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

#### Price risk

- (i) Convertible bonds  
The Group is exposed to equity price risk on the convertible bonds issued by Kantone Holdings Limited ("Kantone") (see note 28). The management manages this exposure by providing measures in the subscription agreement to allow redemption of the convertible bonds at the option of Kantone, see note 28 for details.

The convertible bonds issued by Kantone were either fully converted or redeemed in 2008, hence management considers that the Group is not exposed to price risk at the balance sheet date.

### 5. 金融工具(續) 財務風險管理目標及政策(續)

#### 外幣風險(續)

本集團目前並無進行外幣對沖活動。本集團一貫政策是透過配對外幣收入及支出直接管理外匯風險；假如預見出現外匯風險，將運用合適之對沖工具。

#### 敏感度分析

集團實體主要承擔之外幣風險來自歐元及美元。根據聯繫匯率機制，董事認為港元與美元匯兌波動之財務影響極微，因此並無編製敏感度分析。

下表詳細說明集團實體對歐元兌各集團實體之功能貨幣之匯率上調及下調5%之敏感度。5%乃為在內部向主要管理人員報告外幣風險時所採用的敏感度比率，其代表管理層對外匯匯率合理可能變動的評估。敏感度分析僅包括以外幣計值之未結付貨幣項目，並因外匯匯率變動5%對其於年終之換算作出調整。以下正值表明歐元兌各集團實體功能貨幣升值5%時溢利之上升。當歐元兌各集團實體功能貨幣貶值5%，則會對溢利構成相同程度的相反影響。

管理層認為年結日之外幣風險並無反映年內之風險，故敏感度分析不代表固有外匯風險。

#### 價格風險

- (i) 可換股債券  
本集團面對看通集團有限公司（「看通」）發行之可換股債券之股本價格風險（見附註28）。管理層於認購協議中提供措施管理此風險，讓看通選擇是否贖回可換股債券，詳情見附註28。

於二零零八年，看通發行之可換股債券已獲悉數兌換或贖回，故管理層認為於結算日本集團並無面對價格風險。



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### 5. FINANCIAL INSTRUMENTS (Continued) Financial risk management objectives and policies (Continued)

#### Price risk (Continued)

#### Sensitivity analysis

The following sensitivity analysis has been determined based on the exposure to equity price risk at the balance sheet date. If the share price of Kantone had been 5% higher, profit for the year ended 30 June 2007 would decrease by HK\$1,686,000 as a result of the changes in fair value of convertible bonds. Conversely, if the share price of Kantone had been 5% lower, profit for the year ended 30 June 2007 would increase by HK\$1,996,000 as a result of the changes in fair value of convertible bonds.

- (ii) Available-for-sale investments  
The Group is also exposed to price risk on its available-for-sale investments. The risk is mainly concentrated on equity instruments operating in the advanced technology development industry sector. The Group has an investment committee dedicated to monitor this risk.

#### Fair value of financial assets and financial liabilities

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

- the fair value of financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- for an option based derivative, the fair value is estimated using option pricing model (for example, the Binomial Model, etc.).

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

### 6. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold and services provided by the Group to outside customers, licensing fees received and receivable and distributions/ dividends received and receivable from the Group's investments in telecommunications and e-commerce projects and strategic investments during the year.

#### (a) Turnover

The turnover of the Group comprises the following:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Sales of systems products	銷售系統產品	2,287,033	1,560,653
Rendering of services and software licensing	提供服務及軟件特許權	1,167,512	1,441,768
Leasing of systems products	租賃系統產品	10,158	9,537
Guaranteed distribution income	保證分派收入	114,556	111,067
Dividend income	股息收入	55,790	41,262
		<b>3,635,049</b>	<b>3,164,287</b>

### 5. 金融工具(續) 財務風險管理目標及政策(續)

#### 價格風險(續)

#### 敏感度分析

以下敏感度分析乃根據於結算日釐定之股本價格風險而作出。倘看通股價上升5%，則截至二零零七年六月三十日止年度之溢利將因可換股債券之公平價值變動而減少1,686,000港元；相反，倘看通股價下跌5%，則截至二零零七年六月三十日止年度之溢利因可換股債券之公平價值變動而增加1,996,000港元。

- (ii) 可供出售投資  
本集團亦面對可供出售投資之價格風險。該風險主要集中於在先進科技開發行業運作之權益工具。本集團已成立投資委員會負責監察該風險。

#### 財務資產及財務負債之公平價值

財務資產及財務負債之公平價值採用下列方法釐定：

- 財務資產及財務負債(不包括衍生工具)之公平價值根據貼現現金流分析按公認定價模式釐定；及
- 就包含選擇權利之衍生工具，其公平價值以期權定價模式(如二項式期權定價模式等)作出估計。

董事認為本集團以攤銷成本列賬之財務資產及負債，其賬面值與公平價值相若。

### 6. 營業額及分類資料

營業額指年內本集團就向外界顧客出售產品及提供服務之已收及應收款項淨額、已收及應收之特許費用，以及源自本集團於電信及電子商貿項目之投資及策略性投資之已收及應收分派/股息。

#### (a) 營業額

本集團之營業額來自下列各項：



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## 6. TURNOVER AND SEGMENT INFORMATION (Continued)

## (b) Business segments

For management purposes, the Group is currently organised into six main operating businesses – sales of general systems products, provision of services (including software customisation and provision of e-lottery services) and software licensing, leasing of systems products, investments in telecommunications networks and projects, investments in e-commerce projects and holding strategic investments in advanced technology product development companies. These businesses are the basis on which the Group reports its primary segment information.

## 6. 營業額及分類資料(續)

## (b) 業務分類

為方便管理，本集團之業務現分為六項主要經營業務－銷售一般系統產品、提供服務(包括軟件訂製及提供電子彩票服務)及軟件特許權、租賃系統產品、電信網絡及項目之投資、電子商貿項目之投資，以及持有高科技產品開發公司之策略性投資。此等業務乃本集團主要分類資料之報告基準。

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in tele- communications networks and projects 電信網絡及 項目之投資 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Year ended 30 June 2008</b>	<b>截至二零零八年 六月三十日止年度</b>							
<b>TURNOVER</b>	<b>營業額</b>							
External and total revenue	對外銷售及總收入	2,287,033	1,167,512	10,158	16,033	7,846	146,467	3,635,049
<b>RESULTS</b>	<b>業績</b>							
Segment result	分類業績	71,767	131,741	4,993	2,940	6,663	70,244	288,348
Interest income	利息收入							8,577
Gain on deemed disposal of subsidiaries	被視為出售附屬公司之收益							196
Discount on deemed acquisition of additional interest in a subsidiary	被視為收購附屬公司額外權益之折扣							2,860
Loss on fair value change of convertible bonds	可換股債券公平價值變動之虧損							(2,282)
Unallocated corporate expenses, net	未分配公司開支－淨額							(33,640)
Finance costs	財務成本							(6,781)
Profit before taxation	除稅前溢利							257,278
Taxation	稅項							(2,063)
Profit for the year	本年度溢利							255,215



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## 6. TURNOVER AND SEGMENT INFORMATION (Continued)

## (b) Business segments (Continued)

## 6. 營業額及分類資料(續)

## (b) 業務分類(續)

		Sales of general systems products	Provision of services and software licensing	Leasing of systems products	Investments in tele- communications networks and projects	Investments in e-commerce projects	Strategic investments	Consolidated
		銷售一般 系統產品	提供服務及 軟件特許權	租賃系統 產品	電信網絡及 項目之投資	電子商貿 項目之投資	策略性投資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>As at 30 June 2008</b>	<b>於二零零八年六月三十日</b>							
ASSETS	資產							
Segment assets	分類資產	4,905,516	1,339,190	6,731	47,468	53,733	1,731,963	8,084,601
Unallocated corporate assets	未分配公司資產							361,558
Consolidated total assets	綜合總資產							8,446,159
LIABILITIES	負債							
Segment liabilities	分類負債	127,509	185,185	7,981	4,001	-	-	324,676
Unallocated corporate liabilities	未分配公司負債							305,878
Consolidated total liabilities	綜合總負債							630,554
OTHER INFORMATION	其他資料							
Capital additions of property, plant and equipment	物業、廠房及設備 之資本增加	4,498	4,106	306	-	-	-	8,910
Capital additions of systems and networks	系統及網絡 之資本增加	319,800	-	-	-	-	-	319,800
Additions of deposits and prepaid development costs	按金及預付開發 成本之增加	2,052,804	-	-	-	-	-	2,052,804
Depreciation and amortisation	折舊及攤銷	274,171	453,260	439	-	-	-	727,870
Impairment losses recognised for available-for-sale investments	就可供出售投資 所確認之減值虧損	-	-	-	-	-	56,502	56,502
Impairment losses recognised for development costs for systems and networks	就系統及網絡 之開發成本所確認 之減值虧損	165,565	270,923	-	-	-	-	436,488
Impairment losses recognised for deposits and prepaid development costs	就按金及預付開發成本 所確認之減值虧損	99,560	145,750	-	-	-	-	245,310



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

## 6. TURNOVER AND SEGMENT INFORMATION (Continued)

## (b) Business segments (Continued)

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in tele- communications networks and projects 電信網絡及 項目之投資 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>Year ended 30 June 2007</b>	<b>截至二零零七年 六月三十日止年度</b>							
<b>TURNOVER</b>	<b>營業額</b>							
External and total revenue	對外銷售及總收入	1,560,653	1,441,768	9,537	14,009	16,213	122,107	3,164,287
<b>RESULTS</b>	<b>業績</b>							
Segment result	分類業績	173,004	622,076	4,055	11,499	14,459	42,376	867,469
Interest income	利息收入							21,147
Impairment loss recognised for interest in an associate	就於聯營公司之權益 所確認之減值虧損							(312)
Loss on deemed disposal of subsidiaries	被視為出售附屬公司 之虧損							(465)
Discount on deemed acquisition of additional interest in a subsidiary	被視為收購附屬公司 額外權益 之折扣							6,463
Loss on fair value change of convertible bonds	可換股債券公平價值 變動之虧損							(32,829)
Unallocated corporate expenses, net	未分配公司開支 — 淨額							(19,790)
Finance costs	財務成本							(9,614)
Profit before taxation	除稅前溢利							832,069
Taxation	稅項							(9,171)
Profit for the year	本年度溢利							822,898

## 6. 營業額及分類資料(續)

## (b) 業務分類(續)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

6. TURNOVER AND SEGMENT INFORMATION (Continued)

(b) Business segments (Continued)

6. 營業額及分類資料(續)

(b) 業務分類(續)

		Sales of general systems products 銷售一般 系統產品 HK\$'000 千港元	Provision of services and software licensing 提供服務及 軟件特許權 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Investments in tele- communications and projects 電信網絡及 項目之投資 HK\$'000 千港元	Investments in e-commerce projects 電子商貿 項目之投資 HK\$'000 千港元	Strategic investments 策略性投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>As at 30 June 2007</b>	<b>於二零零七年六月三十日</b>							
<b>ASSETS</b>	<b>資產</b>							
Segment assets	分類資產	3,179,647	2,019,554	7,823	139,173	149,329	1,800,599	7,296,125
Unallocated corporate assets	未分配公司資產							361,242
Consolidated total assets	綜合總資產							7,657,367
<b>LIABILITIES</b>	<b>負債</b>							
Segment liabilities	分類負債	117,990	54,597	8,023	-	-	-	180,610
Unallocated corporate liabilities	未分配公司負債							282,736
Consolidated total liabilities	綜合總負債							463,346
<b>OTHER INFORMATION</b>	<b>其他資料</b>							
Capital additions of property, plant and equipment	物業、廠房及設備 之資本增加	5,316	3,783	441	-	-	-	9,540
Capital additions of available-for-sale investments	可供出售投資 之資本增加	-	-	-	-	-	512,014	512,014
Capital additions of systems and networks	系統及網絡 之資本增加	234,780	160	-	-	-	-	234,940
Additions of deposits and prepaid development costs	按金及預付開發 成本之增加	2,258,690	-	-	-	-	-	2,258,690
Depreciation and amortisation	折舊及攤銷	27,055	457,962	545	-	-	-	485,562
Impairment losses recognised for available-for-sale investments	就可出售投資 所確認之減值虧損	-	-	-	-	-	80,605	80,605
Gain on disposal of development costs for systems and networks	出售系統及網絡之 開發成本之收益	23,140	-	-	-	-	-	23,140
Gain on disposal of available-for-sale investments	出售可供出售投資 之收益	-	-	-	-	-	11,888	11,888



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

## 6. TURNOVER AND SEGMENT INFORMATION (Continued)

## (c) Geographical segments

- (i) The following table provides an analysis of the Group's revenue by geographical market, by location of customers, irrespective of the origin of the goods/services:

		Revenue by geographical segment Year ended 30 June 按地區分類劃分之收入 截至六月三十日止年度	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
People's Republic of China (the "PRC") including Hong Kong and Macau	中華人民共和國 (「中國」) · 包括香港及澳門	2,783,225	2,407,051
Europe	歐洲	597,404	535,796
Others	其他	254,420	221,440
		<b>3,635,049</b>	<b>3,164,287</b>

- (ii) The following is an analysis of the carrying amount of segment assets, and capital additions to property, plant and equipment, systems and networks, interest in e-commerce projects and telecommunications projects and strategic investments in advanced technology product development companies, analysed by the geographical market to which the assets are located:

		Carrying amount of segment assets 分類資產之賬面值		Capital additions 資本增加	
		30.6.2008 二零零八年 六月三十日 HK\$'000 千港元	30.6.2007 二零零七年 六月三十日 HK\$'000 千港元	30.6.2008 二零零八年 六月三十日 HK\$'000 千港元	30.6.2007 二零零七年 六月三十日 HK\$'000 千港元
The PRC including Hong Kong and Macau	中國 · 包括香港及澳門	7,820,448	6,922,269	2,730,720	3,007,113
Europe	歐洲	135,939	138,981	6,520	7,692
Others	其他	128,214	234,875	102	379
		<b>8,084,601</b>	<b>7,296,125</b>	<b>2,737,342</b>	<b>3,015,184</b>

## 6. 營業額及分類資料(續)

## (c) 地區分類

- (i) 下表載列本集團按顧客所在地區市場劃分之收入分析(不論貨品/服務之來源地):

- (ii) 下表載列本集團按資產所在地區市場劃分分類資產之賬面值分析,以及資本增加(包括物業、廠房及設備、系統及網絡、電子商貿項目及電信項目之權益,以及持有高科技產品開發公司之策略性投資)之分析:





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

### 7. OTHER INCOME

Included in other income are interest earned on bank deposits and balances of HK\$8,577,000 (2007: HK\$21,147,000) and discount on deemed acquisition of additional interest in a subsidiary of HK\$2,860,000 (2007: HK\$6,463,000). Included in other income in the previous year was discount on acquisition of additional interest in a subsidiary of HK\$4,402,000. No such income has arisen during the year.

