

目錄

CONTENTS

公司資料	2	Corporate Information
獨立中期審閱報告	4	Independent Interim Review Report
簡明綜合損益表	5	Condensed Consolidated Income Statement
簡明綜合資產負債表	6	Condensed Consolidated Balance Sheet
簡明綜合權益變動表	7	Condensed Consolidated Statement of Changes in Equity
簡明綜合現金流量表	8	Condensed Consolidated Cash Flow Statement
簡明綜合財務報表附註	9	Notes to Condensed Consolidated Financial Statements
管理層討論及分析	22	Management Discussion and Analysis
其他資料	30	Other Information

公司資料

CORPORATE INFORMATION

董事會

執行董事

王聰德 (主席)
謝錦輝

非執行董事

王文俊

獨立非執行董事

李國精
廖醒標
莊嘉俐

審核委員會

廖醒標 (主席)
李國精
莊嘉俐

薪酬委員會

廖醒標 (主席)
王聰德
李國精
莊嘉俐

提名委員會

王聰德 (主席)
李國精
廖醒標
莊嘉俐

公司秘書及合資格會計師

陳敬忠

核數師

德勤•關黃陳方會計師行

代表律師

龍炳坤·楊永安律師行
薛馮鄭岑律師行

BOARD OF DIRECTORS

Executive Directors

Wong Chung Tak (*Chairman*)
Tse Kam Fai

Non-Executive Directors

Wong Ngo, Derick

Independent Non-executive Directors

Lee Kuo Ching, Stewart
Liu Sing Piu, Chris
Chong Kally

AUDIT COMMITTEE

Liu Sing Piu, Chris (*Chairman*)
Lee Kuo Ching, Stewart
Chong Kally

REMUNERATION COMMITTEE

Liu Sing Piu, Chris (*Chairman*)
Wong Chung Tak
Lee Kuo Ching, Stewart
Chong Kally

NOMINATION COMMITTEE

Wong Chung Tak (*Chairman*)
Lee Kuo Ching, Stewart
Liu Sing Piu, Chris
Chong Kally

COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Chan King Chung

AUDITORS

Deloitte Touche Tohmatsu

SOLICITORS

Loong & Yeung
Sit, Fung, Kwong & Shum

主要過戶處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
14 Bermudiana Road
Hamilton, HM11
Bermuda

過戶分處

標準證券登記有限公司
香港皇后大道東1號
太古廣場三座
25樓

主要往來銀行

中國銀行(香港)有限公司
渣打銀行(香港)有限公司
瑞士信貸私人銀行·香港分行
瑞士銀行·香港分行

註冊辦事處

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

香港總辦事處及主要營業地址

香港灣仔港灣道25號
海港中心19樓
1904-1906室

股份代號

香港聯合交易所: 0106

PRINCIPAL REGISTRARS

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
14 Bermudiana Road
Hamilton, HM11
Bermuda

BRANCH REGISTRARS

Standard Registrars Limited
Level 25, Three Pacific Place,
1 Queen's Road East,
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
Credit Suisse, Hong Kong Branch
UBS AG Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 1904-1906
19th Floor, Harbour Centre, 25 Harbour Road
Wanchai, Hong Kong

STOCK CODE

Hong Kong Stock Exchange: 0106

獨立中期審閱報告

INDEPENDENT INTERIM REVIEW REPORT

Deloitte. 德勤

致：深圳科技控股有限公司
董事會
(於百慕達註冊成立之有限公司)

緒言

吾等已根據深圳科技控股有限公司(「貴公司」)之指示審閱載於第5至21頁之中期財務報告。

董事之責任

香港聯合交易所有限公司證券上市規則規定中期財務報告須根據香港會計師公會頒佈之香港會計準則第34號「中期財務報告」及有關規定編製。編製中期財務報告乃董事之責任，並已由彼等審批。

吾等之責任是按照雙方同意之委聘條款，根據審閱工作之結果，對該等中期財務報告作出獨立意見，並只向董事會(作為一個團體)報告，而不作其他用途。吾等並不為此報告之內容而對其他任何人士產生職責或承擔任何責任。

審閱工作

吾等之審閱工作乃根據香港會計師公會頒佈之核數準則第700號「聘用審閱中期財務報告」進行。審閱工作主要包括對集團管理層作出查詢及運用分析程序對中期財務報告作出分析，並據此評估所採用之會計政策及呈報形式是否一致及貫徹地運用(除非已在中期財務報告另作披露)。審閱工作不包括內部監控測試及查核資產、負債與交易等審核程序。由於審閱之工作範圍遠較審核為小，因此只能提供較審核為低之確定程度，故吾等不會對中期財務報告作出審核意見。

審閱結論

根據這項不構成審核之審閱工作，吾等並不察覺截至二零零六年六月三十日止六個月之中期財務報告需作出任何重大修改。

德勤•關黃陳方會計師行
執業會計師

香港，二零零六年九月十一日

德勤•關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

TO: THE BOARD OF DIRECTORS OF
SHENZHEN HIGH-TECH HOLDINGS LIMITED
(Incorporated in Bermuda with limited liabilities)

Introduction

We have been instructed by Shenzhen High-Tech Holdings Limited (the "Company") to review the interim financial report set out on page 5 to 21.

Directors' responsibilities

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the directors.

It is our responsibility to form an independent conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Review work performed

We conducted our review in accordance with Statement of Auditing Standard 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Institute of Certified Public Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

Review conclusion

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30th June, 2006.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 11th September, 2006

簡明綜合損益表

Condensed Consolidated Income Statement

深圳科技控股有限公司（「本公司」）董事會（「董事會」）謹此呈報本公司及其附屬公司（統稱為「本集團」）截至二零零六年六月三十日止六個月之未經審核綜合業績連同比較數字如下：

The board of directors (the "Board") of Shenzhen High-Tech Holdings Limited (the "Company") would like to present the unaudited consolidated result of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June, 2006 together with the comparative figures as follows:

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
		附註 Notes	
持續經營業務	Continuing operations		
營業額	Turnover	8,411	12,587
銷售成本及服務成本	Cost of sales and services	(2,289)	(7,698)
待售物業準備	Allowance for properties held for sale	(33,962)	-
(虧損毛額) 溢利毛額	Gross (loss) profit	(27,840)	4,889
其他收益	Other income	2,405	794
銷售及分銷成本	Selling and distribution costs	(8,909)	(1,913)
行政開支	Administrative expenses	(15,133)	(15,995)
應佔聯營公司業績	Share of results of associates	(24,709)	(348)
應佔共同控制實體業績	Share of results of jointly controlled entities	(72)	(2,435)
除稅前虧損	Loss before taxation	(74,258)	(15,008)
稅項	Taxation	(23)	(112)
持續經營業務之 期間虧損	Loss for the period from continuing operations	(74,281)	(15,120)
非持續經營業務	Discontinuing operations		
非持續經營業務之 期間虧損	Loss for the period from discontinuing operations	(584)	(92)
期間虧損	Loss for the period	(74,865)	(15,212)
供分配予：	Attributable to:		
本公司股東	Equity holders of the Company	(74,865)	(15,095)
少數股東權益	Minority interests	-	(117)
		(74,865)	(15,212)
每股虧損 – 基本	Loss per share – Basic		
來自持續經營及非持續 經營業務	From continuing and discontinuing operations	(0.494)	(0.105)
來自持續經營業務	From continuing operations	(0.490)	(0.105)

簡明綜合資產負債表

Condensed Consolidated Balance Sheet

			二零零六年 六月三十日 30th June, 2006 (未經審核) (Unaudited) 千港元 HK\$'000	二零零五年 十二月三十一日 31st December, 2005 (經審核) (Audited) 千港元 HK\$'000
		附註 Notes		
非流動資產	Non-current assets			
投資物業	Investment properties	8	115,000	115,000
物業、機器及設備	Property, plant and equipment	9	27,221	35,057
預付租賃款項	Prepaid lease payments		3,950	4,000
於聯營公司權益	Interests in associates		93,257	117,966
於共同控制實體權益	Interests in jointly controlled entities		13,012	13,084
證券投資	Investments in securities	10	4,808	4,808
遞延稅項資產	Deferred tax assets		-	5,731
			257,248	295,646
流動資產	Current assets			
待售物業	Properties held for sale	11	264,000	297,962
存貨	Inventories		70	76,707
應收賬款	Trade receivables	12	-	84,259
其他應收款項	Other receivables		2,569	25,805
預付租賃款項	Prepaid lease payments		100	100
應收聯營公司款項	Amounts due from associates		21,816	22,716
應收一家共同控制 實體款項	Amount due from a jointly controlled entity		11,962	4,166
授予一家共同控制 實體之貸款	Loan to a jointly controlled entity		16,175	15,610
持有作買賣之投資	Investments held for trading		218	208
銀行結餘、存款及現金	Bank balances, deposits and cash		165,623	122,693
			482,533	650,226
分類為持有作銷售之資產	Assets classified as held for sale	6	183,267	-
			665,800	650,226
流動負債	Current liabilities			
應付賬款	Trade payables	13	-	52,002
其他應付款項、已收訂金 及應計費用	Other payables, deposits received and accrued charges		54,574	106,279
應付稅項	Taxation payable		2,484	5,618
			57,058	163,899
分類為持有作銷售資產之 相關負債	Liabilities associated with assets classified as held for sale	6	75,208	-
			132,266	163,899
流動資產淨值	Net current assets		533,534	486,327
資產淨值	Net assets		790,782	781,973
資本及儲備	Capital and reserves			
股本	Share capital	14	172,233	143,533
儲備	Reserves		618,549	638,440
權益總額	Total equity		790,782	781,973

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至二零零六年六月三十日止六個月 For the six months ended 30th June, 2006

