

Notes to Financial Statements

31 December 2002
二零零二年十二月三十一日

財務報表附註

1. CORPORATE INFORMATION

The principal activity of the Group is investment holding and the design, manufacture and sale of lighting products.

In the opinion of the directors, the Company's ultimate holding company is Bright International Assets Inc. ("BIA"), which is incorporated in the British Virgin Islands.

2. IMPACT OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE ("SSAPs")

The following recently-issued and revised SSAPs are effective for the first time for the current year's financial statements:

- SSAP 1 (Revised): "Presentation of financial statements"
- SSAP 11 (Revised): "Foreign currency translation"
- SSAP 15 (Revised): "Cash flow statements"
- SSAP 34: "Employee Benefits"

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group's accounting policies and on the amounts disclosed in these financial statements of adopting these SSAPs are summarised as follows:

1. 集團資料

本集團之主要業務為投資控股，照明產品設計、製造及銷售。

董事認為，本公司之最終控股公司為 Bright International Assets Inc. ("BIA")，該公司於英屬處女群島註冊成立。

2. 新頒及經修訂會計實務準則 (「會計實務準則」) 之影響

以下乃就本年度財務報表而言首次生效之新頒及經修訂會計實務準則：

- 會計實務準則第1號(經修訂)「財務報表之呈列」
- 會計實務準則第11號(經修訂)「外幣換算」
- 會計實務準則第15號(經修訂)「現金流量表」
- 會計實務準則第34號「僱員福利」

上述會計實務準則訂明了新的會計衡量及披露手法，採用該等會計實務準則對本集團會計政策及財務報表中所披露之數額之主要影響概括如下：

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財務報表附註(續)

2. IMPACT OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”) (continued)

SSAP 1 (Revised) prescribes the basis for the presentation of financial statements and sets out guidelines for their structure and minimum requirements for the content thereof. The principal impact of the revision to this SSAP is that a consolidated statement of changes in equity is now presented on page 48 of the annual report in place of the consolidated statement of recognised gains and losses that was previously required and in place of the Group reserves note.

SSAP 11 (Revised) prescribes the basis for the translation of foreign currency transactions and financial statements. The principal impact of the revision of this SSAP on the consolidated financial statements is that the profit and loss accounts of overseas subsidiaries are now translated at the exchange rates at the dates of transactions, or at an approximation thereto, whereas previously they were translated at the applicable exchange rates at the balance sheet date. The adoption of the revised SSAP 11 has had no material effect on the financial statements.

2. 新頒及經修訂會計實務準則 (「會計實務準則」) 之影響(續)

會計實務準則第1號(經修訂)訂明財務報表之呈列基準以及載列財務報表結構及對其內容最低要求之指引。此項會計實務準則修訂之主要影響為採納現呈列於年報第48頁之綜合權益變動報表，取代先前規定之綜合確認損益表及取代本集團之儲備附註。

會計實務準則第11號(經修訂)訂明外幣交易及財務報表之換算基準。此項會計實務準則修訂對綜合財務報表之主要影響為海外附屬公司之損益賬，現時以交易日之匯率或有關概約匯率換算，而非如先前以結算日適用之匯率換算。採納經修訂會計實務準則第11號對財務報表並無重大影響。

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2. IMPACT OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”) (continued)

SSAP 15 (Revised) prescribes the revised format for the cash flow statement. The principal impact of the revision of this SSAP is that the consolidated cash flow statement now presents cash flows under three headings, cash flows from operating, investing and financing activities, rather than the five headings previously required. In addition, cash flows from overseas subsidiaries arising during the year are now translated to Hong Kong dollars at the exchange rates at the dates of the transactions, or at an approximation thereto, whereas previously they were translated at the exchange rates at the balance sheet date, and the definition of cash equivalents for the purpose of the cash flow statement has been revised. Further details of these changes are included in the accounting policy for “Foreign currencies” in note 3 to the financial statements.

SSAP 34 prescribes the recognition and measurement criteria to apply to employee benefits, together with the required disclosures in respect thereof. The adoption of this SSAP has resulted in no change to the previously adopted accounting treatments for employee benefits. Additional disclosures are now required in respect of the Company’s share option scheme, as detailed in note 25 to the financial statements. These share option scheme disclosures are similar to those required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) previously included in the Report of the Directors, which are now required to be included in the notes to the financial statements as a consequence of the SSAP.

2. 新頒及經修訂會計實務準則 (「會計實務準則」) 之影響 (續)

會計實務準則第15號(經修訂)訂明現金流量表之修訂格式。此項會計實務準則修訂之主要影響為綜合現金流量表現時以三個標題呈列現金流量：經營、投資及融資活動之現金流量，而非如先前規定之五個標題呈列。此外，年內源自海外附屬公司之現金流量，現時以交易日之滙率或有關概約滙率換算為港元，而非如先前以結算日之滙率換算。現金流量表呈列之現金等值項目之定義已作修訂。有關此等更改之其他詳情收錄於財務報表附註3「外幣」之會計政策。

會計實務準則第34號訂明僱員福利之確認及量度準則，連同有關規定披露資料。採納此會計實務準則並無影響先前採納之僱員福利會計處理方法。如財務報表附註25所詳述，現時須就本公司購股權計劃作出額外披露。該等購股權計劃之披露類似先前載入董事會報告之香港聯合交易所有限公司證券上市規則(「上市規則」)所規定之披露，而現時因會計實務準則而須載入財務報表附註。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of investment properties, certain fixed assets and equity investments, as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2002. The results of the subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interest of outside shareholders in the results and net assets of the Company's subsidiaries.

Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The Company's interests in subsidiaries are stated at cost less any impairment losses.

3. 主要會計政策之概要

編製基準

該等財務報表乃根據香港會計實務準則、香港普遍接納之會計原則及香港公司條例之披露規定而編製。該等財務報表乃根據歷史成本慣例編製，惟有關投資物業以及若干固定資產及股本投資定期作出重新估值之部份除外，進一步資料載列如下。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至二零零二年十二月三十一日止年度之財務報表。年內已收購或出售之附屬公司之業績已分別自彼等之收購日期起或至出售日期止綜合於本集團之業績。本集團內公司之間所有重大交易及結餘均於綜合時對銷。

少數股東權益指外界股東分享本公司附屬公司業績及淨資產之權益。

附屬公司

附屬公司乃指本公司直接或間接控制其財務及營運政策，藉以從其商業活動得益之公司。

本公司於附屬公司之權益乃以成本值扣除減值虧損列賬。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Impairment of assets**

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account for the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the profit and loss account for the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 主要會計政策之概要(續)**資產減值**

於各結算日進行評估，以決定是否有任何顯示任何資產出現減值，或有任何顯示往年度已確認之減值虧損不再存在或已減少。倘有任何該等顯示存在，該資產之可收回值須予以評估。資產之可收回值定為資產之使用價值與其銷售淨值之較高者。

減值虧損僅於資產面值超出其可收回值時予以確認。減值虧損於其產生之期間在損益賬內扣除，惟當該資產以重估值為其賬面值時，減值虧損則按重估資產之有關會計政策入賬。

僅於資產之估計可收回值出現變動時，過往已確認之減值虧損方予以撥回，然而，倘往年度該資產並無已確認之減值虧損，則撥回金額不得超過資產扣除任何折舊／攤銷之賬面值。

撥回之減值虧損於其產生之期間計入損益賬內，惟當該資產以重估值為其賬面值時，減值虧損則按重估資產之有關會計政策入賬。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Fixed assets and depreciation**

Fixed assets, other than leasehold land and buildings and investment properties, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Leasehold land and buildings are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year.