### 7. 其他收入

其他收入包括銀行存款及結存所賺取之利息8,577,000港元(二零零七年:21,147,000港元),以及被視為收購附屬公司額外權益之折扣2,860,000港元(二零零七年:6,463,000港元)。去年之其他收入包括收購附屬公司額外權益之折扣4,402,000港元,本年度並無產生此項收入。

### 8. GAIN ON DISPOSAL OF DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

In the previous year, the Group disposed of its interest in certain systems and networks with an aggregate carrying value HK\$117,260,000 with sales proceeds amounted to HK\$140,400,000, resulting in a gain on disposal of HK\$23,140,000.

### 8. 出售系統及網絡之開發成本之收益

去年,本集團出售其於若干系統及網絡總賬面值為117,260,000港元之權益,銷售所得款項為140,400,000港元,由此而獲得出售收益23,140,000港元。

### 9. FINANCE COSTS

### 9. 財務成本

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還之銀行及其他借貸之利息	6,781	7,484
Issue costs of convertible bonds	可換股債券之發行成本	-	2,130
		<b>6,781</b>	<b>9,614</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

## 10. PROFIT BEFORE TAXATION

## 10. 除稅前溢利

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：		
Directors' remuneration (Note (i))	董事酬金(附註(i))	8,006	7,813
Staff costs excluding directors' remuneration	職工成本(不包括董事酬金)	116,035	107,365
Retirement benefit scheme contributions other than directors' (Note (ii))	退休福利計劃供款(董事除外)(附註(ii))	7,269	7,757
<b>Total staff costs</b>	<b>職工成本總額</b>	<b>131,310</b>	122,935
Amortisation on:	攤銷：		
Development costs for systems and networks, included in direct operating expenses	系統及網絡之開發成本(計入直接經營成本)	713,070	470,654
Intangible assets, included in general and administrative expenses	無形資產(計入一般及行政支出)	2,360	2,360
Depreciation of property, plant and equipment, included in general and administrative expenses	物業、廠房及設備之折舊(計入一般及行政支出)	12,440	12,548
<b>Total depreciation and amortisation</b>	<b>折舊及攤銷總額</b>	<b>727,870</b>	485,562
Auditor's remuneration	核數師酬金	5,740	4,913
Cost of inventories recognised	已確認存貨之成本	1,595,673	1,293,989
Impairment loss recognised for property, plant and equipment	就物業、廠房及設備所確認之減值虧損	5,085	-
Minimum lease payments paid under operating leases in respect of:	按照經營租賃之租賃最低付款額包括：		
Rented premises	租賃物業	6,774	4,708
Machinery and equipment	機器及設備	5,010	4,325
Research and development cost expensed	已支銷研究與開發成本	10,242	10,033
and after crediting:	及已計入：		
Net foreign exchange gain	匯兌收益淨額	19,811	16,802
Rental income from leasing of:	租賃廠房與機器及		
Plant and machinery and telecommunications networks	電信網絡所得之租金收入	10,158	9,537
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	164	2,004
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	-	11,888



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

## 10. PROFIT BEFORE TAXATION (Continued)

Notes:

(i) Information regarding directors' and employees' emoluments  
Year ended 30 June 2008

	Fees	Salaries and other benefits	Performance related incentive payments	Retirement benefit scheme contributions	Total directors' emoluments
	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
(Note) (附註)					
Name of executive directors	執行董事姓名				
Mr. Paul Kan Man Lok *	簡文樂先生*	-	2,110	162	2,292
Mr. Leo Kan Kin Leung *	簡堅良先生*	15	1,185	750	1,962
Mr. Lai Yat Kwong *	黎日光先生*	10	831	661	1,517
Name of non-executive directors	非執行董事姓名				
Mr. Francis Gilbert Knight +	Francis Gilbert Knight先生+	80	100	-	180
Prof. Liang Xiong Jian #	梁雄健教授#	100	100	-	200
Prof. Ye Pei Da #	葉培大教授#	100	100	-	200
Mr. Frank Bleackley #	Frank Bleackley先生#	100	100	-	200
Mr. Terry John Miller	苗禮先生	50	207	-	257
Ms. Shirley Ha Suk Ling *	夏淑玲女士*	10	774	402	1,198
		465	5,507	1,975	8,006

Year ended 30 June 2007

截至二零零七年六月三十日止年度

	Fees	Salaries and other benefits	Performance related incentive payments	Retirement benefit scheme contributions	Total directors' emoluments
	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
(Note) (附註)					
Name of executive directors	執行董事姓名				
Mr. Paul Kan Man Lok *	簡文樂先生*	-	2,110	162	2,292
Mr. Leo Kan Kin Leung *	簡堅良先生*	15	1,126	710	1,863
Mr. Lai Yat Kwong *	黎日光先生*	10	817	661	1,503
Name of non-executive directors	非執行董事姓名				
Mr. Francis Gilbert Knight +	Francis Gilbert Knight先生+	60	100	-	160
Prof. Liang Xiong Jian #	梁雄健教授#	100	100	-	200
Prof. Ye Pei Da #	葉培大教授#	100	100	-	200
Mr. Frank Bleackley #	Frank Bleackley先生#	100	100	-	200
Mr. Terry John Miller	苗禮先生	50	201	-	251
Ms. Shirley Ha Suk Ling *	夏淑玲女士*	10	752	370	1,144
		445	5,406	1,903	7,813

\* The director is also a director of Kantone and DIGITALHONGKONG.COM ("Digital HK") both of which are the listed subsidiaries of the Company.

\* 該董事亦為看通集團及數碼香港(「數碼香港」)之董事。兩間公司均為本公司之上市附屬公司。

# The director is also a director of Kantone.

# 該董事亦為看通之董事。

+ The director is also a director of Digital HK.

+ 該董事亦為數碼香港之董事。



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

## 10. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

## (i) Information regarding directors' and employees' emoluments (Continued)

The remuneration for non-executive directors comprises directors' fees and other emoluments which vary with the number of committees on which they serve.

Note: The performance related incentive payment is discretionary as may be decided by the board of directors provided that the total amount of bonus payable to all the members of the board of directors for such year shall not exceed eight percent of consolidated profit after taxation of the Group.

**Employees**

The five highest paid individuals of the Group included two (2007: two) directors of the Company, details of whose emoluments are set out above. The aggregate emoluments of the remaining three (2007: three) highest paid employees of the Group, not being a director of the Company, are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	4,872	3,980
Performance related incentive payments	按工作表現發放之獎金	113	255
Retirement benefit scheme contributions	退休福利計劃供款	495	617
		<b>5,480</b>	<b>4,852</b>

Emoluments of these employees were within the following bands:

		Number of employees 僱員人數	
		2008 二零零八年	2007 二零零七年
HK\$1,500,001 – HK\$2,000,000	1,500,001港元–2,000,000港元	3	3

## 10. 除稅前溢利(續)

附註：(續)

## (i) 有關董事與僱員酬金之資料(續)

非執行董事之酬金包括董事袍金及其他酬金，視乎董事出任之委員會數目而有所不同。

附註：按工作表現發放之獎金屬酌情性質並可由董事會決定，惟於該年度應付各董事會成員之獎金總額不得超過本集團除稅後綜合溢利8%。

**僱員**

本集團五名最高薪人士包括兩名(二零零七年：兩名)本公司董事，其酬金詳情載於上文。本集團其餘三名(二零零七年：三名)最高薪人士(並非本公司之董事)之總酬金如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	4,872	3,980
Performance related incentive payments	按工作表現發放之獎金	113	255
Retirement benefit scheme contributions	退休福利計劃供款	495	617
		<b>5,480</b>	<b>4,852</b>

此等僱員之酬金介乎下列範圍：

		Number of employees 僱員人數	
		2008 二零零八年	2007 二零零七年
HK\$1,500,001 – HK\$2,000,000	1,500,001港元–2,000,000港元	3	3



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

### 10. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

#### (ii) Retirement benefit scheme contributions

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Retirement benefit scheme contributions to the Group's defined contribution scheme	向本集團之定額供款計劃支付之退休福利計劃供款	947	1,265
Retirement benefit scheme contributions to the Group's defined benefit scheme	向本集團之定額福利計劃支付之退休福利計劃供款	6,381	6,551
		<b>7,328</b>	<b>7,816</b>

#### Defined contribution scheme

Certain subsidiaries of the Company participate in a retirement benefit scheme covering a portion of their employees. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee.

The retirement benefit scheme contributions charged to the consolidated income statement represent contributions payable to the funds by the Group at rates specified in the rules of the scheme. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contribution payable by the Group is reduced by the amount of forfeited contributions.

At the balance sheet date, there were no forfeited contributions which arose upon employees leaving the scheme and which are available to reduce the contributions payable in the future years (2007: nil).

Commencing from December 2000, the Group enrolled all eligible employees in Hong Kong into a mandatory provident fund (the "MPF") scheme. The retirement benefit cost of the MPF scheme charged to the consolidated income statement represents contributions to the MPF scheme by the Group at rates specified in the rules of the MPF scheme.

#### Defined benefit scheme

Certain subsidiaries of the Company operate a self-administered, funded pension scheme. The scheme provides defined pension benefits related to service, and final earnings and capital sums on death. Membership is optional for all staff paid monthly and aged over 21 years.

The contributions which are determined by a qualified actuary on the basis of triennial valuations using the projected unit credit method are charged to the consolidated income statement. Under the scheme, the employees are entitled to a pension between 1.67% and 2.50% of final salary for each year of pensionable service at an age of 65. No other post-retirement benefits are provided. The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligations were carried out at 31 December 2005 by Ms. Alison Bostock, Fellow of the Institute of Actuaries, and were updated to 30 June 2008 for the accounting reporting purpose. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries, pensions and share dividends.

### 10. 除稅前溢利(續)

附註：(續)

#### (ii) 退休福利計劃供款

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Retirement benefit scheme contributions to the Group's defined contribution scheme	向本集團之定額供款計劃支付之退休福利計劃供款	947	1,265
Retirement benefit scheme contributions to the Group's defined benefit scheme	向本集團之定額福利計劃支付之退休福利計劃供款	6,381	6,551
		<b>7,328</b>	<b>7,816</b>

#### 定額供款計劃

本公司屬下若干附屬公司為部分僱員參與一項退休福利計劃。該項計劃之資產與本集團之資產分開持有，並存於由獨立受託人控制之基金內。

自綜合損益表扣除之退休福利計劃供款乃本集團按計劃規則之指定比率應付有關基金之供款。倘僱員於合資格領取全部供款之前退出計劃，本集團之應付供款會減除沒收供款。

於結算日，並無因僱員退出計劃而產生之沒收供款可用以扣減未來之應付供款(二零零七年：無)。

自二零零零年十二月起，本集團讓其於香港之所有合資格僱員參與強制性公積金(「強積金」)計劃。自綜合損益表扣除之強積金計劃退休福利費用指本集團按強積金計劃規例之指定比率就強積金計劃作出之供款。

#### 定額福利計劃

本公司屬下若干附屬公司設立一項自行管理之退休福利計劃。上述計劃乃提供有關僱員服務期間之定額退休福利、僱員身故時之最後收益及撫恤金。以月薪計及年滿21歲之所有僱員可選擇參加上述計劃。

根據合資格精算師每三年按預計單位貸記法進行估值釐定之供款，乃於綜合損益表中扣除。根據該計劃，僱員一般於年屆65歲時就每年提供可獲退休金之服務獲得介乎最終薪金之1.67%至2.50%之退休金。本集團並無提供其他退休後福利。最近之計劃資產精算估值及定額福利承擔現值乃於二零零五年十二月三十一日由精算學會成員Alison Bostock女士進行，並已於二零零八年六月三十日更新以便進行會計報告事宜。對估值結果最具影響之假設乃有關投資回報率及薪金、退休金與股息之升幅。



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## 10. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(ii) Retirement benefit scheme contributions (Continued)  
Defined benefit scheme (Continued)

The main actuarial assumptions used were as follows:

		30.6.2008 二零零八年 六月三十日	30.6.2007 二零零七年 六月三十日
Discount rate	貼現率	6.60%	5.90%
Expected return on scheme assets	預期之計劃資產回報	7.50%	7.20%
Expected rate of salary increase	預期之薪金升幅	3.80%	3.10%
Future pension increase	未來之退休金升幅	3.80%	3.10%

The actuarial valuation updated to 30 June 2008 showed that the market value of the scheme assets was HK\$261,287,000 (2007: HK\$247,495,000) and that the actuarial value of these assets represented 75% (2007: 70%) of the benefits that had accrued to members.

Amounts recognised in the consolidated income statement in respect of the defined benefit pension scheme are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current service cost	現行服務成本	3,449	3,388
Interest on obligation	承擔之利息	20,489	18,929
Expected return on plan assets	計劃資產之預期回報	(17,557)	(15,766)
		<b>6,381</b>	6,551

The charge for the year has been included in cost of sales.

