

Tungda Innovative Lighting Holdings Limited
東大新材料照明控股有限公司

(Incorporated in Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 8229)

ANNUAL REPORT 年報 2007/08

living sensation



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligations to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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香港聯合交易所有限公司（「聯交所」）創業板市場（「創業板」）之特色

創業板乃為帶有高投資風險之公司而設立之市場。尤其在創業板上市之公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市之公司亦可能因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他資深投資者。

由於在創業板上市之公司屬新興性質，在創業板買賣之證券可能會較在主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

創業板發佈資料之主要途徑為在聯交所為創業板而設之互聯網網頁刊登。上市公司一般毋須在憲報指定報章刊登付款公佈披露資料。因此，有意投資人士應注意，彼等須閱覽創業板網站，方可取得創業板上市發行人之最新資料。



Corporate Information	3	公司資料
Financial Summary	5	財務概要
Chairman's Statement	6	主席報告
Management Discussion and Analysis	7	管理階層討論與分析
Profiles of Directors and Senior Management	12	董事及高級管理層資料
Corporate Governance Report	14	企業管治報告
Report of the Directors	18	董事會報告
Independent Auditor's Report	28	獨立核數師報告
Consolidated Income Statement	30	綜合收入報表
Consolidated Balance Sheet	31	綜合資產負債表
Balance Sheet	32	資產負債表
Consolidated Statement of Changes in Equity	33	綜合權益變動報表
Consolidated Cash Flow Statement	34	綜合現金流量報表
Notes to the Financial Statements	35	財務報表附註

Executive Directors

CHU Chien Tung
CHU Chick Kei
CHU Sen Hei

執行董事

朱展東
朱植杞
朱晨曦

Non-executive Director

FUNG Shiu Lun, Anthony

非執行董事

馮兆麟

Independent Non-executive Directors

ZHU Lei Bo
HONG Yong Hwan

獨立非執行董事

朱雷波
洪庸皖

Registered Office

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681GT
George Town
Grand Cayman
British West Indies

註冊辦事處

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681GT
George Town
Grand Cayman
British West Indies

Head Office and Principal Place of Business

Room 1903A, 19th Floor
Nanyang Plaza
57 Hung To Road
Kwun Tong
Kowloon

總辦事處兼主要營業地點

九龍
觀塘
鴻圖道57號
南洋廣場
19樓1903A室

Company Website

<http://www.tungdalighting.com>

公司網址

<http://www.tungdalighting.com>

Company Secretary

LO Wai Shing (ACCA, CPA)
(resigned on 21st August, 2007)

公司秘書

羅偉成 (ACCA, CPA)
(於二零零七年八月二十一日辭任)

Qualified Accountant

LO Wai Shing (ACCA, CPA)
(resigned on 21st August, 2007)

合資格會計師

羅偉成 (ACCA, CPA)
(於二零零七年八月二十一日辭任)

Compliance Officer

CHU Chien Tung

規章主任

朱展東

Audit Committee

HONG Yong Hwan (Chairman)
ZHU Lei Bo

審核委員會

洪庸皖 (主席)
朱雷波

Authorised Representatives

(for the purpose of the GEM Listing Rules)

CHU Chien Tung

CHU Chick Kei

Principal Bankers

DBS Bank (Hong Kong) Limited

16th Floor

The Center

99 Queen's Road Central

Hong Kong

Nanyang Commercial Bank, Limited

G/F Shop 1, 1/F

Shop 2, 410 Kwun Tong Road

Kwun Tong

Kowloon

Hong Kong

Auditors

TING HO KWAN & CHAN

Certified Public Accountants (Practising)

9th Floor

Tung Ning Building

249-253 Des Voeux Road C.

Hong Kong

Principal Share Registrar and Transfer Office

Bank of Butterfield International (Cayman) Limited

Butterfield House

68 Fort Street

P. O. Box 705

George Town

Grand Cayman

Cayman Islands

British West Indies

Hong Kong Branch Share Registrar and Transfer Office

Standard Registrars Limited

26/F Tesbury Centre

28 Queen's Road East

Hong Kong

授權代表

(就創業板上市規則而言)

朱展東

朱植杞

主要往來銀行

星展銀行(香港)有限公司

香港

皇后大道中99號

中環中心

16樓

南洋商業銀行有限公司

香港

九龍

觀塘

官塘道410號

地下一號舖及一樓二號舖

核數師

丁何關陳會計師行

執業會計師

香港

德輔道中249-253號

東寧大廈

9樓

股份過戶登記總處

Bank of Butterfield International (Cayman) Limited

Butterfield House

68 Fort Street

P. O. Box 705

George Town

Grand Cayman

Cayman Islands

British West Indies

香港股份過戶登記分處

標準證券登記有限公司

香港

皇后大道東28號

金鐘滙中心26樓

Financial Summary 財務概要

For the year ended 31st March, 截至三月三十一日止年度

		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RESULTS						
	業績					
Turnover	營業額	299,896	274,662	47,106	52,453	52,002
Profit/(loss) before taxation	除稅前溢利／(虧損)	78,780	76,017	(28,599)	8,402	24,938
Taxation	稅項	(4,024)	(3,587)	(2,879)	(2,605)	(4,674)
Profit/(loss) for the year attributable to equity holders	年內股東應佔 溢利／(虧損)	74,756	72,430	(31,478)	5,797	20,264
Dividends	股息	(5,890)	–	–	–	–
		At 31st March, 於三月三十一日				
		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
ASSETS AND LIABILITIES						
	資產及負債					
Total assets	資產總值	275,146	358,671	330,838	346,432	395,775
Total liabilities	負債總額	(12,388)	(27,250)	(24,907)	(22,037)	(24,341)
Shareholders' funds	股東資金	262,758	331,421	305,931	324,395	371,434

Dear Shareholders and Directors,

On behalf of the board of directors (the "Board"), I am pleased to present the Group's annual report for the year ended 31st March, 2008 to the shareholders.

The Group has been stable in terms of research and development, manufacturing, distribution and trading of light source products. Turnover and profit attributable to shareholders for the year amounted to approximately HK\$52.00 million and HK\$20.26 million respectively, as compared to turnover and profit attributable to shareholders approximately HK\$52.45 million and HK\$5.80 million respectively of last year.

Whilst market competition in relevant lighting product segments has got more intense, with the Group's success on (i) research and development in its core products among competitors producing the same products, the production cost of the Group has strong competitive advantage, (ii) cost control and (iii) unique Tungda brand products, the Group maintains a competitive and cost advantage and stable gross profit margin.

The Group takes an active role in finding strategic cooperative partners in contemplation to expand its products offer to cater different needs of customers.

During the year 2007/08, the Group has continued to participate in international lighting fairs which provided invaluable opportunities to promote our products to potential new customers around the world.

The Group has been distributor of GE Lighting since 1996 and has been appointed by GE Lighting as its exclusive distributor for lighting fixtures in Hong Kong and Macau in January, 2004. The appointment enables the Group to expand its product offerings to include lighting fixtures and also symbolizes our successful long term cooperation with GE Lighting.

The Group has been actively seeking capable distributors to expand its sales and distribution network.

I would like to take this opportunity to express my gratitude to all the customers, staff and Directors for their continuous support, dedication and contribution to the Group, as well as shareholders and business partners for their full support and confidence in the Group.

Chu Chien Tung
Chairman

27th June, 2008

各位股東及董事：

本人謹代表董事會（「董事會」）向股東欣然提呈本集團截至二零零八年三月三十一日止年度之年報。

本集團於光源產品研發、生產製造、銷售及貿易方面保持穩定。本年度營業額及股東應佔溢利分別約為52,000,000港元及20,260,000港元，去年同期營業額及股東應佔溢利則分別約為52,450,000港元及5,800,000港元。

儘管相關照明產品的市場競爭日趨激烈，憑藉本集團成功(i)研發主力產品，與業務競爭對手生產的同類產品比較，本集團在生產成本上有相當強的競爭優勢；(ii)控制成本；及(iii)獨一的東大品牌產品，本集團維持競爭及成本優勢及享有穩定的毛利率。

本集團正積極尋找策略性合作伙伴，冀得以擴展產品種類，迎合顧客之不同需要。

本集團於二零零七／零八年度繼續參與國際照明展覽會，為我們提供向全球各地潛在新客戶推廣產品之寶貴機會。

本集團自一九九六年起為GE Lighting之分銷商，並於二零零四年一月榮獲GE Lighting委任為港澳兩地之照明燈具獨家分銷商，致令本集團擴展產品系列至涵蓋照明燈具，同時標誌著集團與GE Lighting之長遠合作關係成果豐碩。

本集團一直積極物色實力雄厚的分銷商，擴展其銷售及分銷網絡。

對於全體客戶、員工及董事的鼎力支持、默默耕耘及積極貢獻；各股東及業務夥伴對本集團的愛戴及信賴，本人謹藉此機會向他們致以萬分謝意。

主席
朱展東

二零零八年六月二十七日

FINANCIAL AND BUSINESS REVIEW

Operating Results

For the year ended 31st March, 2008, the Group's turnover was approximately HK\$52.00 million, representing a decrease of approximately 0.85% from HK\$52.45 million last year.

The gross profit margin for the year ended 31st March, 2008 increased to 61.74% compared to 56.60% for the same period in 2007. The improvement is attributable both to the increase in relative proportion in sales of house brand products to agency brand products and increase in profit margin of agency brand products.

House brand products that usually give higher gross profit margin as compared to agency brand products accounted for about 82.15% of total turnover for the year 2007/08 (2006/07: 77.24%).

Other Income and Gain, net

The major component of other income and gain, net approximately HK\$3.69 million was interest income for the year 2008 as compared to approximately HK\$2.02 million for the same period in 2007. The increase was accounted by the higher cash and bank balances of the Group.

Selling and Administrative Expenses

The selling expenses, which primarily comprised of delivery, exhibition and promotion, and salaries expenses, amounted to approximately HK\$1.59 million and remained stable in line with the business for the year ended 31st March, 2008, as compared to approximately HK\$1.44 million for the same period in 2007.

The administrative expenses for the year ended 31st March, 2007 comprised primarily of staff remuneration, depreciation, entertainment, fee for audit services, rental and management fee expenses, adhoc production line and equipment renovation and maintenance expenses and adhoc repair expenses for typhoon damages to the Fujian factory building and infrastructure. The administrative expenses for the year ended 31st March, 2008 decreased to approximately HK\$9.25 million as compared to approximately HK\$21.84 million with the corresponding period in 2007 because of the adhoc expenses of last year did not recur and the general decrease in administrative expenses.

Net Profit

As a result of the factors discussed above, the profits attributable to shareholders for the year ended 31st March, 2008 amounted to approximately HK\$20.26 million as compared to approximately HK\$5.80 million for the same period in 2007.

財務及業務回顧

經營業績

截至二零零八年三月三十一日止年度，本集團營業額約為52,000,000港元，較去年之52,450,000港元減少約0.85%。

截至二零零八年三月三十一日止年度之毛利率增加至61.74%，而二零零七年同期為56.60%，此乃由於銷售本身品牌產品與代理品牌產品的比例增加及代理品牌產品的利潤增加。

毛利率一般較代理品牌產品高的本身品牌產品佔二零零七／零八年度的總銷售額約82.15%（二零零六／零七年：77.24%）。

其他收入及收益淨額

二零零八年年度之其他收入及收益淨額約為3,690,000港元，主要為利息收入，二零零七年同期則約為2,020,000港元。增幅乃由於本集團現金及銀行結存增加所致。

銷售及行政開支

截至二零零八年三月三十一日止年度之銷售開支約為1,590,000港元，與二零零七年同期的約為1,440,000港元相若。銷售開支主要包括運送、廣告宣傳、展覽會及薪金開支。

二零零七年年度行政開支主要包括員工薪酬、折舊、應酬費、審計費用、租金及管理費開支、生產線及設備之特別維修及保養費用及福建廠房建築物及基礎設施因颱風造成的損毀之特別維修費用。本年行政開支約為9,250,000港元，相對二零零七年同期則約為21,840,000港元為少。這是由於包括在去年行政開支的特別開支並無於本年重現，且本年的一般行政開支亦普遍減少。

淨溢利

基於上述所討論因素，截至二零零八年三月三十一日止年度之股東應佔溢利約為20,260,000港元，而二零零七年同期約為5,800,000港元。

Management Discussion and Analysis 管理階層討論與分析

Sales and Marketing

For the year ended 31st March, 2008, the Group participated in the following major international lighting exhibitions:

Lightfair International 2007	8th-10th May, 2007 二零零七年五月八日至十日	New York, USA 美國紐約
Hong Kong International Lighting Fair 2007 香港國際燈飾展2007	28th-31st October, 2007 二零零七年十月二十八日至三十一日	Hong Kong 香港

Through these exhibitions, the Group promotes “Tungda” brand and products to potential customers from all over the world. Tungda’s induction lamps and its potential new product microwave sulphur lamps had been featured in the international lighting magazine “Switch”, and “Tungda” had been featured as one of the Hong Kong brands in the Hong Kong Trade Development Council’s “Hong Kong Enterprise”.

銷售及市場推廣

截至二零零八年三月三十一日止年度，本集團參與以下大型國際照明展覽會：

本集團透過這些展覽會，向來自世界各地的潛在客戶推廣「東大」品牌及產品。東大無極螢光燈及其潛在新產品微波硫燈獲得國際照明雜誌「Switch」專題介紹，而「東大」更成為香港貿易發展局「香港企業」雜誌專題介紹的香港品牌之一。

Suspension on and Arrangement for the Resumption of Trading of Shares, and Execution of Warrant by Officers of the Commercial Crime Bureau of the Hong Kong Police Force

Trading in the shares of the Company has been suspended on the Stock Exchange since 29th July, 2004. The management understands and shares the concern of the shareholders of the Company in relation to the suspension of share trading. The management had appointed a financial advisor in January, 2005 and has sought advice from various professionals with a view to resume the share trading as soon as possible.

In order to resume the share trading as soon as possible and smooth the relevant process, the Company has been actively communicating with relevant section of the Stock Exchange of Hong Kong Limited since January, 2007.

With reference to the Company’s announcement on 16th March, 2005, officers of the Commercial Crime Bureau of the Hong Kong Police Force (“CCB”) have executed a warrant for search and seizure against the premises of the Group (“CCB Event”).

In the Company’s announcement on 17th January, 2007, the bail conditions of the three executive directors, Mr. Chu Chien Tung, Mr. Chu Chick Kei and Mr. Chu Sen Hei, have been lifted and they were released unconditionally and no charges have been brought against them.

Resources are being diverted in order to resume the share trading and to handle the CCB Event. The Group’s business and product investment development plan is interrupted and deferred.

股份暫停買賣及恢復買賣安排以及香港警務處商業罪案調查科人員執行搜令

本公司股份自二零零四年七月二十九日起在聯交所暫停買賣。管理層明白本公司股東關注股份暫停買賣事宜，並對事件同樣表示關注。管理層已徵求不同專業人士之意見，並曾經於二零零五年一月委任財務顧問，務求盡快恢復股份買賣。

務求盡快恢復股份買賣及使有關程序流暢地進行，本公司自二零零七年一月起一直積極地與香港交易所有限公司之有關組別聯繫。

茲提述本公司於二零零五年三月十六日刊發之公佈，香港警務處商業罪案調查科（「商業罪案調查科」）人員執行搜令，搜查及檢取本集團處所範圍（「商業罪案調查科事件」）。

在本公司於二零零七年一月十七日刊發之公佈，三位執行董事，朱展東先生、朱植杞先生及朱晨曦先生，之保釋已被撤銷及彼等已獲無條件釋放，而彼等亦無受到檢控。

為盡快恢復股份買賣及處理商業罪案調查科事件，本集團分散調撥資源，導致本集團業務及產品投資開發計劃受阻及遭押後。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31st March, 2008, the Group's shareholders' funds amounted to approximately HK\$371.43 million (2007: HK\$324.40 million). Cash and cash equivalents was approximately HK\$327.30 million as at 31st March, 2008, compared to HK\$265.62 million as at 31st March, 2007. Increases in cash stemmed primarily from income generated from operations. The Board believes that the Group has adequate funds to support its operations and capital expenditures for future expansion and development.

The Group's gearing ratio, defined as the Group's total debt to total equity, was 5.05% (2007: 5.54%).

SIGNIFICANT INVESTMENT HELD AND MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

There were neither significant investment held by the Group nor material acquisitions and disposals of subsidiaries and affiliated companies for the years ended 31st March, 2008 except as disclosed in note 15 to the financial statements of the annual report.

CHARGE ON GROUP ASSETS

One of the leasehold land and land use rights in the PRC has been pledged to a bank to secure general banking facilities granted to the Group as disclosed in note 14 to the financial statements of the annual report.

FOREIGN EXCHANGE EXPOSURE

As most of the Group's trading transactions, monetary assets and liabilities were denominated in Renminbi, United States dollars and Hong Kong dollars, the impact of the foreign exchange exposure of the Group was considered to be minimal and there was no significant adverse effect on the normal operations of the Group. As at 31st March, 2008, no related hedges were made by the Group.

CONTINGENT LIABILITIES

The Group and the Company had no contingent liabilities as at both 31st March, 2008 and 2007.

SEGMENT INFORMATION

Segment information of the Group is set out in note 6 to the financial statements.

流動資金、財政資源及資本結構

於二零零八年三月三十一日，本集團之股東資金約達371,430,000港元（二零零七年：324,400,000港元）。於二零零八年三月三十一日，現金及現金等值約為327,300,000港元，而於二零零七年三月三十一日則為265,620,000港元。現金增幅主要來自經營業務所得收入。董事會相信，本集團具備充裕資金支持其業務營運與未來擴充及發展之資本開支。

本集團之資產負債比率（即本負債總額與總權益之比率）為5.05%（二零零七年：5.54%）。

所持重大投資以及附屬公司及聯營公司重大收購及出售

除年報內財務報表附註15所披露外，截至二零零八年三月三十一日止年度，本集團概無持有其他重大投資，亦無有關附屬公司及聯營公司之重大收購及出售。

集團資產抵押

如本年報財務報表附註14所披露，一幅位於中國境內之土地及土地使用權已作為本集團所獲銀行融資的抵押。

外匯風險

本集團大部份買賣交易、貨幣資產及負債乃以人民幣、美元及港元為計算單位，因此外幣匯兌風險對本集團所構成之影響甚微，對本集團之正常業務亦無重大不利影響。於二零零八年三月三十一日，本集團並無進行任何相關對沖。

或然負債

於二零零八年及二零零七年三月三十一日，本集團及本公司並無或然負債。

分部資料

本集團的分部資料列載於財務報表附註6。

EMPLOYEE INFORMATION

As at 31st March, 2008, the Group had about 74 full time employees. The Group's employees were remunerated according to the nature of their duty and market trend, with discretionary bonus and benefit of retirement scheme, share options and necessary training. Total staff costs for the year amounted to approximately HK\$2.66 million (2007: HK\$4.75 million).

ACQUISITION OF AND IMPAIRMENT ON DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

The Group had planned to expand and develop its manufacturing capacity by setting up additional and new production lines. During the year 2004, the Group has entered into three major contracts for the purchases of machineries of adjusted total contracts amount HK\$80,990,000. Deposits HK\$67,105,000 were paid and included in the balance sheet as at 31st March, 2004 in respect of the three contracts.