Changes in the values of leasehold land and buildings are dealt with as movements in the fixed asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the fixed asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

3. 主要會計政策之概要(續)**固定資產及折舊**

除租賃土地及樓宇以及投資物業外，固定資產乃按成本值減累計折舊及任何減值虧損入賬。資產成本包括其購買價及將資產達至其運作狀況及位置以作擬定用途而產生之任何直接應佔成本。固定資產開始運作後，維修及保養費用等支出通常於產生期間於損益賬中扣除。若可清楚顯示該有關支出致使未來使用固定資產時帶來之經濟利益有所增加，有關支出則會資本化，列作該資產之額外成本。

租賃土地及樓宇乃根據各財政年度結束時進行之年度專業估值之基準，按其公開市場價值入賬。

租賃土地及樓宇之價值改變乃作為固定資產重估儲備之變動處理。倘個別資產之虧絀高於該儲備之總額，超出之虧絀數額則在損益賬中扣除。隨後之任何重估盈餘乃以先前扣除之虧絀為限計入損益賬。出售經重估資產時，固定資產中就以往估值變現之重估儲備有關部份乃撥往保留溢利，列作儲備變動。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each asset over its estimated useful life, after taking into account its estimated residual value. The principal annual rates used for this purpose are as follows:

Leasehold land
Buildings
Leasehold improvements
Plant, machinery and moulds
Furniture, fixtures and equipment
Motor vehicles

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account, is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents factory buildings, plant and machinery and other fixed assets under construction/installation and is stated at cost less any impairment losses, and is not depreciated. Cost comprises direct costs of construction, installation and testing. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

3. 主要會計政策之概要(續)

固定資產及折舊(續)

折舊乃按每項資產之估計使用年期，以直線法撇銷其成本值或估值，並扣除其估計剩餘價值計算。就此採用之主要年率如下：

租賃土地	2%
樓宇	2% – 7%
租賃物業裝修	20%
廠房、機器及模具	20% – 33%
傢俬、裝置及設備	20% – 33%
汽車	20%

於損益賬中所確認因出售或廢棄固定資產而引致之任何損益，指出售有關資產所得款項淨額與賬面值之差額。

在建工程乃指正在興建／裝設中之工廠大廈、廠房及機器以及其他固定資產，以成本值扣除減值虧損而不予折舊入賬。成本值包括興建、裝設及測試之直接成本。在建工程於完成及可供使用時將重新劃分為適當類別之固定資產。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

The Company intends to apply for an extension of the tenure from 15 years to 50 years for both Dongguan Whole Bright Lighting Co., Ltd. and Dongguan Bright Yin Huey Lighting Co., Ltd., both of which are indirect wholly-owned subsidiaries of the Company established in Mainland China. Such application can only be made during the six-month period prior to the expiry of the respective tenure, and the directors of the Company believe that such an extension will be granted upon application. Accordingly, the costs of leasehold land and buildings of these subsidiaries are depreciated on the straight-line basis to write off the cost of the assets over their estimated useful lives based on the extended tenure.

Goodwill

Goodwill arising on acquisition of subsidiaries represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 5 years.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate.

3. 主要會計政策之概要(續)

固定資產及折舊(續)

本公司計劃申請將本公司於中國大陸成立之兩家間接全資附屬公司東莞豪輝燈飾有限公司及東莞瑩輝燈飾有限公司之經營年期由15年延長至50年。該申請僅可於各自之經營年期到期前六個月期間內提出，而本公司董事相信，該項延期申請將獲批准。因此，該等附屬公司之租賃土地及樓宇乃以直線法根據經延長之經營年期於其估計使用期內撇銷其成本。

商譽

因收購附屬公司而產生之商譽，乃指收購成本超出本集團於收購日期佔可識別之已收購資產及負債之公平值之金額。

收購產生之商譽乃於綜合資產負債表內確認為資產及按其估計可使用年期5年內以直線法攤銷。

於出售附屬公司時，出售損益之計算乃參照於出售日之資產淨值，其中包括仍未攤銷之商譽應佔金額及任何有關儲備，如適用。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

Negative goodwill

Negative goodwill arising on an acquisition of subsidiaries represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the plan for an acquisition and can be measured reliably, but which do not represent identifiable liabilities at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

3. 主要會計政策之概要(續)

商譽(續)

商譽之賬面值每年檢討，及在認為有需要時就減值作出撇減。先前就商譽已確認之減值虧損不作撥回，除非減值虧損是因特殊性質而預期不會再發生之特別外在事件引致，而其後發生之外在事件已令有關事件之影響還原。

負商譽

收購附屬公司而產生之負商譽指於收購日，本集團佔可識別之已收購資產及負債之公平值超出收購成本之金額。

負商譽中涉及收購計劃中已確定及可準確量度之預期將來虧損及費用，惟並不構成於收購日之可識別負債之部份，該部份負商譽於將來虧損及費用確認時，於綜合損益賬確認為收入。

按照負商譽於收購日與可識別之預期虧損及費用不存在關係，負商譽乃根據系統化之基準，在可折舊／可攤銷之已收購資產之餘下可使用年期，於綜合損益賬內確認。任何負商譽較已收購非貨幣資產公平值超出之金額隨即確認為收入。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Negative goodwill (continued)**

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account and any relevant reserves as appropriate.

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties with unexpired lease terms of more than 20 years are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

3. 主要會計政策之概要(續)**負商譽(續)**

於出售附屬公司時，出售損益之計算乃參照於出售日之資產淨值，其中包括未在綜合損益賬作確認之負商譽應佔金額及任何適用之有關儲備。

投資物業

投資物業指建築工程及發展已完成之土地及樓宇之權益，並因該等土地及樓宇有投資潛力而擬長期持有，租金收入則按公平基準磋商釐定。租約年期尚餘超過二十年之該等物業不予折舊，於每個財政年度終結時按每年專業估值之公開市場價值入賬。投資物業之價值變動乃於投資物業重估儲備中處理，倘按組合計算虧絀高於該儲備之總額，超出之虧絀數額則在損益賬中扣除。隨後之任何重估盈餘乃以先前扣除之虧絀為限計入損益賬。

投資物業出售後，就以往估值變現之投資物業重估儲備之有關部份乃撥入損益賬。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and development costs

All research costs are charged to the profit and loss account as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the projects are clearly defined; the expenditure is separately identifiable and can be measured reliably; there is reasonable certainty that the projects are technically feasible; and the products have commercial value. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are amortised using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

Golf club membership

Golf club membership is stated at cost less any impairment loss.

Long term investments

Long term investments are non-trading investments in unlisted equity securities intended to be held on a long term basis.

Long term investments are stated at cost less any impairment losses.

3. 主要會計政策之概要(續)

研究及發展成本

所有研究成本均於產生時在損益賬內扣除。

開發新產品之項目支出僅於項目獲明確界定；支出可分項識別及可準確量度；可合理確定項目屬技術可行；及產品有商業價值時，方作資本化及作遞延入賬。不符合上述準則之產品開發支出於產生時支銷。

遞延開發成本乃自產品作商業生產之日起以直線法按有關產品之商業壽命期內攤銷。

高爾夫球會籍

高爾夫球會籍以成本值扣除減值虧損入賬。

長期投資

長期投資乃並非持作買賣用途之非上市股本證券投資，並擬長期持有。

長期投資以成本值扣除減值虧損入賬。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Long term investments (continued)

When such impairments in values have occurred, the carrying amounts of the securities are reduced to their fair values, as estimated by the directors and the amounts of the impairments are charged to the profit and loss account in the period in which they arise. Where the circumstances and events which led to an impairment cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amount of the impairment previously charged and any appreciation in fair value is credited to the profit and loss account to the extent of the amount previously charged.

Short term investments

Short term investments are investments in equity securities held for trading purposes and are stated at their fair values on the basis of their quoted market prices or the fair values of the underlying investments at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in the fair value of a security are credited or charged to the profit and loss account in the period in which they arise.