	股本	股份溢價	繳納盈餘	匯兌儲備	法定儲備 基金	累積虧損	本公司股東應 佔權益總額	少數股東 權益	總額
	Share capital (未經審核) (Unaudited) 千港元 HK\$'000	Share premium (未經審核) (Unaudited) 千港元 HK\$'000	Contributed surplus (未經審核) (Unaudited) 千港元 HK\$'000	Translation reserve (未經審核) (Unaudited) 千港元 HK\$'000	Statutory reserve fund (未經審核) (Unaudited) 千港元 HK\$'000	Accumulated losses (未經審核) (Unaudited) 千港元 HK\$'000	Total attributable to equity holders of the Company (未經審核) (Unaudited) 千港元 HK\$'000	Minority interests (未經審核) (Unaudited) 千港元 HK\$'000	Total (未經審核) (Unaudited) 千港元 HK\$'000
於二零零五年 一月一日	143,533	354,078	588,178	(538)	4,113	(306,785)	782,579	124	782,703
匯兌附屬公司、 聯營公司及 共同控制實體之 業務時帶來之 外匯差價及 於權益直接 確認之虧損淨額				(18)			(18)		(18)
期間虧損						(15,095)	(15,095)	(117)	(15,212)
期間確認 虧損總額				(18)		(15,095)	(15,113)	(117)	(15,230)
於二零零五年 六月三十日	143,533	354,078	588,178	(556)	4,113	(321,880)	767,466	7	767,473
於二零零六年 一月一日	143,533	354,078	588,178	3,102	5,214	(312,132)	781,973	-	781,973
期間虧損 及期間確認 虧損總額						(74,865)	(74,865)		(74,865)
配售新股	28,700	57,400					86,100		86,100
有關配售 股份而產生 之開支		(2,426)					(2,426)		(2,426)
於二零零六年 六月三十日	172,233	409,052	588,178	3,102	5,214	(386,997)	790,782	-	790,782

本集團之繳納盈餘來自本集團於一九九零年七月十八日進行之重組淨效果，相當於(a)本公司在重組計劃為換取所收購附屬公司股份面值而發行之本公司股份面值兩者間之差額；及(b)於二零零三年四月的重組股本產生的金額，相當於於二零零一年十二月三十一日本公司撤銷累積虧損後自削減股本及註銷股份溢價產生之進項結餘之總額。

根據中國規例，中國境內若干公司須在作出溢利分派前將其部份根據中國會計準則釐訂之稅後溢利轉撥至法定儲備基金。轉撥數額按該等公司的董事會根據該等公司之合資企業協議及／或公司章程所作之批准而定。法定儲備基金不可分派，惟可用以抵銷虧損或以繳足股本形式作出資本化發行。

The Group's contributed surplus amount is the net effect of the amount that arose from the Group reorganisation on 18th July, 1990 which represented the aggregate of (a) the difference between the nominal value of the Company's shares issued under the reorganisation scheme, in exchange for the nominal value of the shares of the subsidiaries acquired and (b) the amount arose from the capital reorganisation in April 2003 which represented the balance of the credit amount arising from the capital reduction and share premium cancellation after the elimination with the accumulated losses of the Company as at 31st December, 2001.

In accordance with the PRC regulations, certain companies in the PRC are required to transfer part of their profits after tax determined under the PRC accounting standards to the statutory reserve fund, before profit distributions are made. The amounts of the transfers are subject to the approval of the boards of directors of these companies, in accordance with their joint venture agreements and/or articles of association. The statutory reserve fund is non-distributable and may be used either to offset losses, or for capitalisation issues by way of paid-up capital.

簡明綜合現金流量表

Condensed Consolidated Cash Flow Statement

		截至六月三十日止六個月 (未經審核)	
		For the six months ended 30th June, (Unaudited)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
		附註 Note	
經營業務已動用之 現金淨額	Net cash used in operating activities	(48,164)	(4,032)
投資業務	Investing activities		
購置物業、機器及設備	Purchase of property, plant and equipment	(1,875)	(1,989)
授予一家聯營公司之墊款	Advances to an associate	(27,180)	(11,754)
一家聯營公司之還款	Repayments from an associate	25,138	1,583
授予一家共同控制 實體之墊款	Advances to a jointly controlled entity	(7,796)	-
購入證券投資	Purchase of investments in securities	-	(4,717)
出售附屬公司之已收訂金	Deposits received from disposal of subsidiaries	27,404	-
其他投資現金流量	Other investing cash flow	1,969	978
投資業務帶來(已動用)之 現金淨額	Net cash from (used in) investing activities	17,660	(15,899)
融資業務	Financing activities		
償還銀行貸款	Repayment of bank loan	-	(47,170)
配售新股之收入	Proceeds from placing of new shares	86,100	-
有關配售新股 而產生之開支	Expenses incurred in connection with placing of new shares	(2,426)	-
融資活動帶來(已動用)之 現金淨額	Net cash from (used in) financing activities	83,674	(47,170)
現金及現金等值增加 (減少)淨額	Net increase (decrease) in cash and cash equivalents	53,170	(67,101)
期初之現金及現金等值	Cash and cash equivalents at beginning of the period	122,693	123,137
期終之現金及 現金等值	Cash and cash equivalents at end of the period	175,863	56,036
現金及現金等值 結餘分析	Analysis of the balances of cash and cash equivalents		
銀行結餘及現金	Bank balances and cash	45,622	21,254
原有到期日不足三個月之 定期存款	Time deposits with original maturity of less than three months	120,001	34,782
分類為持有 作銷售資產的 銀行結餘及現金	Bank Balances and cash grouped under assets classified as held for sale	10,240	-
		175,863	56,036

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

1. 編製基準

簡明綜合財務報表乃按香港聯合交易所有限公司證券上市規則附錄十六有關適用之披露要求及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。

2. 主要會計政策

簡明綜合財務報表按歷史成本法編製，並已就按公平值計量之投資物業及證券投資作出修訂。

除下文所述者外，所採納之會計政策與本集團為編製截至二零零五年十二月三十一日止年度之年度經審核財務報表所依循者一致。

於本年中期間，本集團已首次應用香港會計師公會頒佈之多項新準則、修訂及詮釋（「新香港財務報告準則」），該等準則適用於由二零零五年一月一日或二零零六年一月一日當日或之後開始之會計期間。採納該等新香港財務報告準則對現行及以往會計期間的業績編製及呈列方式沒有重大影響。因此，不需要作任何前期調整。

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost convention, as modified for investment properties and investments in securities, which are measured at fair values.

The accounting policies adopted are consistent with those followed in the preparation of the Group’s annual audited financial statements for the year ended 31st December, 2005 except as described below.

In the current interim period, the Group has applied, for the first time, a number of new standards, amendments and interpretations (“new HKFRSs”) issued by the HKICPA, which are effective for accounting periods beginning on or after 1st January, 2005 or 1st January, 2006. The adoption of these new HKFRSs had no material effect on how the results for the current and prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

2. 主要會計政策 (續)

本集團並未提前應用經已頒佈但尚未生效的新準則、修訂及詮釋。本公司董事預計，採納該等準則、修訂及詮釋將不會對本集團的業績及財務狀況有重大影響。

香港會計準則

第1號(修訂本) 資本披露¹

香港財務報告 金融工具·披露¹

準則第7號

香港(國際財務報告 根據香港會計準則第29號

準則詮釋委員會) 「嚴重通脹經濟中的財務報告」

— 詮釋第7號 應用重列法²

香港(國際財務報告 香港財務報告準則第2號之範圍³

準則詮釋委員會)

— 詮釋第8號

香港(國際財務報告 重新評估嵌入式衍生工具⁴

準則詮釋委員會)

— 詮釋第9號

¹ 適用於二零零七年一月一日當日或之後開始之年度期間。

² 適用於二零零六年三月一日當日或之後開始之年度期間。

³ 適用於二零零六年五月一日當日或之後開始之年度期間。

⁴ 適用於二零零六年六月一日當日或之後開始之年度期間。

3. 分部信息

業務分類

就管理目的而言，本集團劃分為以下兩個主要經營部門：

— 高科技電腦及伺服器製造及相關業務

— 物業投資、發展及買賣

於二零零六年五月二十九日，本集團已簽訂一份協議出售高科技電腦及伺服器製造及相關業務。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

The Group has not early applied the following new standard, amendment and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standard, amendment or interpretations will have no material impact on the results and financial positions of the Group.

HKAS 1 (Amendment) Capital disclosures ¹

HKFRS 7 Financial instruments: Disclosures ¹

HK(IFRIC) – INT 7 Applying the restatement approach under HKAS 29 “Financial Reporting in Hyperinflationary Economies” ²

HK(IFRIC) – INT 8 Scope of HKFRS 2 ³

HK(IFRIC) – INT 9 Reassessment of embedded derivatives ⁴

¹ Effective for annual periods beginning on or after 1st January, 2007.

² Effective for annual periods beginning on or after 1st March, 2006.

³ Effective for annual periods beginning on or after 1st May, 2006.

⁴ Effective for annual periods beginning on or after 1st June, 2006.

3. SEGMENT INFORMATION

Business segments

For management purpose, the Group is organised into two main operating divisions as follows:

— High-tech computers and servers manufacturing and related business

— Property investment, development and trading

On 29th May, 2006, the Group has signed an agreement to dispose of the high-tech computers and servers manufacturing and related business.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

3. 分部信息 (續)

業務分類 (續)

截至二零零六年六月三十日止六個月：

3. SEGMENT INFORMATION (Continued)

Business segments (Continued)

For the six months ended 30th June, 2006:

		未經審核 Unaudited					
		持續經營業務 Continuing operations			非持續經營業務 Discontinuing operations		
		物業投資、 發展及買賣	其他*	抵銷	總額	高科技電腦及 伺服器製造 及相關業務 High-tech computers and servers manufacturing and related business	綜合
		Property investment, development and trading 千港元 HK\$'000	Others* 千港元 HK\$'000	Elimination 千港元 HK\$'000	Total 千港元 HK\$'000	Elimination 千港元 HK\$'000	Consolidated 千港元 HK\$'000
營業額	TURNOVER						
對外銷售	External sales	7,655	756	-	8,411	121,101	129,512
跨部門銷售	Inter-segment sales	-	1,562	(1,562)	-	-	-
合計	Total	7,655	2,318	(1,562)	8,411	121,101	129,512
分部業績	SEGMENT RESULTS	(41,261)	(245)	(1,562)	(43,068)	(226)	(43,333)
未分配其他收入	Unallocated other income				2,218	76	2,294
未分配企業開支	Unallocated corporate expenses				(8,627)	-	(8,627)
財務成本	Finance costs	-	-	-	-	(39)	-
應佔聯營公司業績	Share of results of associates	(27,886)	3,177	-	(24,709)	-	(24,709)
應佔共同控制實體業績	Share of results of jointly controlled entities	-	(72)	-	(72)	-	(72)
除稅前虧損	Loss before taxation				(74,258)	(189)	(74,447)
稅項	Taxation				(23)	(395)	(418)
期間虧損	Loss for the period				(74,281)	(584)	(74,865)

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

3. 分部信息 (續)

業務分類 (續)

截至二零零五年六月三十日止六個月：

3. SEGMENT INFORMATION (Continued)

Business segments (Continued)

For the six months ended 30th June, 2005:

		未經審核 Unaudited						
		持續經營業務 Continuing operations				非持續經營業務 Discontinuing operations		
		物業投資· 發展及買賣	其他*	抵銷	總額	高科技電腦及 服務器製造 及相關業務	抵銷	綜合
		Property investment, development and trading 千港元 HK\$'000	Others* 千港元 HK\$'000	Elimination 千港元 HK\$'000	Total 千港元 HK\$'000	High-tech computers and servers manufacturing and related business 千港元 HK\$'000	Elimination 千港元 HK\$'000	Consolidated 千港元 HK\$'000
營業額	TURNOVER							
對外銷售	External sales	6,457	6,130	-	12,587	108,637		121,224
跨部門銷售	Inter-segment sales	-	859	(859)	-	-		-
合計	Total	6,457	6,989	(859)	12,587	108,637		121,224
分部業績	SEGMENT RESULTS	2,276	(2,277)	(859)	(860)	56	(160)	(964)
未分配其他收入	Unallocated other income				557	83		640
未分配企業開支	Unallocated corporate expenses				(11,922)	-		(11,922)
財務成本	Finance costs	-	-	-	-	(179)	160	(19)
應佔聯營公司業績	Share of results of associates	(1,963)	1,615	-	(348)	-		(348)
應佔共同控制實體業績	Share of results of jointly controlled entities	-	(2,435)	-	(2,435)	-		(2,435)
除稅前虧損	Loss before taxation				(15,008)	(40)		(15,048)
稅項	Taxation				(112)	(52)		(164)
期間虧損	Loss for the period				(15,120)	(92)		(15,212)

* 分部包括數碼相機銷售及相關業務分部，該分部之前分類為高科技電腦及服務器製造及相關業務分部之一部分。

* Included in others are the sales of digital cameras which were previously part of the high-tech computers and servers manufacturing and related business segment.

附註：跨部門銷售按當時市價計費。

Note: Inter-segment sales are charged at prevailing market prices.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

4. 除稅前虧損

4. LOSS BEFORE TAXATION

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)					
		持續經營業務 Continuing operations		非持續經營業務 Discontinuing operations		綜合 Consolidated	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000	二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000	二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
除稅前虧損已扣除 以下各項：	Loss before taxation has been arrived at after charging:						
呆壞賬準備	Allowance for bad and doubtful debts	-	766	-	-	-	766
存貨準備	Allowance for inventories	196	1,636	-	-	196	1,636
應收聯營公司款項準備	Allowance for amounts due from associates	2,942	-	-	-	2,942	-
預付租賃款項之攤銷	Amortisation of prepaid lease payments	50	50	-	-	50	50
物業、機器及設備之折舊	Depreciation of property, plant and equipment	1,194	1,317	1,207	1,044	2,401	2,361
待售物業之變現淨值下跌	Decrease in net realisable value of properties held for sale	33,962	-	-	-	33,962	-
持作買賣投資未變現 持有虧損淨額	Net unrealized holding losses on investments held for trading	-	661	-	-	-	661
並已計入以下各項：	and after crediting:						
租金收入毛額	Gross rental income	4,563	3,749	-	-	4,563	3,749
減：支銷	Less: Outgoings	(1,522)	(1,187)	-	-	(1,522)	(1,187)
租金收入淨額	Net rental income	3,041	2,562	-	-	3,041	2,562
銀行利息收入	Bank interest income	1,724	557	76	83	1,800	640
貸款利息收入	Loan interest income	565	368	-	-	565	368
持作買賣投資之 公平值上升	Increase in fair value of investments held for trading	10	-	-	-	10	-

5. 稅項

5. TAXATION

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)					
		持續經營業務 Continuing operations		非持續經營業務 Discontinuing operations		綜合 Consolidated	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000	二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000	二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
稅項支出包括：	The taxation charge comprises:						
本公司及其附屬公司： 於本期間之中華人民 共和國（「中國」） 企業所得稅	The Company and subsidiaries: People's Republic of China (the "PRC") Enterprise Income Tax in current period	23	112	395	52	418	164

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

5. 稅項 (續)

由於本集團於期內並無任何從香港賺取之應課稅溢利，故沒有為香港利得稅作出撥備。本集團已就於香港以外司法權區經營所賺取之應課稅溢利，根據當地之現行法律、詮釋及慣例，按當地稅率計算稅項。

由於未確定能否收回潛在遞延稅項資產，故並無確認有關稅項虧損及部份附屬公司之其他可予扣減暫時差額之遞延稅項資產。

6. 非持續經營業務

於二零零六年五月二十九日，本集團與天津曙光計算機產業有限公司已簽訂協議，以人民幣95,000,000元（約相等於91,346,000港元）的總代價出售其於北京曙光天演信息技術有限公司及曙光信息產業（北京）有限公司之全部權益以及其於北京曙光創新科技有限公司之全部權益中之62.5%。該三家公司均從事高科技電腦及服務器製造及相關業務。北京曙光創新科技有限公司於出售事項完成後將成為本集團擁有20.6%權益之聯營公司。於二零零六年六月三十日，該出售事項還未完成。屬於該生產線的資產及負債已分類為一個持有作銷售之出售集團並獨立呈列於資產負債表，預期將於十二個月內售出。

北京曙光天演信息技術有限公司及北京曙光創新科技有限公司應付予持續經營業務集團之款項約為23,414,000港元，有關款項已在簡明綜合資產負債表抵銷。持續經營業務集團將會確認有關款項為出售北京曙光天演信息技術有限公司時之應收第三者款項，以及出售北京曙光創新科技有限公司時之應收一家聯營公司款項。

5. TAXATION (Continued)

No provision for Hong Kong Profits Tax has been provided as the Group has no assessable profit arising in Hong Kong for the periods. Taxes on profits assessable outside Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates based on existing legislation, interpretations and practices in respect thereof.

No deferred tax asset has been recognised relating to tax losses and other deductible temporary differences of some subsidiaries as the recoverability of these potential deferred tax assets is uncertain.

6. DISCONTINUING OPERATIONS

On 29th May, 2006, the Group has entered into an agreement with 天津曙光計算機產業有限公司 (Tianjin Dawning Computer Industry Company Limited), to dispose of 100% interest in 北京曙光天演信息技術有限公司 (Beijing Dawning Tianyan Information Technology Company Limited), 曙光信息產業（北京）有限公司 (Dawning Information Industry (Beijing) Limited) and 62.5% of its 100% interest in 北京曙光創新科技有限公司 (Beijing Dawning Novotech Co., Ltd.), which operate in high-tech computers and servers manufacturing and related business, for an aggregate consideration of RMB95,000,000 (equivalent to HK\$91,346,000). 北京曙光創新科技有限公司 (Beijing Dawning Novotech Co., Ltd.) will become a 20.6% associate upon completion of the disposal. As at 30th June, 2006, the disposal has not been completed. The assets and liabilities attributable to the production line, which are expected to be sold within twelve months, have been classified as a disposal group held for sale and are presented separately in the balance sheet.

北京曙光天演信息技術有限公司 (Beijing Dawning Tianyan Information Technology Company Limited) and 北京曙光創新科技有限公司 (Beijing Dawning Novotech Co., Ltd.) have amounts due to the continuing operations group of approximately HK\$23,414,000 which are eliminated in the condensed consolidated balance sheet. The continuing operations group will recognise these amounts as an amount due from a third party upon the disposal of 北京曙光天演信息技術有限公司 (Beijing Dawning Tianyan Information Technology Company Limited) and an amount due from an associate upon the disposal of 北京曙光創新科技有限公司 (Beijing Dawning Novotech Co., Ltd.).

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

6. 非持續經營業務 (續)

6. DISCONTINUING OPERATIONS (Continued)

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
營業額	Turnover	121,101	108,637
銷售成本	Cost of sales	(92,091)	(87,997)
溢利毛額	Gross profit	29,010	20,640
其他收益	Other income	983	423
銷售及分銷成本	Selling and distribution costs	(19,266)	(14,730)
行政開支	Administrative expenses	(10,877)	(6,194)
財務成本	Finance costs	(39)	(179)
除稅前虧損	Loss before taxation	(189)	(40)
稅項	Taxation	(395)	(52)
期間虧損	Loss for the period	(584)	(92)

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

6. 非持續經營業務 (續)

構成出售集團之主要資產及負債類別
(已分類為持有作銷售) 呈列如下:

6. DISCONTINUING OPERATIONS (Continued)

The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows:

		二零零六年 六月三十日 30th June, 2006 (未經審核) (Unaudited) 千港元 HK\$'000
物業、機器及設備	Property, plant and equipment	6,817
遞延稅項資產	Deferred tax assets	5,731
存貨	Inventories	104,294
應收賬款	Trade receivables	37,978
其他應收款項	Other receivables	18,207
銀行結餘、存款及現金	Bank balances, deposits and cash	10,240
		<hr/>
已分類為持有作銷售之 資產總值	Total assets classified as held for sale	183,267
		<hr/>
應付賬款	Trade payables	35,943
其他應付款項、已收訂金 及應計費用	Other payables, deposits received and accruals	36,712
應付稅項	Tax payable	2,553
		<hr/>
		75,208
		<hr/>
		108,059
於綜合入賬時抵銷的應付 持續經營業務集團款項	Amount due to the continuing operations group eliminated on consolidation	23,414
		<hr/>
出售集團的淨資產	Net assets of the disposal group	84,645

預期該出售事項所得款將會高於有關資產及負債於出售日期的賬面淨值；因此，無須為分類為持有作銷售的業務確認任何減值虧損。

非持續經營業務於本集團的經營現金流量淨額動用約32,005,000港元(二零零五年一月一日至二零零五年六月三十日: 12,585,000港元)及於投資業務動用664,000港元(二零零五年一月一日至二零零五年六月三十日: 1,648,000港元)。

The proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities as at disposal date and, accordingly, no impairment loss has been recognised on the classification of these operations as held for sale.