The Group further entered into a contract in July, 2004 of amount approximately HK\$21,493,000 and paid HK\$7,965,000 as deposit in August, 2004 for the contract for the purchases of machineries which are complementary contract for the automobile high intensity discharge ("HID") xenon lamp (a popular type of car headlamps in developed countries including European Union and Japan) production line.

The machineries to be acquired by the Group will enable the Group to (1) expand the production capacity of its existing induction lamp production line; (2) expand its product line to include microwave sulphur lamps (a new and innovative type of mercury-free environmental friendly and energy-saving light source products); and (3) expand its product line to include automobile HID xenon lamps. The machineries are relevant to the section "Expansion of manufacturing capacity and capability" under the heading "BUSINESS OBJECTIVES AND IMPLEMENTATION PLANS" of the Company's Prospectus dated 19th July, 2002.

The machineries for the induction lamp production line contract amount of HK\$21,000,000 have been delivered respectively in April and May, 2004 and the contract was completed.

The microwave sulphur lamp production line contract amount of HK\$20,180,000 and of deposits paid amount of HK\$9,880,000 in which HK\$3,500,000 has been recognised as property, plant and equipment in 2006. The contract has been cancelled by signing agreement with the machinery vendor on 16th June, 2006 whereas the Group has the right to use the forfeited deposit within a year from the date of agreement being cancelled. According to the terms being agreed, the machinery vendor has refunded HK\$957,000. The remaining balance of HK\$5,423,000 has been forfeited by the machinery vendor as the Group had not placed any new order on or before 15th June, 2007.

僱員資料

於二零零八年三月三十一日，本集團聘有約74名全職僱員。本集團僱員薪酬根據彼等之職責性質及市場趨勢釐定，並設有酌情花紅及退休福利計劃以及購股權與所需培訓。年內僱員總成本約為2,660,000港元（二零零七年：4,750,000港元）。

購買物業、廠房及設備及其訂金減值

本集團曾計劃增加生產線及設立新生產線擴充及發展其產能。於二零零四年，本集團就購置機器訂立三份重大合約，經調整之合約總額為80,990,000港元。就該三份合約已支付訂金67,105,000港元，已計入於二零零四年三月三十一日之資產負債表內。

本集團於二零零四年七月就採購機器進一步訂立金額約21,493,000港元之合約，為補充合約並已於二零零四年八月支付7,965,000港元按金。該等機器設備與有關汽車用高壓氣體放電氙燈（一種於歐盟及日本等已發展國家深受歡迎之車頭燈）生產線。

本集團將予購置之機器將致令本集團(1)擴充其現有無極螢光燈生產線之生產能力；(2)擴展產品系列至涵蓋微波硫燈（該產品為創新的無汞環保及節能光源產品）；及(3)將產品系列擴展至涵蓋汽車用高壓氣體放電氙燈。該等機器與本公司所刊發日期為二零零二年七月十九日之招股章程「業務宗旨及實施計劃」一節「壯大製造產量及生產力」一節所載內容相關。

涉及21,000,000港元之無極螢光燈生產線合約的機器已分別於二零零四年四月及五月付運，而有關合約已完成。

涉及20,180,000港元並已支付訂金9,880,000港元之微波硫燈生產線合約，其中3,500,000港元已於二零零六年列賬入物業、廠房及設備中。於二零零六年六月十六日跟機器供應商簽訂合同取消有關之合約，本公司仍有權於合同取消日期起一年內使用已被沒收之訂金。根據已同意之條款，機器供應商已退還957,000港元；由於本集團於二零零七年六月十五日或之前沒再向機器供應商下新訂單，餘下的5,423,000港元已被機器供應商沒收。

Management Discussion and Analysis 管理階層討論與分析

For the automobile HID xenon lamp production line contract amount of HK\$39,810,000 (the "first xenon lamp contract"), deposit was paid in March, 2004 amount of HK\$38,865,000.

For the HID xenon lamp production line contract amount of HK\$21,493,000 (the "complementary xenon lamp contract"), first deposit with amount of HK\$7,965,000 was paid in August, 2004.

However, the expansion and development of manufacturing capacity plans were disrupted and delayed since trading in the shares of the Company is suspended on the Stock Exchanges and, in particular, the CCB Event. In view of expected and possible technical obsolescence for the microwave sulphur lamp and the HID xenon lamp production lines, the Group has requested, negotiated with and sought concession of the machinery vendors to rescind the contracts and to refund deposits already paid for the contracts.

The Group and the HID xenon lamp machinery vendor have in May, 2006, with agreement signed on 12th March, 2007, basically agreed

1. to cancel the contracts;
2. the machinery vendor will refund HK\$10,758,000 (included exchange realignment HK\$824,000) and will forfeit HK\$36,896,000 from the total amount HK\$46,830,000 of deposits paid by the Group; and
3. should the Group place new order to the machinery vendor within twelve months from the date of agreement signed, the Group is entitled to apply the amount HK\$36,896,000 of deposit being forfeited as for payment of the new order.

The machinery vendor has refunded the amount HK\$10,758,000 (included exchange realignment HK\$824,000) during the year ended 31st March, 2008 and forfeited the amount HK\$36,896,000 as the Group had not placed any new order on or before 11th March, 2008.

PROSPECTS

As the Group's products have longer life hours and high energy efficiency. In addition, more customers are now concerning the importance of environmental protection, and therefore they are intending to use the Group's products instead of traditional light source products.

The Group will continue to pursue and focus on its core business of being a provider of good quality light source products and will use its best endeavor to maximise return to its shareholders in the years ahead.

The worst situation has been passed, the Group's management is optimistic to the future development and prospect of the Group.

涉及39,810,000港元汽車用高壓氣體放電氙燈生產線合約(「第一份氙燈合約」),已於二零零四年三月支付訂金38,865,000港元。

涉及21,493,000港元之其他汽車用高壓氣體放電氙燈生產線合約(「補充氙燈合約」),第一期訂金7,965,000港元已於二零零四年八月支付。

但由於公司的股票在聯交所暫停買賣及特別有關商業罪案調查科事件,使擴充及發展產能的計劃受到擾亂及延遲。由於預期微波硫燈生產線和氙燈生產線的技術行將過時,本集團曾與機器供應商商討,要求他們就有關合約作出讓步,答允取消合約並發還已支付之合約訂金。

在二零零六年五月本集團與氙燈機器供應商基本上同意,並於二零零七年三月十二日簽訂合同

1. 取消有關合約;
2. 機器供應商將在已支付的46,830,000港元訂金中沒收36,896,000港元,並退還餘下的10,758,000港元(當中包括滙兌調整824,000港元);及
3. 若本集團於合同簽訂日期起的十二個月內下新訂單,本集團有權將被沒收的36,896,000港元訂金用作支付新訂單之款項。

機器供應商已於截至二零零八年三月三十一日止年度間退回10,758,000港元(當中包括滙兌調整824,000港元)予本集團,由於本集團於二零零八年三月十一日或以前再沒下新訂單,餘款36,896,000港元亦已被沒收。

展望

本集團之產品壽命較長及具有高能源效益。加上更多顧客現在關注環境保護的重要性,故此他們趨向選用本集團之產品以取代傳統光源產品。

本集團將繼續致力專注發展其作為優質光源產品供應商之核心業務,並將於未來數年盡最大努力提高股東回報。

最壞之情況已成過去,本集團管理層對未來發展及集團之前景表示樂觀。

DIRECTORS

Executive Directors

Mr. CHU Chien Tung, aged 55, is the chairman and the chief executive officer of the Company. He is a member of Political Consultative Conference of Henan Province, Vice-Chairman of Putian Overseas Chinese Association. He was awarded "The Outstanding Entrepreneur" in Fujian Xianyou County. He was appointed as a director of the Company on 19th December, 2001. He is currently a part-time professor of the Faculty of Light Sources and Illuminating Engineering in Fudan University. Since the establishment of Tungda Industrial Limited in 1984, Mr. Chu has participated in manufacturing, trading and sales of lighting sources products. Mr. Chu is the founder of Tungda Industrial Limited in 1984.

Mr. CHU Chick Kei, aged 50, is the vice chairman and deputy chief executive officer of the Company. He was appointed as a director of the Company on 19th December, 2001. He joined Tungda Industrial Limited in August 1986 and has been engaged in manufacturing, trading, sales, management and administration. He is the brother of Mr. Chu Chien Tung.

Mr. CHU Sen Hei, aged 28, is a director and the son of Mr. Chu Chien Tung. He was appointed as a director of the Company on 10th April, 2002. He joined Tungda Industrial Limited in April 2000 and is responsible for technical development of lighting sources, sales for overseas market and administration.

Non-Executive Director

Dr. FUNG Shiu Lun, Anthony, aged 47, is a non-executive director of the Company. He was appointed as a director of the Company on 1st June, 2004. Dr. Fung graduated from Massachusetts Institute of Technology with dual Bachelor of Science degrees in Chemical Engineering and Chemistry, and a Master degree in Chemical Engineering Practice. He also holds a Master degree in Business Administration from The Wharton Business School of University of Pennsylvania and a Doctoral in Philosophy degree in Chemical Engineering from the University of Delaware of the United States ("US").

Dr. Fung is currently the General Manager of a private investment firm focusing on healthcare industry in the People's Republic of China. Previously, Dr. Fung has extensive management consultancy experience in financial services, manufacturing, and energy sectors in Asia and US. He is the holder of 15 US patents on the development of new catalytic materials and their related petrochemical and refining processes.

董事

執行董事

朱展東先生，55歲，本公司主席兼行政總裁、河南省政協委員、莆田市僑聯副主席，在福建仙游縣曾被評為優秀企業家，於二零零一年十二月十九日獲委任為本公司董事。朱先生現為復旦大學光源與照明工程系兼職教授。自東大工業(集團)有限公司於一九八四年成立以來，朱先生一直參與光源產品製造、貿易及銷售工作。朱先生於一九八四年創辦東大工業(集團)有限公司。

朱植杞先生，50歲，本公司副主席兼副行政總裁，於二零零一年十二月十九日獲委任為本公司董事。彼於一九八六年八月加入東大工業(集團)有限公司，參與製造、貿易、銷售、管理及行政等範疇業務。彼為朱展東先生之胞弟。

朱晨曦先生，28歲，董事，為朱展東先生的兒子，於二零零二年四月十日獲委任為本公司董事。彼於二零零零年四月加入東大工業(集團)有限公司，負責光源技術發展、海外市場銷售及行政事宜。

非執行董事

馮兆麟博士，47歲，本公司非執行董事，於二零零四年六月一日獲委任為本公司董事。馮博士畢業於麻省理工學院，先後獲得化學工程和化學理學士雙學位，以及化學工程碩士學位。其後，彼在賓夕法尼亞州大學沃頓商學院(Wharton Business School)取得工商管理碩士學位，並在美國達拉華州大學取得化學工程博士學位。

馮博士現為一家私人投資公司之總經理，該公司致力投資中華人民共和國之醫療服務行業。在加入該公司之前，彼在亞洲及美國之金融服務、製造及能源業積累豐富之管理及顧問經驗。馮博士持有15項有關新型催化材料及相關石油化工和石油精煉流程之美國專利。

Independent Non-executive Directors

Mr. ZHU Lei Bo, aged 45, is an independent non-executive director of the Company. He was appointed as a director of the Company on 30th September, 2003. Mr. Zhu graduated from Tongji University in the People's Republic of China ("PRC") with a doctoral degree in Engineering. Mr. Zhu had been the General Manager of China Luoyang Float Glass Group Company Limited, a company established in the PRC and has extensive experience in production, coordination and technology management. He is currently a Vice President of China Building Material Industry Association.

Mr. HONG Yong Hwan, aged 50, is an independent non-executive director of the Company. He was appointed as a director of the Company on 18th September, 2003. Mr. Hong graduated from National Taiwan Normal University and Korea University. He had worked as a managing director for overseas business of Dr. Peng Technology listed in Shanghai stock market and is presently working for a company investing in mining and resources in the People's Republic of China.

SENIOR MANAGEMENT

Mr. ZHU Qing Chun, aged 40, is the deputy general manager of Light Power and Tungda Fujian. He graduated from Xiamen University in 1990 with a bachelor's degree in Economics. Prior to joining the Group in June 2000, he was a deputy general manager of Shanghai Chientung Industrial Limited, a trading company based in Shanghai, the PRC.

QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

Mr. LO Wai Shing, aged 34, was the Qualified Accountant and Company Secretary of the Group. Mr. Lo joined the Group on 15th March, 2007 and resigned on 21st August, 2007. He was responsible for accounting and company secretarial functions of the Group. He has over 10 years of experience in auditing, accounting and financial management. He is a member of The Association of Chartered Certified Accountants and The Hong Kong Institute of Certified Public Accountants. Mr. Lo holds a Bachelor's degree in Accountancy from the City University of Hong Kong.

獨立非執行董事

朱雷波先生，45歲，本公司獨立非執行董事，於二零零三年九月三十日獲委任為本公司董事。朱先生畢業於中華人民共和國（「中國」）上海同濟大學，獲工學博士學位。彼曾任中國成立之中國洛陽浮法玻璃集團有限公司經理，於生產、統籌及技術管理方面擁有廣泛經驗。彼現為中國建築材料聯合會副會長。

洪庸皖先生，50歲，本公司獨立非執行董事，於二零零三年九月十八日獲委任為本公司董事。洪先生畢業於國立台灣師範大學及高麗大學，並曾於在中華人民共和國上海股票市場上市的鵬博士科技股份有限公司出任海外業務行政董事。彼現於中華人民共和國一間投資於礦務及資源的公司工作。

高級管理層

朱慶椿先生，40歲，為光之力及東大福建副總經理。彼於一九九零年在廈門大學畢業，取得經濟學學士學位。彼於二零零零年六月加入本集團前，為中國上海貿易公司上海展東實業有限公司副總經理。

合資格會計師兼公司秘書

羅偉成先生，34歲，本集團合資格會計師兼公司秘書。羅先生於二零零七年三月十五日加入本集團並於同年八月二十一日辭任。在任期間，羅先生負責本集團會計及公司秘書工作。彼於核數、會計及財務管理方面擁有逾10年經驗。彼為英國特許公認會計師公會及香港會計師公會會員，持有香港城市大學會計學士學位。

The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) has promulgated the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules which sets out corporate governance principles (the “Principles”) and code provisions (the “Code Provisions”).

香港聯合交易所有限公司(「聯交所」)頒佈香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)附錄15所載企業管治常規守則(「企業管治守則」),載列上市發行人應當遵守及符合之企業管治原則(「原則」)及守則條文(「守則條文」)。

The Company has applied most of the Principles and complied with most of the Code Provisions as far as possible and practicable except for:

本公司已應用企業管治守則所載原則,且除下述者外,已遵守大部分守則條文:

- | | |
|--|---|
| <p>(1) the Code Provision A.2.1 which requires the separation of the roles of Chairman and Chief Executive Officer;</p> | <p>(1) 守則條文第A.2.1條,該條規定主席及行政總裁職務須予區分;</p> |
| <p>(2) the Code Provision A.4.1 which requires non-executive directors should be appointed for a specific term subject to re-election;</p> | <p>(2) 守則條文第A.4.1條,該條規定非執行董事的委任應有指定任期,並須接受重新選舉;</p> |
| <p>(3) the Code Provision B.1.1 which requires the establishment of a remuneration committee with specific written terms of reference; and</p> | <p>(3) 守則條文第B.1.1條,該條規定須成立薪酬委員會,並書面列明具體職權範圍;及</p> |
| <p>(4) the Code Provision C.2.1 which requires at least annually conduct a review of the effectiveness of the system of internal control.</p> | <p>(4) 守則條文第C.2.1條,該條規定最少每年檢討一次內部監控系統是否有效。</p> |

An explanation of the deviations is set out at below. The Company will review its current practice of the Principles and Code Provisions in order to comply with the requirements of the CG Code.

上述偏離守則條文之詳情說明如下。本公司定期檢討其原則及守則條文以祈符合企業管治守則之規定。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has complied with the requirements of director's securities transaction stated in the GEM Listing Rules. All the directors of the Company have confirmed that they have complied with the requirements as set out in the GEM Listing Rules for the year ended 31st March, 2008.

董事之證券交易

本公司已遵守創業板上市規則所述董事之證券交易規定。本公司所有董事確認,彼等於截至二零零八年三月三十一日止年度已遵守創業板上市規則所載之規定。

BOARD OF DIRECTORS AND BOARD MEETING

The Board comprises of six members and their positions are as follows:

董事會及董事會會議

董事會由六位董事組成,其成員及職位如下:

Executive Directors

Mr. CHU Chien Tung
Mr. CHU Chick Kei
Mr. CHU Sen Hei

執行董事

朱展東先生
朱植杞先生
朱晨曦先生

Non-executive Director

Dr. FUNG Shiu Lun, Anthony

非執行董事

馮兆麟博士

Independent Non-executive Directors

Mr. HONG Yong Hwan
Mr. ZHU Lei Bo

獨立非執行董事

洪庸皖先生
朱雷波先生

Profiles of Directors are set out on page 12 to 13 of this annual report for the year ended 31st March, 2008.

有關董事之背景及履歷詳情載於本二零零八年三月三十一日止年度年報第12頁至第13頁內。

The Directors, with relevant and sufficient experience and qualification have exercised due care, fiduciary duties to the significant issues of the Company and its subsidiaries (the "Group"). Mr. CHU Chien Tung is the brother of Mr. CHU Chick Kei and the father of Mr. CHU Sen Hei. All other directors have no relation to each other or all Directors have no business relation with the Group.

全體董事均積累足夠且相關之經驗及資歷以應有的謹慎關注本公司及其附屬公司(統稱「本集團」)之重要問題。朱展東先生為朱植杞先生之胞兄和朱晨曦先生之父。於此以外董事會其他成員與其他董事彼此之間概無關連，且所有董事與本集團亦無生意往來關係。

The Directors held four meetings and the attendance of the Directors for the financial year ended 31st March, 2008 is as follows:

董事會於二零零八年三月三十一日止財政年度曾召開四次會議。有關董事會成員之出席次數詳情如下：

Name of Director	Attendance	董事名稱	出席次數
Mr. CHU Chien Tung	4/4	朱展東先生	4/4
Mr. CHU Chick Kei	4/4	朱植杞先生	4/4
Mr. CHU Sen Hei	4/4	朱晨曦先生	4/4
Dr. FUNG Shiu Lun, Anthony	3/4	馮兆麟博士	3/4
Mr. HONG Yong Hwan	4/4	洪庸皖先生	4/4
Mr. ZHU Lei Bo	4/4	朱雷波先生	4/4

The Board may also approve matters by resolution in writing. Information of material issues, due notice of meeting and minutes of each directors' meeting have been sent to each of the Directors for their information, comment and review.

董事會並可以書面批准議決事項。有關重要事項資料、會議通告及各董事會會議之會議記錄已曾發送至各董事予以知照、評議及審閱。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

主席及行政總裁

守則條文第A.2.1條規定，主席及行政總裁之職務須予區分，且不應由同一人士出任。

The Company does not have an officer with the title of "Chief Executive Officer". Mr. CHU Chien Tung is responsible for the management of the Board and strategic development of the Company. Mr. CHU Chick Kei and Mr. CHU Sen Hei respectively are responsible for the day to day management of the Group. Mr. CHU Chien Tung is also responsible for the overall management and decision of the Group. This constitutes a deviation of the Code Provision of A.2.1. As Mr. CHU Chien Tung has extensive experience in the industry, the Board considers that the arrangement is beneficial to the Group as a whole. Despite the aforesaid, the Board will review such arrangement from time to time and consider the appointment of a Chief Executive Officer in the best interest of the Company and its shareholders.