Operating Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. 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 profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

3. 主要會計政策之概要(續)

長期投資(續)

當出現上述投資減值時，該等證券之賬面值乃減至董事估計之公平價值，而減值數額則於有關減損產生期間之損賬表中扣除。倘令減損之情況及事件不再出現，並有充分理據證明此等新情況及事件於可見將來持續，則先前扣除之減損款額及公平價值之任何增值乃以先前扣除之數額為限計入損益賬。

短期投資

短期投資乃持作買賣用途之股本證券投資，按個別投資計算以相關投資於結算日之市場報價或公平價值入賬。因證券之公平價值變動產生之損益乃於其產生之期間內計入損益賬或於損益賬中扣除。

經營租約

資產擁有權之絕大部份回報及風險乃由出租人承擔之租約，按經營租約處理。本集團如為出租人，本集團根據經營租約出租之資產歸類為非流動資產，而經營租約之應收租金乃按租約年期以直線法計入損益賬。本集團若為承租人，經營租約之應付租金乃按租約年期以直線法於損益賬內扣除。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal.

Deferred tax

Deferred tax is provided, using the liability method, on all significant timing differences to the extent it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditure expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the profit and loss account.

3. 主要會計政策之概要(續)

存貨

存貨按成本值或可變現淨值兩者中較低者入賬。成本值按先進先出法計算，在製品及製成品之成本包括直接材料、直接工資及按適當比例分配之間接費用。可變現淨值乃根據估計售價減預期達成及出售存貨所需之其他成本計算。

遞延稅項

遞延稅項乃以負債法就所有重大時差提撥準備，惟有關負債僅以於可見將來可能引起者為限。遞延稅項資產於可合理確定出現時方會列賬。

撥備

倘因過往事宜產生目前債務(法定或推定)及將來可能需要有資源流出，以償還債務，則撥備予以確認，惟該債務之金額須可予準確估計。

倘折現之影響屬重大，就撥備之已確認金額乃是於結算日償還債務預期所需支出之現值金額。倘隨著時間過去，折現現值金額之增幅於損益賬計入財務費用。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable; and
- (c) rental income, on a time proportion basis over the lease terms.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries are translated to Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated to Hong Kong dollars at the exchange rates at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

3. 主要會計政策之概要(續)

收入確認

收入乃於本集團可能獲得有關經濟利益而該利益可準確計算時按下列基準予以確認：

- (a) 貨品銷售時，附於擁有權之主要風險及回報已轉移至買方，且本集團並無保留一般視為與擁有權相關之管理權或已售貨品的有效控制權時確認；
- (b) 利息收入經計入尚餘本金及適用之實際息率後按時間比例基準予以確認；及
- (c) 租金收入根據有關租約之年期以時間基準予以確認。

外幣

外幣交易按交易日期適用之匯率換算入賬。於結算日以外幣為單位之貨幣資產及負債按當日適用之匯率換算入賬。匯兌差額則撥入損益賬處理。

於綜合賬目時，海外附屬公司之財務報表以淨投資方法換算為港元入賬。海外附屬公司之損益賬按當年之加權平均匯率換算為港元，其資產負債表按結算日之匯率換算為港元。因此而產生之匯兌差額歸入匯兌波動儲備。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated to Hong Kong dollars at the exchange rates at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated to Hong Kong dollars at the weighted average exchange rates for the year.

Prior to the adoption of the revised SSAPs 11 and 15 during the year, as explained in note 2 to the financial statements, the profit and loss accounts and the cash flows of overseas subsidiaries were translated to Hong Kong dollars at the exchange rates at the balance sheet date. These changes have had no material effect on the financial statements.

Employee benefits

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the participating employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

3. 主要會計政策之概要(續)

外幣(續)

就綜合現金流量表而言，海外附屬公司之現金流量按產生現金流量日期之滙率換算為港元。海外附屬公司全年產生之經常性現金流量按年內之加權平均滙率換算為港元。

正如財務報表附註2所說明，年內採納經修訂之會計實務準則第11號及15號前，海外附屬公司之損益賬及現金流量按結算日之滙率換算為港元。這些轉變對財務報表並無重大影響。

僱員福利

退休福利計劃

根據強制性公積金條例，本集團為所有合資格參加強制性公積金退休福利計劃(「強積金計劃」)之僱員管設一個界定供款強積金計劃。按照強積金計劃之規章，供款乃按參與之僱員之底薪釐定，並於應付供款時自損益賬扣除。強積金計劃之資產與本集團資產分開處理，另由一個獨立運作之基金管理。本集團之僱主供款一旦注入強積金計劃，即悉數歸屬僱員。

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement benefits scheme (continued)

The Group is also required to contribute a specified amount for the workers in Mainland China, pursuant to the local municipal government regulations. The local municipal government undertakes to assume the retirement benefit obligations of those Mainland China workers of the Group. Contributions to this retirement benefits scheme are charged to the profit and loss account in the period to which they relate.

Share option scheme

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. 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 are cancelled or which lapse prior to their exercise date are deleted from the register of outstanding options.

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

3. 主要會計政策之概要(續)

僱員福利(續)

退休福利計劃(續)

根據地方市政府法規，本集團須為中國國內工人作出指定款額之供款。地方市政府承諾為本集團於中國國內工人之退休福利責任作出承擔。就該退休福利計劃作出之供款乃於產生時自損益賬中扣除。

購股權計劃

本公司設有一項購股權計劃，作為對本集團經營成果有貢獻之合資格參與者之鼓勵及獎賞。購股權計劃所授購股權之財務影響於購股權獲行使時始記錄於本公司或本集團之資產負債表，因而並無於損益賬或資產負債表中扣除有關成本。於購股權獲行使後，本公司將據此而發行之股份按股份之面值入賬列作增加之股本，而每股行使價超出股份面值之差額則撥入本公司之股份溢價賬。行使日期前被註銷或失效之購股權均於未行使購股權登記冊中刪除。

關連人士

倘任何一方能直接或間接控制另一方，或於作出財政或經營決策時能向對方行使重大影響力者即為關連人士，而受共同控制或共同重大影響之人士亦視為關連人士。關連人士可以是個人或法團實體。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of balance sheet, cash and cash equivalents, comprise cash on hand and at banks, including term deposits and assets similar in nature to cash, which are not restricted as to use.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's bye-laws and articles grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

3. 主要會計政策之概要(續)

現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手頭現金及活期存款以及可隨時轉換為已知金額現金之短期高變現能力之投資(有關投資所受價值變動之風險並不重大，並於收購時為三個月內到期)減去須於要求時還款及構成本集團現金管理之基本部份的銀行透支。

就資產負債表而言，現金及現金等值項目指手頭現金及銀行現金，包括定期存款，以及性質近似現金、使用不受限制之資產。

股息

董事建議派付之末期股息於資產負債表之資本及儲備項下列作保留溢利之獨立分配，直至股東於股東週年大會批准派付該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。

中期股息由本公司同時建議及宣派，因本公司之公司細則及章程授權董事宣派中期股息之權利。故此，中期股息於建議派付及宣派時隨即確認為負債。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

4. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

(a) Business segments

Since over 90% of the Group's revenue, results, assets and liabilities are derived from the design, manufacture and sale of lighting products, no separate analysis of financial information by business segment is presented in the financial statements.

(b) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets. The corporate and others segment includes general corporate income and expense items and unallocated items.