The discontinuing operations used approximately HK\$32,005,000 (1.1.2005 to 30.6.2005: HK\$12,585,000) of the Group's net operating cash flows and used HK\$664,000 (1.1.2005 to 30.6.2005: HK\$1,648,000) in respect of investing activities.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

7. 每股虧損

來自持續及非持續經營業務

本公司普通股股東應佔每股基本虧損乃按以下數據計算：

7. LOSS PER SHARE

From continuing and discontinuing operations

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

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
虧損	Loss		
為每股基本虧損目的 所用之虧損	Loss for the purpose of basic loss per share	(74,865)	(15,095)
		截至六月三十日止六個月 For the six months ended 30th June,	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
股份數目	Number of shares		
為每股基本虧損目的 所用之加權平均 普通股數目	Weighted average number of ordinary share for the purpose of basic loss per share	15,161,984,788	14,353,310,755

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

7. 每股虧損 (續)

來自持續經營業務

本公司普通股股東應佔來自持續經營業務之每股基本虧損乃按以下數據計算：

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
本公司股東應佔 期間虧損	Loss for the period attributable to equity holders of the Company	(74,865)	(15,095)
減：來自非持續經營 業務之期間(虧損) 溢利·已扣除少數 股東權益	Less: (Loss) profit for the period from discontinuing operations, net of minority interests	(584)	25
為來自持續經營業務 每股基本虧損 目的之虧損	Loss for the purpose of basic loss per share from continuing operations	(74,281)	(15,120)

來自非持續經營業務

非持續經營業務每股基本虧損為每股0.004港仙(二零零五年一月一日至二零零五年六月三十日：0.001港仙)乃根據來自非持續經營業務之期間虧損584,000港元(二零零五年一月一日至二零零五年六月三十日：92,000港元)。

由於行使尚未行使購股權會導致截至二零零六年六月三十日及二零零五年六月三十日止六個月之每股虧損減少，故計算該等期間內之每股攤薄虧損時假設有購股權並未行使。

8. 投資物業

投資物業於二零零六年六月三十日由獨立合資格專業估值師第一太平戴維斯(香港)有限公司按公開市值進行估值。

7. LOSS PER SHARE (Continued)

From continuing operations

The calculation of the basic loss per share from the continuing operations attributable to the ordinary equity holders of the Company is based on the following data:

		截至六月三十日止六個月 (未經審核) For the six months ended 30th June, (Unaudited)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
本公司股東應佔 期間虧損	Loss for the period attributable to equity holders of the Company	(74,865)	(15,095)
減：來自非持續經營 業務之期間(虧損) 溢利·已扣除少數 股東權益	Less: (Loss) profit for the period from discontinuing operations, net of minority interests	(584)	25
為來自持續經營業務 每股基本虧損 目的之虧損	Loss for the purpose of basic loss per share from continuing operations	(74,281)	(15,120)

From discontinuing operations

Basic loss per share for discontinuing operations is HK0.004 cent per share (1.1.2005 to 30.6.2005: HK0.001 cent), based on the loss for the period from discontinuing operations of HK\$584,000 (1.1.2005 to 30.6.2005: HK\$92,000).

The computation of the diluted loss per share for the six months ended 30th June, 2006 and 30th June, 2005 did not assume the exercise of the outstanding share options as its exercise would result in a decrease in the loss per share for both periods.

8. INVESTMENT PROPERTIES

The investment properties were valued at their open market value as at 30th June, 2006 by Messrs. Savills (Hong Kong) Limited, an independent firm of qualified professional valuers.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

9. 物業、機器及設備

於期間內，本集團動用約1,875,000港元（二零零五年一月一日至二零零五年六月三十日：1,989,000港元）購買物業、機器及設備。

10. 證券投資

該款相當於中國之非上市債務證券。證券投資之實際年利率為5.25%。董事認為該等證券投資之賬面值與其公平值相若。

11. 待售物業

於二零零六年六月三十日，已為待售物業準備33,962,000港元，並於簡明綜合損益表記入銷售及服務成本。

12. 應收賬款

本集團內部設有明確之信貸政策，一般信貸期為一至三個月，惟若干已建立良好業務關係之客戶享有最長一年之信貸期。每位客戶均有最高信貸限額。本集團致力嚴格控制未清償之應收款項，以盡量降低信貸風險。高級管理層定期審閱過期結餘。

於結算日，應收賬款減準備按發票日期所作之賬齡分析如下：

9. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$1,875,000 (1.1.2005 to 30.6.2005: HK\$1,989,000) on acquisitions of property, plant and equipment.

10. INVESTMENTS IN SECURITIES

The amount represents unlisted debt securities in the PRC. The effective interest rate of the investment in securities is 5.25% per annum. The directors consider that the carrying amount of the investments in securities approximate its fair value.

11. PROPERTIES HELD FOR SALE

An allowance of HK\$33,962,000 was made for properties held for sale at 30th June, 2006 which was charged to the cost of sales and services in the condensed consolidated income statement.

12. TRADE RECEIVABLES

A defined credit policy is maintained within the Group. The general credit terms range from one to three months, except for certain well-established customers, where the terms are further extended to a maximum of one year. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management.

The aged analysis of trade receivables at the balance sheet date, based on invoice date, net of allowances, is as follows:

		二零零六年 六月三十日 30th June, 2006 (未經審核) (Unaudited) 千港元 HK\$'000	二零零五年 十二月三十一日 31st December, 2005 (經審核) (Audited) 千港元 HK\$'000
30日內	Within 30 days	-	50,657
31至90日	31 to 90 days	-	10,352
91至180日	91 to 180 days	-	12,174
181至365日	181 to 365 days	-	6,689
超過365日	Over 365 days	-	4,387
		-	84,259

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

13. 應付賬款

於結算日，應付賬款按發票日期所作之賬齡分析如下：

13. TRADE PAYABLES

The aged analysis of trade payables at the balance sheet date, based on the invoice date, is as follows:

		二零零六年 六月三十日 30th June, 2006 (未經審核) (Unaudited) 千港元 HK\$'000	二零零五年 十二月三十一日 31st December, 2005 (經審核) (Audited) 千港元 HK\$'000
30日內	Within 30 days	–	33,602
31至90日	31 to 90 days	–	10,152
91至180日	91 to 180 days	–	5,867
181至365日	181 to 365 days	–	1,251
超過365日	Over 365 days	–	1,130
		–	52,002

14. 股本

14. SHARE CAPITAL

		股份數目 Number of shares (未經審核) (Unaudited)	金額 Amount (未經審核) (Unaudited) 千港元 HK\$'000
每股面值0.01港元之普通股	Ordinary shares of HK\$0.01 each		
法定：	Authorised:		
於二零零六年一月一日及 二零零六年六月三十日	As at 1st January, 2006 and 30th June, 2006	30,000,000,000	300,000
已發行及繳足：	Issued and fully paid:		
於二零零六年一月一日	At 1st January, 2006	14,353,310,755	143,533
於二零零六年五月十一日 配售新股(附註)	Placing of new shares on 11th May, 2006 (note)	2,870,000,000	28,700
於二零零六年六月三十日	At 30th June, 2006	17,223,310,755	172,233

附註：於二零零六年四月二十一日，本公司與一名配售代理訂立一份配售協議，按每股0.03港元向獨立投資者配售合共2,870,000,000股新股(「配售事項」)。配售事項之所得款項淨額約為83,674,000港元，將用作資本投資融資及一般營運資金。

Note: On 21st April, 2006, the Company entered into a placing agreement with a placing agent for placing an aggregate of 2,870,000,000 new shares at HK\$0.03 per share (the "Placing") to independent investors. The net proceeds raised by the Placing amounted to approximately HK\$83,674,000, which would be used to finance capital investments and as general working capital.

簡明綜合財務報表附註

Notes to Condensed Consolidated Financial Statements

15. 有關人士交易

於二零零四年三月一日，本集團與本集團之共同控制實體武漢晶科信息產業有限公司（「晶科信息」）訂立貸款協議。據此，本集團同意授出一項最多為人民幣15,000,000元（約相等於14,075,000港元）之非循環有抵押貸款。該貸款按滙豐銀行最優惠利率計息，本年度之實際利率介乎5厘至7.75厘。貸款本金及利息已於二零零五年十二月三十一日到期，並將按協議雙方議定之條款續期。該貸款由晶科信息各股東將各自於晶科信息之股本權益抵押予本集團作抵押。

主要管理人員之酬金

主要管理層（均為董事）於期內之薪酬如下：

15. RELATED PARTY TRANSACTIONS

On 1st March, 2004, the Group entered into a loan agreement with Wu Han Jingke Information Industry Co., Ltd. ("Jingke Information"), a jointly controlled entity of the Group, pursuant to which the Group agreed to grant a non-revolving secured loan of up to RMB15,000,000 (equivalent to approximately HK\$14,075,000). The loan bears interest at HSBC prime rate. The effective interest rate ranged from 5% to 7.75% in the current year. The loan principal and interest thereof have expired on 31st December, 2005 and will be renewable upon terms to be agreed between the parties thereof. The loan is secured by each of the shareholders of Jingke Information by pledging their respective equity interests in Jingke Information to the Group.

Compensation of key management personnel

The remuneration of key management, who are the directors, during the period was as follows:

		截至六月三十日止六個月 For the six months ended 30th June, (Unaudited) (未經審核)	
		二零零六年 2006 千港元 HK\$'000	二零零五年 2005 千港元 HK\$'000
短期福利	Short-term benefits	3,880	3,613
受僱後福利	Post-employment benefits	24	26
		3,904	3,639

16. 結算日後事項

於二零零六年七月六日，本集團一家聯營公司Joy Value Limited與Biseny Profits Limited訂立一份買賣協議，以總代價50,000,000港元售出其於Foreign Trading Limited的全部權益。管理層預期有關出售不會產生重大盈虧。

於二零零六年七月十五日，本集團與王文生先生訂立一份買賣協議，以代價人民幣10,000元（約相等於9,600港元）售出其於盛隆房地產經紀（北京）有限公司的全部權益。管理層預期有關出售不會產生重大盈虧。

16. SUBSEQUENT EVENTS

On 6th July, 2006, Joy Value Limited, an associate of the Group, has entered into a sale and purchase agreement with Biseny Profits Limited to dispose of its 100% interest in Foreign Trading Limited for an aggregate consideration of HK\$50,000,000. The management expects no material gain or loss arising from the disposal.

On 15th July, 2006, the Group has entered into a sale and purchase agreement with王文生先生 to dispose of its 100% interest in 盛隆房地產經紀（北京）有限公司 for a consideration of RMB10,000 (equivalent to HK\$9,600). The management expects no material gain or loss arising from the disposal.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業績

截至二零零六年六月三十日止六個月內，本集團之持續經營業務營業額約為8,411,000港元，較去年同期之約12,587,000港元減少約33.2%；本集團之非持續經營業務營業額約為121,101,000港元，較去年同期之約108,637,000港元增加約11.4%。

截至二零零六年六月三十日止六個月內，持續經營業務為本集團帶來毛額虧損約27,840,000港元（二零零五年同期：溢利毛額約4,889,000港元）；今年上半年之持續經營業務出現毛額虧損主要是本集團為受著國內宏觀調控影響之待售物業作出了約33,962,000港元之撥備。截至二零零六年六月三十日止六個月內，非持續經營業務溢利毛額約29,010,000港元，相對去年同期為約20,640,000港元。

回顧期內，本公司未計少數股東權益前之綜合虧損約74,865,000港元（二零零五年同期：虧損約15,212,000港元），其中包括來自持續經營業務之虧損約74,281,000港元及非持續經營業務之虧損約584,000港元（二零零五年同期：持續經營業務虧損約為15,120,000港元及非持續經營業務之虧損約92,000港元）。

由於本集團調整了對推銷國內房地產的營運策略，預期下半年的業務推銷開支大幅減少；同時，本公司已因應現階段宏調的影響認真地為國內待售物業作出了充份之準備，預計於2006年下半年本集團為待售物業再作準備的機會大幅減低。

RESULT

The turnover of the continuing operations of the Group for the six months ended 30th June, 2006 amounted to approximately HK\$8,411,000, representing a decrease of approximately 33.2% compared to approximately HK\$12,587,000 recorded in the corresponding period last year; while the turnover of the discontinuing operations of the Group for the six months ended 30th June, 2006 amounted to approximately HK\$121,101,000, representing an increase of approximately 11.4% compared to approximately HK\$108,637,000 recorded in the corresponding period last year.