本公司並無以「行政總裁」為職銜之高級職員。朱展東先生負責本公司之董事會的管理及發展策略。朱植杞先生與朱晨曦先生分別負責本集團業務之日常管理。朱展東先生亦負責本集團的整體管理和決策。此舉有所偏離守則條文第A.2.1條之規定。由於朱展東先生擁有豐富業內經驗，故董事會仍認為此安排有利於本集團之運作。儘管上述情況，董事會將不時檢討有關安排，並於符合本公司及其股東最佳利益時考慮委任行政總裁。

NON-EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTORS

The Non-executive Director and Independent Non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election at the next Annual General Meeting and no contract is currently in force with them.

The relevant retiring Director has offered himself for election at the forthcoming Annual General Meeting.

The Board comprises of only two independent non-executive directors and is not in compliance with Rule 5.05 of the GEM Listing Rules which requires, among others, every board of directors must include at least 3 independent non-executive directors.

The Company will appoint at least 3 independent non-executive directors in order to comply with the relevant requirement of the GEM Listing Rules.

REMUNERATION COMMITTEE

The Company has not established a remuneration committee, the Board of the Directors is authorised by the Shareholders at Annual General Meeting to fix the remuneration of the Directors whereas a Director shall abstain from voting in respect of any remuneration and fees paid to his interest. The Company will arrange for the setting up of a remuneration committee in order to comply with the Code Provision.

AUDIT COMMITTEE

The Audit Committee's principal duties are the review and supervision of the Company's financial reporting process and internal control system. The existing Audit Committee comprises only of two Independent Non-executive Directors and is not in compliance with Rule 5.28 of the GEM Listing Rules which requires, among others, the audit committees must comprise a minimum of 3 members.

The Company will arrange to appoint at least 3 Audit Committee members in order to comply with the relevant requirement of the GEM Listing Rules.

NOMINATION COMMITTEE

Nomination committee of the Company is not considered necessary after the assessment of the present situation of the Company. The Board will review the profile of the current Directors and nominate directors (if any) on a regular basis in order to ensure that the composition of the Board is capable to fulfill its obligation and responsibility.

非執行董事及獨立非執行董事

非執行董事及獨立非執行董事並無指定任期，但須輪值告退並於下次股東週年大會上重選連任，現並無與本公司訂立合約。

有關退任之董事將於下次股東週年大會上膺選連任。

董事會僅包括兩名獨立非執行董事，並不符合創業板上市規則條文5.05其中對董事會須至少包括三名獨立非執行董事之要求。

本公司將安排委任最少三名獨立非執行董事，以符合創業板上市規則有關之要求。

薪酬委員會

本公司並無成立薪酬委員會，股東於週年大會中授權董事會負責釐定酬金，然而該董事須放棄就應付予彼之薪金及費用數額中投票。本公司會籌組成立薪酬委員會以合乎守則條文之規定。

審核委員會

審核委員會之主要職責為審閱及監察本公司財務申報程序及內部監控系統。現行審核委員會只由兩名獨立非執行董事組成，並不合乎創業板上市規則條文5.28其中對審核委員會至少要有三名成員的要求。

本公司將安排委任最少三名審核委員會成員以合乎創業板上市規則有關之要求。

提名委員會

本公司對目前之情況作出評估後認為無需成立提名委員會。董事會將會定期審閱現在董事及已獲提名董事(如有)之履歷，以確保董事會之組成足以履行其本身之責任，並對本公司負責。

AUDITORS' REMUNERATION

The statement by the auditors of the Company about their reporting responsibilities is set out in the independent auditor's report on page 28. An amount of HK\$450,000 (2007: HK\$450,000) for audit services was charged to the Group's income statement for the year ended 31st March, 2008. There was no significant non-audit service assignment undertaken by the external auditors during the year.

INTERNAL CONTROL

The Company has not conducted an annual review of the effectiveness of the system of internal control as the Board of Directors considered that resumption trade of shares is need to dealt with priority during the year. At the same time, an effective internal control is one of important factors for resumption trade of share; therefore, the Company will conduct a review of the effectiveness of the system of internal control in order to comply with the Code Provision.

PREPARATION OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the financial statements of the Group and the auditors of the Company also set out their responsibilities in the independent auditor's report in the Annual Report of the Company for the year ended 31st March, 2008.

核數師酬金

本公司核數師有關其申報責任聲明載於第28頁之獨立核數師報告。450,000港元（二零零七年：450,000港元）之核數費用已自本集團截至二零零八年三月三十一日止年度之收入表中扣除。年內，外聘核數師並無進行任何重大非審核服務工作。

內部監控

本公司並未對內部監控系統之有效性作出年度檢討，由於董事會認為恢復股份買賣是年內先要處理之事項。同時，有效的內部監控是恢復股份買賣的其中一個重要因素；因此，本公司將對內部監控系統之有效性進行檢討以合乎守則條文之規定。

編製財務報表

董事承認其編製本集團綜合財務報表之責任，本公司核數師就其申報責任已載於二零零八年三月三十一日止年度年報內之獨立核數師報告。

The directors present their annual report and the audited financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31st March, 2008.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 15 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2008 are set out in the consolidated income statement on page 30 of the annual report.

The directors do not recommend the payment of any dividend in respect of the year ended 31st March, 2008.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set in note 24 to the financial statements and in the consolidated statement of changes in equity on page 33 of the annual report.

DISTRIBUTABLE RESERVES

As at 31st March, 2008, the Company's reserve available for distribution as calculated in accordance with the Companies Law of the Cayman Islands amounted to HK\$96,078,000. Under the laws of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares.

FINANCIAL SUMMARY

A summary of the results of the Group for each of the five years ended 31st March, 2008 is set out on page 5 of the annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the Group's property, plant and equipment are set out in note 13 to the financial statements.

SHARE CAPITAL

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

There was no movement in the Company's authorised or issued share capital during the year. Further details in relation to the authorised and issued share capital of the Company are set out in note 22 to the financial statements.

董事提呈本公司及其附屬公司(統稱「本集團」)截至二零零八年三月三十一日止年度之年度報告及經審核財務報表。

主要業務

本公司為投資控股公司，其附屬公司之主要業務載於財務報表附註15。

業績及分配

本集團截至二零零八年三月三十一日止年度之業績載於年報第30頁之綜合收入報表內。

董事不建議就截至二零零八年三月三十一日止年度派付任何股息。

儲備

本公司及本集團於年內的儲備變動詳情載於財務報表附註24及本年報第33頁綜合權益變動表。

可供分派儲備

於二零零八年三月三十一日，根據開曼群島公司法計算，本公司可供分派之儲備為96,078,000港元。根據開曼群島法例，股份溢價賬可供分派予本公司股東，惟於緊隨建議分派股息之日期後，本公司須有能力於日常業務過程中償還到期之債項。股份溢價賬亦可以繳足紅股形式分派。

財務概要

本集團截至二零零八年三月三十一日止五個年度各年之業績概要載於年報第5頁。

物業、廠房及設備

本集團年內之物業、廠房及設備變動詳情載於財務報表附註13。

股本

年內，本公司或其任何附屬公司均無購買、出售或贖回任何本公司上市證券。

年內，本公司法定或已發行股本概無任何變動。有關本公司已發行法定股本之進一步詳情載於財務報表附註22。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive Directors:

Mr. CHU Chien Tung (*Chairman*)
Mr. CHU Chick Kei
Mr. CHU Sen Hei

Non-executive Director:

Dr. FUNG Shiu Lun, Anthony

Independent Non-executive Directors:

Mr. HONG Yong Hwan
Mr. ZHU Lei Bo

In accordance with the Articles 86 and 87 of the Company's Articles of Association, Mr. Chu Chick Kei shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei has entered into a service contract with the Company. Particulars of these contracts, except as indicated, are in all material respects identical and are set out below:

1. each service contract of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei is of two years duration commenced on 1st August, 2004 which appointment shall continue after the expiry of the fixed term until terminated by either party giving to the other not less than three months' prior written notice or payment of salary in lieu thereof, such notice to expire upon the initial term of two years;
2. each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei is entitled to a monthly salary plus a double pay equivalent to one month's salary;
3. each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei is entitled to such management bonus by reference to the consolidated net profits of the Group after taxation ("Net Profits") as the board of directors may approve provided that the aggregate amount of management bonuses payable to all executive directors in respect of any financial year of the Group shall not exceed 20% of the Net Profits for the relevant financial year; and
4. each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei shall abstain from voting and not be counted in the quorum in respect of any resolution of the board of directors regarding the amount of annual salary and management bonus payable to himself.

董事及董事服務合約

本公司年內及截至本報告日期之董事如下:

執行董事:

朱展東先生 (主席)
朱植杞先生
朱晨曦先生

非執行董事:

馮兆麟博士

獨立非執行董事:

洪庸皖先生
朱雷波先生

根據本公司之公司組織章程細則第86及87條,朱植杞先生須於應屆股東週年大會輪值告退,並符合資格且願意膺選連任。

朱展東先生、朱植杞先生及朱晨曦先生已各自與本公司訂立服務合約。除另有指明者外,該等合約之詳情於各重大方面均相同,載列如下:

1. 朱展東先生、朱植杞先生及朱晨曦先生各自之服務合約於二零零四年八月一日開始,為期兩年於固定任期屆滿後將會續任,直至其中一方向對方發出不少於三個月之事先書面通知或以支付酬金代替為止,而該通知於初步兩年期後屆滿;
2. 朱展東先生、朱植杞先生及朱晨曦先生各自有權獲取月薪,另加相當於一個月薪金之雙糧;
3. 朱展東先生、朱植杞先生及朱晨曦先生均有權收取管理花紅,該花紅乃參考董事會可能批准之本集團除稅後之綜合純利(「純利」)計算,惟本集團於任何財政年度應付予全體執行董事之管理花紅總額,不得超過有關財政年度純利20%;及
4. 朱展東先生、朱植杞先生及朱晨曦先生,均須放棄就應付予彼等之年薪及管理花紅數額的任何董事會決議案投票,且不得計入法定人數內。

Mr. Hong Yong Hwan, has entered into a service contract with the Company. Particulars of the contract are set out below:

1. the service contract of Mr. Hong Yong Hwan is of initial fixed term of one year commenced on 18th September, 2003 which appointment shall continue after the expiry of the initial fixed term and either party may terminate the appointment by giving the other party at least one month's notice in writing expiring not earlier than the initial fixed term of one year; and
2. Mr. Hong Yong Hwan is entitled to a monthly salary.

Dr. Fung Shiu Lun, Anthony has entered into a service contract with the Company. Particulars of the contract are set out below:

1. the service contract of Dr. Fung Shiu Lun, Anthony is of initial fixed term of one year commenced on 1st June, 2004 which appointment shall continue after the expiry of the initial fixed term and either party may terminate the appointment by giving the other party at least one month's notice in writing expiring not earlier than the initial fixed term of one year; and
2. Dr. Fung Shiu Lun, Anthony is entitled to a monthly salary.

Save as disclosed above, none of the independent non-executive directors and the non-executive director has entered into any service contract with the Group.

Save as disclosed herein, none of the directors has entered into any service agreements with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

洪庸皖先生已與本公司訂立服務合約。合約詳情載列如下:

1. 洪庸皖先生之服務合約於二零零三年九月十八日開始，初步固定任期為一年，於初步固定任期屆滿後將會續任，直至其中一方向對方發出不少於一個月之書面通知終止為止，而有關委任將不早於初步固定任期一年內屆滿；及
2. 洪庸皖先生有權獲取月薪。

馮兆麟博士已與本公司訂立服務合約。合約詳情載列如下:

1. 馮兆麟博士之服務合約於二零零四年六月一日開始，初步固定任期為一年，於初步固定任期屆滿後將會續任，直至其中一方向對方發出不少於一個月之書面通知終止為止，而有關委任將不早於初步固定任期一年內屆滿；及
2. 馮兆麟博士有權獲取月薪。

除上文披露者外，概無獨立非執行董事及非執行董事與本集團訂有任何服務合約。

除本報告披露者外，概無董事與本公司或其任何附屬公司訂有任何本集團不可於一年內終止而毋須作出賠償（法定賠償除外）之服務協議。

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31st March, 2008, the interests of the directors and the chief executive officer of the Company and their associates in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the Rules Governing the Listing of Securities on Growth Enterprise Market of the Stock Exchange ("GEM Listing Rules") relating to securities transactions by directors, were as follows:

Long positions

(a) Ordinary shares of HK\$0.01 each of the Company and underlying shares

Name of director 董事姓名	Capacity 身分	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Chu Chien Tung 朱展東先生	Held by controlled corporation (Note) 由受控法團持有 (附註)	560,000,000	50.7%

Note:

These shares were held indirectly by Tungda Industrial Limited ("Tungda Industrial") through its beneficial interest in the entire issued share capital of Standard Exceed Limited. Messrs. Chu Chien Tung, Chu Chick Kei and Chu Siu Chun (father of Messrs. Chu Chien Tung and Chu Chick Kei) jointly hold the entire issued share capital of Tungda Industrial.

董事於股份及相關股份之權益

於二零零八年三月三十一日，本公司董事及行政總裁及彼等之聯繫人士，於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及香港聯合交易所有限公司（「聯交所」）之權益（包括根據證券及期貨條例有關條文彼等被視作或當作擁有之權益或淡倉），及須記錄於本公司根據證券及期貨條例第352條存置之登記冊之權益，或根據聯交所創業板證券上市規則（「創業板上市規則」）第5.46條有關董事進行證券交易之規定已知會本公司及聯交所之權益如下：

好倉

(a) 本公司每股面值0.01港元之普通股及相關股份

附註：

該等股份由東大工業（集團）有限公司（「東大工業（集團）」）透過其於Standard Exceed Limited全部已發行股本之實益權益間接持有，朱展東先生、朱植杞先生及朱紹進先生（朱展東先生及朱植杞先生之父親）共同持有東大工業（集團）全部已發行股本。

(b) Share options

(b) 購股權

Name of directors 董事姓名	Capacity 身分	Number of options held 所持購股權數目	Number of underlying shares 相關股份數目
Mr. Chu Chien Tung 朱展東先生	Beneficial owner 實益擁有人	1,054,944	1,054,944
Mr. Chu Chick Kei 朱植杞先生	Beneficial owner 實益擁有人	1,054,944	1,054,944
Mr. Chu Sen Hei 朱晨曦先生	Beneficial owner 實益擁有人	10,549,440	10,549,440

Other than as disclosed above, none of the directors and chief executive officer of the Company and their associates has any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 31st March, 2008.

除上文披露者外，於二零零八年三月三十一日，本公司董事及行政總裁及彼等之聯繫人士概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

SHARE OPTIONS

Pursuant to the Company's share option scheme adopted on 12th July, 2002, the board of directors may grant share options to any directors, full time and part time employees of the Group and the consultant or adviser of the Group. Details of the Company's share option scheme are set out in note 23 to the financial statements.

購股權

根據本公司於二零零二年七月十二日採納之購股權計劃，董事會可向本集團任何董事、全職及兼職僱員以及本集團諮詢顧問或顧問授出購股權。本公司購股權計劃詳情載於財務報表附註23。

No share option is granted or exercised during the year.

年內並無任何購股權獲授出或獲行使。

Report of the Directors 董事會報告

A summary of the movements in the Company's share options during the year is as follows: 本公司購股權於年內之變動概述如下:

	Date of grant 授出日期	Exercisable period 行使期間	Exercise price per share 每股股份 行使價 HK\$ 港元	Closing price at the date of grant 於授出日期 之收市價 HK\$ 港元	Number of share options 購股權數目		
					At 31st March, 2007 於二零零七年 三月三十一日	Grant or exercised during the year 年內授出或行使	At 31st March, 2008 於二零零八年 三月三十一日
Directors 董事							
Mr. Chu Chien Tung 朱展東先生	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	1,054,944	–	1,054,944
Mr. Chu Chick Kei 朱植杞先生	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	1,054,944	–	1,054,944
Mr. Chu Sen Hei 朱晨曦先生	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	10,549,440	–	10,549,440
Sub-total 小計					12,659,328	–	12,659,328
Employees 僱員							
	3rd October, 2003 二零零三年十月三日	22nd October, 2003 – 21st October, 2013 二零零三年十月二十二日至 二零一三年十月二十一日	0.345	0.345	33,140,672	–	33,140,672
Total 總計					45,800,000	–	45,800,000

The directors consider that it is not appropriate to value the share options on the ground that certain crucial factors for such valuation are variables which cannot be reasonably and objectively determined. Any such valuation of the share options based on speculative assumptions in respect of such variables would not be meaningful and the results thereof may be misleading to the shareholders of the Company.

The financial impact of share options granted is not recorded in the balance sheet of the Company until such time as the options are exercised, and no charge is recognised in the income statement in respect of the value of options granted, if any, in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which lapse or are cancelled are deleted from the register of outstanding options.

Save as disclosed herein, none of the directors and chief executive officer and their associates has any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of the SFO) as recorded in the register to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the option holdings disclosed above, at no time during the year was the Company, its holding companies, fellow subsidiaries or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. None of the directors of the Company, or their spouses or children under 18 years of age, had any rights to subscribe for the shares of the Company, or had exercised any such right during the year.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

During the year, the Group paid rental amounting to HK\$108,000 to and purchased amounting to HK\$24,000 from Tungda Industrial. Details of such transactions are set out in note 26 to the financial statements.

Save as disclosed above, no other contracts of significance to which the Company, its holding companies, fellow subsidiaries 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 end of the year or at any time during the year.

董事認為，由於該項估值之若干重要因素含有無法合理及客觀釐定之變數，故評估購股權價值乃不恰當做法。任何基於該等變數所作推測假設而評估購股權價值之意義不大，而當中結果或會誤導本公司股東。

授出購股權之財務影響並無記錄於本公司資產負債表，直至該等購股權獲行使為止，而收入報表亦無就年內授出購股權（如有）價值確認開支。行使購股權時，本公司將按股份面值，將所發行股份記錄為額外股本，而本公司亦將每股股份之行使價與股份面值之差額記錄於股份溢價賬。失效或註銷之購股權自發行在外購股權登記冊中刪除。

除本公佈披露者外，董事及行政總裁及彼等之聯繫人士概無於本公司或任何相聯法團（定義見證券及期貨條例）之任何股份、相關股份及債券中，擁有任何根據證券及期貨條例第352條須予存置之登記冊所記錄之權益或淡倉，或根據創業板上市規則第5.46條規定已知會本公司及聯交所之權益或淡倉。

購買股份或債券之安排

除上文披露之購股權外，本公司、其控股公司、同系附屬公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使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。本公司董事或彼等之配偶或18歲以下子女亦無擁有或已於年內行使可認購本公司股份的任何權利。

董事於重大合約中之權益及關連交易

年內，本集團向東大工業（集團）支付租金108,000港元及購貨24,000港元。有關交易詳情載於財務報表附註26。

除上文披露者外，本公司、其控股公司、同系附屬公司或其任何附屬公司概無訂立任何於年終或年內任何時間生效而本公司董事於當中直接或間接擁有重大權益之重大合約。

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year.