The amount included in the consolidated balance sheet arising from the Group's obligations in respect of its defined benefit pension scheme is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fair value of scheme assets	計劃資產之公平價值	261,287	247,495
Present value of funded obligations	注資承擔之現值	(346,394)	(353,421)
Net unrecognised actuarial (gain) loss	未確認之精算(收益)虧損淨額	(7,176)	9,941
		<b>(92,283)</b>	(95,985)

## 10. 除稅前溢利(續)

附註:(續)

(ii) 退休福利計劃供款(續)  
定額福利計劃(續)

所用之主要精算假設如下:

		30.6.2008 二零零八年 六月三十日	30.6.2007 二零零七年 六月三十日
Discount rate	貼現率	6.60%	5.90%
Expected return on scheme assets	預期之計劃資產回報	7.50%	7.20%
Expected rate of salary increase	預期之薪金升幅	3.80%	3.10%
Future pension increase	未來之退休金升幅	3.80%	3.10%

更新至二零零八年六月三十日之精算估值顯示，計劃資產之市值為261,287,000港元(二零零七年: 247,495,000港元)，而該等資產之精算價值為僱員應得福利之75%(二零零七年: 70%)。

就定額福利退休計劃於綜合損益表中確認之金額如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current service cost	現行服務成本	3,449	3,388
Interest on obligation	承擔之利息	20,489	18,929
Expected return on plan assets	計劃資產之預期回報	(17,557)	(15,766)
		<b>6,381</b>	6,551

本年度支出已計入銷售成本。

因本集團之定額福利退休計劃承擔而產生之金額已計入綜合資產負債表，載述如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fair value of scheme assets	計劃資產之公平價值	261,287	247,495
Present value of funded obligations	注資承擔之現值	(346,394)	(353,421)
Net unrecognised actuarial (gain) loss	未確認之精算(收益)虧損淨額	(7,176)	9,941
		<b>(92,283)</b>	(95,985)





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10. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

(ii) Retirement benefit scheme contributions (Continued)

Defined benefit scheme (Continued)

Movements in the present value of the defined benefit obligation are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	353,421	344,682
Currency realignment	匯兌調整	(4,879)	32,411
Service cost	服務成本	3,449	3,388
Interest cost	利息成本	20,489	18,929
Actuarial gain	精算收益	(15,143)	(32,587)
Contributions	供款	2,054	2,078
Benefits paid	所付福利	(12,997)	(15,480)
At end of the year	年結	346,394	353,421

Movements in the fair value of plan assets are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	247,495	229,349
Currency realignment	匯兌調整	(3,641)	22,076
Expected return on plan assets	計劃資產之預期回報	17,557	15,766
Actuarial gain (loss)	精算收益(虧損)	4,186	(13,387)
Contributions	供款	10,832	9,171
Benefits paid	所付福利	(15,142)	(15,480)
At end of the year	年結	261,287	247,495

The fair value of plan assets and the expected rate of return at the balance sheet date is analysed as follows:

		Expected return 預期回報		Fair value of plan assets 計劃資產之公平價值	
		2008 二零零八年	2007 二零零七年	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Equity instruments	股本工具	7.80%	7.90%	233,991	188,162
Debt instruments	債務工具	4.80%	4.90%	26,645	59,097
Other assets	其他資產	5.00%	5.50%	651	236
				261,287	247,495

The weighted average rate of return of assets held is 7.50% (2007: 7.20%). The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held. The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

The actual return on plan assets was HK\$22,354,000 (2007: HK\$2,379,000).

10. 除稅前溢利(續)

附註：(續)

(ii) 退休福利計劃供款(續)

定額福利計劃(續)

定額福利承擔之現值變動如下：

計劃資產之公平價值變動如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	247,495	229,349
Currency realignment	匯兌調整	(3,641)	22,076
Expected return on plan assets	計劃資產之預期回報	17,557	15,766
Actuarial gain (loss)	精算收益(虧損)	4,186	(13,387)
Contributions	供款	10,832	9,171
Benefits paid	所付福利	(15,142)	(15,480)
At end of the year	年結	261,287	247,495

於結算日之計劃資產之公平價值及預期回報率分析如下：

		Expected return 預期回報		Fair value of plan assets 計劃資產之公平價值	
		2008 二零零八年	2007 二零零七年	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Equity instruments	股本工具	7.80%	7.90%	233,991	188,162
Debt instruments	債務工具	4.80%	4.90%	26,645	59,097
Other assets	其他資產	5.00%	5.50%	651	236
				261,287	247,495

以加權平均計算之所持資產之回報率為 7.50% (二零零七年：7.20%)。整體預期回報率乃持有之不同類別計劃資產預期回報之加權平均數。釐定計劃之整體預期回報所使用之假設已參考政府債券及適用之邊際風險之收益。

計劃資產之實際回報為 22,354,000 港元 (二零零七年：2,379,000 港元)。



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## 10. PROFIT BEFORE TAXATION (Continued)

Notes: (Continued)

## (ii) Retirement benefit scheme contributions (Continued)

## Defined benefit scheme (Continued)

The history of the plan for the current and prior period is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Present value of defined benefit obligation	定額福利承擔之現值	346,394	353,421	344,682
Fair value of plan assets	計劃資產之公平價值	(261,287)	(247,495)	(229,349)
Deficit	虧絀	85,107	105,926	115,333
Experience adjustments on plan liabilities	計劃負債之過往調整	(15,143)	(32,587)	(15,015)
Experience adjustments on plan assets	計劃資產之過往調整	4,186	(13,387)	4,146

## 10. 除稅前溢利(續)

附註：(續)

## (ii) 退休福利計劃供款(續)

## 定額福利計劃(續)

此計劃於本期間及過往期間之記錄如下：

## 11. TAXATION

## 11. 稅項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The charge comprises:	稅項支出包括：		
Current tax:	本年度稅項：		
Hong Kong Profits Tax	香港利得稅	-	-
Other jurisdictions	其他司法地區之稅項	2,015	25
		2,015	25
Under (over) provision in prior years:	過往年度撥備不足(超額)		
Hong Kong Profits Tax	香港利得稅	221	9,169
Other jurisdictions	其他司法地區之稅項	(173)	-
		48	9,169
Deferred taxation (Note 29)	遞延稅項(附註29)	-	(23)
		2,063	9,171

Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) on the estimated assessable profits derived from Hong Kong. No provision for taxation has been made as the Group's income neither arises in, nor is derived from Hong Kong. On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profit tax rate by 1% to 16.5% effective from the year of assessment 2008-2009. Taxation in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

香港利得稅乃以源自香港之估計應課稅溢利按16.5%(二零零七年：17.5%)之稅率計算。由於本集團之收入既非於香港賺取，亦非源自香港，故並無作出香港稅項撥備。於二零零八年六月二十六日，香港立法會通過二零零八年收入條例草案，該條例包括自二零零八年至二零零九年應課稅年度起公司利得稅調低1%至16.5%。其他司法地區之稅項乃按個別司法地區各自適用之稅率計算。



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### 11. TAXATION (Continued)

The low effective tax rate is attributable to the fact that a substantial portion of the Group's profit neither arises in, nor is derived from, Hong Kong and is accordingly not subject to Hong Kong Profits Tax and such profit is either exempt from or not subject to taxation in any other jurisdictions.

Details of deferred taxation for the year are set out in note 29.

The tax charge for the year can be reconciled to the profit per the consolidated income statement as follows:

### 11. 稅項(續)

實際稅率偏低之原因為本集團大部分溢利既非於香港賺取，亦非源自香港，故毋須繳納香港利得稅，而此等溢利於其他司法地區已獲豁免或毋須繳納任何稅項。

本年度遞延稅項之詳情載於附註29。

本年度之稅項支出與綜合損益表之溢利對賬如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>257,278</b>	832,069
Tax at Hong Kong Profits Tax rate of 16.5% (2007: 17.5%)	按香港利得稅率16.5%計算之稅項(二零零七年：17.5%)	<b>42,451</b>	145,612
Tax effect of profit exempted or not subject to taxation in other jurisdictions	於其他司法地區獲豁免繳稅或毋須課稅之溢利之稅務影響	<b>(47,172)</b>	(153,798)
Tax effect of expenses not deductible for tax purposes	不可就稅務目的扣減之開支之稅務影響	<b>5,899</b>	17,392
Tax effect of income not taxable for tax purposes	毋須就稅務目的繳稅之收入之稅務影響	<b>(8,289)</b>	(16,450)
Tax effect on utilisation of tax losses previously not recognised	動用過往未確認稅項虧損之稅務影響	<b>(11)</b>	(256)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>9,058</b>	7,852
Underprovision in prior years	過往年度撥備不足	<b>48</b>	9,169
Others	其他	<b>79</b>	(350)
Taxation for the year	本年度之稅項	<b>2,063</b>	9,171

### 12. DIVIDENDS

### 12. 股息

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Final dividend proposed in scrip form equivalent to HK0.25 cent (2007: HK3.5 cents) per share, with a cash option	按以股代息方式派發相等於每股0.25港仙之擬派末期股息(二零零七年：3.5港仙)，可選擇現金	<b>4,936</b>	56,127
Interim dividend paid in scrip form equivalent to HK2.45 cents (2007: HK2.4 cents) per share, with a cash option	按以股代息方式派付相等於每股2.45港仙之中期股息(二零零七年：2.4港仙)，可選擇現金	<b>41,360</b>	38,003
Underprovision in prior year	過往年度撥備不足	<b>1,816</b>	2,556
		<b>48,112</b>	96,686

The proposed final dividend for 2008 is calculated on the basis of 1,974,500,267 shares in issue on 30 June 2008.

二零零八年度擬派末期股息乃按二零零八年六月三十日之已發行股份1,974,500,267股計算。



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## 13. EARNINGS PER SHARE

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

## 13. 每股盈利

基本及經攤薄每股盈利乃按下列數據計算：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Earnings attributable to equity holders of the Company for the purpose of calculating basic earnings per share	以計算每股基本盈利之本公司股本權益持有人應佔溢利	190,456	626,818
Effect of options attached to convertible bonds of a subsidiary	一家附屬公司可換股債券所附權利之影響	(602)	(1,045)
Earnings for the purpose of calculating of diluted earnings per share	以計算經攤薄每股盈利之盈利	189,854	625,773
		Number of shares ('000) 股份數目(以千股計)	
		2008 二零零八年	2007 二零零七年
Weighted average number of shares for the purpose of calculating basic earnings per share	以計算每股基本盈利之加權平均股份數目	1,684,033	1,434,430
Effect of dilutive potential ordinary shares: Warrants	以下對普通股之潛在攤薄影響：認股權證	29,983	6,851
Weighted average number of shares for the purpose of calculating diluted earnings per share	以計算經攤薄每股盈利之加權平均股份數目	1,714,016	1,441,281

The calculation of diluted earnings per share does not include certain warrants of the Company for the year, as the exercise price of these warrants was higher than the average market price for these shares.

計算經攤薄每股盈利時並不包括本公司若干之認股權證，此乃由於該等認股權證之行使價高於其平均市價。



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## 14. PROPERTY, PLANT AND EQUIPMENT

## 14. 物業、廠房及設備

		Land and buildings	Plant and machinery and tele- communications networks 廠房與機器 及電信網絡	Furniture and fixtures 傢俬及裝置	Motor vehicles 汽車	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>COST 成本值</b>						
At 1 July 2006	於二零零六年七月一日	61,616	988,110	15,690	10,245	1,075,661
Currency realignment	匯兌調整	1,794	29,301	-	-	31,095
Additions	添置	-	9,309	10	221	9,540
Disposals	出售	(261)	(12,134)	-	(835)	(13,230)
At 30 June 2007	於二零零七年六月三十日	63,149	1,014,586	15,700	9,631	1,103,066
Currency realignment	匯兌調整	(231)	(1,997)	-	-	(2,228)
Additions	添置	-	8,088	822	-	8,910
Disposals	出售	-	(2,361)	(6)	(2,354)	(4,721)
<b>At 30 June 2008</b>	<b>於二零零八年六月三十日</b>	<b>62,918</b>	<b>1,018,316</b>	<b>16,516</b>	<b>7,277</b>	<b>1,105,027</b>
<b>DEPRECIATION AND IMPAIRMENT 折舊及減值</b>						
At 1 July 2006	於二零零六年七月一日	22,548	960,689	15,498	9,529	1,008,264
Currency realignment	匯兌調整	253	27,181	-	-	27,434
Provided for the year	年內撥備	1,702	10,442	78	326	12,548
Eliminated on disposals	出售時撇除	(59)	(11,470)	-	(835)	(12,364)
At 30 June 2007	於二零零七年六月三十日	24,444	986,842	15,576	9,020	1,035,882
Currency realignment	匯兌調整	(44)	(2,401)	-	-	(2,445)
Provided for the year	年內撥備	1,613	10,154	355	318	12,440
Impairment loss	減值虧損	-	5,085	-	-	5,085
Eliminated on disposals	出售時撇除	-	(2,161)	(6)	(2,354)	(4,521)
<b>At 30 June 2008</b>	<b>於二零零八年六月三十日</b>	<b>26,013</b>	<b>997,519</b>	<b>15,925</b>	<b>6,984</b>	<b>1,046,441</b>
<b>CARRYING VALUES 賬面值</b>						
<b>At 30 June 2008</b>	<b>於二零零八年六月三十日</b>	<b>36,905</b>	<b>20,797</b>	<b>591</b>	<b>293</b>	<b>58,586</b>
At 30 June 2007	於二零零七年六月三十日	38,705	27,744	124	611	67,184



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14. PROPERTY, PLANT AND EQUIPMENT  
(Continued)

## 14. 物業、廠房及設備(續)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The carrying values of the Group's property interests comprise:			
Freehold properties held outside Hong Kong		16,751	17,131
Leasehold properties:			
Held in Hong Kong			
– long leases		13,363	14,983
– medium term leases		3,332	2,930
Held outside Hong Kong			
– long leases		302	292
– medium term leases		3,157	3,369
		<b>36,905</b>	<b>38,705</b>

The Group leases equipment to customers on operating leases terms. The carrying value of such equipment, which is included in plant and machinery and telecommunications networks, is as follows:

本集團按經營租賃條款租賃器材予客戶。有關器材之賬面值已計入廠房與機器及電信網絡內，載列如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Customer equipment at cost	客戶器材，按成本值	99,110	100,505
Less: Accumulated depreciation	減：累計折舊	(97,696)	(99,004)
Carrying value	賬面值	<b>1,414</b>	<b>1,501</b>

At 30 June 2008, certain land and buildings of the Group with a carrying value of HK\$12,636,000 (2007: HK\$12,915,000) were pledged to a bank as security for banking facilities granted to the Group.