For the six months ended 30th June, 2006, the continuing operations contributed to the Group a gross loss of approximately HK\$27,840,000 (corresponding period in 2005: a gross profit of approximately HK\$4,889,000). The gross loss of continuing operations in the first half of this year was mainly due to the provision by the Group of allowance of approximately HK\$33,962,000 for the properties held for sale as a result of the austerity control in the PRC. For the six months ended 30th June, 2006, the gross profit of discontinuing operations amounted to approximately HK\$29,010,000, as compared with approximately HK\$20,640,000 in the corresponding period last year.

During the period under review, the Company's consolidated loss before minority interests was approximately HK\$74,865,000 (corresponding period in 2005: loss of approximately HK\$15,212,000), comprising the loss attributable to the continuing operations of approximately HK\$74,281,000 and the loss attributable to the discontinuing operations of approximately HK\$584,000 (corresponding period in 2005: loss of continuing operation of approximately HK\$15,120,000 and loss of discontinuing operations of approximately HK\$92,000).

Consequent on the change of operating strategy in respect of the property business in the PRC by the Group, it is anticipated that the selling and distribution expenses will be greatly reduced in the second half of this year. Meanwhile, the Company has critically provided of allowance for the properties held for sale in the PRC according to the austerity control measure for the time being. It is expected that there will be a slim chance for the Group to provide further allowance for the properties held for sale in the second half of this year.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧及展望

房地產業務

集團目前投資的主要房地產項目包括北京的高檔公寓項目順景園和深圳的工商用途物業曙光大廈。

順景園項目位於北京市朝陽區，為歐式大戶型豪華公寓，目標客戶為高端客戶。國家在對高檔住宅的調控政策，對順景園項目產生了影響。面對這些不利的外部條件，集團著重做好項目的基礎工作，對項目細節嚴格要求，不斷完善，等待市場時機的好轉；同時調整了銷售代理隊伍及策略以達致最佳之經濟效益。

2006年上半年集團對深圳曙光大廈的經營管理也進行了調整和整合。一是最大可能保持較高的出租率；二是盡可能在談判新租約時，按照市場水平適時提高租金，增加收入；三是加強內部管理，減少人員及各方面開支，進一步提高規範管理的水平之同時亦提高經濟效益。全年上半年實現租賃及管理費用收入約為7,655,000港元，比上年同期增長19%。

本集團將會繼續強化曙光大廈管理質素，與客戶維繫良好合作關係，使曙光大廈繼續成為高質素之商廈，確保曙光大廈之租金維持在高水平。預計下半年大廈將可達到百份之百的出租率，租金收入穩定。儘管如此，公司仍會繼續努力增收節支，以提高曙光大廈之盈利收益。

BUSINESS REVIEW AND PROSPECTS

Property Business

The major property projects currently invested by the Group include Shun Jing Yuan in Beijing, a high-end residential apartment project, and Dawning Tower in Shenzhen, a property for industrial and commercial uses.

Located in Chaoyang District, Beijing, Shun Jing Yuan is a European-style luxury residential apartment project with large unit design, targeting at high-end customers. The regulating and administering policies by the State over high-end residences have an impact on Shun Jing Yuan project. Under these unfavourable conditions, the Group focused on the fundamental works of the current projects and imposed strict requirements on the particulars and improved it continuously, pending for the reversal of market conditions. Meanwhile, the Group also adjusted its sales agents and strategies to achieve the best economic efficiency.

During the first half of 2006, the Group made certain adjustments and integrations to the operation and management of Dawning Tower in Shenzhen regarding three aspects: (1) to maximize the potential for maintaining high occupation rate; (2) while negotiating on new leases, to appropriately increase rental with reference to the market rates to increase income; and (3) to reinforce internal management, reduce the expenses from workforce and overheads, further improve the regulation and management level as well as to enhance the economic efficiency. Accordingly, the Group realized approximately HK\$7,655,000 of rental income and management fee for the first half year, representing an increase of 19% over the corresponding period of previous year.

The Group will continue to enhance the management quality of Dawning Tower and maintain a good cooperation relationship with customers in order to upkeep the prestigious status of Dawning Tower among commercial buildings and to ensure a high-level rental income from the building. It is expected that Dawning Tower's occupation rate will reach 100% in the second half of the year, generating a steady rental income. The Company, however, will continue to increase income and control expenses in anticipation of further improving the revenue from Dawning Tower.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧及展望 (續)

高科技電腦及服務器製造及相關業務

曙光信息

於二零零六年五月二十九日，本公司三間全資附屬公司，中國曙光信息產業集團有限公司、曙光信息產業(深圳)有限公司及深科高新實業(深圳)有限公司(作為轉讓方)與天津曙光計算機產業有限公司(作為受讓方)訂立股權轉讓協議，據此，轉讓方同意出售北京曙光天演信息技術有限公司之全部權益、曙光信息產業(北京)有限公司之全部權益，以及北京曙光創新科技有限公司(「出售公司」)之62.5%權益(「出售事項」)，總代價為人民幣95,000,000元(約相等於91,346,154港元)。本集團出售有關權益，乃鑒於(一)本公司尚未與過往曾向轉讓方就高科技電腦及服務器發展提供技術支持之中國科學院，就新型高科技電腦及服務器之未來發展達成任何有關技術支持及所有權之協議；及(二)本公司同時預計，發展迅速、產品使用週期較短及資本密集之高科技電腦及服務器市場的未來發展將會產生巨額費用，而未來新開發產品之前景並不明朗，不足以支持此類投資，本公司決定精簡其業務，並重新分配資源，發展更穩定、增長潛力更佳及風險相對更低之新項目，因此進行出售事項。有關出售事項之詳情已刊載於於二零零六年六月三十日寄發予本公司所有股東的通函(「通函」)內。

截至二零零六年五月三十日，就出售事項本集團收到人民幣28,500,000元(約相等於27,403,846港元)，為總代價之30%，餘款將按通函「條件」一節所訂明之條件下由受讓方支付予轉讓方。出售事項於二零零六年七月二十六日舉行之本公司股東特別大會上由本公司之股東投票通過。本集團並已於二零零六年八月十一日，根據股權轉讓協議所約定的條款，收到第二期轉讓價款人民幣38,000,000元(約相等於36,538,461港元)，為總代價之40%。

於今年一月至六月份，出售公司之銷售總額由去年同期約108,637,000港元，增加至約121,101,000港元，上升約11.4%。今年上半年除稅後虧損約為584,000港元，較去年同期虧損約92,000港元，虧損增加約492,000港元。

BUSINESS REVIEW AND PROSPECTS (Continued)

Manufacturing of High-tech Computers and Servers and Related Business

Dawning

On 29th May, 2006, China Dawning Information Industry Group Limited, Dawning Information Industry (Shenzhen) Limited and Shenke High-Tech Industrial (Shenzhen) Limited which are three wholly-owned subsidiaries of the Company as transferor entered into an equity transfer agreement with Tianjin Dawning Computer Industry Limited as transferee, pursuant to which the transferor agreed to dispose of their entire interests in Beijing Dawning Tianyan Information Technology Company Limited and Dawning Information Industry (Beijing) Limited and 62.5% interest in Beijing Dawning Novotech Co., Ltd. (the "Disposed Companies") (the "Disposal") for a total consideration of RMB95,000,000 (equivalent to approximately HK\$91,346,154). The Group's disposal of the relevant interests is in consideration of that (i) the Company has yet to reach any agreement regarding the technical support and the ownership for future development of new model high-tech computers and servers with Chinese Academy of Sciences which provided technical support to the transferor for the development of high-tech computers and servers in the past; and (ii) the Company also expected that substantial costs would be incurred in the future development of the high-tech computers and server market which is fast moving with a short product life cycle and capital intensive and the prospect of newly developed products is not certain enough to sustain such investment, and the Company has decided to streamline its business and redeploy its resources in the development of new projects with certain and better growth potential and lower risk and to implement the Disposal accordingly. Details of the Disposal are set out in the circular (the "Circular") to all shareholders of the Company dated 30th June, 2006.

As at 30th May, 2006, the Group received RMB28,500,000 (equivalent to approximately HK\$27,403,846) in respect of the Disposal, representing 30% of the total consideration, with the remaining balance to be paid to the transferor by the transferee under the conditions as specified in the section headed "Conditions" in the Circular. The Disposal was approved by our shareholders at the special general meeting held on 26th July, 2006. On 11th August, 2006, the Group received the second installment of the consideration of RMB38,000,000 (equivalent to approximately HK\$36,538,461), representing 40% of the total consideration, under the terms specified in the Equity Transfer Agreement.