4. 分類資料

分類資料乃按本集團之業務及地區劃分呈列。選擇業務分類資料為主要申報格式之原因為此與本集團之內部財務申報方式更為相關。

(a) 業務分類

由於本集團90%以上之收益、業績、資產及負債均來自設計、製造及銷售照明產品。因此，財務報表中並無呈列業務分類之財務資料分析。

(b) 地區分類

在呈列按地區劃分之資料時，分類收益乃按客戶所處地區分佈。分類資產及資本開支則按資產所處地區分佈。公司及其他分類包括一般公司收入及費用項目及未分配項目。

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財務報表附註(續)

4. SEGMENT INFORMATION (continued)

4. 分類資料(續)

(b) Geographical segments (continued)

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments.

(b) 地區分類(續)

按本集團地區分類之收益及若干資產及開支資料呈列如下：

		Hong Kong and Mainland China 香港及中國大陸		United States of America 美國		Europe 歐洲		Corporate and others 公司及其他		Eliminations 撇銷		Consolidated 綜合	
		2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零零二年	二零零一年	二零零二年	二零零一年	二零零二年	二零零一年	二零零二年	二零零一年	二零零二年	二零零一年	二零零二年	二零零一年
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue:	分類收益：												
Sales to external customers	銷售予對外客戶	18,305	7,014	520,302	440,106	12,546	17,069	34,146	22,932	-	-	585,299	487,121
Other revenue	其他收益	552	621	-	-	-	-	1,881	3,996	-	-	2,433	4,617
Total revenue	收益總額	18,857	7,635	520,302	440,106	12,546	17,069	36,027	26,928	-	-	587,732	491,738
Other segment information:	其他分類資料：												
Segment assets	分類資產	419,058	293,921	-	-	-	-	9,323	30,476	-	-	428,381	324,397
Capital expenditure	資本開支	77,324	9,033	-	-	-	-	6,759	1,181	-	-	84,083	10,214

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財務報表附註(續)

5. TURNOVER AND OTHER REVENUE AND GAINS

The Group's turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of turnover, other revenue and gains is as follows:

5. 營業額以及其他收入及收益

本集團之營業額指扣除退貨及貿易折扣後已售貨品之發票淨值。

營業額、其他收入及收益分析如下：

		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Turnover – sale of goods	營業額 – 銷售貨品	585,299	487,121
Other revenue:	其他收入：		
Gross and net rental income from investment properties	投資物業租金收入 總額及淨額	552	621
Interest income	利息收入	1,881	3,996
		2,433	4,617
Gains:	收益：		
Foreign exchange gains, net	滙兌收益淨額	2,501	1,324
Gain on redemption of a short term investment	贖回一項短期投資 之收益	2,229	–
Others	其他	699	1,174
		5,429	2,498
Other revenue and gains	其他收入及收益	7,862	7,115

Notes to Financial Statements (Cont'd)

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二零零二年十二月三十一日

財務報表附註(續)

6. PROFIT FROM OPERATING ACTIVITIES

6. 經營業務之溢利

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

本集團來自經營業務之溢利乃經扣除／(計入)：

		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Depreciation	折舊	11,032	11,957
Amortisation of goodwill *	攤銷商譽*	338	-
Research and development costs	研究及開發成本	4,296	2,735
Minimum lease payments under operating leases on land and buildings	土地及樓宇經營租約之最低租賃支出	2,541	2,078
Auditors' remuneration	核數師酬金	860	778
Provision for impairment in values of long term investments	長期投資減值撥備	-	6,345
Provision for impairment in value of a short term investment	短期投資減值撥備	1,102	1,680
Staff costs (excluding directors' remuneration (Note 8)):	僱員成本(不包括董事酬金(附註8))		
Wages and salaries	工資及薪金	32,536	28,472
Pension scheme contributions	退休金供款	580	352
Total staff costs	僱員成本總額	33,116	28,824
Loss on write off of fixed assets	註銷固定資產虧損	1,883	-
Unrealised holding losses on short term investments	持有短期投資之未變現虧損	620	-
Negative goodwill recognised as income	負商譽確認為收入	-	(236)

* The amortisation of goodwill for the year is included in "Other operating expenses" on the face of the consolidated profit and loss account.

* 本年度攤銷商譽計入綜合損益賬上「其他經營開支」一項中。

Notes to Financial Statements (Cont'd)

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二零零二年十二月三十一日

財務報表附註(續)

7. FINANCE COSTS

7. 財務費用

		Group	
		本集團	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Interest expense on	須於五年內		
bank loans and overdrafts repayable	償還之銀行貸款		
within five years	及透支之利息支出	1	28

8. DIRECTORS' REMUNERATION

8. 董事酬金

Directors' remuneration disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance is as follows:

根據上市規則及香港公司條例第161條須予披露之董事酬金如下：

		Group	
		本集團	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Fees:	袍金：		
Executive directors	執行董事	700	700
Non-executive directors	非執行董事	38	-
Independent non-executive directors	獨立非執行董事	200	280
		938	980
Other emoluments of the			
executive directors:	執行董事其他報酬：		
Salaries, allowances and	薪金、津貼及		
benefits in kind	實物利益	10,307	8,463
Discretionary bonuses	酌情花紅	3,583	3,510
		13,890	11,973
Total directors' remuneration	董事酬金總額	14,828	12,953

Notes to Financial Statements (Cont'd)

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二零零二年十二月三十一日

財務報表附註(續)

8. DIRECTORS' REMUNERATION (continued)

The number of directors whose remuneration fell within the following bands is as follows:

Nil – HK\$1,000,000	零 – 1,000,000港元
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

9. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals during the year were all directors of the Company.

8. 董事酬金(續)

酬金介乎下列組別之董事數目如下：

Number of directors		董事人數	
		2002	2001
		二零零二年	二零零一年
Nil – HK\$1,000,000	零 – 1,000,000港元	4	3
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	3
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	2	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	–	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	1	–

年內並無董事放棄或同意放棄任何酬金之安排。

9. 五位最高薪人士

年內五位最高薪人士均為本公司董事。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

10. TAX

10. 稅項

		Group 本集團	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
The People's Republic of China (the "PRC"):	中華人民共和國 (「中國」):		
Hong Kong:	香港:		
Overprovision in prior year	以前年度超額撥備	-	11,058
Elsewhere:	其他地方:		
Corporate income tax	企業所得稅	(1,228)	-
		<hr/>	<hr/>
Tax credit/(charge) for the year	年度稅項撥回/(支出)	(1,228)	11,058
		<hr/> <hr/>	<hr/> <hr/>

No provision for Hong Kong profits tax has been made since the Group did not have any assessable profits arising in Hong Kong during the current and prior year. Taxes on profits assessable elsewhere in the PRC have been calculated based on existing legislation, interpretations and practices at the prevailing rates of tax.

The Group did not have any significant unprovided deferred tax liabilities for the year (2001: Nil).

The revaluation of the Group's leasehold land and buildings and investment properties does not constitute a timing difference and, consequently, the amount of potential deferred tax thereon has not been quantified.

由於本集團於年內及去年均並無從香港錄得任何應課稅溢利，故此並無就香港利得稅作出撥備。中國其他地方之應課稅溢利乃按當時之稅率根據現行法例、詮釋及常規計算稅項。

本集團在本年度並無未予撥備的任何重大遞延稅務負債(二零零一：無)。

重估本集團之租賃土地及樓宇以及投資物業並未構成時差，故有關之潛在遞延稅項並未計算在稅項之內。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

11. NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net profit from ordinary activities attributable to shareholders dealt with in the financial statements of the Company is HK\$146,894,000 (2001: HK\$61,064,000).

11. 股東應佔日常業務純利

本公司於財務報表處理之股東應佔日常業務純利為146,894,000港元(二零零一年: 61,064,000港元)。

12. DIVIDENDS

Interim – 6 cents (2001: 8 cents) per ordinary share	中期股息 – 每股普通股 6仙(二零零一年: 8仙)
Proposed final – 3 cents (2001: 2 cents) per ordinary share	擬派末期股息 – 每股普通 股3仙(二零零一年: 2仙)

12. 股息

2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
29,430	36,000
14,715	9,000
44,145	45,000

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

本年度擬派末期股息須經本公司股東在應屆股東週年大會上批准，方可作實。

13. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year HK\$76,855,000 (2001: HK\$77,034,000) and the weighted average of 478,960,274 (2001: 450,000,000) shares in issue during the year.