於二零零八年六月三十日，本集團賬面值為12,636,000港元(二零零七年：12,915,000港元)之若干土地及樓宇已抵押予銀行，作為本集團獲得銀行融資之擔保。

During the year ended 30 June 2008, the directors had determined that full impairment amounting HK\$5,085,000 was to be made for the property, plant and equipment in Brazil in view of its decline in value in use.

截至二零零八年六月三十日止年度，鑑於其使用價值之減退，董事決定全面就位於巴西之物業、廠房及設備作出5,085,000港元之減值虧損。

Note: Owner-occupied leasehold land is included in property, plant and equipment as the allocations between the land and buildings elements cannot be made reliably.

附註：由於土地及樓宇成分不能可靠地劃分，擁有人佔用之契約土地已計入物業、廠房及設備。





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## 15. DEVELOPMENT COSTS FOR SYSTEMS AND NETWORKS

## 15. 系統及網絡之開發成本

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>COST</b>			
	<b>按成本值</b>		
At beginning of the year	年初	<b>3,334,755</b>	2,475,932
Currency realignment	匯兌調整	<b>154</b>	(117)
Additions	添置	<b>319,800</b>	234,940
Disposals	出售	-	(171,600)
Transferred from deposits	撥自按金	<b>1,436,370</b>	795,600
At end of the year	年結	<b>5,091,079</b>	3,334,755
<b>AMORTISATION AND IMPAIRMENT</b>			
	<b>攤銷及減值</b>		
At beginning of the year	年初	<b>1,197,698</b>	781,384
Provided for the year	本年度撥備	<b>713,070</b>	470,654
Eliminated on disposal	出售時抵銷	-	(54,340)
Impairment losses recognised	已確認減值虧損	<b>436,488</b>	-
At end of the year	年結	<b>2,347,256</b>	1,197,698
<b>CARRYING VALUE</b>			
	<b>賬面值</b>		
At end of the year	年結	<b>2,743,823</b>	2,137,057

Development costs for systems and networks include all direct costs incurred in the setting up and development of systems and networks. The Group's development costs for systems and networks (other than those that are not yet available for intended use) are amortised over the estimated useful lives of a maximum of five years.

The management conducted a review of the Group's development costs for systems and networks in light of the current market condition and determined that certain development costs for systems and networks were impaired based on the estimated recoverable amounts with reference to their values in use. The value in use were determined based on the estimated future cash flows discounted at a rate of 10% per annum. Accordingly, impairment losses of HK\$436,488,000 have been recognised.

系統及網絡之開發成本包括設立及開發系統及網絡之所有直接成本。本集團之系統及網絡之開發成本於估計可使用年期(最多五年)予以攤銷(尚未可作為擬定用途者除外)。

管理層因應目前市況對本集團系統及網絡之開發成本進行審閱，並參考彼等之使用價值以估計可收回金額為基準決定為若干系統及網絡之開發成本作出減值。使用價值乃根據估計未來現金流按年利率10%貼現而釐定，故減值虧損已確認為436,488,000港元。



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### 16. GOODWILL

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating unit ("CGU") that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

		<b>2008 &amp; 2007</b>
		二零零八年及
		二零零七年
		<b>HK\$'000</b>
		千港元
Provision of e-lottery services	提供電子彩票服務	<b>36,795</b>

For the year ended 30 June 2008, management of the Group determines that there was no impairment of its CGU containing goodwill.

The recoverable amount of the CGU is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

During the year, the Group performed impairment review for goodwill based on cash flow forecasts derived from the most recent financial budgets and projected for the next four years and discounted at a rate of 10% which reflects current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. No impairment loss was considered necessary.

### 16. 商譽

業務合併所收購之商譽乃於收購時分配至預期受惠於業務合併之變現單位(「變現單位」)。商譽之賬面值已分配如下：

		<b>2008 &amp; 2007</b>
		二零零八年及
		二零零七年
		<b>HK\$'000</b>
		千港元
Provision of e-lottery services	提供電子彩票服務	<b>36,795</b>

截至二零零八年六月三十日止年度，本集團管理層確定，其任何包含商譽之變現單位並無減值。

變現單位之可收回數額乃以使用價值計算法釐定。使用價值計算法之主要假設涉及期內之貼現率、增長率以及售價及直接成本之預期變動。管理層使用可反映當前市場評估之現金時值及變現單位之特定風險之稅前比率對貼現率作出估算。增長率以行業增長預測為基準。售價及直接成本之變動乃以過往慣例及市場預期之未來變動為基準。

年內，本集團已按現金流量預測(源自管理層根據最近期財務預算所估計之未來四年現金流)基準，並使用10%之貼現率，以反映當前市場評估之現金時值及變現單位之特定風險對商譽進行減值審閱。增長率乃以行業增長預測為基準。本集團認為毋須作出減值虧損。



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17. INTANGIBLE ASSETS

17. 無形資產

		License rights 特許權 HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
Balance at 1 July 2006, 30 June 2007 and 30 June 2008	於二零零六年七月一日、二零零七年六月三十日及 二零零八年六月三十日之結餘	11,800
<b>AMORTISATION</b>	<b>攤銷</b>	
Balance at 1 July 2006	於二零零六年七月一日之結餘	1,770
Charge for the year	年內攤銷	2,360
Balance at 30 June 2007	於二零零七年六月三十日之結餘	4,130
Charge for the year	年內攤銷	2,360
Balance at 30 June 2008	於二零零八年六月三十日之結餘	6,490
<b>CARRYING VALUE</b>	<b>賬面值</b>	
At 30 June 2008	於二零零八年六月三十日	5,310
At 30 June 2007	於二零零七年六月三十日	7,670

The license rights for provision of e-lottery businesses were acquired as part of a business combination in previous years. The license rights have definite useful lives and are amortised on a straight-line basis over the period of the right granted or 5 years, whichever is shorter.

於過往年度，本公司已收購提供電子彩票業務之特許權作為業務合併之一部分。特許權具特定可用年期，並於所授權利之期間或五年（以較短者為準）以直線法攤銷。

18. AVAILABLE-FOR-SALE INVESTMENTS

18. 可供出售投資

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted equity securities, at cost, in respect of:	就以下各項按成本計之非上市 股本證券：		
– Interest in e-commerce projects	– 於電子商貿項目之權益	104,410	104,410
– Interest in telecommunication projects	– 於電信項目之權益	34,974	34,974
– Others	– 其他	862,545	813,143
Impairment loss recognised	已確認之減值虧損	(373,781)	(317,279)
		<b>628,148</b>	635,248
Unlisted debt securities with guaranteed return, in respect of:	就以下各項具有保證回報之 非上市債務證券：		
– Interest in e-commerce projects	– 於電子商貿項目之權益	377,750	377,750
– Interest in telecommunication projects	– 於電信項目之權益	360,201	360,201
– Others	– 其他	1,553,832	1,386,394
Capital receipts from the investment	投資之資本收益	(1,410,109)	(972,799)
		<b>881,674</b>	1,151,546
		<b>1,509,822</b>	1,786,794



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### 18. AVAILABLE-FOR-SALE INVESTMENTS

(Continued)

The unlisted debt securities with guaranteed return represent the Group's investments in certain securities which have guaranteed a pre-determined return to the Group over a fixed period of time. The pre-determined returns are non-interest bearing and are denominated in United States dollar. Payments receivable each year for investments with pre-determined return are apportioned between income and reduction of the carrying value of the investments so as to reflect a constant periodic rate of return. The pre-determined sums will be received for a period of 5 years by half-yearly instalments and are discounted at the effective interest rate of 10% per annum.

The unlisted equity investments represent investments in unlisted equity securities issued by private entities incorporated outside Hong Kong. They are measured at cost less impairment losses at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

During the year, the directors of the Company reviewed the carrying amount of the unlisted securities in light of the current market condition with reference to the financial results and business operated by the investees. The directors identified an impairment loss of HK\$56,502,000 (2007: HK\$80,605,000) estimated based on expected cash flows projection from such investments.

### 19. INTEREST IN AN ASSOCIATE

Unlisted shares, at cost	非上市股份，按成本值
Impairment loss recognised	已確認之減值虧損

### 18. 可供出售投資(續)

有保證回報之非上市債務證券指本集團於若干於固定年期為本集團帶來預定保證回報之證券之投資。預定回報不附帶利息，並以美元計值。每年按預定回報應收投資之款項乃分配於投資收入及投資賬面值之減值，以反映固定之定期回報率。預定金額將於5年期間內每半年分期收取，並按每年10%之實際利率貼現。

非上市股本投資指於香港以外地區註冊成立之私人實體所發行之非上市股本證券之投資。該等投資於各結算日按成本減去減值虧損計量，此乃由於合理之公平價值估算範圍甚大，本公司董事認為未能可靠地計量其公平價值。

本年度，本公司董事按現行市況並參考投資對象之財務業績及業務營運審閱非上市證券之賬面值。董事根據該等投資之預期現金流量預測估計減值虧損為56,502,000港元(二零零七年：80,605,000港元)。

### 19. 於聯營公司之權益

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	31	31
Impairment loss recognised	已確認之減值虧損	(31)	(31)
		-	-



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19. INTEREST IN AN ASSOCIATE (Continued)

Particulars of the Group's associate at 30 June 2008 are as follows:

19. 於聯營公司之權益(續)

於二零零八年六月三十日，本集團之聯營公司詳情如下：

Name of company 公司名稱	Place of incorporation 註冊成立地點	Proportion of nominal value of issued capital directly held by the Company 本公司直接持有之已發行股本面值比例	Principal activities 主要業務
Belcher Technology Limited	Samoa 薩摩亞羣島	31%	Provision of software consultation and the development of software systems. The business has not yet been commenced during the year. 提供軟件諮詢及軟件系統開發。於本年度，有關業務尚未開展。

Impairment loss was recognised based on the estimated recoverable amount of the associate which was determined by projected discounted cash flows from the associate.

減值虧損乃按聯營公司之預測貼現現金流而釐定其估計可收回金額作為基準予以確認。

20. DEPOSITS AND PREPAID DEVELOPMENT COSTS

During the year, the management conducted a review of the Group's deposits and prepaid developments costs in light of the current market condition and determined that certain deposits and prepaid developments costs were impaired based on the estimated recoverable amounts with reference to their values in use. The values in use were determined based on the estimated future cash flows discounted at a rate of 10% per annum. Accordingly, impairment losses of HK\$245,310,000 have been recognised.

20. 按金及預付開發成本

本年內，管理層因應目前市況對本集團之按金及預付開發成本進行審閱，並按估計可收回金額為基準參考彼等之使用價值，以釐定若干按金及預付開發成本之減值。使用價值乃根據估計未來現金流按年利率10%貼現而釐定。因此，減值虧損已確認為245,310,000港元。



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## 21. INVENTORIES

## 21. 存貨

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Raw materials	原料	13,675	11,901
Work in progress	在製品	3,212	2,277
Finished goods	製成品	8,577	16,271
		<b>25,464</b>	30,449

## 22. TRADE AND OTHER RECEIVABLES

## 22. 應收貿易及其他賬款

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	應收貿易賬款	464,447	448,683
Guaranteed distribution receivables	應收保證分派	267,553	261,050
Advance to suppliers and other receivables	預繳供應商款項及 應收其他賬款	420,497	492,594
		<b>1,152,497</b>	1,202,327

The Group maintains a well-defined credit policy regarding its trade customers dependent on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 to 180 days. The guaranteed distribution receivables, advance to suppliers and other receivables are unsecured, non-interest bearing and payable on demand.

The aged analysis of trade receivables at the reporting date is as follows:

本集團就其貿易客戶實行明確之信貸政策。根據彼等之信用、服務及貨品之性質、行內規範及市場情況而給予客戶介乎30至180日之信貸期。應收保證分派、預繳供應商款項及應收其他賬款乃無抵押、不付息及需按要求隨時付款。

應收貿易賬款於報告日期之賬齡分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0 – 60 days	0–60日	334,465	319,667
61 – 90 days	61–90日	120,415	122,709
91 – 180 days	91–180日	7,536	1,149
> 180 days	>180日	2,031	5,158
		<b>464,447</b>	448,683

Before accepting any new customer, the Group's finance and sales management team would assess the potential customer's credit quality and defines credit limits by customer. Limits attributable to customers are reviewed regularly with reference to past settlement history.

於接納任何新客戶前，本集團財務及銷售管理團隊會評估潛在客戶之信貸質素及界定顧客之信貸上限。賦予客戶之限額會參考過往結算記錄進行定期檢討。





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22. TRADE AND OTHER RECEIVABLES

(Continued)

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$2,031,000 (2007: HK\$5,158,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The age of these receivables is ranged from 180 days to 320 days in both years.

The Group has provided fully for all receivables over 320 days because historical experience is such that receivables that are past due beyond 320 days are generally not recoverable.

The trade and other receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
United States dollar	美元	699,095	700,928

22. 應收貿易及其他賬款(續)

本集團之應收貿易賬款結餘包括總賬面值共約為2,031,000港元(二零零七年:5,158,000港元)之債項,該款項於報告日已逾期,但本集團未就該數額作出減值虧損撥備。本集團概無就該等結餘持有任何抵押品。於兩個年度內,該等應收賬款之賬齡均介乎180日至320日。

根據過往經驗逾期320日以上之應收賬款一般為不可收回,故本集團已為所有逾期320日以上之應收賬款作出全數撥備。

以相關集團實體功能貨幣以外之貨幣計值之應收貿易及其他賬款載列如下:

23. DEPOSITS, BANK BALANCES AND CASH AND BANK OVERDRAFTS  
Deposits, bank balances and cash

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest bearing deposits	付息存款	228,671	303,969
Bank balances and cash	銀行結存及現金	122,057	43,513
		<b>350,728</b>	<b>347,482</b>

The Group's deposits, bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

23. 存款、銀行結存及現金及銀行透支

存款、銀行結存及現金

本集團之存款、銀行結存及現金,以相關集團實體功能貨幣以外之貨幣計值,茲列如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
United States dollar	美元	109,190	61,621
Hong Kong dollar	港元	829	8,199
Renminbi ("RMB")	人民幣	36	35
Others	其他	4,162	754



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## 23. DEPOSITS, BANK BALANCES AND CASH AND BANK OVERDRAFTS (Continued)

**Deposits, bank balances and cash (Continued)**

The deposits, bank balances and cash comprise short-term deposits with maturity of three months or less and cash held by the Group. The deposits carries interest at an average rate of 1.3% (2007: 0.1%).