管理合約

年內並無訂立或訂有有關管理及經營本集團整體或重大部份業務之合約。

SUBSTANTIAL SHAREHOLDERS

At 31st March, 2008, the following substantial shareholders (other than a director or chief executive officer of the Company) who have interests or short positions in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東

根據本公司按證券及期貨條例第336條存置的登記冊所記錄，於二零零八年三月三十一日，除本公司董事或行政總裁外，以下主要股東於股份及相關股份中擁有權益或淡倉：

Long positions

Ordinary shares of HK\$0.01 each of the Company

好倉

本公司每股面值0.01港元之普通股

Name of shareholders	股東姓名／名稱	Number of issued ordinary shares held in the Company 於本公司所持已發行普通股數目	Approximate percentage 概約股權百分比
Standard Exceed Limited (Note 1)	Standard Exceed Limited (附註1)	560,000,000	50.7%
Tungda Industrial Limited (Note 1)	東大工業(集團)有限公司(附註1)	560,000,000	50.7%
Mr. Chu Chien Tung (Note 2)	朱展東先生(附註2)	560,000,000	50.7%
Ms. Chan Pik Kam (Note 3)	陳碧琴女士(附註3)	560,000,000	50.7%

Notes:

- Standard Exceed Limited is wholly and beneficially-owned by Tungda Industrial which in turn is beneficially-owned as to 33.33334% by Mr. Chu Chien Tung, 33.33333% by Mr. Chu Chick Kei and 33.33333% by Mr. Chu Siu Chun. Mr. Chu Siu Chun has no management role in the Group.
- Under Section 336 of the SFO, Mr. Chu Chien Tung is deemed to have interests in all the shares of the Company which Tungda Industrial has interests as he is entitled to exercise more than one-third of the voting power at general meeting of Tungda Industrial. The other two shareholders of Tungda Industrial, namely Messrs. Chu Chick Kei and Chu Siu Chun, are not so deemed as they are not entitled to exercise more than one-third of the voting power at general meeting of Tungda Industrial.
- Ms. Chan Pik Kam is the wife of Mr. Chu Chien Tung. Under Section 336 of the SFO, she is deemed to have interest in all the shares in which Mr. Chu Chien Tung is interested.

附註:

- Standard Exceed Limited 乃由東大工業(集團)全資實益擁有，而東大工業(集團)則由朱展東先生、朱植杞先生及朱紹進先生分別實益擁有33.33334%、33.33333%及33.33333%權益。朱紹進先生於本集團並無管理職務。
- 根據證券及期貨條例第336條，基於朱展東先生有權於東大工業(集團)的股東大會上行使超逾三分之一的投票權，彼因而被視作於東大工業(集團)擁有權益的所有本公司股份中擁有權益。基於東大工業(集團)另外兩名股東朱植杞先生及朱紹進先生無權於東大工業(集團)股東大會上行使超逾三分之一的投票權，故彼等被視為並無擁有該等權益。
- 陳碧琴女士為朱展東先生的妻子。根據證券及期貨條例第336條，彼被視作於朱展東先生擁有權益的所有股份中擁有權益。

Save as disclosed above, no other person (other than a director or chief executive officer of the Company) has an interest or a short position in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文披露者外，除本公司董事或行政總裁外，概無其他人士擁有須記錄於根據證券及期貨條例第336條存置之登記冊之股份及相關股份之權益或淡倉。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group, in aggregate, accounted for approximately 84.20% of the Group's total turnover and the largest customer accounted for approximately 39.95% of the total turnover. The five largest suppliers of the Group in aggregate accounted for approximately 74.35% of its total purchases for the year. Purchases from the largest supplier accounted for approximately 30.49% of its total purchases.

None of the directors, their respective associates, or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) has any interest in any of the five largest customers and the five largest suppliers of the Group for the year ended 31st March, 2008.

All transactions between the Group and its customers were carried out on normal commercial terms.

COMPETING INTERESTS

During the year, the board of directors is not aware of any business or interest of each director, management shareholder and their respective associates that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on pro-rata basis to the existing shareholders.

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

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The audit committee's principal duties are the review and supervision of the Company's financial reporting process. The existing audit committee comprises two independent non-executive directors, Mr. Hong Yong Hwan and Mr. Zhu Lei Bo.

主要客戶及供應商

年內，本集團五大及最大客戶分別合共佔其總營業額約84.20%及約39.95%，而本集團五大供應商合共佔其本年度採購總額約74.35%，最大供應商之採購額則佔其採購總額約30.49%。

概無董事、彼等各自之聯繫人士或就董事所知悉擁有本公司股本5%以上權益之任何股東，於本集團截至二零零八年三月三十一日止年度之五大客戶及五大供應商中擁有任何權益。

本集團與其客戶間所有交易均按一般商業條款進行。

競爭性權益

年內，董事會並無獲悉董事、管理層股東及彼等各自之聯繫人士，於足以或可能與本集團業務構成競爭的業務中，擁有任何權益或任何該等人士與本集團有或可能有任何其他利益衝突。

優先購買權

本公司之公司組織章程細則或開曼群島法例並無任何有關優先購買權之條文，以使本公司須按比例向現有股東提呈發售新股份。

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

審核委員會

審核委員會之主要職責為審閱及監察本公司財務申報程序。現行審核委員會由兩名獨立非執行董事組成，包括洪庸皖先生及朱雷波先生。

During the year, the audit committee held four meetings and performed the following duties:

1. reviewed the audited financial statements of the Company and its subsidiaries for the year ended 31st March, 2007.
2. reviewed the unaudited financial statements of the Company and its subsidiaries for the three months ended 30th June, 2007, for the six months ended 30th September, 2007 and for the nine months ended 31st December, 2007.

CORPORATE GOVERNANCE

The Company has complied with the Rules 5.28 to 5.39 of the GEM Listing Rules during the year ended 31st March, 2008, except that the Group has not yet established a remuneration committee, a nomination committee, the non-executive director and independent non-executive directors of the Company are not appointed for specific terms and are subject to re-election at the annual general meeting of the Company in accordance with the provisions of the Company's Articles of Association, only two independent non-executive directors are appointed and the Company has not conducted an annual review of the effectiveness of the system of internal control during the year and to the date of this report.

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Messrs. TING HO KWAN & CHAN, CERTIFIED PUBLIC ACCOUNTANTS, who retire and, being eligible, offer themselves for re-appointment, as auditor of the Company. The Company had not changed its auditor in the proceeding three years,

On behalf of the Board

CHU CHIEN TUNG
CHAIRMAN

Hong Kong, 27th June, 2008

年內，當時之審核委員會曾舉行四次會議，履行以下職務：

1. 審閱本公司及其附屬公司截至二零零七年三月三十一日止年度之經審核財務報表。
2. 審閱本公司及其附屬公司截至二零零七年六月三十日止三個月、截至二零零七年九月三十日止六個月和截至二零零七年十二月三十一日止九個月之未經審核財務報表。

公司管治

本公司於截至二零零八年三月三十一日止年度內，一直遵守創業板上市規則第5.28至5.39條之規定，惟本集團尚未成立薪酬委員會、提名委員會、本公司非執行董事及獨立非執行董事並無固定任期，而須按本公司之公司組織章程細則規定，於本公司股東週年大會膺選連任，於本年度及至本報告日期僅已委任兩名獨立非執行董事及本公司並未對內部監控系統之有效性進行檢討。

核數師

本公司應屆股東週年大會上將提呈續聘執業會計師丁何關陳會計師行（其將退任並合資格續聘）為本公司之核數師。本公司於過往三年並無更換其核數師。

代表董事會

主席
朱展東

香港，二零零八年六月二十七日

TO THE SHAREHOLDERS OF TUNGDA INNOVATIVE LIGHTING HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the financial statements of Tungda Innovative Lighting Holdings Limited (the "Company") set out on pages 30 to 84, which comprise the consolidated and Company balance sheets as at 31st March, 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 FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these 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 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 financial statements based on our audit. This report is made solely to you, as a body, in accordance with the agreed terms of the engagement, and for no other purposes. 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

致東大新材料照明控股有限公司

全體股東

(於開曼群島註冊成立之有限公司)

本核數師已審核載於第30頁至第84頁東大新材料照明控股有限公司(貴公司)的財務報表,此財務報表包括於二零零八年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收入報表、綜合權益變動報表和綜合現金流量報表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。本報告按照聘用時已同意之條款僅向全體股東報告,且不作其他用途。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。我們已根據香港會計師公會頒佈的香港審計準則進行審計。這些準則要求我們遵守道德規範,並規劃及執行審計,以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行政序以獲取有關財務報表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的判斷,包括評估由於欺詐或錯誤而導致財務報表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平地列報財務報表相關的內部控制,以設計適當的審核程序,但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計評估的合理性,以及評價財務報表的整體列報方式。

我們相信,我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。



OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 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.

TING HO KWAN & CHAN

Certified Public Accountants (Practising)

Hong Kong, 27th June, 2008

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公平地反映公司及集團於二零零八年三月三十一日的財務狀況及集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

丁何關陳會計師行

執業會計師

香港，二零零八年六月二十七日

Consolidated Income Statement 綜合收入報表

For the year ended 31st March, 2008 截至二零零八年三月三十一日止年度

		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	52,002	52,453
Cost of sales	銷售成本		(19,892)	(22,763)
Gross profit	毛利		32,110	29,690
Other income and gain, net	其他收入及收益淨額	7	3,686	2,016
Selling and distribution costs	銷售及分銷成本		(1,590)	(1,443)
Administrative expenses	行政開支		(9,249)	(21,843)
Operating profit	經營溢利	8	24,957	8,420
Finance costs	融資成本	9	(19)	(18)
Profit before taxation	除稅前溢利		24,938	8,402
Taxation	稅項	10	(4,674)	(2,605)
Profit for the year attributable to the equity holders of the Company	本公司股東應佔年內溢利	11	20,264	5,797
Earnings per share	每股溢利			
– Basic	– 基本	12	1.83 HK cents 港仙	0.52 HK cents 港仙

The notes on pages 35 to 84 are an integral part of these financial statements. 第35至84頁之附註屬本財務報表一部份。

Consolidated Balance Sheet 綜合資產負債表

As at 31st March, 2008 於二零零八年三月三十一日

		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
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	46,907	49,803
Leasehold land and land use rights	租賃土地及土地使用權	14	9,971	9,412
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金付款	16	–	9,934
			56,878	69,149
Current assets	流動資產			
Current portion of leasehold land and land use rights	租賃土地及土地使用權的即期部分	14	222	206
Inventories	存貨	17	5,608	5,786
Trade and other receivables	應收貿易款項及其他應收賬款	18	5,754	5,654
Tax refundable	可退回稅項		16	16
Cash and cash equivalents	現金及現金等值	19	327,297	265,621
			338,897	277,283
Current liabilities	流動負債			
Trade and other payables	應付貿易款項及其他應付賬款	20	18,184	17,812
Obligation under a finance lease – due within one year	融資租約承擔 – 於一年內到期	21	110	145
Tax payable	應付稅項		5,577	4,042
			23,871	21,999
Net current assets	流動資產淨值		315,026	255,284
Total assets less current liabilities	資產總值減流動負債		371,904	324,433
Non-current liabilities	非流動負債			
Obligation under a finance lease	融資租約承擔	21	470	38
Net assets	資產淨值		371,434	324,395
Equity	權益			
Capital and reserves attributable to the equity holders of the Company	本公司股東應佔資本及儲備			
Share capital	股本	22	11,056	11,056
Reserves	儲備	24	360,378	313,339
Total equity	總權益		371,434	324,395

The financial statements on pages 30 to 84 were approved and authorised for issue by the Board of Directors on 27th June, 2008 and are signed on its behalf by:

CHU Chien Tung
朱展東先生
DIRECTOR
董事

第30至84頁之財務報表已於二零零八年六月二十七日獲董事會批准及授權刊發，並由下列董事代表簽署：

CHU Chick Kei
朱植杞先生
DIRECTOR
董事

The notes on pages 35 to 84 are an integral part of these financial statements.

第35至84頁之附註屬本財務報表一部份。

Balance Sheet 資產負債表

As at 31st March, 2008 於二零零八年三月三十一日

		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
Non-current assets	非流動資產			
Investments in subsidiaries	附屬公司投資	15	3,128	3,128
Current assets	流動資產			
Other receivables	其他應收賬款		104	131
Amounts due from subsidiaries	應收附屬公司款項		105,155	105,427
Cash and cash equivalents	現金及現金等值	19	51	169
			105,310	105,727
Current liabilities	流動負債			
Other payables	其它應付賬款		1,304	2,001
Net current assets	流動資產淨值		104,006	103,726
Net assets	資產淨值		107,134	106,854
Equity	權益			
Capital and reserves attributable to the equity holders of the Company	本公司股東應佔資本及儲備			
Share capital	股本	22	11,056	11,056
Reserves	儲備	24	96,078	95,798
Total equity	總權益		107,134	106,854

Approved and authorised for issue by the Board of Directors on 27th June, 2008 於二零零八年六月二十七日獲董事會批准及授權刊發

CHU Chien Tung
朱展東先生
DIRECTOR
董事

CHU Chick Kei
朱植杞先生
DIRECTOR
董事

The notes on pages 35 to 84 are an integral part of these financial statements. 第35至84頁之附註屬本財務報表一部份。

Consolidated Statement of Changes in Equity 綜合權益變動報表

For the year ended 31st March, 2008 於二零零八年三月三十一日

				(note 24) (附註24)		(note 24) (附註24)		
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Translation reserve 滙兌儲備 HK\$'000 千港元	General reserve 一般儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1st April, 2006	於二零零六年四月一日	11,056	101,669	(2,128)	5,989	17,332	172,013	305,931
Exchange realignment	滙兌差額	-	-	-	12,666	-	-	12,666
Surplus of capital paid	繳納資本盈餘	-	1	-	-	-	-	1
Transfer to general reserve	轉撥至一般儲備	-	-	-	-	51	(51)	-
Profit for the year	年內溢利	-	-	-	-	-	5,797	5,797
At 31st March, 2007	於二零零七年三月三十一日	11,056	101,670	(2,128)	18,655	17,383	177,759	324,395
Exchange realignment	滙兌差額	-	-	-	26,775	-	-	26,775
Profit for the year	年內溢利	-	-	-	-	-	20,264	20,264
At 31st March, 2008	於二零零八年三月三十一日	11,056	101,670	(2,128)	45,430	17,383	198,023	371,434

Consolidated Cash Flow Statement 綜合現金流量報表

For the year ended 31st March, 2008 截至二零零八年三月三十一日止年度

		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
Operating activities	經營業務			
Profit before taxation	除稅前溢利		24,938	8,402
Adjustments for:	調整:			
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 之收益	7	(208)	-
Interest income	利息收入	7	(2,578)	(1,922)
Depreciation and amortisation	折舊及攤銷	8	5,901	5,622
Finance costs	融資成本	9	19	18
Operating profit before changes in working capital	營運資金變動前的經營盈利		28,072	12,120
Decrease in inventories	存貨減少		501	3,108
Decrease/(increase) in trade and other receivables	應收貿易款項及 其他應收賬款減少/(增加)		154	(1,106)
Decrease in trade and other payables	應付貿易款項及其他應付 賬款減少		(661)	(272)
Cash generated from operations	經營業務所得現金		28,066	13,850
Hong Kong profits tax refunded	退回香港利得稅		-	3,115
PRC Enterprise Income Tax paid	已付中國企業所得稅		(3,475)	(5,067)
Net cash generated from operating activities	經營業務所得現金淨額		24,591	11,898
Investing activities	投資活動			
Purchase of property, plant and equipment	購買物業、廠房及設備		(37)	(11)
Purchase of leasehold land and land use rights	購買租賃土地及土地使用權	14	-	(2,333)
Sale proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之 所得款項		360	-
Deposits refunded for acquisition of property, plant and equipment	收購物業、廠房及 設備之訂金退款	16	10,758	957
Interest received	已收利息		2,578	1,922
Net cash generated from investing activities	投資活動所得 現金淨額		13,659	535
Financing activities	融資活動			
Interest and finance charges paid	已付利息及融資開支		(19)	(18)
Repayment of capital element of a finance lease	融資租約資本部分還款		(218)	(136)
Net cash used in financing activities	融資活動所用現金淨額		(237)	(154)
Increase in cash and cash equivalents	現金及現金等值增加		38,013	12,279
Cash and cash equivalents at beginning of the year	年初之現金及現金等值		265,621	242,985
Exchange gain on cash and cash equivalents	現金及現金等值之 滙兌收益		23,663	10,357
Cash and cash equivalents at end of the year	年終之現金及現金等值	19	327,297	265,621

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The shares of the Company are listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 26th July, 2002.

The Company’s ultimate holding company is Tungda Industrial Limited (“Tungda Industrial”), a company incorporated in Hong Kong.

The Company is an investment holding company and the principal activities of the Group are trading and manufacturing of light source products. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, British West Indies. The address of the principal place of business of the Company is Room 1903A, 19th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon.

At the request of the Company, the Company’s shares have been suspended from trading on the Stock Exchange since 29th July, 2004.

2 STATEMENT OF COMPLIANCE WITH HONG KONG FINANCIAL REPORTING STANDARDS

The financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), which also include Hong Kong Accounting Standards (“HKAS”) and Interpretations (“Int”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirement of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 5.

The HKICPA has issued certain new and revised HKFRS that are first effective or available for early adoption for the current accounting period of the Group. Note 4 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 一般資料

本公司根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。本公司股份自二零零二年七月二十六日起於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。

本公司之最終控股公司為於香港註冊成立之東大工業（集團）有限公司（「東大工業（集團）」）。

本公司為投資控股公司，本集團之主要業務為買賣及製造光源產品。其註冊辦公室地址為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, British West Indies。本公司之主要營業地點為九龍觀塘鴻圖道57號南洋廣場19樓1903A室。

應本公司要求，本公司股份自二零零四年七月二十九日起暫停於聯交所買賣。

2 遵守香港財務報告準則

本集團財務報表乃根據香港財務報告準則（「香港財務報告準則」）編製，同時包括根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）及其詮釋（「詮釋」）、香港公認會計原則及香港《公司條例》的披露規定。此外，財務報表包括根據香港聯合交易所證券上市規則（「上市規則」）規定之適用披露。財務報表已按照歷史成本法編製。

編製符合香港財務報告準則的財務報表需要使用若干關鍵會計估計。此亦需要管理層在應用本公司會計政策過程中行使其判斷。涉及較高程度之判斷或複雜性之範疇，或涉及對綜合財務報表屬重大假設和估計的範疇，在附註5中披露。

香港會計師公會頒佈了若干新訂及修訂的香港財務報告準則，分別為首次適用或可以提早採納於年度內。首次應用這些準則造成會計政策改變，而對本集團本年度及上年度財務報表的影響，詳載於附註4。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to the balance sheet date.