13. 每股盈利

每股基本盈利乃根據本年度股東應佔日常業務純利76,855,000港元(二零零一年: 77,034,000港元)及年內已發行股份之加權平均股數478,960,274股(二零零一年: 450,000,000股)計算。

No diluted earnings per share are presented as the Company does not have any dilutive potential ordinary shares.

由於本公司並無任何具攤薄影響的潛在普通股，故此並無呈列每股攤薄盈利。

Notes to Financial Statements (Cont'd)

財務報表附註(續)

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14. FIXED ASSETS

14. 固定資產

Group

本集團

		Investment properties	Leasehold land and buildings	Leasehold improvements	Plant, machinery and moulds	Furniture, fixtures and equipment	Motor vehicles	Cons-truction in progress	Total
		投資物業	租賃土地及樓宇	物業裝修	廠房、機器及模具	傢俬、裝置及設備	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Cost or valuation:	成本值或估值：								
At beginning of year	年初	3,380	53,920	7,617	17,464	12,020	8,194	7,397	109,992
Additions	添置	-	24,999	869	24,194	1,010	2,528	23,724	77,324
Acquisition of a subsidiary	收購一家附屬公司	-	-	-	7,244	203	-	481	7,928
Transfer	轉撥	-	11,973	57	1,335	896	-	(14,261)	-
Disposals	出售	-	-	-	-	-	(160)	-	(160)
Write off	註銷	-	-	(2,280)	(400)	-	(132)	(34)	(2,846)
Revaluation	重估	-	341	-	-	-	-	-	341
At 31 December 2002	於二零零二年十二月三十一日	3,380	91,233	6,263	49,837	14,129	10,430	17,307	192,579
Analysis of cost or valuation:	成本值或估值分析：								
At cost	按成本值	-	-	6,263	49,837	14,129	10,430	17,307	97,966
At 2002 valuation	按二零零二年估值	3,380	91,233	-	-	-	-	-	94,613
		3,380	91,233	6,263	49,837	14,129	10,430	17,307	192,579
Accumulated depreciation:	累計折舊：								
At beginning of year	年初	-	-	2,678	13,094	9,001	4,928	-	29,701
Provided during the year	年內撥備	-	2,948	1,577	2,371	2,765	1,371	-	11,032
Acquisition of a subsidiary	收購一家附屬公司	-	-	-	443	6	-	-	449
Disposals	出售	-	-	-	-	-	(3)	-	(3)
Write off	註銷	-	-	(900)	-	-	(63)	-	(963)
Write-back on revaluation	重估撥回	-	(2,948)	-	-	-	-	-	(2,948)
At 31 December 2002	於二零零二年十二月三十一日	-	-	3,355	15,908	11,772	6,233	-	37,268
Net book value:	賬面淨值：								
At 31 December 2002	於二零零二年十二月三十一日	3,380	91,233	2,908	33,929	2,357	4,197	17,307	155,311
At 31 December 2001	於二零零一年十二月三十一日	3,380	53,920	4,939	4,370	3,019	3,266	7,397	80,291

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

14. FIXED ASSETS (continued)

The Group's leasehold land and buildings are analysed as follows:

At valuation: 估值：
Medium term leases 中期租約
Long term leases 長期租約

14. 固定資產(續)

本集團之租賃土地及樓宇分析如下：

	Hong Kong 香港	Mainland China 中國大陸	Total 總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At valuation: 估值：			
Medium term leases 中期租約	840	87,162	88,002
Long term leases 長期租約	-	3,231	3,231
	840	90,393	91,233

The Group's land and buildings were revalued individually at 31 December 2002 by RHL Appraisal Ltd., an independent professionally qualified valuer, at an aggregate open market value of HK\$91,233,000 based on their existing use. A revaluation surplus of HK\$3,297,000 and revaluation surplus of HK\$8,000 resulting from the above valuations have been credited and debited to the fixed asset revaluation reserve and the consolidated profit and loss account for the year, respectively.

Had these leasehold land and buildings been carried at historical cost less accumulated depreciation, their carrying values would have been approximately HK\$73,318,000 (2001: HK\$39,062,000).

The investment properties are held under medium term leases and were revalued at 31 December 2002 by RHL Appraisal Ltd. on an open market, existing use basis. These properties are situated in Mainland China and leased to third parties under operating leases.

Further particulars of the Group's investment properties are included on page 104 of this annual report.

Included in construction in progress is an amount of HK\$4,193,000 (2001: HK\$4,193,000), representing the carrying value of a piece of land in the Mainland China, the title of which at 31 December 2002 had not yet been passed to the Group and, as at the date of approval of these financial statements, is in the process of being obtained.

本集團之土地及樓宇已由獨立專業合資格估值師永利行評估顧問有限公司於二零零二年十二月三十一日按其現有用途分別估值，其公開市值總額為91,233,000港元。由上述估值所產生之重估盈餘3,297,000港元及重估虧絀8,000港元已分別於年內固定資產重估儲備及綜合損益賬計入及扣除。

倘該等租賃土地及樓宇按歷史成本值減累計折舊列賬，其賬面值應約為73,318,000港元(二零零一年：39,062,000港元)。

投資物業乃按中期租約持有，其由永利行評估顧問有限公司於二零零二年十二月三十一日按現有用途以公開市值進行重估。該等物業位於中國大陸，並按經營租約租賃予第三方。

本集團投資物業之進一步詳情載於本年報第104頁。

在建工程包括一筆為數4,193,000港元(二零零一年：4,193,000港元)之金額，乃指中國大陸一塊土地之賬面值，於二零零二年十二月三十一日其業權尚未移交本集團，截至本財務報表批核之日，尚在辦理中。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

15. GOODWILL

15. 商譽

		Group 本集團 <i>HK\$'000</i> 千港元
Cost:	按成本值：	
Acquisition of a subsidiary during the year and at 31 December 2002	年內收購一家附屬公司及於二零零二年十二月三十一日	6,759
Accumulated amortisation:	累計攤銷：	
Amortisation provided during the year and at 31 December 2002	年內攤銷及於二零零二年十二月三十一日	(338)
Net book value:	賬面淨值：	
At 31 December 2002	於二零零二年十二月三十一日	6,421

16. INTERESTS IN SUBSIDIARIES

16. 於附屬公司之權益

		Company 本公司	
		2002 二零零二年 <i>HK\$'000</i> 千港元	2001 二零零一年 <i>HK\$'000</i> 千港元
Unlisted shares, at cost	非上市股份，按成本值	43,715	43,715
Due from subsidiaries	附屬公司欠款	77,030	66,826
		120,745	110,541

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

附屬公司欠款屬無抵押、免息且無固定還款期。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益(續)

Particulars of the Company's principal indirectly-held subsidiaries, except Bright Group (BVI) Ltd., at the balance sheet date are as follows:

本公司於結算日主要非直接持有，Bright Group (BVI) Ltd除外之附屬公司詳情如下：

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of equity interest attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Bright Group (BVI) Ltd - note (i) - 附註(i)	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$702 Ordinary 702美元 普通股	100%	100%	Investment holding 投資控股
Full Scene Developments Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$50,000 Ordinary 50,000美元 普通股	100%	100%	Investment holding 投資控股
Whole Bright Industries (HK) Limited 豪輝實業(香港)有限公司	Hong Kong 香港	HK\$1,000 Ordinary HK\$100,000 Non-voting deferred 1,000港元 普通股 100,000港元 無投票權遞延股	100%	100%	Investment and property holding 投資及物業 控股
Whole Bright Industries Limited 豪輝實業有限公司	British Virgin Islands/ PRC 英屬處女群島/中國	US\$1 Ordinary 1美元 普通股	100%	100%	Trading of lighting products 照明產品 貿易