Certain bank balances and cash of HK\$4,056,000 (2007: HK\$4,033,000) were denominated in RMB which is not freely convertible currency in the international market. The exchange rate of RMB is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

**Bank overdrafts**

Bank overdrafts carry interest at an average rate of 5.7%.

## 24. TRADE AND OTHER PAYABLES

At 30 June 2008, the balance of trade and other payables included trade payables of HK\$147,847,000 (2007: HK\$14,446,000). The aged analysis of trade payables at the reporting date is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0 – 60 days	0–60日	9,419	10,080
61 – 90 days	61–90日	28,067	644
91 – 180 days	91–180日	107,419	1,111
> 180 days	>180日	2,942	2,611
		<b>147,847</b>	<b>14,446</b>

The credit period on purchases of goods is ranged from 30 days to 60 days.

購買貨物之信貸期介乎30至60日。

## 25. WARRANTY PROVISION

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	1,860	1,683
Currency realignment	匯兌調整	147	138
Provided during the year	年內已撥備	2,798	2,492
Utilised during the year	年內已動用	(2,669)	(2,453)
At end of the year	年結	<b>2,136</b>	<b>1,860</b>

## 23. 存款、銀行結存及現金及銀行透支 (續)

**存款、銀行結存及現金 (續)**

存款、銀行結存及現金包括本集團持有之於三個月或以內到期之短期存款及現金。存款計息之平均利率為1.3厘(二零零七年：0.1厘)。

4,056,000港元(二零零七年：4,033,000港元)之部分銀行結存及現金以人民幣計值，而人民幣並非於國際市場自由兌換之貨幣。人民幣之匯率由中華人民共和國政府釐定。由中華人民共和國匯出該等資金受中華人民共和國政府實施之外匯管制所規限。

**銀行透支**

銀行透支之平均息率為5.7厘。

## 24. 應付貿易及其他賬款

於二零零八年六月三十日，應付貿易及其他賬款之結餘包括147,847,000港元(二零零七年：14,446,000港元)之應付貿易賬款，應付貿易賬款於報告日期之賬齡分析如下：

## 25. 保養撥備



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25. WARRANTY PROVISION (Continued)

The warranty provision represents the management's best estimate of the Group's liability under 12-month warranties granted on manufactured products, based on prior experience and industry average for defective products.

25. 保養撥備(續)

保養撥備指管理層按照過往經驗及業內對有瑕疵產品之慣常做法，根據就製成品給予之12個月保養期而對本集團責任作出之最佳評估。

26. BANK BORROWINGS

26. 銀行借貸

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Bank borrowings comprise the following: 銀行借貸包括下列各項：		
Bank loans (Unsecured) 銀行貸款(無抵押)	249,893	228,610
Mortgage loan (Secured) 按揭貸款(已抵押)	372	1,171
	<b>250,265</b>	229,781

Included in the Group's balance above were bank borrowings of HK\$372,000 (2007: HK\$1,171,000), which were secured by the Group's land and buildings with carrying value of HK\$12,636,000 (2007: HK\$12,915,000).

本集團上述結餘包括由本集團以賬面值為12,636,000港元(二零零七年：12,915,000港元)之土地及樓宇作抵押之銀行借貸372,000港元(二零零七年：1,171,000港元)。

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Bank borrowings bear interest at prevailing market rates and are repayable as follows: 按現行市場利率計息之銀行借貸之還款期如下：		
On demand or within one year 按通知或於一年內到期	201,313	229,408
More than one year but not exceeding two years 超過一年但於兩年內到期	4,647	373
More than two years but not exceeding five years 超過兩年但於五年內到期	44,305	-
	<b>250,265</b>	229,781
Less: Amount due within one year shown under current liabilities 減：一年內到期並已列作流動負債之金額	<b>(201,313)</b>	(229,408)
Amount due after one year 一年後到期之金額	<b>48,952</b>	373

The above bank borrowings bear variable interest at an average rate of 2.8% (2007: 5.9%).

上述按浮息計息之銀行借貸，平均利率為2.8厘(二零零七年：5.9厘)。



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## 27. OTHER BORROWINGS

## 27. 其他借貸

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The other borrowings represent block discounting loans and are payable as follows:	其他借貸指大宗折扣貸款，其還款期如下：		
Within one year	於一年內到期	489	1,861
More than one year but not exceeding two years	超過一年但於兩年內到期	193	506
More than two years but not exceeding three years	超過兩年但於三年內到期	-	210
		<b>682</b>	2,577
Less: Amount due within one year shown under current liabilities	減：一年內須償還並列作流動負債之款項	<b>(489)</b>	(1,861)
Amount due after one year	一年後償還之款項	<b>193</b>	716

The above other borrowings bear variable interest at an average rate of 9% (2007: 8%).

上述其他借貸按不同利率計息，平均利率為9厘（二零零七年：8厘）。

## 28. CONVERTIBLE BONDS

## 28. 可換股債券

		HK\$'000 千港元
As at 1 July 2006	於二零零六年七月一日	18,219
Currency realignment	匯兌調整	30
Issue of 1% convertible bonds	發行年息1厘可換股債券	62,400
Issue of subscription rights	發行認購權	(2,789)
Change in fair value during the year	年內公平價值變動	32,829
Converted during the year	年內兌換	(74,809)
As at 30 June 2007	於二零零七年六月三十日	35,880
Currency realignment	匯兌調整	(31)
Change in fair value during the year	年內公平價值變動	2,282
Converted during the year	年內兌換	(37,351)
Redeemed during the year	年內贖回	(780)
As at 30 June 2008	於二零零八年六月三十日	-

The convertible bonds were convertible at any time up to one week prior to 1 April 2008 and thus classified as current liabilities.

可換股債券可於直至二零零八年四月一日一個星期前可隨時兌換，故分類為流動負債。



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### 28. CONVERTIBLE BONDS (Continued)

On 1 April 2005, Kantone, a 51% (2007: 51%) owned subsidiary of the Company entered into a subscription agreement (the "Subscription Agreement of Kantone") with an independent third party (the "Bondholder of Kantone") for the subscription of an aggregate principal amount of up to US\$24,000,000 1% convertible bonds due 2008 (the "Convertible Bonds of Kantone") issued by Kantone. The principal terms of the Convertible Bonds of Kantone were as follows:

- (a) The outstanding principal amount of the Convertible Bonds of Kantone may be converted at the option of the Bondholder of Kantone in whole or in part into shares of HK\$0.1 each in Kantone at any time from the date of issue of the Convertible Bonds of Kantone up to one week prior to 1 April 2008, the maturity date of the Convertible Bonds of Kantone, at a price equal to either 125% of the average of the closing prices per share for the 30 consecutive business days immediately prior to the date of the Subscription Agreement of Kantone, subject to adjustment (the "Fixed Conversion Price of Kantone") or 93% of the average of any five consecutive closing prices per share as selected by the Bondholder of Kantone during the 30 consecutive business days immediately prior to the date on which notice of exercise of the bondholder is received by Kantone (the "Floating Conversion Price of Kantone"), provided that both the Fixed Conversion Price of Kantone and the Floating Conversion Price of Kantone shall not be less than the par value of Kantone's shares.
- (b) The Convertible Bonds of Kantone bear interest at the rate of 1% per annum and interest will be payable bi-annually in arrears in June and December in each year.
- (c) Unless previously redeemed, converted or purchased and cancelled, the Convertible Bonds of Kantone will be redeemed at 100% of the principal amount at maturity.
- (d) The Convertible Bonds of Kantone may be early redeemed at the option of Kantone subject to certain conditions set out in the Subscription Agreement of Kantone.

Pursuant to the Subscription Agreement of Kantone, Kantone issued Convertible Bonds with an aggregate principal amount of US\$8,000,000 in April 2005; the Bondholder of Kantone had an option to require Kantone to issue additional Convertible Bonds of Kantone of up to US\$8,000,000 (the "Call Option") within a defined period; and Kantone was also granted an option to issue and to require the Bondholder of Kantone to subscribe an aggregate principal amount of Convertible Bonds of Kantone of up to US\$8,000,000 (the "Put Option") within a defined period.

### 28. 可換股債券(續)

於二零零五年四月一日，本公司擁有51%（二零零七年：51%）權益之附屬公司看通就認購看通所發行於二零零八年到期，本金總額最多為24,000,000美元之1厘可換股債券（「看通可換股債券」），與獨立第三者（「看通債券持有人」）訂立認購協議（「看通認購協議」）。看通可換股債券之主要條款如下：

- (a) 看通可換股債券之尚未償還本金額可按看通債券持有人之意願，自看通可換股債券發行日至看通可換股債券到期日（二零零八年四月一日）前一個星期之期間內任何時間，按相等於看通股份於緊接看通認購協議日期前30個連續營業日之每股平均收市價之125%之價格（可予調整）（「看通可換股債券固定兌換價」），或緊接看通取得兌換行使通知前30個連續營業日期間，看通債券持有人所選擇之任何五個連續營業日之每股看通股份收市價平均數之93%之價格（「看通可換股債券浮動兌換價」），全部或部分兌換為看通每股面值0.1港元之股份，惟看通可換股債券固定兌換價及看通可換股債券浮動兌換價兩者均不得低於看通股份之面值。
- (b) 看通可換股債券乃按年利率1厘計息，而利息於每年六月及十二月每半年分期支付。
- (c) 除非看通可換股債券已於早前贖回、兌換或購入及註銷，否則看通可換股債券會於到期時贖回全數本金。
- (d) 看通可換股債券可按看通認購協議載列之若干條件由看通選擇提前贖回。

根據看通認購協議，看通於二零零五年四月已發行本金總額達8,000,000美元之看通可換股債券，看通債券持有人有權要求看通於指定期間內發行額外最多8,000,000美元之看通可換股債券（「認購權」），而看通亦已獲授予一項可於指定期限內發行及要求看通債券持有人認購本金總額最多8,000,000美元之看通可換股債券之權利（「認沽權」）。



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### 28. CONVERTIBLE BONDS (Continued)

On 23 August 2006, the Bondholder of Kantone exercised the Call Option and Kantone issued additional Convertible Bonds of Kantone of US\$8,000,000.

As the conversion price was not fixed and the conversion option of the Convertible Bonds of Kantone would not result in settlement by the exchange of a fixed amount for fixed number of equity instruments, the conversion option was regarded as a derivative.

The Convertible Bonds of Kantone included the liability component and embedded derivative (including the conversion option, the Call Option and the Put Option and an early redemption option).

The fair value of the liability component of the Convertible Bonds of Kantone at 30 June 2007 was determined based on the present value of the estimated future cash flows discounted at the expected borrowing rate of Kantone of HIBOR plus 1.9%.

The fair value of the conversion option and redemption option embedded was calculated using the Binomial model. The inputs into the model were as follows:

		30 June 2007 二零零七年六月三十日
Stock price	股價	HK\$0.76港元
Exercise price	行使價	HK\$0.3844港元
Expected volatility	預期波幅	40%
Maturity life	到期年期	0.76 years年
Risk-free rate	無風險利率	4.10%
Expected dividend yield	預期周息率	5%

The fair value of the Put Option in the prior year were calculated using the Binomial model. The inputs into the model were as follows:

		30 June 2007 二零零七年六月三十日
Underlying asset price	相關資產價格	HK\$73,730,000港元
Exercise price	行使價	HK\$62,240,000港元
Expected volatility	預期波幅	11.1%
Maturity life	到期年期	0.92 years年
Risk free rate	無風險利率	4.10%
Expected dividend yield	預期周息率	1%

### 28. 可換股債券(續)

於二零零六年八月二十三日，看通債券持有人行使認購權而看通發行額外8,000,000美元之看通可換股債券。

由於兌換價並非固定，而看通可換股債券之兌換將不會導致按固定金額交付固定數目之股本工具，故兌換權被視為衍生工具。

看通可換股債券包括負債部分及內含衍生工具（包括兌換權、認購權及認沽權及提早贖回選擇權）。

於二零零七年六月三十日，看通可換股債券之負債部分之公平價值乃根據估計未來現金流按看通之預期借貸利率香港銀行同業拆息加1.9厘貼現之現值釐定。

內含之兌換權及贖回權之公平價值以二項式期權定價模式計算。該模式所用數據如下：

認沽權之公平價值以二項式期權定價模式計算。該模式所用數據如下：





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### 28. CONVERTIBLE BONDS (Continued)

In 2005, Kantone, under the Subscription Agreement of Kantone, had granted to the Bondholder of Kantone an additional right to subscribe for up to 30,437,073 new shares in Kantone at a subscription price of HK\$0.3844 per share, exercisable until 1 April 2008 (the "2005 Subscription Rights"). In 2006, Kantone had granted an additional right to the Bondholder of Kantone to subscribe for up to 30,347,707 new shares in Kantone at a subscription price of HK\$0.3844 per share, exercisable until 1 April 2008 (the "2006 Subscription Rights").

As the 2005 Subscription Rights and 2006 Subscription Rights granted to the Bondholder of Kantone would result in settlement by the exchange of a fixed amount for fixed number of equity instrument, the fair value of the 2005 Subscription Rights and 2006 Subscription Rights granted was recognised in equity as subscription right reserve on initial recognition.

The fair value of the 2005 Subscription Rights and 2006 Subscription Rights at the date of grant was calculated using the Binomial model. The inputs into the model were as follows:

		2006 Subscription Rights 2006認購權	2005 Subscription Rights 2005認購權
Stock price	股價	HK\$0.42港元	HK\$0.33港元
Exercise price	行使價	HK\$0.3844港元	HK\$0.3844港元
Expected volatility	預期波幅	40%	40%
Maturity life	到期年期	1.61 years年	3 years年
Risk-free rate	無風險利率	3.88%	3.57%
Expected dividend yield	預期周息率	5%	5%

During the year, US\$2,300,000 (2007: US\$5,700,000) of the issued Convertible Bonds of Kantone were converted into 46,590,000 (2007: 115,740,000) shares of Kantone of HK\$0.1 each at a price of HK\$0.3844 (2007: HK\$0.3844) per share. In addition, US\$100,000 (2007: Nil) of the issued Convertible Bonds of Kantone were redeemed by Kantone during the year. At 30 June 2008, no Convertible Bonds of Kantone remained outstanding.