(b) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less any accumulated impairment losses. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

3 主要會計政策之概要**(a) 綜合基準**

本綜合財務報表包括本公司及其所有附屬公司截至結算日止之財務報表。

(b) 附屬公司

附屬公司指本集團有權管控其財政及營運政策之所有實體，一般附帶超過半數投票權之股權。在評定本集團是否控制另一實體時，目前可行使或可兌換之潛在投票權之存在及影響均予考慮。

附屬公司自其控制權轉移予本集團當日起計綜合入賬，並於控制權終止當日停止綜合入賬。

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產之公平值、所發行之股本工具及所產生或承擔之負債，加上直接歸屬予收購事項之成本。在商業合併過程中所收購之可辨別資產、所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購之可辨別淨資產之差額乃列作商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接在收入報表內確認。

集團公司之間的交易、結餘及交易之未變現盈餘乃予對銷。除非該交易提供證據證明所轉讓資產出現減值，否則未變現虧損亦予對銷。附屬公司之會計政策已在適當情況下作修訂，以確保與本集團所採納之政策一致。

於本公司之資產負債表內，於附屬公司之投資乃按成本值扣除任何累計減值虧損列賬。附屬公司之業績乃由本公司按已收及應收股息列賬。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Leasehold land and land use rights

Leasehold land and land use rights are lump sum upfront payments to acquire long-term interest in lessee-occupied properties. Leasehold land and land use rights relating to buildings of the Group are stated at cost and are amortised over the period of the lease on the straight-line basis to the income statement.

(d) Property, plant and equipment

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

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Buildings	20 years or the unexpired term of lease, whichever is shorter
Furniture, fixtures and equipment	20%
Leasehold improvements	50%
Plant and machinery	10%
Motor vehicles	20%

The assets' residual values (if any) and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. 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. The gain or loss 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 income statement in the period the item is derecognised.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

3 主要會計政策之概要 (續)

(c) 租賃土地及土地使用權

土地及土地使用權指於購入由承租人佔用之物業的長期權益時須先付的數額。土地及土地使用權內有關之集團物業均以成本列賬及於租契期內按直線法攤銷並列入收入報表。

(d) 物業、廠房及設備

物業、廠房及設備乃按歷史成本減累計折舊及任何累計減值虧損入賬。歷史成本包括收購該等項目直接應佔的開支。

物業、廠房及設備的折舊按下列估計可用年期以直線法計算，將其成本攤銷至其剩餘價值（如有）：

樓宇	20年或按尚餘租期（以較短者為準）
傢俬、裝置及設備	20%
租賃物業裝修	50%
廠房及機器	10%
汽車	20%

資產之剩餘價值（如有）及可用年期將於每一結算日進行審閱及在適當時作出調整。一項物業、廠房及設備於出售後或當預期持續使用該項資產將不會產生未來經濟利益時取消確認。於取消確認該資產時產生之任何收益或虧損（以出售所得款項淨額與該項目之賬面值之差額計算）乃計入於該項目取消確認年度之收入報表內。

物業、廠房及設備項目於永久停止使用或出售時的收益或虧損，以出售所得款（如有）與該項目賬面值之差額計算，於永久停止使用或出售日期確認至損益表。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(e) Leases**

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Leases of assets are classified as finance leases when the leases transfer substantially all risks and rewards incidental to ownership of the assets to the Group. All other leases are classified as operating leases.

(i) Finance leases

Assets held under finance leases are recognised in the balance sheet at amounts equal to the fair value of the leased assets, or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liabilities, net of finance charges, on the finance leases are recorded as obligations under finance leases. All assets held under finance leases are classified as property, plant and equipment, except for those properties held to earn rental income which are classified as investment property, in the balance sheet.

Depreciation and impairment loss are calculated and recognised in the same manner as the depreciation and impairment loss on property, plant and equipment as set out in note 3(d), except for the estimated useful lives cannot exceed the relevant lease terms, if shorter.

Minimum lease payments are apportioned between finance charge and the reduction of the outstanding liabilities. The finance charge is recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3 主要會計政策之概要 (續)**(e) 租賃**

倘本集團確實一項安排賦予於經議定期間內使用指定資產之權利，作為回報使用者須付款或作出一系列付款，則該安排（包括一項交易或一系列交易）為或包含租賃。本集團經評估該項安排之實際內容後，作出上述確定，並不會考慮該項安排是否擁有租賃之法定形式。

當資產租賃將絕大部份與資產擁有權相關的風險及回報轉讓予本公司時，租賃乃歸類為融資租賃。所有其他租賃均歸類為經營租賃。

(i) 融資租賃

以融資租賃持有的資產於資產負債表內確認，款額相等於租賃資產的公平值或最低租金現值（以較低者為準），兩者均於租賃訂立時釐定。扣除融資費用後的融資租賃相應負債列作融資租賃承擔。所有以融資租賃持有的資產，於資產負債表內均歸類為物業、廠房及設備，惟持有以賺取租金收入的物業則歸類為投資物業。

折舊及減值虧損均以相同方式計算及確認，列作附註3(d)所載的物業、廠房及設備的折舊及減值虧損，惟估計可使用年期不得超過相關租賃期，並以較短期者為準。

最低租金按比例於財務費用及尚未償還負債減少之間作出分配，融資費用於租賃期間確認為溢利或負債，從而就負債餘額計算出一個固定定期利率。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(e) Leases** *(Continued)***(ii) Operating leases (both as the lessee and lessor)**

Where the Group is the lessee, lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statement on a straight-line basis over the lease period.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realised value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(g) Trade and other receivables

Trade and other receivables are initially recognised at fair value and, after initial recognition, at amortised cost less any allowance for impairment of bad and doubtful debts, except for the following receivables:

- (i) interest-free loans made to related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost less any allowance for impairment of bad and doubtful debts; and
- (ii) short-term receivables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoiced amount less any allowance for impairment of bad and doubtful debts.

3 主要會計政策之概要 (續)**(e) 租賃 (續)****(ii) 經營租賃 (作為承租人及出租人)**

倘本集團為承租人，經營租賃下之租金開支則按租期以直線法於收入報表內扣除。倘本集團為出租人，由集團於經營租賃下出租之資產乃計入非流動資產，而經營租賃下之應收租金則按租期以直線法計入收入報表。

(f) 存貨

存貨乃按成本值與可變現淨值兩者中較低者列賬。成本以加權平均法計算。製成品及在製品之成本包括原材料、直接人工、其他直接成本及相關（根據正常經營能力）生產費用。可變現淨值乃按正常業務過程中的估計售價，減去適用的變動銷售開支計算。

(g) 應收貿易款項及其他應收賬款

應收貿易款項及其他應收賬款初步按公允價值確認。於初步確認後按攤銷成本扣除呆壞賬減值虧損計算，惟不包括以下應收賬款：

- (i) 借予關連人士無指定還款期或折現影響並不重大的免息貸款，有關貸款以成本值扣除呆壞賬減值虧損入賬；及
- (ii) 無指定利率及折現影響並不重大的短期應收賬款，有關應收賬款以原發票值扣除呆壞賬減值虧損入賬。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(h) Impairment of assets****(i) Impairment of receivables**

Current and non-current receivables that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- a significant financial difficulty of the debtors;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, any impairment loss is determined and recognised as follows:

For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

3 主要會計政策之概要 (續)**(h) 資產減值****(i) 應收賬款減值**

流動及非流動應收賬款如以成本值或攤銷成本列賬，將會於每個結算日檢討，以確定有否客觀證據顯示出現減值。若存在任何有關證據，減值虧損則按照下列方式釐定及確認：

- 欠款人遇到嚴重財務困難；
- 違反合約，例如逾期或拖欠支付利息或本金；
- 欠款人有可能破產或進行財務重組；及
- 科技、市場、經濟或法制環境出現重大改變，對欠款人有負面影響。

倘出現上述證據，減值損乃按以下方法計算及確認：

按攤銷成本列賬之應收貿易款項，其他流動應收賬款及其他金融資產而言，減值虧損乃按資產賬面值與估計未來現金流量按金融資產原有之實際利率（即在初始確認該等資產時計算之實際利率）折現的現值兩者之差額計量（倘若折現會造成重大影響）。風險結構具相似性的流動應收款，例如逾期時間相若，且未曾作個別減值評估的，應當一併評估。作為一併評估的流動應收款未來現金流，應當為過去損失經驗相似、具相似信貸風險特徵的應收款。

若於其後之期間，減值虧損數額減少，而有關減少可客觀地與在確認減值虧損後發生之事件聯繫，則減值虧損會透過損益撥回。減值虧損撥回不得導致資產賬面值超出於以往年度沒有確認減值虧損之金額。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(h) Impairment of assets** *(Continued)***(ii) Impairment of other assets**

Internal and external sources of information are reviewed at each balance sheet date to identify indicators that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- leasehold land and land use rights classified as being held under an operating lease; and
- investments in subsidiaries.

If any such indication exists, the asset's recoverable amount is estimated.

- *Calculation of recoverable amount*
The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash flows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- *Recognition of impairment losses*
An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

3 主要會計政策之概要 (續)**(h) 資產減值 (續)****(ii) 其他資產減值**

在每個結算日審閱內部及外部資料，以確定下列資產是否出現減值跡象或，以往確認之減值虧損是否不再存在或已經減少：

- 物業、廠房及設備（按重估價值列賬之物業除外）；
- 歸類為經營租約的租賃土地及土地使用權；及
- 投資於附屬公司。

倘若存在任何有關跡象，則會估計資產之可收回金額。

- *計算可收回金額*
資產可收回金額以其銷售淨價和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前貼現率將估計未來現金流量貼現至現值。該貼現率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產所產生的現金流量基本上不獨立於其他資產所產生的現金流量，則以能獨立產生現金流入的最小資產類別（即現金產生單位）來釐定可收回數額。
- *確認減值虧損*
當資產或其所屬之現金產生單位之賬面值高於可收回金額時，便會確認減值虧損。除資產賬面值不會減至低於其個別公允價值減銷售成本或使用價值（如可衡量）外，現金產生單位之已確認減值虧損首先用作減少分配予現金產生單位（或一組單位）之任何賬面值，然後按比例減少單位（或一組單位）內其他資產之賬面值。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(h) Impairment of assets** *(Continued)***(ii) Impairment of other assets** *(Continued)*– *Reversals of impairment losses*

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and on hand, demand deposits with bank and other financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(j) Trade and other payables

Trade and other payables are initially measured at fair value and, after initial recognition, at amortised cost, except for the following payables:

- (i) short-term payables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoiced amount; and
- (ii) interest free loans from related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost.

3 主要會計政策之概要 *(續)***(h) 資產減值** *(續)***(ii) 其他資產減值** *(續)*– *減值虧損撥回*

倘若用以釐定可收回數額的估計出現有利變動，便會將資產減值虧損撥回。

所撥回的減值虧損以假設沒有在往年確認減值虧損而應已釐定的資產賬面金額為限。所撥回的減值虧損在確認撥回的年度內計入損益內。

(i) 現金及現金等值

現金及現金等值包括銀行及手持現金、銀行或其他財務機構的活期存款，及短期而流動性高的投資，該投資沒有涉及重大值轉變的風險，可以容易轉換為可預知金額，且購入後三個月內到期。就編製綜合現金流量報表，現金及現金等值亦包括須於要求時清償及屬於本集團現金管理組成部份的銀行透支。

(j) 應付貿易款項及其他應付賬款

應付貿易款項及其他應付款項初步按公允價值計量，並於初步確認後則按攤銷成本計量，惟不包括以下應付款項：

- (i) 無指定利率及折現影響並不重大的短期應付款項，有關款項以原發票值入賬；及
- (ii) 向關連人士借入無指定還款期或折現影響並不重大的免息貸款，有關款項以成本值入賬。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(k) Income tax**

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates (and laws) enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets also arise from unused tax losses and unused tax credits.

At each balance sheet date, the Group reviews and assesses the recognised and unrecognised deferred tax assets and the future taxable profit to determine whether any recognised deferred tax assets should be derecognised and any unrecognised deferred tax assets should be recognised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

3 主要會計政策之概要 (續)**(k) 所得稅**

所得稅包括即期稅項及遞延稅項變動。即期稅項及遞延稅一項變動於損益確認，惟若有關項目直接於權益確認，則於權益確認。

即期稅項乃按本年度應課稅溢利，依照結算日已頒佈或實質頒佈之稅率計算，計入之前年度需要調整的應付稅項。

遞延稅項乃就資產與負債的稅基及有關資產與負債於綜合財務報表中的帳面值兩者的暫時差額，以負債法作出全數撥備。然而，倘遞延稅項乃產生自於初步確認資產或負債之交易（業務合併除外），而當時之交易並無影響會計或應課稅溢利或虧損，則不會列帳。遞延稅項乃以於結算日之前訂明或實際訂明之稅率（及法例）釐定，並預期於變現相關遞延稅務資產或償還遞延稅務負債時適用。

遞延稅務資產之確認以預期日後可能出現應課稅溢利用作抵銷暫時差額為限。遞延稅項亦包括未使用的稅務虧損及收益。

於每個結算日，本集團重新評估已確認及未確認的遞延稅項資產及未來應課稅利潤，以決定已確認的遞延稅項資產是否需要撤銷，及未確認的遞延稅項資產是否需要確認。

本集團就於附屬公司投資產生之暫時差額作出遞延稅項撥備，除非本集團可控制撥回該暫時差額之時間，且該暫時差額不大可能於可預見將來撥回則屬例外。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(l) Employee benefits****Retirement benefit costs**

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The Group's employer contributions vest with the employees when contributed into the MPF Scheme.

The employees of the Company's subsidiaries in Mainland China are members of the Central Pension Scheme operated by the Chinese government. The subsidiaries are required to contribute a certain percentage of their covered payroll to the Central Pension Scheme to fund the benefits. The only obligation for the Group with respect to the Central Pension Scheme is the required contributions, which are charged to the income statement in the year to which they relate.

(m) Provisions and contingent liabilities

Provision are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3 主要會計政策之概要 (續)**(l) 僱員福利****退休福利成本**

本集團按照強積金計劃條例設立強制性公積金計劃(「強積金計劃」)，供所有合資格的僱員參與。根據該強積金計劃，僱主須按有關規例之指定基本工資比率向該強積金供款，有關供款乃計入收入表內。本集團就該強積金計劃須承擔之責任僅為根據強積金計劃作出所需供款。

本公司於中國內地附屬公司的僱員則參與中國政府設立的中央退休金計劃。此等附屬公司須按最終薪金的固定比率向中央退休金計劃供款。本集團就該中央退休金計劃須承擔之責任僅為根據計劃供款，而有關供款乃計入損益表內。

(m) 撥備及或然負債

當本集團因過往事件而須負上法律或推定之責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，則始為未能確定何時發生或其款額之負債作出撥備。倘貨幣時間價值重大，則按預期履行有關承擔所需開支之現值撥備。

倘須動用經濟效益的可能性較低，或未能可靠計算所承擔之數額，便會將該承擔列為或然負債。視乎某宗或多宗未來事件會否發生才能確定存在與否的潛在責任，亦會披露為或然負債，除非這類資源外流的可能性甚低，否則亦需列為或然負債。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(n) Revenue recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(i) Sale of goods

Revenue from the sales of good is recognised when the Group has delivered the goods to the customers and the customer has accepted the goods together with the risks and rewards of ownership of the goods. Revenue is after deduction of any trade discounts.

(ii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(o) Foreign currency translation**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items are included in the translation reserve in equity.

3 主要會計政策之概要 (續)**(n) 收益確認**

收益確認乃於當交易結果得以可靠地計算及與交易有關之經濟利益將歸於本集團時按以下基準予以確認：

(i) 銷售貨品

銷售貨品之收入於貨品交付至客戶，客戶接收貨品及轉移擁有貨品之風險及報酬時確認。收益須扣除貿易折扣。

(ii) 利息收入

利息收入乃按實際利率於應收時列賬。

(o) 外幣換算**(i) 功能及呈報貨幣**

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列，港元乃本公司之功能及呈報貨幣。

(ii) 交易及結餘

外幣交易均按交易當日之現行匯率換算為功能貨幣。因該等交易結算及按結算日之匯率兌換以外幣計值之貨幣資產及負債而產生之滙兌損益，均於收入報表中確認，惟於股權內遞延作為合資格現金流量的對沖及合資格淨投資的對沖除外。

非貨幣項目如按公平價值持有並於損益賬中處理之股本工具之換算差額，均呈報為公平價值收益及虧損之一部份。非貨幣項目差額，均計入股本之滙兌儲備內。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(o) Foreign currency translation** *(Continued)***(iii) Group companies**

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (1) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (2) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expense are translated at the dates of transactions); and
- (3) all resulting exchange differences are recognised as a separate component of equity.

(p) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

3 主要會計政策之概要 (續)**(o) 外幣換算 (續)****(iii) 集團公司**

集團旗下所有實體如持有與呈報貨幣不一致的功能貨幣(其中並無任何公司持有通脹嚴重的經濟體系的貨幣),其業績和財務狀況均按以下方法兌換為呈報貨幣:

- (1) 每項資產負債表的資產及負債均按照該資產負債表結算日的匯率折算為呈報貨幣;
- (2) 每項收入報表的收入和支出均按照平均匯率折算為呈報貨幣,但若此平均匯率未能合理地反映各交易日之匯率所帶來的累積影響,則按照交易日之匯率折算此等收入和支出;及
- (3) 所有匯兌差異均確認於權益帳內的一個分項。

(p) 分部報告

分部乃本集團的可辨明組成部份,負責提供產品或服務(業務分部),或在特定經濟環境內提供產品或服務(地區分部),各分部所承擔的風險及所得到的回報均不同。

根據本集團的內部財務呈報制度,本集團已經以業務分部為主要呈報形式,以地區分部資料為次要呈報形式。

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(p) Segment reporting** *(Continued)*

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on the similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing borrowings, tax balances, corporate and financing expenses.

(q) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) directly, or indirectly through one or more intermediaries, the party:
 - (1) controls, is controlled by, or is under common control with, the Group;
 - (2) has an interest in the Group that gives it significant influence over the Group; or
 - (3) has joint control over the Group;
- (ii) the party is a jointly-controlled entity;
- (iii) the party is an associate;
- (iv) the party is a member of the key management personnel of the Company or its parent;

3 主要會計政策之概要 (續)**(p) 分部報告 (續)**

分部收益、開支、業績、資產及負債包括直接屬於一個分部以及可按合理基準分配至該分部的項目。例如，分部資產可包括存貨、貿易應收賬款、物業、廠房及設備。除非該集團內公司間結餘及交易乃集團企業內同一分部進行，否則，須於綜合過程中對銷集團內公司間結餘及集團內公司間交易，決定分部收益、開支、資產及負債。各分部之間的定價乃按向其他集團以外人士提供的類似條款釐定。

分部資本開支為於期內購買預期可使用超過一段時間之分部資產（有形及無形）而產生之總成本。

未分配項目主要包括財務及企業資產、計息貸款、稅項結餘、企業及融資開支。

(q) 關連人士

就本財務報表而言，視為與本集團有關連人士包括：

- (i) 直接或間接透過一名或多名中介人控制，則該方：
 - (1) 受本集團控制或共同控制；
 - (2) 或於本集團擁有對本集團有重大影響之權益；或
 - (3) 或對本集團共同控制；
- (ii) 該方為一間共同控制實體；
- (iii) 該方為一間聯營公司；
- (iv) 該方為本公司或其母公司主要管理人員之成員；

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Related parties (Continued)

- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly-controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

4 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued certain new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the accounting current period of the Group.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, "Financial Instruments: Disclosures" and the amendments to HKAS 1, "Presentation of financial statements: Capital disclosures", there have been some additional disclosures provided as follows:

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, "Financial Instrument: Disclosure and presentation". These disclosures are provided throughout these financial statements, in particular in note 30.