From January to June of this year, the total aggregate sales of Disposed Companies increased from approximately HK\$108,637,000 of the same period last year to approximately HK\$121,101,000, representing an increase of 11.4%. In the first half of this year, loss after taxation was approximately HK\$584,000, representing an increase of loss of approximately HK\$492,000, as compared with a loss of approximately HK\$92,000 of the same period last year.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧及展望 (續)

高科技電腦及服務器製造及相關業務 (續)

晶科信息

武漢晶科信息產業有限公司(「晶科信息」)主要從事各類電子產品所需的石英晶體頻率片(半成品)、諧振器(成品)、SMD和相關器件的生產。繼去年下半年經營開始好轉後,晶科信息今年上半年的經營繼續好轉,生產和銷售均創了歷史最好水平。2006年1至6月份共生產各類石英諧振器達約1,323萬隻,銷售各類石英晶體約1,354萬隻。上半年銷售收入為約1,116萬港元,比上年同期增長約72%。

上半年晶科信息根據市場行情的變化,對產品結構進行了調整,主要爭取小公差和附加值較高的訂單,儘量將普通要求的訂單外判生產,最大程度發揮自身的生產優勢。上半年組織了ISO9001質量管理體系評審工作,針對糾正預防措施,以達到持續改進的目的,並在全公司組織學習有效加強對生產環節的控制。公司亦十分重視人力資源結構及培訓,組織員工加強以品質管理為核心的培訓,提高員工的整體素質。

晶科信息的經營增長仍然是在低水平上實現的增長,公司在發展上,仍面臨一些障礙。一是由於生產設備存在生產瓶頸,制約了成品和半成品的生產發展速度;二是產品結構中成品和SMD線生產能力不足,不具備規模優勢,半成品的設計生產能力不均衡,影響生產連續性;三是資金較為緊張,加之設備改造、物料價格上漲等因素,加重了公司的資金流轉能力。

BUSINESS REVIEW AND PROSPECTS (Continued)

Manufacturing of High-tech Computers and Servers and Related Business (Continued)

Jingke Information

Wu Han Jingke Information Industry Co., Ltd. ("Jingke Information") is mainly engaged in the manufacturing of quartz oscillators (semi-finished products) used in the production of various electronic products, resonators (final products), SMD and related devices. The operating results of Jingke Information had started to improve in the second half of last year and continued to improve in the first half of this year, with its output and sales recorded historic highs. From January to June 2006, the number of quartz resonators produced (with various models) was up to approximately 13,230,000 units, the number of quartz sold (with various models) was up to approximately 13,540,000 units. Sales revenue in the first half of the year was approximately HK\$11,160,000, representing an increase of approximately 72% over the corresponding period of last year.

In light of the changes in market conditions, Jingke Information adjusted its product mix in the first half of the year by endeavoring to solicit orders of small tolerance and higher added value and outsourcing those orders with basic requirements in order to make maximum use of its core competences in production. The company arranged an ISO9001 quality management system assessment in the first half of the year on rectifying and preventive measures for continuous product improvement, and also organized for general staff of the company to learn how to effectively reinforce the control over various production processes. The company puts great emphasis on the structure and training of human resource, arranging staff training programs on quality management to improve the quality of the staff as a whole.

The operating growth of Jingke Information is still at a lower level while the company is still facing some difficulties in its development. Firstly, the growth pace of its productivity of final products and semi-finished products is constrained by the bottlenecks existed in its manufacturing facilities; secondly, as regarding the product mix, the productivity of finished products and SMD lines are not high enough to bring about economy of scale and the design and production capacity of semi-finished products are insufficient, thereby affecting the continuity of production processes; thirdly, the cash flow in operating activities of the company is limited by a tight working capital position and increases in the price for equipment renovation and the price of raw materials.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧及展望 (續)

高科技電腦及服務器製造及相關業務 (續)

晶科信息 (續)

下半年晶科信息將進一步做好市場及產品定位，優化客戶結構，保持公司持續盈利能力。同時要長久不懈抓好內部管理，繼續完善內部機構調整工作，落實好質量管理體系的相關要求，加強人員培訓，完善科學管理。晶科信息目前市場銷售形勢較好，而影響其發展的關鍵問題是歷史遺留下來的設備瓶頸和產品結構的問題。需要逐步積累資金解決設備改造問題。

雲南綠大地

雲南綠大地生物科技股份有限公司（簡稱「綠大地公司」）為集團參股企業，佔股20%，主要從事園林花卉的苗木銷售、設計及工程承包，為全國少數幾家擁有園林工程一級資質的企業。2006年上半年綠大地公司在業務方面，著重抓了承接的幾個大項目的施工、驗收和收款工作，同時調整公司策略，裁減了經營效益不理想的分支機構。同時隨著國內證券市場重新開始發行新股，綠大地公司加快了在國內上市的步伐，正在抓緊補充材料，望能為業務之發展開創更多商機。

2006年下半年綠大地公司工作重點將是爭取發行新股並上市。由於國內新股上市政策變化很快，新股發行節奏時快時慢，加之國內證券市場並不很穩定，綠大地公司能否順利發行新股並上市，仍有一些不確定。集團將跟進並在必要時予以適當協助。

BUSINESS REVIEW AND PROSPECTS (Continued)

Manufacturing of High-tech Computers and Servers and Related Business (Continued)

Jingke Information (Continued)

In the second half of the year, Jingke Information will make further efforts on optimizing its market and product positioning and streamlining the structure of customers to maintain a sustainable profitability of the company. Meanwhile, the company will put emphasis persistently on internal management, continue to improve internal adjustments, fulfill the related demands of its quality management system, strengthen personnel training and enhance scientific management. Currently, the sales of Jingke Information is satisfactory. The critical factors impeding its development are the inherent issues of equipment bottlenecks and product mix. In order to resolve the problem of equipment renovation, Jingke Information needs to spare its financial resources steadily for this purpose.

Yunnan Green-Land

Yunnan Green-Land Biological and Science Company Limited (“Yunnan Green-Land”) is a company in which the Group has 20% equity interests. It is mainly engaged in the sale, design and project contracting of horticultural plants, and is one of the few companies possessing class 1 qualifications in garden engineering in the PRC. During the first half of 2006, Yunnan Green-Land undertook certain major projects in respect of construction, acceptance inspection and receivables collection. In the mean-time, the company adjusted its strategies to shut down certain branches with unsatisfactory operating results. Also, as initial public offering of shares are restarted in the PRC’s stock markets, Yunnan Green-Land has geared up its pace to seek a domestic listing status and now is endeavoring to submit supplementary documents for this purpose so as to identify more opportunities for the development of its business.

During the second half of 2006, Yunnan Green-Land will focus on seeking for a listing status by an issuance of new shares. Since the policies concerning new issues in the PRC change from time to time, the pace for initial public offering of shares is unforeseeable and the domestic stock market is not that stable, the success of the issue and listing of new shares of Yunnan Green-Land is still a matter of uncertainty. The Group will closely follow up the case and offer appropriate assistance when necessary.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧及展望 (續)

財資管理

在財務資源管理方面，為提升流動資產之回報，本集團分散其投資組合至更多不同種類之流動及可變現有償資產，包括證券。同時，本集團亦已制定一個積極而謹慎之財資管理政策，在可接受之風險水平內，不斷尋求適當之投資目標。

集團現時手頭現金充裕，將積極尋找新的投資項目。目前集團並未鎖定何種行業作為投資選擇，而是採取多方探討研究的態度，以優良回報、管理規範、回避風險作為選擇新投資項目的基本條件，在多個行業做初步的探討。新拓展業務可能在以下幾個方面穩步推進：一是穩定回報的基礎產業類項目，現金回流穩定，管理簡單，能夠成為支撐公司之支柱；二是房地產類項目，集團目前在房地產行業已積累了一定經驗，應對住宅、商業地產、土地一級開發、酒店等多種開發形態進行探討，在充分分析其前景和可行性，考慮風險因素後實施；三是可以選擇一些一至二年即可上市的企業，適當參股，並協助其上市。

本公司在過去幾年積極整頓經營效益不理想的業務以減少經營虧損，對本集團的人力資源架構進行整合以降低人力資源開支，也對質素不良的資產認真地作出撥備或減值。在多管齊下，管理層認為已具備實現經營溢利的條件，並預計2006年下半年的經營狀況轉趨理想，為來年打開扭虧為盈的局面，打下穩實的基礎。

BUSINESS REVIEW AND PROSPECTS (Continued)

Treasury Management

In respect of financial resources management, the Group diversified its investment portfolio to accommodate more current assets with higher liquidity, including securities, in order to enhance the return of current assets. Meanwhile, the Group also formulated an aggressive and yet prudent financial resources management policy, with an aim of continuously identifying appropriate investment objectives within a reasonable risk level.

Currently, the Group has sufficient cash in hand and will make active efforts to identify new investment projects. The Group has not yet identified any particular industry as the target; however, it is making a preliminary research on a number of industries through extensive studies of the soundness of return on investment, management standard and risk avoidance as its fundamental conditions for new projects selection. Newly solicited business may be carried out steadily by the following means: (1) undertaking projects with stable returns in the basis industries, i.e. projects characterized by stable cash inflows and simple management mechanisms, which may act as a mainstay of the Company; (2) undertaking real estate projects, as the Group has accumulated certain experience in the properties industry and may proceed with such projects on the basis of its comprehensive analysis of the prospects, feasibility and risk factors on various modes of development, such as residential and commercial real estate, first hand land development and hotel properties; and (3) to acquire equity interests in certain companies which may be listed in one or two years and assist them to be listed.

During the past few years, the Company has made active efforts to reduce its operating losses by consolidating businesses with unsatisfactory operating results, and to cut its expenditure by streamlining the human resources structures of the Group. In parallel, the Group has also made provisions or impairment loss for assets of unsatisfactory quality. In view of this, the management believes that the Company is well positioned to resume its profitability, and expects that the operating results of the Company will be improved during the second half of 2006, thus laying a solid foundation for turning the operating results from loss to profit.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財務回顧

流動資金及財務資源

本集團之流動資金充裕，財務狀況穩健。於二零零六年六月三十日，本集團現金及銀行存款總額維持在約165,623,000港元（二零零五年十二月三十一日：約122,693,000港元）之水平。於期內，約10,240,000港元之銀行及現金結存根據刊在於二零零六年六月三十日本公司向股東發出通函的非常重大出售事項（「出售事項」）重新分類為「持有作銷售資產」。本集團嚴格執行應收貨款之信貸管理，以確保營運資金充裕。於二零零六年六月三十日本集團沒有應收賬款結餘（二零零五年十二月三十一日：約84,259,000港元），應收賬款減少主要原因是根據「出售事項」將約37,978,000港元重新分類至「持有作銷售資產」。包括「分類為持有作銷售之資產」約183,267,000港元及「分類為持有作銷售資產之相關負債」約75,208,000港元後，於二零零六年六月三十日之流動比率為5.03，而二零零五年底為3.97。於二零零六年六月三十日及二零零五年十二月三十一日，本集團並無銀行貸款。於二零零六年六月三十日及二零零五年十二月三十一日，本集團之資產負債比率（以借貸總額除以股東權益為計算基準）均為零。

配售新股及所得款用途

根據於二零零六年四月二十一日訂立之配售協議，本公司以每股0.03港元之價格發行合共2,870,000,000股每股面值0.01港元之新普通股予不少於六名獨立第三方。扣除有關開支後股份發行所得款項淨額約為84,000,000港元。是次配售股份之其他詳情刊載於二零零六年四月二十一日刊發之通告。