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立或/ 註冊及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of equity interest attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
Dongguan Whole Bright Lighting Co. Ltd. – note (ii) 東莞豪輝燈飾有限公司 – 附註(ii)	PRC 中國	HK\$16,050,000 16,050,000港元	100%	100%	Design, manufacture and sale of lighting products 設計、製造 及銷售 照明產品
Dongguan Bright Yin Huey Lighting Co., Ltd. – note (ii) 東莞瑩輝燈飾有限公司 – 附註(ii)	PRC 中國	HK\$10,000,000 10,000,000港元	100%	100%	Design, manufacture and sale of lighting products 設計、製造 及銷售 照明產品
Willy Garden Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$50,000 Ordinary 50,000美元 普通股	100%	100%	Investment holding 投資控股
Everprofit Enterprise Co., Ltd.	British Virgin Islands/ Hong Kong 英屬處女群島/香港	HK\$11,610,000 11,610,000港元	100%	100%	Investment holding 投資控股

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立或/ 註冊及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of equity interest attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
北京瑩輝照明科技 有限公司 - note(ii) - 附註(ii)	PRC 中國	US\$1,500,000 1,500,000美元	100%	100%	Trading of lighting products 照明產品 貿易
東莞嘉盛照明科技 有限公司 - note(ii) - 附註(ii)	PRC 中國	HK\$34,300,000 34,300,000港元 - 附註(iii)	100%	100%	Factory under construction 興建廠房 階段
Ticko Inc.	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$50,000 50,000美元	100%	-	Investment holding 投資控股
Newgreat Asia Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$50,000 50,000美元	100%	-	Investment holding 投資控股
Sinograce Holdings Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$50,000 50,000美元	100%	-	Investment holding 投資控股

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立或/ 註冊及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本/註冊資本	Percentage of equity interest attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			2002 二零零二年	2001 二零零一年	
上海豪輝照明科技 有限公司 - note(iii) - 附註(ii)	PRC 中國	HK\$8,000,000 8,000,000港元	100%	-	Design, manufacture and sale of lighting products 設計、製造 及銷售照明產品
上海瑩輝照明科技 有限公司 - note(iii) - 附註(ii)	PRC 中國	US\$3,800,000 3,800,000美元 - 附註(iv)	100%	-	Design, manufacture and sale of lighting products 設計、製造 及銷售照明產品
Changshu Hsiang Lin Power Light Source Co., Ltd.* 常熟翔霖電光源有限公司*	PRC 中國	US\$700,000 700,000美元	75%	-	Design, manufacture and sale of energy saving bulbs 設計、製造 及銷售節能燈泡

* Acquired during the year

* 於年內收購

Notes to Financial Statements (Cont'd)

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二零零二年十二月三十一日

財務報表附註(續)

16. INTERESTS IN SUBSIDIARIES (continued)

The above table lists the subsidiaries of the Company, which in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- (i) Directly held by the Company.
- (ii) Registered as a wholly-owned foreign investment enterprise in the PRC.
- (iii) The registered capital is HK\$35,000,000.
- (iv) The registered capital is US\$6,000,000.

16. 於附屬公司之權益(續)

上表列出董事認為主要影響年內業績或構成本集團重大部份資產淨值之本公司附屬公司。董事認為詳列其他附屬公司資料會使篇幅過為冗長。

附註：

- (i) 由本公司直接持有。
- (ii) 註冊為中國外商獨資企業。
- (iii) 註冊資本為35,000,000港元。
- (iv) 註冊資本為6,000,000美元。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

17. INVESTMENTS

17. 投資

		Group		Company	
		本集團	本公司	本公司	本公司
		2002	2001	2002	2001
		二零零二年	二零零一年	二零零二年	二零零一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Long term investments	長期投資				
Unlisted equity investments, at cost	非上市股本投資，按成本值	14,345	18,235	-	-
Less: Provision for impairment	減：減值撥備	(14,345)	(17,054)	-	-
		-	1,181	-	-
Short term investments	短期投資				
Listed equity investments, at market value:	上市股本投資，按市值：				
Hong Kong	香港	2,182	-	-	-
Elsewhere	其他地方	3,502	2,782	2,782	2,782
		5,684	2,782	2,782	2,782
Less: Provision for impairment	減：減值撥備	(2,782)	(1,680)	(2,782)	(1,680)
Listed equity investments, at fair value	上市股本投資，按公平價值	2,902	1,102	-	1,102
Unlisted equity investments, at fair value	非上市股本投資，按公平價值	-	21,772	-	-
		2,902	22,874	-	1,102

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

18. GOLF CLUB MEMBERSHIP

18. 高爾夫球會籍

		Group 本集團	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Golf club membership, at cost	高爾夫球會籍，按成本值	350	350
Less: Provision for impairment	減：減值撥備	(350)	(190)
		<hr/>	<hr/>
		-	160
		<hr/> <hr/>	<hr/> <hr/>

19. INVENTORIES

19. 存貨

		Group 本集團	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials	原料	23,966	15,778
Finished goods	製成品	15,104	9,800
		<hr/>	<hr/>
		39,070	25,578
		<hr/> <hr/>	<hr/> <hr/>

Notes to Financial Statements (Cont'd)

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二零零二年十二月三十一日

財務報表附註(續)

20. TRADE RECEIVABLES

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

20. 應收貿易款項

於結算日，應收貿易款項之賬齡(根據發票日計算)分析如下：

		Group			
		2002		2001	
		二零零二年		二零零一年	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$'000		HK\$'000	
		千港元		千港元	
1 month	1個月	55,603	60.0	21,660	89.3
2 - 3 months	2 - 3個月	32,373	34.9	2,493	10.3
4 - 6 months	4 - 6個月	2,767	3.0	103	0.4
7 - 12 months	7 - 12個月	1,452	1.6	-	-
Over 1 year	1年以上	491	0.5	-	-
		92,686	100	24,256	100

Trading terms with customers are largely on credit, except for new customers, where trade deposits, advances or payments in advance are normally required. Invoices are normally payable within 30 - 60 (2001: 14 - 30 days) days of issuance by letters of credit or on an open account basis. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

與客戶之貿易條款大多屬賒賬形式，惟就新客戶而言則一般要求彼等支付貿易按金、墊款或預付款項。發票一般須於發出30-60日(二零零一年：14-30日)內以信用狀或記賬方式支付。本集團對其未收取之應收款項保持嚴格控制。過期未繳餘額定期由高級管理層審閱。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

21. LOAN RECEIVABLE

The loan receivable as at 31 December 2001 bore interest at 2.125% per annum and was fully repaid during the year.