### 28. 可換股債券(續)

於二零零五年，根據看通認購協議，看通已授予看通債券持有人額外權利，以認購價每股0.3844港元認購最多30,437,073股看通之新股份，有關權利可於二零零八年四月一日或之前行使（「2005認購權」）。於二零零六年，看通亦授予看通債券持有人額外權利，以認購價每股0.3844港元，認購30,347,707股看通之新股份，該權利可於二零零八年四月一日或之前行使（「2006認購權」）。

由於授予看通債券持有人之2005認購權及2006認購權將導致按固定金額交付固定數目股本工具，故已授出2005認購權及2006認購權之公平價值於初始確認時在股本內確認為認購權儲備。

2005認購權及2006認購權於授出日之公平價值以二項式期權定價模式計算。該模式所用數據如下：

年內2,300,000美元（二零零七年：5,700,000美元）之已發行看通可換股債券以每股0.3844港元（二零零七年：0.3844港元）之價格兌換為46,590,000股（二零零七年：115,740,000股）每股面值0.1港元之看通股份。此外，看通於年內贖回100,000美元（二零零七年：無）之已發行看通可換股債券。於二零零八年六月三十日，概無未贖回之看通可換股債券。



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## 29. DEFERRED TAXATION

The following is the deferred taxation liability recognised and movement thereon:

		Accelerated for depreciation 加速折舊	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	149	206
Currency realignment	匯兌調整	8	(34)
Movement for the year (Note 11)	本年度變動 (附註11)	-	(23)
Balance at end of the year	年結結餘	157	149

At the balance sheet date, the Group had unused tax losses of approximately HK\$327,189,000 (2007: HK\$272,353,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. These tax losses may be carried forward infinitely.

## 29. 遞延稅項

已確認之遞延稅項負債及其變動載列如下：

於結算日，本集團有未動用之稅項虧損約327,189,000港元(二零零七年：272,353,000港元)，可用作抵銷日後之溢利。由於無法預計日後之溢利來源，故並無確認遞延稅項資產。此等稅項虧損可無限期承前結轉。

## 30. SHARE CAPITAL

## 30. 股本

		Number of shares 股份數目 '000 以千股計	Amount 金額 HK\$'000 千港元
Authorised share capital of HK\$0.1 each:	每股面值0.1港元之法定股本：		
Balance at 1 July 2006, 30 June 2007 and 30 June 2008	於二零零六年七月一日、二零零七年六月三十日及二零零八年六月三十日之結餘	30,000,000	3,000,000
Issued and fully paid share capital of HK\$0.1 each:	每股面值0.1港元之已發行及繳足股本：		
Balance at 1 July 2006	於二零零六年七月一日之結餘	1,314,201	131,420
Issue of shares upon exercise of 2007 Warrants	行使二零零七年認股權證而發行股份	245,855	24,585
Issue of shares upon exercise of 2008 Warrants	行使二零零八年認股權證而發行股份	5,585	559
Issue of shares as 2006 final scrip dividend	發行股份作為二零零六年末期息以股代息	22,337	2,234
Issue of shares as 2007 interim scrip dividend	發行股份作為二零零七年中期息以股代息	15,646	1,564
Balance at 30 June 2007 and 1 July 2007	於二零零七年六月三十日及二零零七年七月一日之結餘	1,603,624	160,362
Issue of shares upon exercise of 2008 Warrants	行使二零零八年認股權證而發行股份	59,314	5,932
Issue of shares upon exercise of 2009 Warrants	行使二零零九年認股權證而發行股份	10	1
Issue of shares as 2007 final scrip dividend	發行股份作為二零零七年末期息以股代息	25,241	2,524
Issue of shares as 2008 interim scrip dividend	發行股份作為二零零八年中期息以股代息	18,311	1,831
Issue of shares on acquisition of a subsidiary	發行股份以收購一間附屬公司	268,000	26,800
Balance at 30 June 2008	於二零零八年六月三十日之結餘	1,974,500	197,450



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### 30. SHARE CAPITAL (Continued)

During the year, the following changes in the share capital of the Company took place:

- (a) During the year, 59,314,088 shares and 9,371 shares of HK\$0.1 each were issued at HK\$1.38 and HK\$1.6 per share respectively as a result of the exercise of the 2008 Warrants and 2009 Warrants (as defined under the section headed "Warrants" below) of the Company by the warrant holders;
- (b) In January 2008, 25,241,398 shares of HK\$0.1 each were issued at a price of HK\$1.47 per share upon election by shareholders to receive shares in the Company in lieu of the 2007 final dividend in cash pursuant to the scrip dividend scheme as detailed in a circular dated 17 December 2007;
- (c) In June 2008, 18,311,212 shares of HK\$0.1 each were issued at a price of HK\$1.15 per share upon election by shareholders to receive shares in the Company in lieu of the 2008 interim dividend in cash pursuant to the scrip dividend scheme as detailed in a circular dated 15 May 2008;
- (d) The Company issued 268,000,000 shares of HK\$0.1 each as part of the consideration for acquisition of the entire issued share capital of Big World International Limited (the "Big World"), see note 32 for more details.

All shares issued rank pari passu with the then existing shares in issue in all respects.

#### Warrants

On 23 October 2006, the Company proposed a bonus issue of new warrants ("2008 Warrants") to subscribe for shares equal to 20% of the issued number of shares of HK\$0.1 each on 27 February 2007, to the shareholders of the Company whose names appeared on the register of members on 22 November 2006. Pursuant to an ordinary resolution passed on 22 November 2006, 316,478,617 units of 2008 Warrants were issued to the shareholders of the Company at an initial subscription price of HK\$1.38 per share of HK\$0.1 each of the Company as a result of the bonus issue of new warrants. The 2008 Warrants expired on 7 March 2008.

### 30. 股本(續)

於本年度，本公司之股本有以下變動：

- (a) 年內，由於認股權證持有人行使本公司之二零零八年認股權證及二零零九年認股權證(定義見下文「認股權證」一節)，故此，59,314,088股及9,371股每股面值0.1港元之股份已分別按每股1.38港元及每股1.6港元之價格予以發行；
- (b) 於二零零八年一月，股東選擇根據二零零七年十二月十七日之通函所詳述之以股代息計劃，以本公司股份代替現金收取二零零七年末期股息後，本公司按每股1.47港元之價格發行25,241,398股每股面值0.1港元之股份；
- (c) 於二零零八年六月，股東選擇根據日期為二零零八年五月十五日之通函所詳列之以股代息計劃，以本公司股份代替以現金收取二零零八年中期股息後，本公司按每股1.15港元之價格發行18,311,212股每股面值0.1港元之股份。
- (d) 本公司發行268,000,000股每股面值0.1港元之股份，作為收購Big World International Limited(「Big World」)全部已發行股本之部分代價，詳情見附註32。

所有據此而發行之股份在各方面與當時現有已發行股份享有同等權益。

#### 認股權證

於二零零六年十月二十三日，本公司建議向於二零零六年十一月二十二日名列股東名冊之本公司股東發行新紅利認股權證(「二零零八年認股權證」)，以認購相當於二零零七年二月二十七日之已發行股份數目20%之每股面值0.1港元股份。根據於二零零六年十一月二十二日通過之一項普通決議案，由於發行新紅利認股權證，故316,478,617份二零零八年認股權證已發行予本公司股東，股東可按每股1.38港元之初步認購價認購本公司每股面值0.1港元之股份。該等認股權證於二零零八年三月七日屆滿。



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### 30. SHARE CAPITAL (Continued)

#### Warrants (Continued)

On 26 October 2007, the Company proposed a bonus issue of new warrants ("2009 Warrants") to subscribe for shares equal to 20% of the issued number of shares of HK\$0.1 each on 8 March 2008, to the shareholders of the Company whose names appeared on the register of members on 23 November 2007. Pursuant to an ordinary resolution passed on 23 November 2007, 337,635,936 units of 2009 Warrants were issued to the shareholders of the Company at an initial subscription price of HK\$1.6 per share of HK\$0.1 each of the Company as a result of the bonus issue of new warrants. The 2009 Warrants will expire on 16 April 2009.

During the year, 2008 Warrants and 2009 Warrants carrying subscription rights of HK\$81,853,441 and HK\$14,994 respectively were exercised.

As at 30 June 2008, the outstanding number of 2009 Warrants was 337,626,565 units (2007: number of 2008 Warrants outstanding was 310,893,952 units).

### 31. SHARE OPTION SCHEMES

The Company, Kantone, a 51% owned subsidiary of the Company, and Digital HK, a 78% owned subsidiary of the Company, each has a share option scheme under which eligible persons, including directors of the Company, Kantone, Digital HK or any of their respective subsidiaries, may be granted options to subscribe for shares in the Company, Kantone and Digital HK respectively.

#### (i) The Company

On 29 November 2002, the Company adopted a share option scheme (the "Champion Option Scheme") which, with a remaining life of about 5 years, will expire on 28 November 2012. The purpose of the Champion Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the Champion Option Scheme, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of the Company, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the Group, to subscribe for shares of the Company. The share option granted by the Company is exercisable at any time for a period determined by its directors which will be less than ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

### 30. 股本(續)

#### 認股權證(續)

於二零零七年十月二十六日，本公司建議向於二零零七年十一月二十三日名列股東名冊之本公司股東發行新紅利認股權證（「二零零九年認股權證」），以認購相當於二零零八年三月八日之已發行股份數目20%之每股面值0.1港元股份。根據一項於二零零七年十一月二十三日通過之一項普通決議案，由於發行新紅利認股權證，337,635,936份二零零九年認股權證已發行予本公司股東，股東可按每股1.6港元之初步認購價認購本公司每股面值0.1港元之股份。二零零九年認股權證將於二零零九年四月十六日屆滿。

年內，分別附有81,853,441港元及14,994港元認購權之二零零八年認股權證及二零零九年認股權證已獲行使。

於二零零八年六月三十日，未獲行使之二零零九年認股權證有337,626,565份（二零零七年：未獲行使之二零零八年認股權證有310,893,952份）。

### 31. 購股權計劃

本公司、本公司持有51%股權之附屬公司看通及本公司持有78%股權之附屬公司數碼香港各設有購股權計劃，據此，合資格人士（包括本公司、看通及數碼香港或其各自任何附屬公司之董事）可獲授購股權以分別認購本公司、看通及數碼香港之股份。

#### (i) 本公司

於二零零二年十一月二十九日，本公司採納一項購股權計劃（「冠軍購股權計劃」）。該計劃剩餘年期約為五年，將於二零一二年十一月二十八日到期。冠軍購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等對本集團之業務及營運作出貢獻。根據冠軍購股權計劃，董事可向涉及本公司、其附屬公司或聯屬公司之業務、營運、管理、科技、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及本集團之客戶及供應商授出購股權，以認購本公司之股份。本公司已授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。



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### 31. SHARE OPTION SCHEMES (Continued)

#### (i) The Company (Continued)

The exercise price (subject to adjustment as provided therein) of the option under the Champion Option Scheme is the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day; or (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the options. The maximum number of shares in respect of which the options may be granted under the Champion Option Scheme shall not exceed 10% of the issued share capital of the Company at the date of approval of the Champion Option Scheme under the existing mandate limit of the Champion Option Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any one grantee in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue on the last date of such 12-month period, without prior approval from the Company's shareholders. No share option under the Champion Option Scheme has been granted by the Company since its adoption.

#### (ii) Kantone

On 29 November 2002, Kantone adopted the share option scheme (the "Kantone Option Scheme") which will expire on 28 November 2012. The purpose of the Kantone Option Scheme is to attract and to retain quality personnel and to provide them with incentive to contribute to the business and operation of Kantone and its subsidiaries ("Kantone Group"). Under the Kantone Option Scheme, the directors may grant options to any eligible persons of Kantone Group, including directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of Kantone, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of Kantone Group, to subscribe for shares in Kantone. Options granted are exercisable at any time for a period determined by its directors which will be less than ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

### 31. 購股權計劃(續)

#### (i) 本公司(續)

冠軍購股權計劃授出之購股權之行使價(可按其中之規定作出調整)為(i)股份面值；(ii)於授出日期(須為營業日)在聯交所每日報價表所報之每股股份收市價；或(iii)緊接授出購股權日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。根據冠軍購股權計劃授出之購股權所涉及之股份數目上限不得超過本公司有關冠軍購股權計劃之現有授權上限，亦即為於冠軍購股權計劃批准當日之已發行股本10%。然而，因行使全部未行使購股權而可予發行之股份總數上限不得超出本公司於任何時間內已發行股本之30%。在未經本公司股東事先批准之情況下，於任何十二個月期間，向任何單一承授人授出購股權所涉及之股份數目，不得超出本公司在該十二個月期間最後一日之已發行股份1%。自採納以來，本公司概未根據冠軍購股權計劃授出任何購股權。

#### (ii) 看通

於二零零二年十一月二十九日，看通採納購股權計劃(「看通購股權計劃」)，該計劃將於二零一二年十一月二十八日屆滿。看通購股權計劃之目的在於吸納及留任優秀人員，藉以鼓勵彼等對看通及其附屬公司(「看通集團」)之業務及營運作出貢獻。根據看通購股權計劃，董事可向任何合資格人士授出購股權，包括涉及看通、其附屬公司或聯屬公司之業務、營運、管理、科技、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及看通集團之客戶及供應商，以認購看通之股份。所授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。





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### 31. SHARE OPTION SCHEMES (Continued)

#### (ii) Kantone (Continued)

The exercise price (subject to adjustment as provided therein) of the option under the Kantone Option Scheme is equal to the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; or (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which the options may be granted under the Kantone Option Scheme shall not exceed 10% of the issued share capital of Kantone at the date of approval of the Kantone Option Scheme under the existing mandate limit of the Kantone Option Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of Kantone from time to time. The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of Kantone in issue on the last date of such 12-month period, without prior approval from Kantone's shareholders. No share option under the Kantone Option Scheme has been granted since its adoption.