The amendments to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's objectives, policies and processes for managing capital. These new disclosures are set out in note 30.

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial statements.

The Group has not early applied any new standard, amendment or interpretation that has been issued but is not yet effective for the current accounting period (see note 32).

3 主要會計政策之概要 (續)

(q) 關連人士 (續)

- (v) 該方為(i)或(iv)所指任何個別人士之親密家庭成員；
- (vi) 該方受另一方控制、共同控制或有重大影響之實體，或直接或間接與(iv)或(v)共同居住而擁有重大投票權之實體；或
- (vii) 為本集團僱員利益而參與僱用後福利計劃之一方，或為本集團關連人士之任何實體。

4 會計政策之改變

香港會計師公會已頒佈若干新訂及修訂之香港財務報告準則及詮釋，首次或可提早應用於本集團本會計年度。

彼等新增或修訂並無對本集團過往年度在財務報表採用的會計政策有重大影響。惟採納香港財務報告準則第7號「財務工具：披露」及修訂之香港會計準則第1號「財務報告之呈報方式：資本披露」，就此，新增的披露簡述如下：

為採納香港財務報告準則第7號，財務報表相對以往根據香港會計準則第32號「財務工具：披露及呈列」有更詳細的披露，包括本集團財務工具的重要性、風險性質和程度。此等披露於整份財務報表都適用，特別是於附註30的呈列。

香港會計準則第1號之修訂新增要求披露資本級別、本集團管理資本的目的、政策及程序。此等新增披露詳載附註30。

香港財務報告準則第7號及香港會計準則第1號之修訂對財務報表的金額分類、確認及計量並無重大影響。

本集團並無提早採納任何已頒佈但於本會計年度未生效新準則、修訂或詮釋，詳見附註32。

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's management makes assumptions, estimates and judgements in the process of applying the Group's accounting policies that affect the assets, liabilities, income and expenses in the financial statements prepared in accordance with HKFRS. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Depreciation of property, plant and equipment

The Group's net book value of property, plant and equipment as at 31st March, 2008 was approximately HK\$46,907,000. The Group depreciates the property, plant and equipment on a straight-line basis over the estimated useful lives of one to ten years, and after taking into account of their estimated residual values. The estimated useful lives reflect the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. Management will increase the depreciation expense where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) Income tax

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(c) Fair value estimation

The carrying values less allowance for impairment, if any, of financial assets and liabilities with a maturity of less than one year, are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

5 關鍵之會計估計及判斷

於應用本集團關於資產、負債、收入及開支的會計政策以按照香港財務報告準則編製財務報表時，本集團管理層需要對彼作出假設、估計及判斷。此等假設、估計及判斷乃以過往經驗及認為相關的其他因素為基礎，所以縱使管理層不時檢視彼等之假設、估計及判斷，實際結果亦很少會如估計一樣。

關鍵之會計估計及假設

本集團就未來作出估計和假設，所得的會計估計會如其定義，很少與其實際結果相同。很大機會導致下個財政年度的資產和負債的帳面值作出重大調整的估計和假設討論如下。

(a) 物業、廠房及設備折舊

於二零零八年三月三十一日，本集團之物業、廠房及設備之賬面淨值約為46,907,000港元。本集團以直線法於估計可使用期（為一年至十年）內，並扣減該等物業之剩餘價值就物業、廠房及設備計算折舊。估計可用年期為董事預計的期間，該期間本集團預計從使用本集團物業、廠房及設備獲得未來經濟實益。倘可使用年期少於之前估計可使用年期，管理層將增加折舊開支，或將撇銷或撇減已報廢或出售之廢舊技術或已棄置或出售之非策略性資產。

(b) 所得稅

本集團須繳納香港及中國之所得稅。在確定所得稅之撥備時，本集團須作出重大判斷。在正常業務過程中，有許多交易及計算均難以明確作出最終的稅務釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初入賬之金額不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。

(c) 公平價值估算

對於少於一年期的金融資產及負債，依照賬面值減去減值撥備（如有），乃為公平值的合理估計。為披露而言，金融負債的公平值以未來合約現金流按本集團於類似的金融工具所獲取的現時市場利率貼現估算。

6 TURNOVER AND SEGMENT INFORMATION

6 營業額及分部資料

		The Group 本集團	
		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		
Sales of light source product	銷售光源產品	52,002	52,453

(a) Business segments

The Group is organised into 2 operating divisions – manufacturing and trading of house brand light source products and the distribution of agency brand light source products. These two operating divisions are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented as below:

(a) 業務分部

本集團按業務性質編組成兩大部門：本身品牌光源產品的製造及貿易業務，以及代理品牌光源產品的分銷業務。以上兩項業務部門乃本集團就其主要分部資料作出報告所依據的基準。

有關該等業務的分部資料呈列如下：

	House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分部收益		
<i>For the year ended 31st March, 2008</i>	<i>截至二零零八年 三月三十一日止年度</i>		
Turnover	42,724	9,278	52,002
Results	業績		
Segment results	30,175	1,935	32,110
Unallocated corporate expenses, net of other income	未分配公司開支， 扣除其他收入		(9,731)
Interest income, net of finance costs	利息收入，扣除融資成本		2,559
Profit before taxation	除稅前溢利		24,938
Taxation	稅項		(4,674)
Profit for the year	年內溢利		20,264

6 TURNOVER AND SEGMENT INFORMATION (Continued)
(a) Business segments (Continued)

6 營業額及分部資料 (續)
(a) 業務分部 (續)

		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元	
Assets and liabilities	資產及負債				
<i>At 31st March, 2008</i>	<i>於二零零八年三月三十一日</i>				
Assets	資產				
Segment assets	分部資產	63,762	3,792	67,554	
Unallocated corporate assets	未分配公司資產			328,221	
Consolidated total assets	綜合資產總值			395,775	
Liabilities	負債				
Segment liabilities	分部負債	19,110	1,891	21,001	
Unallocated corporate liabilities	未分配公司負債			3,340	
Consolidated total liabilities	綜合負債總額			24,341	
		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Other information	其他資料				
<i>For the year ended 31st March, 2008</i>	<i>截至二零零八年 三月三十一日止年度</i>				
Additions of property, plant and equipment	添置物業、廠房及設備	4	-	648	652
Additions of leasehold land and land use rights	添置租賃土地及 土地使用權	-	-	-	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,456	-	223	5,679
Amortisation of leasehold land and land use rights	租賃土地及土地 使用權攤銷	222	-	-	222

6 TURNOVER AND SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

6 營業額及分部資料 (續)

(a) 業務分部 (續)

		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分部收益			
<i>For the year ended</i>	<i>截至二零零七年</i>			
<i>31st March, 2007</i>	<i>三月三十一日止年度</i>			
Turnover	營業額	40,517	11,936	52,453
Results	業績			
Segment results	分部業績	27,969	1,721	29,690
Unallocated corporate expenses, net of other income	未分配公司開支， 扣除其他收入			(23,192)
Interest income, net of finance costs	利息收入，扣除融資成本			1,904
Profit before taxation	除稅前溢利			8,402
Taxation	稅項			(2,605)
Profit for the year	年內溢利			5,797

		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Assets and Liabilities	資產及負債			
<i>At 31st March, 2007</i>	<i>於二零零七年三月三十一日</i>			
Assets	資產			
Segment assets	分部資產	75,219	4,495	79,714
Unallocated corporate assets	未分配公司資產			266,718
Consolidated total assets	綜合資產總值			346,432
Liabilities	負債			
Segment liabilities	分部負債	16,506	2,108	18,614
Unallocated corporate liabilities	未分配公司負債			3,423
Consolidated total liabilities	綜合負債總額			22,037

6 TURNOVER AND SEGMENT INFORMATION (Continued)

6 營業額及分部資料 (續)

(a) Business segments (Continued)

(a) 業務分部 (續)

		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Other information	其他資料				
<i>For the year ended</i>	<i>截至二零零七年</i>				
<i>31st March, 2007</i>	<i>三月三十一日止年度</i>				
Additions of property, plant and equipment	添置物業、廠房及設備	10	-	1	11
Additions of leasehold land and land use rights	添置租賃土地及土地使用權	2,333	-	-	2,333
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,060	-	356	5,416
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	206	-	-	206

(b) Geographical segments

The Group's operations are located in the PRC and Hong Kong. The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods:

(b) 地區分部

本集團於中國及香港兩地經營業務。下表載列本集團按地區市場劃分(不論貨品原產地)的營業額分析:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The PRC, excluding Hong Kong	中國·不包括香港	16	12
Hong Kong	香港	9,888	11,413
Asia and Europe	亞洲及歐洲	21,602	20,841
North America	北美洲	20,496	20,187
		52,002	52,453

6 TURNOVER AND SEGMENT INFORMATION (Continued)

(b) Geographical segments (Continued)

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment analysed by the geographical areas in which the assets are located:

		Carrying amount of consolidated segment assets 綜合分部資產賬面值		Additions of property, plant and equipment 添置物業、廠房及設備		Additions of leasehold land and land use rights 添置租賃土地及土地使用權	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Hong Kong	香港	5,273	16,138	648	1	-	-
The PRC, excluding Hong Kong	中國，不包括香港	390,502	330,294	4	10	-	2,333
		395,775	346,432	652	11	-	2,333

6 營業額及分部資料 (續)

(b) 地區分部 (續)

以下為按資產所在地區分析的分類資產賬面值及添置物業、廠房及設備分析：

7 OTHER INCOME AND GAIN, NET

7 其他收入及收益淨額

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Other income	其他收入		
Bank interest income	銀行利息收入	2,578	1,922
Sundry income	雜項收入	900	94
		3,478	2,016
Gain, net	收益淨額		
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	208	-
		3,686	2,016

8 OPERATING PROFIT

8 經營溢利

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Operating profit has been arrived at after charging:	經營溢利乃經扣除：		
Directors' remuneration (note a)	董事酬金 (附註a)		
– Fees	– 袍金	–	–
– Other emoluments	– 其他酬金	473	836
– Retirement benefits contributions	– 退休福利供款	10	10
		483	846
Other staff costs	其他員工成本	2,057	3,755
Retirement benefits contributions for other staff	其他員工退休福利供款	111	145
Total staff costs	員工總成本	2,651	4,746
Auditors' remuneration	核數師酬金	450	450
Cost of inventories recognised as an expense	存貨成本確認作開支	19,892	22,763
Depreciation and amortisation on	折舊及攤銷		
– owned assets	– 自置資產	5,556	5,309
– leased assets	– 租賃資產	123	107
– leasehold land and land use rights	– 租賃土地及土地使用權	222	206
Operating lease rentals in respect of land and buildings	土地及樓宇的經營租賃租金	715	1,119
Bad debts written off	壞賬撇銷	34	1

8 OPERATING PROFIT (Continued)

8 經營溢利 (續)

Note (a): Emoluments of directors and highest paid employees

附註(a): 董事及最高薪僱員酬金

(i) Directors' emoluments

(i) 董事酬金

Details of the remuneration of the directors for the year ended 31st March, 2008 were as follows:

截至二零零八年三月三十一日年度止董事酬金詳情如下:

Name of directors 董事姓名		Directors' fees 董事袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及其他福利 HK\$'000 千港元	Retirement benefits scheme contributions 退休福利計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<i>Executive Directors</i> 執行董事					
Mr. Chu Chien Tung	朱展東先生	-	181	-	181
Mr. Chu Chick Kei	朱植杞先生	-	-	-	-
Mr. Chu Sen Hei	朱晨曦先生	-	100	-	100
<i>Non-executive Director</i> 非執行董事					
Dr. Fung Shui Lun, Anthony	馮兆麟博士	-	96	5	101
<i>Independent Non-executive Directors</i> 獨立非執行董事					
Mr. Hong Yong Hwan	洪庸皖先生	-	96	5	101
Mr. Zhu Lei Bo	朱雷波先生	-	-	-	-
		-	473	10	483

8 OPERATING PROFIT (Continued)

Note (a): **Emoluments of directors and highest paid employees** (Continued)

(i) **Directors' emoluments** (Continued)

Details of the remuneration of the directors for the year ended 31st March, 2007 were as follows:

Name of directors 董事姓名	Directors' fees 董事袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及其他福利 HK\$'000 千港元	Retirement benefits scheme contributions 退休福利計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<i>Executive Directors</i> 執行董事				
Mr. Chu Chien Tung 朱展東先生	–	264	–	264
Mr. Chu Chick Kei 朱植杞先生	–	280	–	280
Mr. Chu Sen Hei 朱晨曦先生	–	100	–	100
<i>Non-executive Director</i> 非執行董事				
Dr. Fung Shui Lun, Anthony 馮兆麟博士	–	96	5	101
<i>Independent Non-executive Directors</i> 獨立非執行董事				
Mr. Hong Yong Hwan 洪庸皖先生	–	96	5	101
Mr. Zhu Lei Bo 朱雷波先生	–	–	–	–
	–	836	10	846

Each of Mr. Chu Chien Tung, Mr. Chu Chick Kei and Mr. Chu Sen Hei has waived respectively the amount approximately HK\$1,769,000 (2007: HK\$1,686,000), HK\$1,690,000 (2007: HK\$1,410,000), and HK\$550,000 (2007: HK\$550,000) of remuneration for the year ended 31st March, 2008.

於截至二零零八年三月三十一日止年度，朱展東先生、朱植杞先生及朱晨曦先生已各自放棄酬金分別約1,769,000港元（二零零七年：1,686,000港元）、1,690,000港元（二零零七年：1,410,000港元）及550,000港元（二零零七年：550,000港元）。

8 經營溢利 (續)

附註(a): **董事及最高薪僱員酬金** (續)

(i) **董事酬金** (續)

截至二零零七年三月三十一日年度止董事酬金詳情如下:

8 OPERATING PROFIT (Continued)

Note (a): Emoluments of directors and highest paid employees (Continued)

(ii) Employees' emoluments

The five highest paid individuals included one (2007: two) director(s), details of whose emoluments are set out in above. The emoluments of the remaining four (2007: three) individuals 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 薪金及福利	663	1,434
Retirement benefits scheme 退休福利計劃供款 contributions	29	30
	692	1,464

The number of employees whose remuneration fell within the following band were as follows:

	Number of employees 僱員人數	
	2008 二零零八年	2007 二零零七年
HK\$Nil to HK\$1,000,000 0港元至—1,000,000港元	4	3

In addition to the above, there were no share options granted to employees under the Company's share option scheme during the year (2007: Nil).

No emoluments were paid or payable to the above highest paid individuals as an inducement to join the Group or as compensation for loss of office during the financial years ended 31st March, 2008 and 31st March, 2007.

8 經營溢利 (續)

附註(a): 董事及最高薪僱員酬金 (續)

(ii) 僱員酬金

五位最高薪人士包括一名(二零零七年: 兩名)董事, 該等人士之酬金詳情載於上文。其餘四名(二零零七年: 三名)人士之酬金如下:

酬金在下列範圍內之員工人數如下:

除上述者外, 本集團並無根據購股權計劃向員工授出任何購股權(二零零七年: 無)。

於截至二零零八年三月三十一日及二零零七年三月三十一日止年度, 本集團並無亦毋須向該五位最高酬金人士支付任何酬金作為加盟本集團之獎金或離職補償。

9 FINANCE COSTS

9 融資成本

		The Group 本集團	
		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 overdrafts	銀行透支利息	1	1
Finance charges	融資開支	18	17
		19	18

10 TAXATION

10 稅項

(a) Taxation in the income statement represents:

(a) 收入報表內稅項代表:

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current tax:	本期稅項:		
PRC Enterprise Income Tax	中國企業所得稅	4,674	2,605

No provision for Hong Kong profits tax has been provided as the Group has sustained a tax loss for both years.

由於本集團於各年度持續出現稅項虧損，故並無就香港利得稅作出撥備。

Pursuant to the relevant laws and regulations in the PRC, Tungda Lighting (Fujian) Company Limited ("Tungda Fujian"), a subsidiary of the Company is entitled to exemption from PRC Enterprise Income Tax for two years commencing from their first profit-making year of operation and thereafter, they are entitled to a 50% relief from PRC Enterprise Income Tax which is charged at 24% for the following three years. The first profit making year of Tungda Fujian commenced on 1st January, 2003. The tax holiday and concession periods were expired on 31st December, 2007. The applicable income tax rate since 1st January, 2008 was 25%.

根據中國有關法例及法規，東大照明（福建）有限公司（東大福建），本公司之附屬公司可於其首個盈利年度起計兩年獲豁免繳納中國企業所得稅，並可於其後三年獲豁免繳納50%中國企業所得稅（有關稅率為24%）。東大福建的首個盈利年度為二零零三年一月一日開始。免稅期及稅務寬減已於二零零七年十二月三十一日完結。自二零零八年一月一日起之適用所得稅率為25%。

10 TAXATION (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

10 稅項 (續)

(b) 稅項支出與適用應課稅率計算之會計溢利間之對帳:

		The Group 本集團	
		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	24,938	8,402
Tax at the domestic income tax rate of 17.5% (2007: 17.5%)	按本地所得稅稅率17.5%計算之稅項 (2007:17.5%)	4,364	1,470
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	13	1,058
Tax effect of income not assessable for tax purposes	毋須課稅收入之稅務影響	(38)	(5)
Tax effect of temporary difference unrecognised for the year	本年度未確認暫時差額之稅務影響	38	28
Decrease in opening deferred tax asset resulting from a decrease in tax rate	因適用稅率減少產生的期初遞延稅項資產減少	32	-
Tax effect of tax losses unrecognised for the year	本年度未確認稅項虧損之稅務影響	328	1,094
Effect of preferential tax rates of subsidiaries operating in other jurisdiction	於其他司法權區經營之附屬公司之優惠稅率影響	(241)	(1,194)
Others	其他	178	154
Taxation charged	於收入報表扣除之稅項	4,674	2,605

No provision for deferred taxation has been made in both years as the amount involved is insignificant.

由於所涉及數額並不重大，故並無就各年度提撥遞延稅項準備。

11 PROFIT FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

The profit attributable to the equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$280,000 (2007: a loss of HK\$734,000).

11 本公司股權持有人應佔本年度溢利

本公司股權持有人應佔之溢利已於本公司財務報表內計入，已計入溢利為280,000港元(二零零七年：虧損734,000港元)。

12 EARNINGS PER SHARE

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

12 每股盈利

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	盈利		
Profit for the year for the purposes of basic earnings per share	就計算每股基本及攤薄盈利之本年度溢利	20,264	5,797
Number of shares	股份數目		
Weighted average number of shares for the purpose of basic earnings per share	就計算每股基本盈利之股份加權平均數	1,105,600,000	1,105,600,000

No diluted earnings per share has been presented for the years ended 31st March, 2008 and 2007 as the Company did not have any dilutive potential shares outstanding in both years.