21. 應收貸款

於二零零一年十二月三十一日之應收貸款以年利率2.125厘計息，並已於年內全數償還。

22. CASH AND CASH EQUIVALENTS

22. 現金及現金等值項目

		Group 本集團		Company 本公司	
		2002 二零零二年	2001 二零零一年	2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash and bank balances	現金及銀行結存	90,765	59,458	137	3,126
Time deposits	定期存款	17,179	86,772	-	-
		107,944	146,230	137	3,126
Less: Time deposits	減：就若干附屬公司				
pledged for	所獲之一般銀行				
general banking	信貸而抵押之				
facilities granted to	定期存款				
certain subsidiaries		(7,556)	(7,556)	-	-
		100,388	138,674	137	3,126

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

23. TRADE PAYABLES

The aged analysis of trade payables as at the balance sheet date is as follows:

1 – 3 months	1 - 3個月
4 – 6 months	4 - 6個月
7 – 12 months	7 - 12個月
Over 1 year	1年以上

23. 應付貿易款項

於結算日，應付貿易款項之賬齡分析如下：

		Group 本集團			
		2002 二零零二年		2001 二零零一年	
		Balance 結餘 HK\$'000 千港元	Percentage 百分比	Balance 結餘 HK\$'000 千港元	Percentage 百分比
		40,562	84.0	26,958	92.2
		1,617	3.4	439	1.5
		2,124	4.4	248	0.8
		3,950	8.2	1,600	5.5
		48,253	100	29,245	100

24. OTHER PAYABLES AND ACCRUALS

Accruals and other liabilities	應計款項及 其他負債
Due to a related company	應付一家關連 公司款項

24. 其他應付及應計款項

		Group 本集團		Company 本公司	
		2002 二零零二年	2001 二零零一年	2002 二零零二年	2001 二零零一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		34,831	20,813	1,527	1,143
		36	3,409	-	-
		34,867	24,222	1,527	1,143

The amount due to the related company, in which certain directors of the Company have beneficial interests, is unsecured, interest-free and has no fixed terms of repayment. It represents reimbursement payable to the related company for expenses and purchases paid on behalf of the Group.

應付一家關連公司(本公司若干董事擁有其實益權益)之款項為無抵押、免息且無固定還款期。此款額乃該關連公司替本集團支付開支及採購而須償還之款項。

Notes to Financial Statements (Cont'd)

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二零零二年十二月三十一日

財務報表附註(續)

25. SHARE CAPITAL

25. 股本

Shares

股份

		Group and Company	
		本集團及本公司	
		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Authorised:	法定：		
1,000,000,000 ordinary shares of HK\$0.10 each	1,000,000,000股每股面值 0.10港元之普通股	100,000	100,000
Issued and fully paid:	已發行及繳足：		
490,500,000 (2001: 450,000,000) ordinary shares of HK\$0.10 each	490,500,000股 (二零零一年：450,000,000股) 每股面值0.10港元之普通股	49,050	45,000

During the year, in accordance with the placing and subscription agreements dated 15 April 2002, BIA sold 81,000,000 shares in the Company to independent placees at a price of HK\$0.77 per share and thereafter, BIA subscribed for 40,500,000 shares of the Company, which represented one half of the number of the above shares sold by BIA, at the same price of HK\$0.77 per share. The net proceeds arising from such subscription in the amount of HK\$30,411,000 were used as general working capital of the Group. Details of the said placement and subscription of shares were set out in the Company's announcement dated 15 April 2002.

年內，根據於二零零二年四月十五日訂立之配售協議，BIA以每股作價0.77港元向獨立承配人出售81,000,000股本公司股份。其後，BIA以同一價格每股0.77港元認購40,500,000股本公司股份，相當於上述BIA所售股數之一半。是次配售所得款項淨額30,411,000港元已用作本集團之一般營運資金。是次股份配售及認購之詳情載於本公司日期為二零零二年四月十五日之公佈。

Notes to Financial Statements (Cont'd)

31 December 2002
二零零二年十二月三十一日

財務報表附註(續)

25. SHARE CAPITAL (continued)

25. 股本(續)

A summary of the transactions during the current and prior years in the Company's ordinary share capital is as follows:

於本年及過往年度進行之本公司普通股股本之交易概要如下：

		Number of shares in issue 已發行股份 數目	Issued capital 已發行股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2001	於二零零一年 一月一日	300,000,000	30,000	42,891	72,891
Bonus issue of shares	發行紅股	150,000,000	15,000	(15,000)	-
At 31 December 2001 and 1 January 2002	於二零零一年十二月 三十一日及 二零零二年 一月一日	450,000,000	45,000	27,891	72,891
New issue of shares	發行新股	40,500,000	4,050	27,135	31,185
Share issue expenses	股份發行開支	-	-	(774)	(774)
At 31 December 2002	於二零零二年十二月 三十一日	490,500,000	49,050	54,252	103,302

Share option scheme

SSAP 34 was adopted during the year, as explained in note 2 and under the heading "Employee benefits" in note 3 to the financial statements. As a result, these detailed disclosures relating to the Company's share option scheme are now included in the notes to the financial statements.

購股權計劃

正如財務報表附註2及附註3「僱員福利」一段所說明，年內採納了會計實務準則第34號。因此，有關本公司購股權計劃之詳盡披露資料現收錄於財務報表附註。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

25. SHARE CAPITAL (continued)

Share option scheme (continued)

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, employee, whether full time or part time, of the Group or any Invested Entity (as defined in the Scheme), suppliers of goods or services to the Group or any Invested Entity, customers of the Group or any Invested Entity, person or entity that provides research, development or other technological support to the Group or any Invested Entity, and any shareholder of any member of the Group or any Invested Entity or holder of securities issued by any member of the Group or any Invested Entity. The Scheme became effective on 25 April 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date on which the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting the listing of, and permission to deal in, the shares to be issued pursuant to the exercise of options under the Scheme.

The total number of shares which may be issued upon exercise of all options to be granted under the Scheme shall not exceed 10% of the total number of shares of the Company in issue on 25 April 2002, i.e. 45,000,000 shares, which represented approximately 9.17% of the Company's shares in issue as at the date of this annual report. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue. Any further grant of share options in excess of this limit is subject to shareholder's approval in a general meeting.

25. 股本(續)

購股權計劃(續)

本公司設有一項購股權計劃(「計劃」)，作為對本集團經營成果有貢獻之合資格參與者之鼓勵及獎賞。計劃之合資格參與者包括本公司董事(包括獨立非執行董事)、本集團全職或兼職僱員、受投資實體(定義見計劃)、本集團或受投資實體之貨品或服務供應商、本集團或受投資實體之客戶、向本集團或受投資實體提供研究、開發或其他技術支援之人士或實體以及本集團成員公司或受投資實體之股東或本集團成員公司或受投資實體所發行證券之持有人。計劃於二零零二年四月二十五日生效，除非經另行註銷或修訂，計劃將於香港聯合交易所有限公司(「聯交所」)批准計劃項下購股權獲行使後所發行之股份上市及買賣之日起計十年內一直有效。

擬根據計劃授出之所有購股權獲行使而發行之股份總數不得超過本公司於二零零二年四月二十五日已發行股份總數之10%，即45,000,000股，相當於本公司截至本年報之日已發行股份約9.17%。於任何十二個月期內，向計劃之各合資格參與者授出購股權涉及可發行股份數目最多限於本公司已發行股份之1%。凡進一步授出超出此限額之購股權須經由股東於股東大會上批准。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

25. SHARE CAPITAL (continued)**Share option scheme (continued)**

Each grant of share options to a director, chief executive or substantial shareholder of the Company, or to any of their associates, is subject to approval in advance by the independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, would result in the shares issued and to be issued upon exercise of all options already granted and to be granted to such person in the 12-month period up to and including the date of such grant in excess of 0.1% of the shares of the Company in issue or with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5 million, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determined by the directors, save that such period shall not be more than ten years from the date of the offer of the share options subject to the provisions for early termination set out in the Scheme.

25. 股本(續)**購股權計劃(續)**

向本公司董事、主要行政人員或主要股東或向彼等之任何聯繫人士授予購股權，事先須經由獨立非執行董事批准。此外，凡於截至及包括授出購股權之日止十二個月期內向本公司任何一位主要股東或獨立非執行董事或彼等之任何聯繫人士授予之購股權可超出本公司已發行股份0.1%或所授購股權之總值(按授出當日本公司股份之收市價計算)超出5,000,000港元，須事先於股東大會上取得股東批准。

授予購股權之建議可由承授人於建議日期起計28日內於支付象徵式代價合共1港元後接納。所授購股權之行使期由董事決定，惟於計劃所載之提早終止條款所規限下，該行使期不可為期超過購股權授出之日起計十年。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

25. SHARE CAPITAL (continued)**Share option scheme (continued)**

The exercise price of the share options is determined by the directors, but shall not be less than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of the share options, which must be a trading day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of a share of the Company.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No share options have been granted under the Scheme since its adoption.