除下述者外，本公司已將配售新股所得款項運用於指定用途：

- (i) 其中約30,000,000港元準備用於本集團「曙光」品牌之服務器業務運營。由於於二零零六年七月二十六日之本公司股東特別大會通過批准「出售事項」，該30,000,000港元還未動用，但已保留作其他投資用途；及
- (ii) 其中約10,000,000港元準備用於晶科信息於生產設施及設備之資本投資進行融資，該款項還未動用，但已預留作該用途。

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group has abundant working capital and is financially strong. The Group's total cash and bank deposits were maintained at a level of approximately HK\$165,623,000 as at 30th June, 2006 (31st December, 2005: approximately HK\$122,693,000). During the period, cash and bank deposits of approximately HK\$10,240,000 was reclassified as "assets classified as held for sale" pursuant to a very substantial disposal (the "Disposal") as set out in a circular to the shareholders of the Company dated 30th June, 2006. The Group exercised strict credit control on accounts receivable to ensure the adequacy of the working capital. As at 30th June, 2006, the Group had no outstanding accounts receivable (31st December, 2005: approximately HK\$84,259,000). The decrease in accounts receivable was mainly attributable to the reclassification of an amount of approximately HK\$37,978,000 as "assets classified as held for sale" according to the Disposal. Having accounted for the "assets classified as held for sale" of approximately HK\$183,267,000 and "liabilities associated with assets classified as held for sale" of approximately HK\$75,208,000, the current ratio as at 30th June, 2006 was 5.03 while it stood at 3.97 for the year end of 2005. As at 30th June, 2006 and 31st December, 2005, the Group did not raise any bank loan. As at 30th June, 2006 and 31st December, 2005, the Group's gearing ratio (on the basis of total borrowings divided by shareholders' equity) was zero.

Placing of New Shares and Use of Proceeds

Pursuant to the Placing Agreement on 21st April, 2006, the Company issued 2,870,000,000 new ordinary shares in aggregate with a par value of HK\$0.01 each to not less than six independent third parties at a price of HK\$0.03 per share. The net proceeds from the share offer after deducting related expenses was approximately HK\$84,000,000. Further details of the placing of shares were set out in the announcement dated 21st April, 2006.

Except for the below-mentioned, the Company has applied the proceeds from the placing of new shares into intended purposes:

- (i) An amount of approximately HK\$30,000,000 was intended to be used for the business operation of the Group's "Dawning" branded servers. The HK\$30,000,000, remaining unused, has been reserved for other investment purposes due to the fact that the shareholders of the Company passed a resolution and approved the Disposal at a special general meeting held on 26th July, 2006; and
- (ii) An amount of approximately HK\$10,000,000 was intended to be used to finance the capital investment in the production facilities and equipment of Jingke Information. Such amount, remaining unused, has been reserved for the intended purpose.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財務回顧 (續)

資產抵押

截至二零零六年六月三十日止，本集團並無為獲得一般銀行融資或短期貸款而抵押資產及銀行存款。

僱員薪酬及福利

於二零零六年六月三十日，本集團於中國及香港共聘用約700名管理、行政、技術及生產員工（二零零五年十二月三十一日：約700名）。本集團根據員工之職責、工作表現及專業經驗釐定僱員之酬金、晉昇及薪酬調整幅度。在香港之全體僱員及執行董事均已參加強制性公積金計劃。其他僱員福利包括本集團董事會授出之購股權。

外匯及外幣風險

由於所得之收入以及購買材料、零件及設備之貸款和薪金均以港元及人民幣結算，故毋須採用任何金融工具作對沖用途，而本集團之匯率變動風險亦較低。在回顧期內，本集團並無參與任何對沖活動。截至二零零六年六月三十日止，本集團之現金及銀行結餘以港元、美元及人民幣為主要幣值。

非常重大的出售、重大收購及出售事項

於二零零六年五月二十九日，本集團三間全資附屬公司（為轉讓方）與天津曙光計算機產業有限公司（為受讓方）訂立股權轉讓協議，據此，轉讓方同意出售北京曙光天演信息技術有限公司之全部權益、曙光信息產業（北京）有限公司之全部權益，以及北京曙光創新科技有限公司之62.5%權益予受讓方，總代價為人民幣95,000,000元（約相等於91,346,154港元）。有關是次非常重大的出售事項之其他詳情刊載於二零零六年六月三十日向股東發出之通函。

除上述披露者外，於回顧期內，本集團並沒有參與任何重大收購及出售。

或然負債

於二零零五年一月二十六日，本公司向國內一家銀行作出擔保，作為其向本集團一家共同控制實體授出人民幣8,000,000元（約相等於7,547,000港元）（二零零五年十二月三十一日：人民幣8,000,000元（約相等於7,547,000港元））之銀行授信之抵押，該家共同控制實體已於二零零六年一月二十五日全數清還該銀行授信。除上述外，於結算日，本集團並無任何其他重大的或然負債。

FINANCIAL REVIEW (Continued)

Pledge of Assets

As at 30th June, 2006, the Group had no pledge of assets and bank deposits for the purpose of obtaining general banking facilities or short term bank borrowings.

Employees' Remuneration and Benefits

The Group had about 700 employees, including managerial, executive and technical staff and production labours in China and Hong Kong as at 30th June, 2006 (31st December, 2005: about 700). The level of remuneration, promotion and the magnitude of remuneration adjustment are determined according to their job duties, working performance and professional experience. All staff and executive directors in Hong Kong office have participated in the mandatory provident fund scheme. Other employees' benefits include the granting of share options by the Board of the Group.

Foreign Exchange and Currency Risk

All income and funds applied to the purchases of raw materials, spare parts and equipment and the payments of salaries were dominated in Hong Kong dollars and Renminbi; therefore, it was not necessary to use any financial instruments for hedging purpose, and the Group's exposure to the fluctuation of exchange rates was minimal. During the period under review, the Group has not engaged in any hedging activity. As at 30th June, 2006, cash in hand and bank balances of the Group were mainly denominated in Hong Kong dollars, US dollars and Renminbi.

Very Substantial Disposal, Substantial Acquisition and Disposal

On 29th May, 2006, three wholly-owned subsidiaries of the Group (as transferor) and Tianjin Dawning Computer Industry Company Limited (as transferee) entered into an equity transfer agreement, in which, the transferor agreed to dispose of the entire interests in Beijing Dawning Tianyan Information Technology Company Limited and Dawning Information Industry (Beijing) Limited and 62.5% interest in Beijing Dawning Novotech Co., Ltd. to the transferee at a total consideration of RMB95,000,000 (equivalent to approximately HK\$91,346,154). Further details of the very substantial disposal were set out in the circular to the shareholders of the Company dated 30th June, 2006.

Save as disclosed above, the Group had not participated in any substantial acquisition and disposal during the period under review.

Contingent Liabilities

As at 26th January, 2005, the Company provided a guarantee to a bank in the PRC to secure a loan facility of RMB8,000,000 (equivalent to approximately HK\$7,547,000) granted by the bank to a jointly controlled entity of the Group (31st December, 2005: RMB8,000,000 (equivalent to approximately HK\$7,547,000)). The bank facility was fully repaid on 25th January, 2006 by the jointly controlled entity. Save as disclosed above, the Group had no other material contingent liability as at the balance sheet date.

其他資料

OTHER INFORMATION

董事及主要行政人員於股份、 相關股份債券權益

除下文「購股權」及「主要股東」兩節所披露者外，於二零零六年六月三十日，本公司董事或主要行政人員或其任何聯繫人概無於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」））之股份、相關股份及債券中擁有記錄於本公司根據證券及期貨條例第352條存置之登記冊，或須根據上市公司董事進行證券交易之標準守則知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed in the sections "Share Options" and "Substantial Shareholders" below, as at 30th June, 2006, none of the directors or chief executives of the Company or any of their associates had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained 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 Companies.

購股權

按本公司於二零零二年五月三十日舉行之股東週年大會上通過之普通決議案，本公司採納一項新購股權計劃（「新計劃」）。新計劃取代於二零零零年十一月十七日採納之購股權計劃（「舊計劃」）。採納新計劃後，概無按舊計劃授出其他購股權。

截至二零零六年六月三十日止六個月，本公司已發行購股權之變動詳情刊載如下：

舊計劃

SHARE OPTIONS

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 30th May, 2002, a new share option scheme (the "New Scheme") was adopted by the Company. The New Scheme replaced the share option scheme adopted on 17th November, 2000 (the "Old Scheme"). Since the adoption of the New Scheme, no further options can be granted under the Old Scheme.

Details of movements in the Company's outstanding share options during the six months ended 30th June, 2006 are set out below:

Old Scheme

參與者 姓名或組別	附註	購股權數目 Number of share options					於二零零六年 六月三十日 尚未行使	授出購股權日期*	購股權行使期間	購股權 行使價**	於購股權 行使日期 As at the exercise date of share options
		於二零零六年 一月一日 尚未行使	期內授出	期內行使	期內失效	期內註銷					
Name or category of participants	Notes	Outstanding as at 1st January, 2006	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30th June, 2006	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	As at the exercise date of share options
董事 Directors										港元 HK\$	
陳潮先生 Mr. Chen Chao		30,000,000	-	-	-	-	30,000,000	二零零一年 三月九日	二零零一年三月二十一日 至二零零一年 十一月十六日	0.1945	不適用 N/A
龔漢兵先生 Mr. Gong Hanbing	(a)	30,000,000	-	-	30,000,000	-	-	二零零一年 三月九日	二零零一年三月二十一日 至二零零一年 十一月十六日	0.1945	不適用 N/A
		2,580,000	-	-	2,580,000	-	-	二零零一年 七月二十三日	二零零二年一月一日 至二零零六年 十二月三十一日	0.1945	不適用 N/A
		2,580,000	-	-	2,580,000	-	-	二零零一年 七月二十三日	二零零二年七月一日 至二零零七年 六月三十日	0.1945	不適用 N/A
李國精先生 Mr. Lee Kuo Ching, Stewart	(b)	900,000	-	-	-	-	900,000	一九九七年 七月七日	一九九七年七月十五日 至二零零七年 七月十四日	0.3800	不適用 N/A
								7.7.1997	15.7.1997 to 14.7.2007		N/A
		66,060,000	-	-	35,160,000	-	30,900,000				

其他資料

OTHER INFORMATION

購股權 (續)

SHARE OPTIONS (Continued)

舊計劃 (續)

Old Scheme (Continued)