由於本公司於截至二零零八年及二零零七年三月三十一日止年度並無任何具攤薄潛力之未發行股份，故並無呈報兩個年度每股攤薄盈利。

13 PROPERTY, PLANT AND EQUIPMENT

13 物業、廠房及設備

		Leasehold buildings 租賃樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
The Group	本集團						
Cost	成本						
At 1st April, 2006	於二零零六年四月一日	15,001	1,660	1,433	51,236	931	70,261
Exchange realignment	滙兌調整	682	22	-	1,210	18	1,932
Additions	添置	-	1	-	10	-	11
At 31st March, 2007	於二零零七年三月三十一日	15,683	1,683	1,433	52,456	949	72,204
Exchange realignment	滙兌調整	1,300	44	-	2,309	34	3,687
Additions	添置	-	-	-	4	648	652
Disposal	出售	-	-	-	-	(535)	(535)
At 31st March, 2008	於二零零八年三月三十一日	16,983	1,727	1,433	54,769	1,096	76,008
Depreciation and impairment	折舊及減值						
At 1st April, 2006	於二零零六年四月一日	1,984	1,099	1,394	11,635	357	16,469
Exchange realignment	滙兌調整	90	12	-	407	7	516
Charge for the year	年內支出	773	288	39	4,135	181	5,416
At 31st March, 2007	於二零零七年三月三十一日	2,847	1,399	1,433	16,177	545	22,401
Exchange realignment	滙兌調整	236	29	-	1,119	20	1,404
Charge for the year	年內支出	837	175	-	4,463	204	5,679
Written back on disposal	出售時回撥	-	-	-	-	(383)	(383)
At 31st March, 2008	於二零零八年三月三十一日	3,920	1,603	1,433	21,759	386	29,101
Net book value	賬面淨值						
At 31st March, 2008	於二零零八年三月三十一日	13,063	124	-	33,010	710	46,907
At 31st March, 2007	於二零零七年三月三十一日	12,836	284	-	36,279	404	49,803
Net book value of leased asset	租賃資產賬面淨值						
At 31st March, 2008	於二零零八年三月三十一日	-	-	-	-	605	605
At 31st March, 2007	於二零零七年三月三十一日	-	-	-	-	232	232

The Group's buildings are situated in the PRC and are held under land use rights for 50 years expiring in 2053.

本集團之樓宇位於中國，乃根據土地使用權持有，於二零五三年屆滿，為期50年。

At the balance sheet date, the directors conducted a review of the Group's plant and machinery and considered that all of them were worth at least their net book value.

於結算日，董事已對本集團之廠房及機器進行檢討並認為所有廠房及機器之價值至少等同於其賬面淨值。

14 LEASEHOLD LAND AND LAND USE RIGHTS

14 租賃土地及土地使用權

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost	成本		
At beginning of the year	年初	10,275	7,597
Exchange realignment	滙兌調整	852	345
Addition	添置	-	2,333
At end of the year	年終	11,127	10,275
Accumulated amortisation	累計攤銷		
At beginning of the year	年初	657	432
Exchange realignment	滙兌調整	55	19
Amortisation for the year	本年度攤銷	222	206
At end of the year	年終	934	657
Net book value	賬面淨值		
At end of the year	年終	10,193	9,618
Portion classified as current assets	分類為流動資產之部份	222	206
Long term portion	長期部份	9,971	9,412

The leasehold land and land use rights are situated in PRC and are held for 50 years expiring between 2053 and 2056.

持有位於中國境內之租賃土地及土地使用權之期限將於二零五三及二零五六年期間屆滿，為期50年。

One of the leasehold land and land use rights at net book value of HK\$7,767,000. (2007: HK\$Nil) has been pledged to a bank to secure general banking facilities granted to the Group.

其中一幅賬面值為7,767,000港元(二零零七年：無)之租賃土地及土地使用權已作為本集團所獲銀行融資的抵押。

15 INVESTMENTS IN SUBSIDIARIES

15 附屬公司投資

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本值	3,128	3,128

15 INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the Company's subsidiaries at 31st March, 2008 are set out as follows:

15 附屬公司投資 (續)

本公司之附屬公司於二零零八年三月三十一日之詳情如下:

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Percentage of nominal value of issued share capital/registered capital held by the Company 本公司所持已發行股本/ 註冊股本 面值百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Bright Growth Resources Limited [#]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$1 1美元	100	-	Investment holding 投資控股
Bright World Resources Limited [#]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$4 4美元	100	-	Investment holding 投資控股
Direct Intelligent Limited [#]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$1 1美元	100	-	Not yet commenced business 尚未營運
Ultra Modern Technology Limited [#]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$2 2美元	100	-	Investment holding 投資控股
Sunpower Technology Limited [#] 日威科技有限公司 [#]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$1 1美元	100	-	Investment holding 投資控股
Tungda Electrical & Lighting Limited ("Tungda Electrical") [#] 東大電業照明有限公司 (「東大電業」) [#]	Hong Kong 香港	Hong Kong 香港	HK\$4 4港元	-	100	Trading of light source products 買賣光源產品

15 INVESTMENTS IN SUBSIDIARIES (Continued)

15 附屬公司投資 (續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊股本	Percentage of nominal value of issued share capital/registered capital held by the Company 本公司所持 已發行股本/ 註冊股本 面值百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Light Power (Shenzhen) Company Limited* 光之力照明(深圳)有限公司*	PRC 中國	PRC 中國	HK\$10,000,000 10,000,000港元	–	100	Manufacturing and trading of light source products 製造及買賣光源產品
Tungda Lighting (Fujian) Company Limited ("Tungda Fujian")* 東大照明(福建)有限公司 (「東大福建」)*	PRC 中國	PRC 中國	RMB27,000,000 人民幣27,000,000元	–	100	Manufacturing and trading of light source products 製造及買賣光源產品
Putian Riwer Lighting Electrical Equipment Company Limited* 莆田市日威照明電器有限公司*	PRC 中國	PRC 中國	US\$312,546 312,546美元	–	100	Manufacturing and trading of light source products 製造及買賣光源產品

Note:

None of the subsidiaries had any debt securities outstanding at 31st March, 2008 or at any time during the year.

Private companies with limited liability.

* Wholly foreign-invested enterprise with limited liability.

附註:

於二零零八年三月三十一日或年內任何時間,概無任何附屬公司有任何尚未償還債務證券。

有限責任的私營公司。

* 有限責任的外商獨資企業。

16 DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

16 收購物業、廠房及設備之訂金付款

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance brought forward	承前結餘	9,934	10,323
Exchange realignment	滙兌調整	824	568
Refunded	退款	(10,758)	(957)
Balance carried forward	結轉結餘	-	9,934

The balance of HK\$9,934,000 as at 31st March, 2007 represented part of the deposits paid for two outstanding xenon lamp contracts for the acquisition of machineries pursuant to contracts with manufacturer in 2004. In 2006, the Group had negotiated with the manufacturer for the refund of deposits paid. Under the proposed arrangement, the non-refundable balances of the deposits can be used to partially settle for the considerations of the machineries supplied by the manufacturers within specified period from the date of agreements but otherwise will be forfeited. Impairment losses for the non-refundable balances had been made for the year ended 31st March, 2006 as the management of the Group is unable to determine at that stage whether the Group will purchase such machineries and be able to utilise the non-refundable deposits.

During the year, the remaining portion of deposit of HK\$10,758,000 was refunded from the manufacturer. The manufacturer had forfeited the amount of the non-refundable balances of the deposits as the Group had not placed order by the specified date on 11th March, 2008.

於二零零七年三月三十一日，9,934,000港元之結餘指就購買機器之二份於二零零四年與製造商訂立及未完成之氙燈合約而支付之部份訂金。於二零零六年，本集團已就退回已付訂金與製造商協商。根據該項建議訂立之安排，該等訂金之不可退回結餘可部份用作償付該製造商自協議訂立之日起計所指期間內供應機器之代價，不然的話不可退回之部份將被沒收。本集團管理層當時未能決定本集團是否將購買該等機器及是否能動用該等不可退回訂金，於截至二零零六年三月三十一日止年度，就不可退回之訂金部份作出減值虧損。

年內，製造商已退還餘下訂金的部份，即10,758,000港元。由於集團在指定日期二零零八年三月十一日前沒有訂購，製造商已沒收不可退回之訂金。

17 INVENTORIES

17 存貨

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Raw materials, at cost	原材料·按成本值	2,627	2,411
Finished goods, at cost	製成品·按成本值	2,981	3,375
		5,608	5,786

At 31st March, 2008 and 2007, there were no inventories stated at net realisable value.

於二零零八年及二零零七年三月三十一日，概無存貨按可變現淨值列賬。

18 TRADE AND OTHER RECEIVABLES

18 應收貿易款項及其他應收賬款

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	應收貿易款項	1,532	1,802
Other receivables, deposits and prepayments	其他應收賬款·按金及預付款項	4,222	3,852
		5,754	5,654

The directors consider that the carrying amounts of trade and other receivables approximate to their fair values. The trade and other receivables are expected to be recovered or recognised as expense within one year.

董事認為，應收貿易款項及其他應收賬款之賬面值與其公平價值相若。應收貿易款項及其他應收賬款預期可於一年內收回或確認為支出。

The Group allows an average credit period of 30 days to its trade customers and keeps monitoring its outstanding trade receivables. Overdue balances are regularly reviewed by senior management of the Group.

本集團給予其貿易客戶平均為30天的信貸期，並會檢討拖欠之應收款項。管理層亦會定期審閱逾期未付之應收款項。

18 TRADE AND OTHER RECEIVABLES (Continued)

An ageing analysis of the Group's trade receivables, included in trade and other receivables is as follows:

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within 3 months	三個月內	1,389	1,500
4 months to 6 months	四個月至六個月	128	289
7 months to 12 months	七個月至十二個月	13	10
More than 1 year	一年以上	2	3
		1,532	1,802

As at 31st March, 2008, trade receivables of HK\$701,000 (2007: HK\$1,029,000) were past due but not impaired. These related to a number of independent customers for whom there is no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in their credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances. The ageing analysis of these receivables is as follows:

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Less than 3 months past due	逾期少於三個月	612	909
3 months to 1 year past due	逾期三個月至一年	87	118
Over 1 year past due	逾期多於一年	2	2
		701	1,029

18 應收貿易款項及其他應收賬款 (續)

本集團計入應收貿易款項及其他應收賬款內之應收貿易款項之賬齡分析如下:

截至二零零八年三月三十一日止，已逾期但並無減值之應收貿易款項為701,000港元（二零零七年：1,029,000港元）。此乃與本集團有良好紀錄之多名獨立客戶有關。根據過往經驗，管理層相信毋須就該等結餘作出減值撥備，此乃由於信貸質量並無重大變動，而該等結餘仍被視為可悉數收回。本集團並無就此等結餘持有任何抵押品。這些應收款項賬齡分析如下：

18 TRADE AND OTHER RECEIVABLES (Continued)

Trade and other receivables shown in the balance sheet include the following amounts denominated in the currencies other than the Company's functional currency, HK dollars:

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
United States Dollars	美元	2,000	5,000	-	-
Renminbi	人民幣	2,408,000	3,032,000	-	-

The other classes within trade and other receivables do not contain impaired assets.

18 應收貿易款項及其他應收賬款 (續)

於資產負債表中應收貿易款項及其他應收賬款內除本公司之功能貨幣(港元)外之原屬貨幣如下:

於應收貿易款項及其他應收賬款之其他類別內並無已減值資產。

19 CASH AND CASH EQUIVALENTS

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	327,297	265,621	51	169

Cash and cash equivalents shown in the balance sheet include the following amounts denominated in the currencies other than the Company's functional currency, HK dollars:

19 現金及現金等值

於資產負債表中現金及現金等值包括除功能貨幣(港元)外之原屬貨幣如下:

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
United States Dollars	美元	8,000	11,000	-	-
Renminbi	人民幣	298,774,000	262,433,000	-	-
Euro Dollars	歐元	1,000	1,000	-	-

20 TRADE AND OTHER PAYABLES

20 應付貿易款項及其他應付賬款

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade payables	應付貿易款項	2,036	2,241
Other payables and accrued charges	其他應付賬款及應計費用	16,148	15,571
		18,184	17,812

The directors consider that the carrying amounts of trade and other payables approximate to their fair values. The trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

An ageing analysis of the Group's trade payables, included in trade and other payables, is as follows:

董事認為，應付貿易款項及其他應付賬款之賬面值與其公平值相若。預期所有應付貿易款項及其他應付賬款可於一年內清償或確認為收入或須於通知時償還。

本集團計入應付貿易款項及其他應付賬款內之應付貿易款項之賬齡分析如下：

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within 3 months	三個月內	1,288	1,452
4 months to 6 months	四個月至六個月	588	655
7 months to 12 months	七個月至十二個月	18	6
More than 1 year	一年以上	142	128
		2,036	2,241

Trade and other payables shown in the balance sheet include the following amounts denominated in the currencies other than the Company's functional currency, HK dollars:

於資產負債表中應付貿易款項及其他應付賬款內除本公司之功能貨幣(港元)外之原屬貨幣如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
United States Dollars	美元	31,000	50,000	-	-
Renminbi	人民幣	12,372,000	12,339,000	-	-

21 OBLIGATION UNDER A FINANCE LEASE

At 31st March, 2008, the Company had an obligation under a finance lease repayable, i.e. minimum lease payments, as follows:

21 融資租約承擔

於二零零八年三月三十一日，本集團根據融資租約安排之最低租金總額及其現值如下：

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Amounts payable	應付款項		
Within one year	一年內	142	152
In the second to fifth year inclusive	第二至第五年，包括首尾兩年	523	38
Total minimum lease payments	最低租金總額	665	190
Future finance lease charges	未來融資租約開支	(85)	(7)
Present value of total minimum lease payments	最低租金總額現值	580	183
The present value of finance lease obligation is due as follows:	於下列時間到期之融資租約承擔之現值：		
Within one year	一年內	110	145
In the second to fifth year inclusive	第二至第五年，包括首尾兩年	470	38
		580	183
Falling due within one year included in current liabilities	計入流動負債於一年內到期	(110)	(145)
		470	38

The Group leases a motor vehicle under finance lease arrangement for an initial period of 5 years. The lease does not include contingent rentals. The leased motor vehicle secures the above lease obligation.

本集團在融資租賃安排下租賃一輛汽車，初步租期為期五年。該等租賃不包括在或然租金。該租賃汽車用作上述租賃承擔之抵押。

22 SHARE CAPITAL

22 股本

	Class 類別	Number of shares 股份數目	Nominal value 面值 HK\$ 港元	Amount 金額 HK\$'000 千港元
<i>Authorised:</i> 法定：				
At 1st April, 2006, 31st March, 2007 and 31st March, 2008 於二零零六年四月一日、二零零七年三月三十一日 及二零零八年三月三十一日	Ordinary 普通股	5,000,000,000	0.01	50,000
<i>Issued and fully paid:</i> 已發行及繳足：				
At 1st April, 2006, 31st March, 2007 and 31st March, 2008 於二零零六年四月一日、二零零七年三月三十一日 及二零零八年三月三十一日	Ordinary 普通股	1,105,600,000	0.01	11,056

23 SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 12th July, 2002 for the purpose of providing incentives and rewards to eligible persons, including the directors of the Company, full time and part time employees of the Group and the consultants or advisers of the Group. Pursuant to the Scheme, the board of the directors may grant share options to the eligible persons to subscribe for shares in the Company. Options granted must be taken up within a period of 28 days from the date of options granted and upon payment of HK\$1 as the consideration for the options granted. Unless otherwise terminated or altered, the Scheme will remain in force for a period of ten years.

The maximum number of shares in respect of which options may be granted under the Scheme together with shares previously issued pursuant to options exercised under the Scheme shall not exceed 10% of the issued share capital of the Company from time to time and the maximum number of shares in respect of which options may be granted to any one eligible person in any 12-month period shall not exceed 1% of the issued share capital of the Company from time to time.

The subscription price shall be determined by the board of directors and notified to the eligible persons and shall be at least the highest of (i) the closing price of the shares on the GEM as stated in the Stock Exchange's daily quotation sheet on the offer date, which must be a trading day; (ii) the average closing price of the shares on the GEM as stated in the Stock Exchange's daily quotation sheet for the 5 trading days immediately preceding the offer date; and (iii) the nominal value of a share.

23 購股權計劃

本公司於二零零二年七月十二日採納購股權計劃（「計劃」），旨在為合資格人士，包括本公司董事、本集團全職及兼職僱員及本集團之諮詢顧問或顧問等提供獎勵及獎賞。根據計劃，董事會可向合資格人士授予可認購本公司股份之購股權。購股權必須於授出購股權日期起計二十八日期間接納，且於接納獲授購股權時須繳付1港元之代價。除非另行終止或作出修訂外，計劃將於十年內有效。

根據計劃可能授出之購股權所涉及股份數目上限，連同先前根據計劃行使購股權而發行之股份，不得超過本公司不時已發行股本10%，而於任何十二個月期間可能向任何一名合資格人士授出之購股權所涉及之股份數目上限，則不得超過本公司不時已發行股本1%。

認購價須由董事會釐定，並知會合資格人士，且不得低於以下三者中最高者：(i)聯交所日報表所報股份於提呈購股權當日（該日必須為交易日）在創業板之收市價；(ii)聯交所日報表所報股份在緊接提呈購股權當日前五個交易日在創業板之平均收市價；及(iii)股份面值。

23 SHARE OPTION SCHEME (Continued)

The following tables disclose details of the Company's share options held by employees (including directors) and the movements in such holdings during the year ended 31st March, 2008:

Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期間	Outstanding at 31.3.2007 於二零零七年三月三十一日 尚未行使	Exercised or granted during the year 年內行使或授出	Outstanding at 31.3.2008 於二零零八年三月三十一日 尚未行使
3.10.2003	0.345	22.10.2003-21.10.2013	33,140,672	-	33,140,672
21.11.2003	0.452	29.11.2003-28.11.2013	12,659,328	-	12,659,328
			45,800,000	-	45,800,000

24 RESERVES**The Group**

- (a) Pursuant to the relevant accounting rules and regulations applicable to foreign investment enterprises established in the PRC, the Group's PRC subsidiaries are required to transfer not less than 10% of its profit after taxation to the general reserve fund until the balance of such fund has reached 50% of their respective registered capital. The balances of the general reserve fund cannot be reduced except where approval is obtained from the relevant PRC authority to set off accumulated losses or increase capital.
- (b) The special reserve represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition under the group reorganisation of the Group took place in July, 2002.

23 購股權計劃 (續)

下表披露截至二零零八年三月三十一日止年度內僱員(包括董事)所持本公司購股權之詳情及該等購股權之變動:

Outstanding at 31.3.2007 於二零零七年三月三十一日 尚未行使	Exercised or granted during the year 年內行使或授出	Outstanding at 31.3.2008 於二零零八年三月三十一日 尚未行使
33,140,672	-	33,140,672
12,659,328	-	12,659,328
45,800,000	-	45,800,000

24 儲備**本集團**

- (a) 根據適用於中國成立之外商投資企業之有關會計規則及規例，本集團中國附屬公司須將其稅後溢利不少於10%轉撥至一般儲備，直至該基金結存達至註冊股本之50%為止。除非獲有關中國機構批准用作抵銷累計虧損或增加股本，否則不得減少一般儲備基金之結存。
- (b) 特別儲備指所收購附屬公司之股份面值與根據本集團於二零零二年七月進行之集團重組收購而發行本公司股份面值間之差額。

24 RESERVES (Continued)
The Company

24 儲備 (續)
本公司

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April, 2006	於二零零六年四月一日	101,669	(5,137)	96,532
Loss for the year	年內虧損	-	(734)	(734)
At 31st March, 2007	於二零零七年三月三十一日	101,669	(5,871)	95,798
Profit for the year	年內溢利	-	280	280
At 31st March, 2008	於二零零八年三月三十一日	101,669	(5,591)	96,078

The Company's reserves available for distribution represent the net amount of share premium and accumulated losses. Under the Companies Law of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and/or Articles of Association and provided that immediately following the date on which distribution or dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends can be distributed out of the share premium and retained profits of the Company. As at 31st March, 2008, the Company's reserves available for distribution amounted to approximately HK\$96,078,000 (2007: HK\$95,798,000).

