

Listed Company Information

HI SUN TECH<00818> - Results Announcement

Hi Sun Technology (China) Limited announced on 16/09/2005:
 (stock code: 00818)
 Year end date: 31/12/2005
 Currency: HKD
 Auditors' Report: N/A
 Interim report reviewed by: Audit Committee

	(Unaudited) Current Period from 01/01/2005 to 30/06/2005 Note ('000)	(Unaudited) Last Corresponding Period from 01/01/2004 to 30/06/2004 ('000)
Turnover	: 178,968	66,650
Profit/(Loss) from Operations	: 41,956	(27,689)
Finance cost	: (894)	(496)
Share of Profit/(Loss) of Associates	: N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entities	: N/A	N/A
Profit/(Loss) after Tax & MI	: 38,568	(28,185)
% Change over Last Period	: N/A	%
EPS/(LPS)-Basic (in dollars)	: 0.12	(0.08)
-Diluted (in dollars)	: 0.11	(0.08)
Extraordinary (ETD) Gain/(Loss)	: N/A	N/A
Profit/(Loss) after ETD Items	: 38,568	(28,185)
Interim Dividend per Share	: Nil	Nil
(Specify if with other options)	: N/A	N/A
B/C Dates for Interim Dividend Payable Date	: N/A	
B/C Dates for (-) General Meeting	: N/A	
Other Distribution for Current Period	: N/A	
B/C Dates for Other Distribution	: N/A	

Remarks:

1 Turnover

The Group is principally engaged in the sale of designed information technology products, provision of information system consultancy and integration services, and information technology value-added services. Revenues recognised during the year are as follows:

	Unaudited Six months ended 30th June	
	2005	2004
	HK\$ '000	HK\$ '000
Turnover		
Sales of designed information technology products	72,956	52,984
Provision of information system consultancy and integration services	27,596	10,285
Information technology value-added services	78,416	3,381
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	178,968	66,650
	=====	=====

2 Operating profit/(loss)

The Group's operating profit/(loss) is stated at after crediting and charging the following:

	Unaudited Six months ended 30th June	
	2005	2004
	HK\$ '000	HK\$ '000
Crediting		

Write-back of provision for obsolete inventories	-	371
	=====	=====
Charging		

Auditors' remuneration	500	500
Depreciation	4,352	4,412
Provision for obsolete inventories	207	-
Provision for doubtful debts	1,302	-
Staff costs (including directors' remuneration):		
Wages and salaries	43,658	30,912
Pension contributions	1,879	1,955
Less: staff costs capitalised into contract work in progress	(3,130)	(5,050)
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	42,407	27,817
Operating lease rentals for land and buildings	4,371	5,236
Loss on disposal and written off of fixed assets	6	19
	=====	=====

3. Turnover, revenue and segment information

An analysis of the Group's revenue and results for the period by business segments is as follows:

Unaudited					
Six months ended 30th June					
Financial solutions, services and related products	Telecom- munication solutions, services and related products	Information technology value-added services	Electronic payment products and services	Other operations	Group
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover					
49,102	3,253	78,416	48,097	100	178,968
=====	=====	=====	=====	=====	=====
Segment results					
757	2,224	48,274	5,704	(15,561)	41,398
=====	=====	=====	=====	=====	=====
Unallocated income					558

Operating profit					41,956
Finance costs					(894)

Profit before taxation					41,062
Taxation					(2,494)

Profit attributable to equity holders of the Company					38,568
					=====

There are no sales or other transactions between the business segments. Unallocated income represents interest income.

4 Earnings/(loss) per share

Basic

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

	Unaudited	
	Six months ended 30th June	
	2005	2004
	HK\$'000	HK\$'000
Profit/(loss) attributable to equity holders of the Company	38,568	(28,185)
Number of ordinary shares in issue (thousands)	333,054	333,054
Basic earnings/(loss) per share (HK\$ per share)	0.12	(0.08)

Diluted

Diluted earnings per share for the six months ended 30th June 2005 is calculated adjusting the number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible preference shares issued by a subsidiary and share options. The convertible preference shares issued by a subsidiary are assumed to have been converted into ordinary shares and the net profit is adjusted to eliminate the interest expense less the tax effect. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Unaudited	
	Six months ended	
	30th June 2005	
	HK\$'000	
Profit attributable to equity holders of the Company	38,568	
Interest expense on convertible preference shares issued by a subsidiary (net of tax)	85	

Profit used to determine diluted earnings per share	38,653	

Number of ordinary shares in issue (thousands)	333,054	
Adjustments for		
- assumed conversion of convertible preference shares issued by a subsidiary (thousands)	8,667	
- share options (thousands)	587	

Number of ordinary shares for diluted earnings per share (thousands)	342,308	

Diluted earnings per share (HK\$ per share)	0.11	
	=====	

Diluted loss per share for the six months ended 30th June 2004 has not been presented as the conversion of potential ordinary shares would have anti-dilutive effect to the basic loss per share.