#### (iii) DIGITAL HK

On 29 November 2002, Digital HK adopted a share option scheme (the "DHK Option Scheme") which will expire on 28 November 2012. The purpose of the DHK Option Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of Digital HK and its subsidiaries (the "DIGITALHK Group"). Under the DHK Option Scheme, the directors may grant options to any directors, employees, consultants, advisors in respect of business, operation, management, technology, legal, accounting and financial matters of Digital HK, its subsidiaries or affiliates or any discretionary trust whose discretionary objects include the aforesaid persons or a company beneficially owned by the aforesaid persons as well as customers and suppliers of the DIGITALHK Group, to subscribe for shares of Digital HK. Options granted by Digital HK are exercisable at any time for a period of up to ten years from the date of grant, where the acceptance date should not be later than 21 days after the date of offer.

### 31. 購股權計劃(續)

#### (ii) 看通(續)

看通購股權計劃授出之購股權之行使價(可按其中之規定作出調整)為(i)股份面值；(ii)於授出日期(須為營業日)在聯交所每日報價表所報之每股股份收市價；或(iii)緊接授出日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。根據看通購股權計劃授出之購股權所涉及之股份數目上限不得超過看通有關看通購股權計劃之現有授權上限，亦即為看通購股權計劃批准當日之看通已發行股本10%。然而，因行使全部未行使購股權而可予發行之股份總數上限不得超出於任何時間內看通已發行股本之30%。在未經看通股東事先批准之情況下，於任何十二個月期間，向任何個人授出購股權所涉及之股份數目，不得超過在該十二個月期間最後一日之看通已發行股份1%。自採納至今，看通並無根據看通購股權計劃授出任何購股權。

#### (iii) 數碼香港

於二零零二年十一月二十九日，數碼香港採納一項購股權計劃(「數碼香港購股權計劃」)，該計劃將於二零一二年十一月二十八日屆滿。數碼香港購股權計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等對數碼香港及其附屬公司(「數碼香港集團」)之業務及營運作出貢獻。根據數碼香港購股權計劃，董事可向涉及數碼香港、其附屬公司或聯屬公司之業務、營運、管理、科技、法律、會計及財務事宜之董事、僱員、顧問、諮詢人，或就任何全權信託而其受益人包括任何上述人士或其實益擁有之公司，以及數碼香港集團之客戶及供應商授出購股權，以認購數碼香港之股份。數碼香港已授出之購股權可於董事所釐定之期間任何時間行使，惟所釐定之期間不可多於有關購股權授出日期起計十年，而接納日期須不遲於要約日期後二十一日。



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### 31. SHARE OPTION SCHEMES (Continued)

#### (iii) DIGITAL HK (Continued)

The exercise price of the option under the DHK Option Scheme is the highest of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. No share option under the DHK Option Scheme has been granted by Digital HK since its adoption.

### 31. 購股權計劃(續)

#### (iii) 數碼香港(續)

數碼香港購股權計劃授出之購股權之行使價為(i)股份面值；(ii)於授出日期(須為營業日)在聯交所每日報價表所報之每股股份收市價；或(iii)緊接購股權授出日期前五個營業日之股份平均收市價，三者以最高者為準。自採納以來，數碼香港概未根據數碼香港購股權計劃授出任何購股權。

### 32. ACQUISITION OF A SUBSIDIARY

In April 2008, the Group acquired the entire issued share capital of Big World for cash consideration of HK\$50 million and the issue of 268 million shares of HK\$0.1 each of the Company with a fair value of HK\$313,560,000.

### 32. 收購附屬公司

於二零零八年四月，本集團以現金代價50,000,000港元並發行268,000,000股每股面值0.1港元之本公司股份，其公平價值為313,560,000港元，收購Big World之全部已發行股本。

The net assets acquired at the date of acquisition was as follows:

於收購日所收購之資產淨值載列如下：

		Book value	Premium paid on acquisition of asset	Total
		賬面值	收購資產時之已付溢價	合共
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Net assets acquired:	收購資產淨值：			
Deposits and prepaid development costs	按金及預付開發成本	355,828	11,733	367,561
Other payables	應付其他賬款	(4,001)	-	(4,001)
		351,827	11,733	363,560
Total consideration	總代價			363,560
The above acquisition was satisfied by	以下列方式支付上述代價：			
- Cash	- 現金			50,000
- Shares of the Company	- 本公司股份			313,560
				363,560
Net cash outflow arising on acquisition	因收購產生之現金淨額流出			
Cash consideration paid	已付現金代價			50,000

The Group acquired Big World for the deposits and prepaid development costs which it has paid for development of a software system for logistics and smart port management system for a port currently under development in the PRC and hence the acquisition was accounted for as an acquisition of asset.

本集團收購Big World，包括其已支付按金及預付開發成本以開發物流軟件系統及智能港口管理系統，配合目前發展中之一個中國港口，因此該收購被視為一項資產收購。





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## 33. MAJOR NON-CASH TRANSACTIONS

During the year, the Group disposed of its deposits and prepaid development costs of HK\$216,840,000 (2007: HK\$245,700,000) in return for equity interest in certain available-for-sale investments.

## 33. 重大非現金交易

年內，本集團出售其按金及預付開發成本 216,840,000 港元（二零零七年：245,700,000 港元）以換取若干可供出售投資之股本權益。

## 34. CAPITAL COMMITMENTS

## 34. 資本承擔

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Capital expenditure in respect of property, plant and equipment and development costs for systems and networks:	有關物業、廠房及設備與系統及網絡之開發成本之資本開支：		
Authorised but not contracted for	已授權但未訂約	<b>362,732</b>	343,700

35. OPERATING LEASE ARRANGEMENTS  
The Group as lessee

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

35. 經營租賃安排  
本集團作為承租人

於結算日，本集團多項有關租用物業與汽車之不可註銷經營租賃之日後最低應付租賃款額之到期情況如下：

		2008 二零零八年		2007 二零零七年	
		Land and buildings 土地及樓宇 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Land and buildings 土地及樓宇 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元
Operating leases which expire:	經營租賃屆滿：				
Within one year	一年內	<b>4,501</b>	<b>3,432</b>	3,233	3,226
In the second to fourth year	第二至第四年	<b>4,960</b>	<b>3,592</b>	4,336	4,699
		<b>9,461</b>	<b>7,024</b>	7,569	7,925

Leases are negotiated for an average term of one to four years and rentals are fixed for an average term of one to four years.

經磋商後之平均租賃年期為一至四年，而租金乃按一至四年之平均年期釐訂。

## The Group as lessor

At the balance sheet date, the Group contracted with tenants in respect of leasing of plant and machinery and telecommunications networks which fall due as follows:

## 本集團作為出租人

於結算日，本集團與租客訂立有關租用廠房與機器及電信網絡之合約之到期情況如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	<b>1,960</b>	13,902
In the second to fifth year inclusive	第二至第五年	<b>29,842</b>	26,721
After five years	於五年後	<b>7,211</b>	1,601
		<b>39,013</b>	42,224



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### 36. RELATED PARTY TRANSACTIONS

The key management personnel are the directors of the Company. The details of remuneration paid to them are set out in note 10.

### 36. 關連人士交易

主要管理人員為本公司董事。已付彼等薪酬之詳情載於附註10。

### 37. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 30 June 2008 are as follows:

### 37. 主要附屬公司

於二零零八年六月三十日，本公司各主要附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
100BESTSHOP.COM Limited	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of e-shopping and internet-based activities 提供電子購物及互聯網服務
Aspire Management Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1,500,000 普通股 – 1,500,000美元	31% <sup>a</sup>	Investment holding 投資控股
Big World International Limited	Samoa 薩摩亞群島	Ordinary – US\$50,000 普通股 – 50,000美元	100%	Investment holding 投資控股
Bingo Profits Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	51%	Investment holding 投資控股
Briar International Limited	Samoa 薩摩亞群島	Ordinary – US\$50,000 普通股 – 50,000美元	100%	Software development 軟件開發
Champion (Cook Islands) Limited *	Cook Islands 庫克群島	Ordinary – HK\$1 普通股 – 1港元	100%	Investment holding 投資控股
Champion Consortium Limited	British Virgin Islands/ PRC 英屬維爾京群島/ 中國	Ordinary – US\$1 普通股 – 1美元	100%	Strategic investment 策略性投資
Champion Fax Machine Investments Limited	British Virgin Islands/ PRC 英屬維爾京群島/ 中國	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Champion International Investments Limited	British Virgin Islands/ PRC 英屬維爾京群島/ 中國	Ordinary – US\$50,000 普通股 – 50,000美元	100%	Strategic investments and investments in telecommunications networks and e-commerce projects 策略性投資及投資電信網絡及 電子商貿項目
Champion Luck International Limited 駿樂國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資



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## 37. PRINCIPAL SUBSIDIARIES (Continued)

## 37. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Champion Million Industries Limited 祥萬實業有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Champion Pacific Investment Limited 駿沛投資有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Champion Technology Limited 冠軍科技有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$1,000,000 普通股 – 1,000港元 遞延股 – 1,000,000港元	100%	Sales of general systems products and provision of services and software licensing 銷售一般系統產品及提供服務 及軟件特許權
Champnet Limited 冠軍網絡有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Internet business 互聯網業務
Chief Champion Limited 千全有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$10,000 普通股 – 1,000港元 遞延股 – 10,000港元	100%	Property investment 物業投資
Chinese Paging Company Limited 中文傳呼有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$2,000,000 普通股 – 1,000港元 遞延股 – 2,000,000港元	100%	Paging operations 傳呼業務
Chinese Science & Technology Limited 中文科技有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Internet business 互聯網業務
Cyber Solutions Inc.	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	100%	Internet business 互聯網業務
DIGITALHONGKONG.COM INC.	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	78%	Provision of an e-commerce platform for payment process for global business 為全球公司提供電子商貿付款 程序平台
DIGITALHONGKONG.COM * 數碼香港*	Cayman Islands 開曼群島	Ordinary – HK\$15,000,000 普通股 – 15,000,000港元	78%	Investment holding 投資控股



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### 37. PRINCIPAL SUBSIDIARIES (Continued)

### 37. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
DIGITAL COMMERCE LIMITED	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	78%	Provision of an e-commerce platform and evaluation of e-commerce opportunities 提供電子商貿平台及評估電子商貿商機
Digital Hong Kong Limited 數碼香港國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	78%	Provision of an e-commerce platform for payment process for retail customers and e-mail based in Hong Kong 為零售客戶及以香港為基地之電子商場提供電子商貿付款程序平台
Eagle Landmark Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Provision of treasury services 提供財政服務
ESP International Group Limited ESP國際信息集團有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Advertising and recruitment agency 廣告及招聘代理公司
Happy Commercial Company Limited 喜業有限公司	Macau 澳門	Ordinary – MOP25,000 普通股 – 25,000澳門幣	100%	Provision of documentation services and arrangement and business consultant 提供文件處理服務與安排及商業顧問
Happy Union Development Limited 禧聯發展有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Harilela Kantone Telecommunications Limited	Hong Kong 香港	Ordinary – HK\$10,000 普通股 – 10,000港元	55%	Investments in telecommunications networks 投資電信網絡
High Win Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding and strategic investment 投資控股及策略性投資
Honest (Macao Commercial Offshore) Limited	Macau 澳門	Ordinary – MOP100,000 普通股 – 100,000澳門幣	100%	Provision of consulting services, data processing and selling activities 提供顧問服務、數據處理及銷售活動



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## 37. PRINCIPAL SUBSIDIARIES (Continued)

## 37. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Hong Kong IT Alliance Limited 香港資訊科技聯盟有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Information technology development 發展資訊科技
Hydro-Cable Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Internet Vehicles Limited 互聯網汽車有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of internet related services 提供互聯網相關服務
Kannet Limited 看通網絡有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Internet operations 互聯網業務
Kantel Limited 港通電訊電話有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Investment in telecommunications networks 投資電信網絡
Kantone Holdings Limited * 看通集團有限公司*	Cayman Islands 開曼群島	Ordinary – HK\$341,105,968 普通股 – 341,105,968港元	51%	Investment holding 投資控股
Kantone Paging Company Limited 看通中文傳呼有限公司	Hong Kong 香港	Ordinary – HK\$1,000 Deferred – HK\$2,000,000 普通股 – 1,000港元 遞延股 – 2,000,000港元	100%	Trading of pagers and provision of paging services 買賣傳呼機及提供傳呼服務
Kantone (UK) Limited	United Kingdom 英國	Ordinary – £5,500,000 普通股 – 5,500,000英鎊	51%	Investment holding 投資控股
Keen Pacific Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Provision of treasury service 提供財政服務
Kontone International Limited 港通國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Investment holding 投資控股
KTT (Cook Islands) Limited *	Cook Islands 庫克群島	Ordinary – HK\$10,000 普通股 – 10,000港元	100%	Investment holding 投資控股
Lucky (Macao Commercial Offshore) Limited	Macao 澳門	Ordinary – MOP100,000 普通股 – 100,000澳門幣	100%	Provision of consulting services, research and development, and selling activities 提供顧問服務、研究及開發、和銷售活動



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## 37. PRINCIPAL SUBSIDIARIES (Continued)

## 37. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Lucky Success Development Limited 連成發展有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Lucky Tone Investments Limited 祥通投資有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
M.C. Holdings Limited	Cayman Islands 開曼群島	Ordinary – £5,500,002 普通股 – 5,500,002英鎊	51%	Investment holding 投資控股
Marcotte Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Multitone Electronics PLC	United Kingdom 英國	Ordinary – £3,830,107 普通股 – 3,830,107英鎊	51%	Investment holding, design and manufacture of telecommunications systems and equipment 投資控股、設計及生產電信 系統及器材
Multitone Electronics Sdn. Bhd.	Malaysia 馬來西亞	Ordinary – MR285,000 普通股 – 285,000馬來西亞元	51%	Manufacture of telecommunications equipment 生產電信器材
Multiton Elektronik GmbH	Germany 德國	Ordinary – €1,022,584 普通股 – 1,022,584歐羅	51%	Distribution of telecommunications equipment 分銷電信器材
Multitone Rentals Limited	United Kingdom 英國	Ordinary – £100 普通股 – 100英鎊	51%	Leasing of systems products 租賃系統產品
New Telecomm Company Limited 新系電訊有限公司	Hong Kong 香港	Ordinary – HK\$6,000,000 普通股 – 6,000,000港元	100%	Trading in telecommunications equipment and provision of related services 買賣電信器材及提供相關服務
Peak Vantage Limited	British Virgin Islands/ Macau 英屬維爾京群島/ 澳門	Ordinary US\$1 普通股 – 1美元	51%	Provision of treasury services 提供財政服務
QKKK.COM Limited	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of e-commerce, m-commerce and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務