本公司之可供分派儲備指股份溢價及累計虧損之淨額。根據開曼群島公司法，本公司之股份溢價可供向股東作出分派或派付股息，惟須受本公司組織章程大綱及／或組織章程細則之條文規限，以及於緊隨分派或派息後，本公司必須能於日常業務過程中支付到期應付之債項。根據本公司之組織章程細則，股息可從本公司股份溢價及保留溢利中撥付。於二零零八年三月三十一日，本公司之可供分派儲備約為96,078,000港元（二零零七年：95,798,000港元）。

25 LEASE COMMITMENTS

As at the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

25 租約承擔

於結算日，本集團根據有關土地及樓宇的不可撤銷經營租約於以下期間到期應付的日後最低租金承擔如下：

		The Group 本集團	
		2008 二零零八年 HK\$'000	2007 二零零七年 HK\$'000
Within one year	一年內	408	325
In the second to fifth year inclusive	第二至第五年，包括首尾兩年	109	-
		517	325

The operating lease payments represent rentals payable by the Group for certain of its office premises and factories. Leases are generally negotiated for a term of one to two years.

經營租約租金指本集團就若干辦公室物業及廠房應付之租金。租約一般按一至兩年期洽商。

26 RELATED PARTIES TRANSACTIONS

Details of the Group's significant transactions with the following related parties during the year are as follows:

26 關連人士交易

本集團與以下關連人士於年內進行之重大交易之詳情如下：

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Ultimate holding company:	最終控股公司：		
Rental expenses	租金開支	108	108
Purchases	購貨	24	-

Messrs. CHU Chien Tung, CHU Chick Kei and CHU Siu Chun (father of Messrs. CHU Chien Tung and CHU Chick Kei) jointly hold the entire issued share capital of Tungda Industrial Limited, the ultimate holding company of the Company.

朱展東先生、朱植杞先生及朱紹進先生（為朱展東先生及朱植杞先生之父親）共同持有本公司最終控股公司東大工業（集團）有限公司全部已發行股本。

27 MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into a finance lease in respect of the acquisition of property, plant and equipment with a total capital value at the inception of the lease of HK\$615,000 (2007: HK\$Nil).

27 主要非現金交易

年內，本集團就購置物業、廠房及設備時資本總值 615,000 港元（二零零七年：無）訂立融資租賃安排。

28 CAPITAL AND OTHER COMMITMENTS

28 資本及其他承擔

		The Group 本集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Amount contracted for but not provided in the financial statements in respect of	就下列項目已訂約但未於財務報表撥備之款項		
- acquisition of property, plant and equipment	- 收購物業、廠房及設備	-	15,350

29 RETIREMENT BENEFITS SCHEMES

The Group operates a mandatory provident fund scheme (“MPF Scheme”) for all employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme.

The employees of the Company’s subsidiaries in Mainland China are members of the Central Pension Scheme operated by the Chinese government. The subsidiaries are required to contribute a certain percentage of their covered payroll to the Central Pension Scheme to fund the benefits. The only obligation for the Group with respect to the Central Pension Scheme is the required contributions, which are charged to the income statement in the year to which they relate.

During the year, the total cost of retirement benefits contributions charged to the income statement of HK\$121,000 (2007: HK\$155,000) represents contributions to the scheme made by the Group at rates specified in the rules of the respective schemes. No forfeited contributions may be used by the employer to reduce the existing level of contributions.

30 FINANCIAL RISK MANAGEMENT

(a) Financial instruments

The accounting policies for financial instruments have been applied to the line items below:

29 退休福利計劃

本集團為其所有香港僱員設立強制性公積金計劃（「強積金計劃」）。該強積金計劃資產由獨立受託人管理，與本集團資產分開持有。根據該強積金計劃，僱主及其僱員須各自按有關規例之指定比率向該強積金計劃供款。本集團就該強積金計劃須承擔之責任僅為根據強積金計劃作出所需供款。

中國附屬公司之僱員乃中國政府所推行之中央退休計劃成員。附屬公司須為此計劃供款，款額為僱員薪金若干百分比。集團就有關該中央退休金計劃之唯一財務承擔乃所須之供款，供款顯示在年內之財務報表之相關項目。

年內計入收入報表之退休福利供款總成本為121,000港元（二零零七年：155,000港元），該數額為本集團按有關計劃規例之指定比率向該等計劃作出之供款額。僱主不得以沒收供款減低其現有供款水平。

30 財務風險管理

(a) 金融工具

金融工具的會計政策已應用於下列項目中：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		Notes 附註			
Assets as per balance sheet	資產負債表之資產				
Investments in subsidiaries	附屬公司投資	15	-	3,128	3,128
Amounts due from subsidiaries	應收附屬公司款項		-	105,155	105,427
Trade receivables	應收貿易款項	18	1,532	-	-
Other receivables, deposits and prepayments	其他應收賬款、按金及 預付款項	18	4,222	104	131
Cash and cash equivalents	現金及現金等值	19	327,297	51	169
Total loans and receivables	貸款及應收款項總額		333,051	108,438	108,855

30 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial instruments (Continued)

		The Group 本集團		The Company 本公司	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		Notes 附註			
Liabilities per balance sheet	資產負債表之負債				
Trade payables	應付貿易款項	20	2,036	-	-
Other payables and accrued charges	其他應付賬款及 應計費用	20	16,148	1,304	2,001
Obligation under a finance lease	融資租約承擔	21	580	-	-
Total financial liabilities at amortised cost	按攤銷成本計算 總金融負債		18,764	1,304	2,001

(b) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Market risk

- Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. In addition, the conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. This currency exposure is managed primarily through sourcing raw material denominated in the same currency.

(b) 財務風險因素

本集團之業務涉及多項財務風險：市場風險（包括外匯風險、流利率風險及價格風險）、信貸風險及流動資金風險。管理層對該等風險進行管理及監控以確保可以及時以有效之方式實施合適之措施。

(i) 市場風險

- 外匯風險

本集團因不同貨幣兌港元而須承擔外匯風險，其中主要為人民幣（「人民幣」）。外匯風險源自日後進行之商業交易、已確認資產與負債以及於海外業務之投資淨額。此外，將人民幣兌換成外幣須遵守中國政府所頒佈之外匯管制規則及法規。此貨幣風險乃主要透過採購以相同貨幣列值之原材料管理。

30 FINANCIAL RISK MANAGEMENT (Continued)**(b) Financial risk factors (Continued)****(i) Market risk (Continued)**– *Foreign exchange risk (Continued)*

During the year ended 31st March, 2008, if HK\$ had strengthened/weakened by 5% against the RMB, with all other variable held constant, the effect on equity would have been approximately HK\$15,847,000 (2007: HK\$12,784,000) lower or higher.

The above sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date and had been applied to the exposure to foreign exchange risk for financial instruments in existence at that date. The 5 percentage increase or decrease represents management's assessment of a reasonably possible change in exchange rates over the period until the next annual balance sheet date.

No sensitivity analysis for the Group's exposure to foreign exchange risk arising from financial assets/(liabilities) denominated in Euro dollars and United States dollars are prepared since the management's assessment of reasonable changes in value of the Hong Kong dollars against Euros and United States dollars are insignificant.

The analysis was performed on the same basis for 2007.

– *Interest rate risk*

The Group's interest rate risk arises from cash at banks. Bank savings interest received at variable interest rates that expose the Group's to cash flow interest-rate risk.

The Group's finance lease obligation was transacted and arranged at fixed rates. However, as the amount that exposes the fair value interest-rate risk is not significant, in consequence, no material exposure on fair value interest-rate risk is expected. Even that, the Group closely monitors the fair value fluctuation of the finance lease obligation in case of significant increase in interest rate is foreseen.

30 財務風險管理 (續)**(b) 財務風險因素 (續)****(i) 市場風險 (續)**– *外匯風險 (續)*

截至二零零八年三月三十一日止年度，倘港元兌人民幣匯率增強／減弱5%，而所有其他變數維持不變，本年度之虧損影響甚微，股權將較高／低約15,847,000港元（二零零七年：12,784,000港元）。

上述敏感度分析乃假設匯率變動已於結算日發生及已計入該日存在之金融工具之匯率風險。增加或減少五個百分點代表管理層對匯率於期內直至下個結算日合理可能變動之估計。

由於管理層評估港元兌歐元及美元的合理變化無重大風險，在此並無就本集團以歐元或美元計值的金融資產／（負債）作敏感度分析。

二零零七年之分析乃根據相同基準進行。

– *利率風險*

本集團之利率風險源自銀行之現金。本公司按浮動利率收到的銀行存款利息，令本集團承受到現金流量利率風險。

本集團之融資租賃承擔仍按固定利率計息作交易安排。但由於涉入的數額在公平價值利率並無重大風險，故在公平價值利率風險上未有實質反映。雖此，若利率預期有重大增長，本集團不時密切監察融資租約承擔的公平價值波動情況。

30 FINANCIAL RISK MANAGEMENT (Continued)

(b) Financial risk factors (Continued)

(i) Market risk (Continued)

- Interest rate risk (Continued)

		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
Floating-rate financial assets	浮動利率金融資產			
Cash and cash equivalents	現金及現金等值	19	327,297	265,621
Fixed-rate financial liabilities	固定利率金融負債			
Finance lease obligation	融資租約承擔	21	(580)	(183)
Net interest-bearing assets	計息資產淨額		326,717	265,438

Sensitivity analysis

At 31st March, 2008, if interest rates on floating-rate financial assets had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$3,267,000 (2007: HK\$2,654,000) higher/lower. No sensitivity analysis for the Group's exposure to fair value interest rate risk arising from financial liabilities is prepared since the management's assessment of reasonably changes in value of amount is insignificant.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The changes in interest rate represents management's assessment of a reasonably possible change in interest rates in that date over the period until the next annual balance sheet date.

The analysis was performed on the same basis for 2007.

敏感度分析

於二零零八年三月三十一日，倘浮動利息金融資產的利率增加／減少百分之一，而所有其他變數維持不變，本年的稅後溢利將較高／低約3,267,000港元（二零零七年：2,654,000港元）。由於管理層評估數額的合理變化無重大風險，在此並無就本集團由財務負債造成的利率公允值風險作出敏感度分析。

以上敏感度分析之釐定乃假設利率變動發生於結算日及應用於該日存在之衍生及非衍生金融工具面對之利率風險。利率之改變乃管理層評估直至下年度結算日期間之合理可能利率變動。

二零零七年之分析乃根據相同基準進行。

30 FINANCIAL RISK MANAGEMENT (Continued)**(b) Financial risk factors (Continued)****(i) Market risk (Continued)**– *Price risk*

The Group is not exposed to any equity securities risk or commodity price risk.

The Company is exposed to other price risk in respect of its investments in subsidiaries. The sensitivity analysis to price risk in regards to the investments in subsidiaries cannot be reliably determined due to numerous uncertainties regarding the future development of these subsidiaries.

(ii) Credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Group has no significant concentrations of credit risk. The carrying amount of the trade and other receivables included in the balance sheet represents the Group's maximum exposure to credit risk in relation to its financial assets. The Group has policy in place to ensure that sales of products are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible trade and other receivables has been made in the income statement. Further quantitative disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 18.

The credit risk on liquid funds is considered negligible, since the counterparties are reputable banks with good quality external credit ratings.

30 財務風險管理 (續)**(b) 財務風險因素 (續)****(i) 市場風險 (續)**– *價格風險*

本集團並無承擔任何股本證券風險或商品價格風險。

本公司因對附屬公司之投資而承受其他價格風險。由於附屬公司將來的發展受制於許多難以預計的因素，本公司未能準確地作出價格風險的敏感度分析。

(ii) 信貸風險

本集團所承擔的信貸風險主要受到客戶的個別特徵影響。

本集團並無高度集中之信貸風險。包括資產負債表內的應收貿易款項及其他應收賬款反映本集團金融資產的最高信貸風險。本集團製訂本身之政策，以確保向擁有恰當信貸記錄之客戶銷售產品，且本集團亦會定期對客戶進行信貸評估。本集團於收回貿易及其他應收賬款之過往經驗記錄良好，而管理層意見認為已經在收入報表內對不可收回之應收貿易款項及其他應收賬款作出適當之撥備。關於本集團源於貿易應收及其他應收賬款的信貸風險在數量上之進一步披露，可見於本財務報表附註18。

由於流動資金乃存放於信譽良好並具備高外部信貸評級的銀行，因此相關信貸風險甚低。

30 FINANCIAL RISK MANAGEMENT (Continued)**(b) Financial risk factors (Continued)****(iii) Liquidity risk**

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the balance sheet date of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay:

		Total carrying amount	Total undiscounted cash flow	Less than 1 year or payable on demand	Between 1 to 2 years	Between 2 to 5 years
		賬面值	現金流量總額	少於一年或於要求時償還	一至兩年內	二至五年內
		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
2008	二零零八年					
Trade payables	應付貿易款項	2,036	2,036	2,036	-	-
Other payables and accrued charges	其他應付賬款及應計費用	16,148	16,148	16,148	-	-
Obligation under a finance lease	融資租約承擔	580	665	142	142	381
		18,764	18,849	18,326	142	381

30 財務風險管理 (續)**(b) 財務風險因素 (續)****(iii) 流動資金風險**

本集團由個別單位自行負責現金管理。管理內容包括現金盈餘的短期投資和籌集借款以達至預期之需求。若借貸額高於授權的規定，須由母公司董事局批准方可作實。本集團之政策乃定期監控其現時及預期流動資金需求，以確保其維持現金儲備以符合短期及較長期的流動資金需要。

下表詳列本集團金融負債於結算日的尚餘合約期限，乃根據合約未貼現現金流量（包括採用合約利率計算的利息付款，或如屬浮動利率，則根據結算日通行的利率），以及本集團可能被要求付款的最早日期：

30 FINANCIAL RISK MANAGEMENT (Continued)

(b) Financial risk factors (Continued)

(iii) Liquidity risk (Continued)

		Total contracted Total carrying amount 賬面值 HK\$'000 千港元	Total undiscounted cash flow 合約未貼現 現金流量總額 HK\$'000 千港元	Less than 1 year or payable on demand 少於一年或 於要求時償還 HK\$'000 千港元	Between 1 to 2 years 一至兩年內 HK\$'000 千港元	Between 2 to 5 years 二至五年內 HK\$'000 千港元
2007	二零零七年					
Trade payables	應付貿易款項	2,241	2,241	2,241	-	-
Other payables and accrued charges	其他應付賬款及 應計費用	15,571	15,571	15,571	-	-
Obligation under a finance lease	融資租約承擔	183	190	152	38	-
		17,995	18,002	17,964	38	-

(c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

30 財務風險管理 (續)

(b) 財務風險因素 (續)

(iii) 流動資金風險 (續)

(c) 資本管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，從而透過與風險水平相對應之產品及服務定價以及獲得合理成本的融資，繼續為股東創造回報。

本集團積極及定期對資本架構開展檢討及管理，以在較高股東回報情況下可能伴隨之較高借貸水平與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

30 FINANCIAL RISK MANAGEMENT (Continued)**(c) Capital management (Continued)**

Consistent with industry practice, the Group monitors its capital structure on the basis of a total debt-to-total equity ratio. For this purpose the Group defines total debt as total liabilities (which include interest-bearing loans and borrowings, trade and other payables and obligations under finance leases but exclude redeemable preference shares, if any) plus unaccrued proposed dividends, if any. Total equity comprises all components of equity and redeemable preference shares, if any, other than amounts recognised in equity relating to cash flow hedges, less unaccrued proposed dividends.

During 2008, the Group strategy, which was unchanged from 2007, was to maintain the total debt-to-total equity ratio at the lower end of the range 5% to 10%. In order to maintain or adjust the ratio, the Group may adjust the amount of dividend paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

- (i) The total debt-to-total equity ratios at 31st March, 2008 and 2007 were 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 liabilities	流動負債		
Trade and other payables	應付貿易款項及 其他應付賬	18,184	17,812
Obligation under a finance lease	融資租約承擔	110	145
		18,294	17,957
Non-current liabilities:	非流動負債		
Obligation under a finance lease	融資租約承擔	470	38
Total debt	債務總額	18,764	17,995
Total equity	權益總額	371,434	324,395
Total debt-to-total equity ratio	總負債與權益比率	5.05%	5.54%

Neither the Company nor any of its subsidiaries are subject to either internally or externally imposed capital requirements.

30 財務風險管理 (續)**(c) 資本管理 (續)**

和其他同業一樣，本集團以負債與權益比率作為監控資本的基準。負債與權益比率按總債務除以總權益計算。作為此目的，本集團界定債務為負債總額（包括計息貸款及借款、應付貿易賬款及其他應付款項加融資租約承擔，但不計算可贖回有優先權的股份（如有））加未計建議派付股息（如有）。總權益包括除確認於權益有關現金流量對沖外所有權益成份和可贖回有優先權的股份（如有）減未計建議派付股息。

於二零零八年，本集團秉承二零零七年之策略，維持負債與權益比率於5%至10%最低水平之範圍。為了保持或調整該比率，本集團可能調整派付予股東之股息款項、發行新股份、退還資本予股東、提出債務融資或出售資產以減低負債。

- (i) 截至二零零八及二零零七年三月三十一日之總負債與權益比率如下：

本公司及其附屬公司均無須遵守內部或外部施加之資本規定。

31 COMPARATIVE FIGURES

As a result of adopting HKFRS 7, "Financial instruments: Disclosures", and the amendments to HKAS 1, "Presentation of financial statements: Capital disclosures", certain comparative figures have been adjusted to conform with changes in disclosures in the current year and to show separately comparative amounts in respect of items disclosed for the first time in 2008. Further details of these development are disclosed in note 4.

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31ST MARCH, 2008

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31st March, 2008 and which have not been adopted in these financial statements.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

31 比較數字

由於採納香港財務報告準則第7號「金融工具：資本披露」及香港會計準則第1號的修訂本「呈列財務報表：資本披露」，已對若干比較數字進行調整，以符合本年度的披露規定，以及就二零零八年首次披露的比較金額獨立列示。此等發展的進一步詳情披露於附註4。

32 已公佈但於截至二零零八年三月三十一日止年度之尚未生效之修訂、新準則及詮釋之有可能產生的影響

截至此等財務報表刊發日期，香港會計師公會已公佈以下多項修訂、新準則及詮釋。該等修訂、新準則及詮釋於截至二零零八年三月三十一日止會計年度尚未生效，此等財務報告亦未予採納。

本集團正在評估該等修訂、新準則或新詮釋在應用初期的潛在影響。目前認為應用該等準則、修訂或詮釋未會對集團的業績及財務狀況帶來重大影響。