參與者 姓名或組別	附註	購股權數目 Number of share options					於二零零六年 六月三十日 尚未行使	授出購股權日期*	購股權行使期間	購股權 行使價 **	於購股權 行使日期 As at the exercise date of share options **
		於二零零六年 一月一日 尚未行使	期內授出	期內行使	期內失效	期內註銷					
港元 HK\$											
其他僱員 Other employees											
合計 In aggregate		9,000,000	-	-	-	-	9,000,000	二零零一年 三月九日 9.3.2001	二零零一年三月二十日 至二零零一年 十一月十六日 20.3.2001 to 16.11.2010	0.1945	不適用 N/A
		60,000,000	-	-	-	-	60,000,000	二零零一年 三月九日 9.3.2001	二零零一年三月二十一日 至二零零一年 十一月十六日 21.3.2001 to 16.11.2010	0.1945	不適用 N/A
		1,500,000	-	-	-	-	1,500,000	二零零一年 三月九日 9.3.2001	二零零一年三月二十二日 至二零零一年 十一月十六日 22.3.2001 to 16.11.2010	0.1945	不適用 N/A
		25,000,000	-	-	-	-	25,000,000	二零零一年 七月二十三日 23.7.2001	二零零一年八月二日 至二零零六年 七月二十六日 2.8.2001 to 26.7.2006	0.1945	不適用 N/A
		48,862,800	-	-	-	-	48,862,800	二零零一年 七月二十三日 23.7.2001	二零零一年八月十五日 至二零零六年八月八日 15.8.2001 to 8.8.2006	0.1945	不適用 N/A
		27,020,150	-	-	506,850	-	26,513,300	二零零一年 七月二十三日 23.7.2001	二零零二年一月一日 至二零零六年 十二月三十一日 1.1.2002 to 31.12.2006	0.1945	不適用 N/A
		27,020,150	-	-	506,850	-	26,513,300	二零零一年 七月二十三日 23.7.2001	二零零二年七月一日 至二零零七年 六月三十日 1.7.2002 to 30.6.2007	0.1945	不適用 N/A
		750,000	-	-	-	-	750,000	二零零一年 八月十三日 13.8.2001	二零零二年一月一日 至二零零六年 十二月三十一日 1.1.2002 to 31.12.2006	0.1945	不適用 N/A
		750,000	-	-	-	-	750,000	二零零一年 八月十三日 13.8.2001	二零零二年七月一日 至二零零七年 六月三十日 1.7.2002 to 30.6.2007	0.1945	不適用 N/A
		199,903,100	-	-	1,013,700	-	198,889,400				
		265,963,100	-	-	36,173,700	-	229,789,400				

購股權 (續)

SHARE OPTIONS (Continued)

新計劃

New Scheme

參與者 姓名或組別	附註	購股權數目 Number of share options					於二零零六年 六月三十日 尚未行使	授出購股權日期	購股權行使期間	購股權行使價	於購股權 行使日期 As at the exercise date of share options
		於二零零六年 一月一日 尚未行使	期內授出	期內行使	期內失效	期內註銷					
Name or category of participants	Notes	Outstanding as at 1st January, 2006	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30th June, 2006	Date of grant of share options	Exercise period of share options	Exercise price of share options	Exercise date of share options
合計 In aggregate		20,000,000	-	-	-	-	20,000,000	二零零三年 十月十四日	二零零三年 十一月二十八日 至二零零八年 十一月二十六日	0.0754	不適用 N/A
		20,000,000	-	-	-	-	20,000,000				

港元
HK\$

其他僱員

Other employees

附註:

- (a) 龔漢兵先生於二零零六年三月三十日辭任本公司董事及總裁之職，購股權已於二零零六年六月三十日失效。
- (b) 於二零零六年一月一日已發行之購股權乃根據股東在本公司於一九九七年六月十日舉行之股東週年大會上授予董事之一般授權，授予李國精先生。
- * 該等購股權之歸屬期乃自授出日期直至行使期間開始為止。
- ** 如本公司進行供股，發行紅股或股本發生類似變動，該等購股權之行使價須予調整。

Notes:

- (a) Mr. Gong Hanbing resigned as director and president of the Company on 30th March, 2006. His share options were lapsed on 30th June, 2006.
- (b) The options outstanding at 1st January, 2006 granted to Mr. Lee Kuo Ching, Stewart were in accordance with the general mandate granted by the shareholders to the directors at the annual general meeting of the Company held on 10th June, 1997.
- * The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

購買股份或債券之安排

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

除上文「購股權」一節所披露者外，本公司或其任何附屬公司於年內概無參與任何安排，致使本公司董事或主要行政人員可藉購買本公司或任何其他法團之股份或債券而獲益。

Save as disclosed in the section "Share Options" above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangement to enable the Company's directors or chief executives to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

其他資料

OTHER INFORMATION

主要股東

於二零零六年六月三十日，本公司根據證券及期貨條例336條存置之主要股東登記冊顯示，除上文所披露有關若干董事及僱員之權益外，以下股東已知會本公司其擁有本公司已發行股本之有關權益：

每股面值0.01港元普通股之好倉

所持股份數目

股東名稱	Name of shareholders	佔已發行股份		總數百分比 Percentage in total number of issued shares
		直接權益 Number of issued shares held Direct interest	間接權益 Indirect interest	
Thing On Group Limited	Thing On Group Limited	3,012,831,792	–	17.49%
王聰德先生	Mr. Wong Chung Tak	–	3,012,831,792	17.49%
深圳市投資管理公司 (「深圳投資」)	Shenzhen Investment Holding Corporation (“SIHC”)	320,335,712	1,279,090,260	9.28%
Ultrarich International Limited (「UIL」)	Ultrarich International Limited (“UIL”)	–	1,279,090,260	7.42%
深圳國際控股有限公司 (「深圳國際」)	Shenzhen International Holdings Limited (“SIHL”)	–	1,279,090,260	7.42%
New Vision Limited (「NVL」)	New Vision Limited (“NVL”)	–	1,279,090,260	7.42%
Great Mind Holdings Group Limited (「GML」)	Great Mind Holdings Group Limited (“GML”)	1,279,090,260	–	7.42%

附註：

(1) Thing On Group Limited之全部已發行股本由王聰德先生實益擁有。因此，Thing On Group Limited及王聰德先生被視為於本公司股本中擁有同一權益。

(2) GML在1,279,090,260股本公司股份所佔之權益亦涉及NVL。NVL在1,279,090,260股本公司股份所佔之權益亦涉及深圳國際、UIL及深圳投資，原因如下：

- (a) GML為NVL之全資附屬公司；
- (b) NVL為深圳國際之全資附屬公司；
- (c) UIL可在深圳國際之股東大會上控制三分之一以上之投票權；及
- (d) UIL為深圳投資之全資附屬公司。

SUBSTANTIAL SHAREHOLDERS

As at 30th June, 2006, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and employees, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

Long positions in ordinary shares of HK\$0.01 each

直接權益 Number of issued shares held Direct interest	間接權益 Indirect interest	總數百分比 Percentage in total number of issued shares

Notes:

(1) The entire issued share capital of Thing On Group Limited is beneficially owned by Mr. Wong Chung Tak. Both Thing On Group Limited and Mr. Wong Chung Tak are therefore deemed to have the duplicate interests in the share capital of the Company.

(2) The interests of GML in the 1,279,090,260 shares of the Company is attributed to NVL. The interests of NVL in the 1,279,090,260 shares of the Company is also attributed to SIHL, UIL and SIHC on the bases that:

- (a) GML is a wholly-owned subsidiary of NVL;
- (b) NVL is a wholly-owned subsidiary of SIHL;
- (c) UIL controls more than one-third of the voting power at SIHL's general meetings; and
- (d) UIL is a wholly-owned subsidiary of SIHC.

除上文所披露者外，於二零零六年六月三十日，本公司概無獲知會於本公司股份及相關股份之其他有關權益或淡倉。

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the shares and underlying shares of the Company as at 30th June, 2006.

中期股息

董事會並不建議就截至二零零六年六月三十日止六個月派發中期股息(截至二零零五年六月三十日止六個月:無)。

購買、出售或購回本公司之上 市證券

於期內本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事進行證券交易的標準守則

本公司已採納香港聯合交易所有限公司(「聯交所」)證券上市規則附錄十所載之上市發行人董事進行證券之交易之標準守則(「標準守則」)作為本公司有關董事進行證券交易之操守準則。根據本公司對全體董事所作之具體查詢,全體董事已確認於截至二零零六年六月三十日止六個月期間,彼等均符合標準守則之規定。

公司管治

截至二零零六年六月三十日止六個月內,董事認為,本公司一直遵守聯交所上市規則附錄十四所載之企業管治常規守則(「守則」),惟偏離守則之守則條文A.4.1關於董事的服務任期之規定。

根據守則之守則條文A.4.1,非執行董事的委任應有指定任期,並須接受重選。

本公司現有之非執行董事之委任概無指定任期,此項規則偏離守則的守則條文A.4.1的規定。然而,所有本公司董事(包括執行及非執行)均受本公司章程細則之細則第87條退休條文規限。因此,本公司認為已有足夠的措施確保本公司之企業管治常規不會低於守則所訂立之規定。

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30th June, 2006 (six months ended 30th June, 2005: nil).

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 period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiries of all directors of the Company, it is confirmed that all directors have complied with the required standards as set out in the Model Code during the six months ended 30th June, 2006.

CORPORATE GOVERNANCE

The Directors are of the opinion that the Company has complied with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules throughout the six months ended 30th June, 2006, with deviations from the Code Provision A.4.1 of the Code in respect of the service term of directors.

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

None of the existing non-executive Directors of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the Code. However, all Directors of the Company (executive and non-executive) are subject to the retirement provisions under Bye-law 87 of the Bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

其他資料

OTHER INFORMATION

審核委員會

本公司之審核委員會由三名獨立非執行董事組成，包括廖醒標先生、李國精先生及莊嘉俐小姐。審核委員會的主要職責包括審查本公司的財政匯報程式、內部監控運作及本集團業績。審核委員會及本公司之外聘核數師德勤•關黃陳方會計師行已審閱未經審核之簡明綜合中期財務報表。

承董事會命
主席
王聰德

香港，二零零六年九月十一日

AUDIT COMMITTEE

The Audit Committee of the Company comprises three independent non-executive directors, including Mr. Liu Sing Piu, Chris, Mr. Lee Kuo Ching, Stewart and Miss Chong Kally. The principal duties of the Audit Committee include the review of the Company's financial reporting procedure, internal controls and results of the Group. The unaudited condensed consolidated interim financial statements have been reviewed by the Audit Committee and Deloitte Touche Tohmatsu, the external auditors of the Company.

By order of the Board
Wong Chung Tak
Chairman

Hong Kong, 11th September, 2006