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## 37. PRINCIPAL SUBSIDIARIES (Continued)

## 37. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Shenzhen Hengyu Science & Technology Company Limited # 恒譽科技(深圳)有限公司#	PRC 中國	Ordinary – RMB21,000,000 普通股 – 人民幣21,000,000元	31% <sup>A</sup>	Investment holding 投資控股
Silverstrand Investments Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Investment holding 投資控股
Smart Delta Inc.	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Provision of treasury services 提供財政服務
Smart (Macao Commercial Offshore) Limited 佳盛(澳門離岸商業服務)有限公司	Macau 澳門	Ordinary – MOP100,000 普通股 – 100,000澳門幣	51%	Provision of services, software licensing and trading of telecommunications equipment 提供服務、軟件特許權及買賣電器器材
Success (Macao Commercial Offshore) Limited	Macau 澳門	Ordinary – MOP100,000 普通股 – 100,000澳門幣	100%	Provision of consulting services, research and development and selling activities 提供顧問服務、研究及開發、及銷售活動
Top Gallop International Limited	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Investment holding 投資控股
Very Happy International Limited 大樂國際有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Property investment 物業投資
Victory (Macao Commercial Offshore) Limited 進昇(澳門離岸商業服務)有限公司	Macau 澳門	Ordinary – MOP100,000 普通股 – 100,000澳門幣	100%	Provision of services, software licensing and trading in telecommunications products 提供服務、軟件特許權及買賣電信產品
Wollaston Limited	Samoa 薩摩亞群島	Ordinary – US\$1 普通股 – 1美元	51%	Investment holding 投資控股
Y28.COM Inc.	British Virgin Islands 英屬維爾京群島	Ordinary – US\$1 普通股 – 1美元	100%	Provision of e-commerce, m-commerce and internet based activities 提供電子商貿、流動商貿及互聯網為本服務





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### 37. PRINCIPAL SUBSIDIARIES (Continued)

### 37. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Nominal value of issued share capital/ registered capital 已發行股本 面值/註冊資本	Proportion of nominal value of issued share capital held by the Company 本公司應佔之 已發行股本面值比例	Principal activities 主要業務
Y28.COM Limited 威易發有限公司	Hong Kong 香港	Ordinary – HK\$2 普通股 – 2港元	100%	Provision of e-commerce m-commerce and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務
Y28 Innovations *	Cayman Islands 開曼群島	Ordinary – HK\$0.1 普通股 – 0.1港元	100%	Provision of e-commerce, m-commerce, and internet based activities 提供電子商貿、流動商貿及 互聯網為本服務
Zonal Care Incorporated	British Virgin Islands/ Macau 英屬維爾京群島/ 澳門	Ordinary – US\$2 普通股 – 2美元	51%	Strategic investments and investments in e-commerce projects 策略性投資及投資電子商貿項目
* Directly held by the Company			* 由本公司直接持有	
# Wholly owned foreign enterprise for a term of 20 years commencing 17 October 2003.			# 經營期由二零零三年十月十七日起計為期20年之全資外國企業。	
^ Kantone holds 60% equity interest in these companies, hence it is accounted for as subsidiaries of the Group.			^ 看通持有該等公司60%之股本權益，故其被視為本集團之附屬公司。	

The deferred shares, which are held by the Group, of each of the above-mentioned subsidiaries entitled the holders thereof to:

由本集團持有之上述各附屬公司之遞延股均賦予其持有人之權利：

- (a) a fixed non-cumulative dividend at the rate of 5% per annum for any financial year of the company in question in respect of which the net profits of such company exceed HK\$100,000,000,000; and
- (b) on a winding-up, a return of the capital paid up on such shares out of the surplus assets of the company in question after a total sum of HK\$100,000,000,000 has been distributed in such winding up in respect of each of the ordinary shares of such company.

- (a) 倘該等公司於其任何一個財政年度之純利超逾100,000,000,000港元時，向該等公司收取按年息5厘計算之定額非累積股息；及

- (b) 於公司清盤時，待於該清盤中就該公司每股普通股分派總額100,000,000,000港元後，自該公司之剩餘資產中退還該等股份之繳足股本。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or constituted a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表所列之本公司附屬公司乃董事認為主要影響本年度業績或構成本集團資產淨值重大比重之附屬公司。董事認為，倘將其他附屬公司之詳情一併列出，則會令資料過於冗長。

Save as disclosed, none of the subsidiaries had any debt securities subsisting at 30 June 2008 or at any time during the year.

除上文披露者外，各附屬公司於二零零八年六月三十日或年內任何時間均無任何債務證券。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報告附註

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

### 38. POST BALANCE SHEET EVENTS

The following events occurred subsequent to the balance sheet date:

- (a) On 28 July 2008, the Group entered into an agreement to acquire the entire issued share capital of Good Holdings Limited ("GHL") by issue of 620,000,000 shares of Kantone to the independent vendors. GHL is an investment holding company and its subsidiary is engaged in the development of gaming software contents, sports websites and sports network systems. The acquisition of GHL was completed in September 2008. The fair value of the shares issued at completion date was HK\$328,600,000.

At the date of this report, management of the Group is still in the midst of determining the financial effect of the acquisition.

- (b) On 12 August 2008, the Company acquired 299,290,629 shares of Kantone from Lawnside International Limited ("Lawnside"), a shareholder of the Company, the consideration of which will be satisfied entirely by the issue of HK\$188,553,096 convertible bonds of the Company (the "Convertible Bonds"). The Convertible Bonds are convertible into shares of the Company at an initial conversion price of HK\$1.09, subject to adjustments in accordance with the terms of the Convertible Bond agreement. The Convertible Bonds bears interest at 1% per annum payable bi-annually and will mature at the second anniversary date of issue of the Convertible Bonds ("Maturity Date"). Lawnside may require the Company to redeem the Convertible Bonds at par plus interest at any time after the date of issue up to the Maturity Date. The Convertible Bonds are convertible at any time after the date of issue up to the Maturity Date.

At the date of this report, management of the Group is still in the midst of determining the financial effect of the issue of the Convertible Bonds.

### 39. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure on a bi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

### 38. 結算日後事項

於結算日後發生以下事項：

- (a) 於二零零八年七月二十八日，本集團訂立一項協議，透過向獨立賣方發行 620,000,000 股看通股份以收購 Good Holdings Limited (「GHL」) 之全部已發行股本。GHL 為一間投資控股公司，其附屬公司從事遊戲軟件內容、體育網站及體育網絡系統之開發業務。GHL 之收購事項已於二零零八年九月完成。於交易完成日發行之股份其公平價值為 328,600,000 港元。

於本報告日期，本集團管理層仍在釐定收購事項產生之財務影響。

- (b) 於二零零八年八月十二日，本公司向本公司股東 Lawnside International Limited (「Lawnside」) 收購 299,290,629 股看通股份，收購代價將全部透過發行 188,553,096 港元之本公司可換股債券 (「可換股債券」) 支付。根據可換股債券協議之條款，可換股債券可以初步兌換價 1.09 港元 (可按可換股債券協議條款予以調整) 兌換為本公司股份。可換股債券之年息為 1 厘，每半年派息，並將於可換股債券發行之第二個週年日期 (「到期日」)。Lawnside 可於發行日後截至到期日隨時要求本公司以本金額連利息贖回可換股債券。可換股債券於發行日後截至到期日隨時可以兌換。

於本報告日期，本集團管理層仍在釐定發行可換股債券產生之財務影響。

### 39. 資本風險管理

本集團管理其資本以確保本集團之實體可持續經營業務，同時透過優化負債及股權結餘為權益持有人帶來最大回報。本集團之整體策略與往年保持不變。

本集團之資本結構由本公司股本權益持有人應佔之股本權益組成，當中包括已發行股本、儲備及保留溢利。

本公司董事每半年回顧資本結構。作為此回顧之一部分，董事考慮資本之成本及與每類資本相關之風險。根據董事之建議，本集團透過發行新股份、購回股份以及發行新債務或贖回現有債務來平衡其整體資本結構。



# FINANCIAL SUMMARY 財務摘要

## RESULTS

## 業績

		Year ended 30 June 截至六月三十日止年度									
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
TURNOVER	營業額	3,635,049	3,164,287	2,996,668	2,461,710	2,249,968	1,874,392	1,633,388	1,510,779	1,457,181	1,393,682
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION	除稅前日常 業務溢利										
Profit from operating activities excluding other operating items	未計其他經營項目 之經營業務溢利	997,664	923,140	762,470	610,013	468,476	367,550	205,313	296,272	436,035	303,533
Other operating items	其他經營項目	(740,386)	(91,071)	(58,124)	(36,429)	(104,492)	(127,387)	(72,893)	(5,573)	(83,307)	(91,532)
PROFIT BEFORE TAXATION	除稅前溢利	257,278	832,069	704,346	573,584	363,984	240,163	132,420	290,699	352,728	212,001
TAXATION	稅項	(2,063)	(9,171)	(85)	(517)	(704)	(1,429)	(427)	(584)	(3,013)	(1,215)
PROFIT FOR THE YEAR	本年度溢利	255,215	822,898	704,261	573,067	363,280	238,734	131,993	290,115	349,715	210,786
ATTRIBUTABLE TO: Equity holders of the Company	應佔溢利： 本公司股本權益 持有人	190,456	626,818	549,994	458,726	296,550	191,247	133,040	249,403	303,855	185,552
Minority interests	少數股東權益	64,759	196,080	154,267	114,341	66,730	47,487	(1,047)	40,712	45,860	25,234
		255,215	822,898	704,261	573,067	363,280	238,734	131,993	290,115	349,715	210,786
DIVIDENDS	股息	48,112	96,686	73,096	59,867	55,304	27,604	23,379	16,286	25,389	13,868

## ASSETS AND LIABILITIES

## 資產及負債

		At 30 June 於六月三十日									
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
TOTAL ASSETS	資產總值	8,446,159	7,657,367	6,453,200	5,561,082	4,945,942	4,280,035	3,941,869	3,444,962	3,420,308	2,707,071
TOTAL LIABILITIES	負債總額	630,554	463,346	359,558	396,021	356,934	768,127	743,120	604,039	864,054	542,251
SHAREHOLDERS' FUNDS	股東資金	7,815,605	7,194,021	6,093,642	5,165,061	4,589,008	3,511,908	3,198,749	2,840,923	2,556,254	2,164,820
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司股本權益 持有人應佔 股本權益	6,685,006	6,137,672	5,258,760	4,704,867	4,232,113	3,210,764	2,942,064	2,581,892	2,340,227	1,999,992
SUBSCRIPTION RIGHT RESERVE OF A LISTED SUBSIDIARY	一間上市附屬 公司之認購權 儲備	-	4,639	1,850	1,850	-	-	-	-	-	-
MINORITY INTERESTS	少數股東權益	1,130,599	1,051,710	833,032	458,344	356,895	301,144	256,685	259,031	216,027	164,828
		7,815,605	7,194,021	6,093,642	5,165,061	4,589,008	3,511,908	3,198,749	2,840,923	2,556,254	2,164,820

# CHAMPION TECHNOLOGY'S GLOBAL FOOTPRINT

## HEADQUARTERS/ REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## OPERATIONS CENTRES

### Asia

17<sup>th</sup>, Andar G & J  
Nos.244-246, Rua De Pequim  
Macau

### Europe

Multitone House  
Kempshott, Basingstoke  
Hampshire  
UK

## MAJOR REGIONAL OFFICES

### China

1702 One Exchange Square  
Hong Kong

Kantone Centre  
Chaiwan  
Hong Kong

Tian'an Cyber Park  
Futian District  
Shenzhen

Golden Gate Plaza  
Pudong New Area  
Shanghai

Ya Yun Cun  
Chao Yang District  
Beijing

### UK

Hansa Road  
King's Lynn  
Norfolk

### Germany

Roßstraße 11  
Düsseldorf

### Malaysia

Batu Berendam Free Trade  
Zone  
Malacca

### Brazil

Av. Fagundes Filho  
São Paulo SP

## MANUFACTURING FACILITIES

King's Lynn  
Norfolk  
UK

Malacca  
Malaysia

## OTHER REGIONAL OFFICES

## ASIA-PACIFIC

### China

Guangzhou  
Chengdu

## EUROPE

### Scotland

Lothian

### Germany

Berlin  
Hannover  
Hagen  
Frankfurt  
Munchen  
Leipzig  
Stuttgart

### Austria

Wien

### Russia

Moscow

## NORTH AMERICA

### USA

San Jose  
Washington

## SOUTH AMERICA

### Brazil

Rio De Janeiro

## AFRICA

## Mauritius

## DISTRIBUTORS

### Australia

Melbourne  
Sydney

### Bahrain

Manama

### Belgium

Brussels

### Canada

Toronto  
Montreal  
St Johns

### Croatia

Zagreb

### Czech Republic

Prague

### Denmark

Copenhagen

### Egypt

Cairo

### Eire

Dublin

### France

Paris  
La Rochelle  
Nantes  
Soissons  
Poitiers  
St Georges

### Greece

Athens

### Holland

Utrecht  
De Weert

### Hungary

Budapest

### Italy

Milano  
Rome

### Kuwait

Safat  
Hawalli

### Latvia

Elgava

### Malaysia

Kuala Lumpur

### New Zealand

Pukekohe

### Norway

Oslo  
Trondheim

### Oman

Muscat

### Poland

Warsaw  
Gdansk

### Portugal

Lisbon

### Qatar

Doha

### Russia

Moscow

### Saudi Arabia

Jeddah  
Riyadh

### Singapore

### Slovakia

Vrutky

### Slovenia

Kranj

### South Africa

Cape Town

### Spain

Barcelona

### Sweden

Stockholm

### Switzerland

Geneva

### Turkey


Istanbul

### United Arab Emirates

Dubai

### USA

New Jersey  
Maine  
Maryland  
Tennessee  
Louisiana  
Illinois  
California  
Nevada  
Texas  
Georgia  
Pennsylvania



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二零零八年年報  
股份代號：0092