26. RESERVES**(a) Group**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 48 of the annual report.

The contributed surplus of the Group represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in 1999 and the nominal value of the Company's shares issued in exchange therefor.

25. 股本(續)**購股權計劃(續)**

購股權行使價由董事決定，惟不可低於(i)建議授出購股權當日(必須為交易日)本公司股份於聯交所日報表之收市價；(ii)緊接建議授出日期前五個交易日本公司股份於聯交所日報表之平均收市價；或(iii)本公司股份之每股面值，以三者中之最高價格為準。

購股權並不授賦予持有人收取股息或於股東大會上投票之權利。

自計劃獲採納以來，並無根據計劃授出購股權。

26. 儲備**(a) 本集團**

本集團本年度及過往年度之儲備及當中之變動列於年報第48頁之綜合權益變動報表。

本集團之繳入盈餘乃指根據一九九九年進行之集團重組購入附屬公司股份面值超逾以作交換而發行之本公司股份面值之差額。

Notes to Financial Statements (Cont'd)

31 December 2002
二零零二年十二月三十一日

財務報表附註(續)

26. RESERVES (continued)

26. 儲備(續)

(b) Company

(b) 本公司

			Share premium	Contributed surplus	Retained profits	Total
	Notes		股份溢價	繳入盈餘	保留溢利	總計
	附註		HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元
Balance at 1 January 2001		於二零零一年一月一日之結餘	42,891	43,515	(9,773)	76,633
Bonus issue of shares	25	紅股發行	(15,000)	-	-	(15,000)
Net profit for the year		年度純利	-	-	61,064	61,064
Interim 2001 dividend	12	二零零一年中期股息	-	-	(36,000)	(36,000)
Proposed 2001 final dividend		擬派二零零一年 末期股息	-	-	(9,000)	(9,000)
At 31 December 2001 and at 1 January 2002		於二零零一年十二月 三十一日及二零 零二年一月一日	27,891	43,515	6,291	77,697
New issue of shares	25	發行新股	27,135	-	-	27,135
Share issue expenses	25	股份發行開支	(774)	-	-	(774)
Net profit for the year		年度純利	-	-	146,894	146,894
Interim 2002 dividend	12	二零零二年中期股息	-	-	(29,430)	(29,430)
Proposed 2002 final dividend		擬派二零零二年 末期股息	-	-	(14,715)	(14,715)
At 31 December 2002		於二零零二年 十二月三十一日	54,252	43,515	109,040	206,807

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation, over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its members out of its contributed surplus under certain circumstances.

本公司之繳入盈餘乃指根據集團重組而購入之附屬公司股份公平價值超逾以作交換而發行之本公司股份面值之差額。根據百慕達一九八一年公司法，本公司可在若干情況下向其股東分派繳入盈餘。

Notes to Financial Statements (Cont'd)

31 December 2002
二零零二年十二月三十一日

財務報表附註(續)

27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

27. 綜合現金流量報表附註

Acquisition of a subsidiary

收購一間附屬公司

		2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
Net assets acquired:	購入資產淨值：		
Fixed assets	固定資產	7,479	-
Inventories	存貨	1,880	-
Trade receivables	應收貿易款項	433	-
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	39	1,440
Cash and cash equivalents	現金及現金等值項目	25	1,902
Trade payables	應付貿易款項	(2,983)	-
Other payables and accruals	其他應付及應計款項	(4,407)	(3,057)
Minority Interests	少數股東權益	(616)	-
		1,850	285
Goodwill/(negative goodwill) on acquisition	收購產生之商譽／(負商譽)	6,759	(175)
		8,609	110
Satisfied by:	支付方法：		
Cash	現金	8,609	110

The subsidiary acquired during the current and prior years has no significant impact on the operating results of the Group.

於本年及上年內收購之有關附屬公司對本集團之經營業績並無重大影響。

Notes to Financial Statements (Cont'd)

31 December 2002
二零零二年十二月三十一日

財務報表附註(續)

27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

Analysis of net inflow/(outflow) of cash and cash equivalents in respect of the acquisition of a subsidiary

Cash consideration	現金代價
Cash and cash equivalents acquired	購入現金及現金等值項目
Net inflow/(outflow) of cash and cash equivalents in respect of the acquisition of a subsidiary	就收購一家附屬公司之現金及現金等值項目流入/(流出)淨額

27. 綜合現金流量報表附註(續)

就收購一家附屬公司之現金及現金等值項目流入/(流出)淨額之分析

2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
(8,609)	(110)
25	1,902
(8,584)	1,792

On 1 October 2002, the Group acquired 75% interest in Changshu Hsiang Lin Power Light Source Co., Ltd., which is engaged in the design, manufacture and sale of energy saving bulbs, from an independent third party.

二零零二年十月一日，本集團向一獨立第三方收購常熟翔霖電光源有限公司(從事設計、製造及銷售節能燈泡業務)之75%權益。

28. CONTINGENT LIABILITIES

At the balance sheet date, the Group had no significant contingent liabilities. At the balance sheet date, the Company had executed corporate guarantees for general banking facilities of approximately HK\$30 million (2001: HK\$30 million) granted to certain of its subsidiaries the facilities of which had not been utilised.

28. 或然負債

於結算日，本集團並無重大或然負債。於結算日，本公司已為其若干附屬公司獲授予約30,000,000港元(二零零一年：30,000,000港元)之一般銀行信貸簽立公司擔保，有關信貸並未獲動用。

Notes to Financial Statements (Cont'd)

31 December 2002
二零零二年十二月三十一日

財務報表附註(續)

29. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties under operating lease arrangements, with leases negotiated for terms ranging from 1 to 5 years. The terms of the leases generally also provide for the tenants to pay security deposits and for periodic rent adjustments according to the then prevailing market conditions.

At the balance sheet date, the Group had total future minimum lease rentals under non-cancellable operating leases with its tenant falling due as follows:

29. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其投資物業，經協商之租期介乎一至五年不等。租約條款一般亦規定租客須支付擔保按金及可根據當時之市況定期調整租金。

於結算日，根據本集團與租客訂立之不可撤銷經營租約須按以下年期支付之未來最低租金總額如下：

		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	357	387
In the second to fifth years, inclusive	第二至五年 (包括首尾兩年)	295	199
		652	586

Notes to Financial Statements (Cont'd)

31 December 2002
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財務報表附註(續)

29. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee

The Group leases certain of its office properties, staff quarters and warehouses under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 to 20 years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating lease falling due as follows:

29. 經營租約安排(續)

(b) 作為承租人

本集團根據經營租約安排租用若干辦公室物業、員工宿舍及倉庫。經協商之物業租賃期介乎一至二十年。

於結算日，根據不可撤銷經營租約，本集團須按以下年期支付之未來最低租金總額如下：

		2002	2001
		二零零二年	二零零一年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	1,875	1,942
In the second to fifth years, inclusive	第二至五年 (包括首尾兩年)	3,227	2,201
After five years	五年後	6,938	7,305
		12,040	11,448

Notes to Financial Statements (Cont'd)

31 December 2002
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財務報表附註(續)

30. COMMITMENTS

Capital commitments

At the balance sheet date, the Group had the following capital commitments:

Authorised, but not contracted for:
Purchases of equipment
Construction of a factory
Capital contribution into a subsidiary
to be established in Mainland China

已批准但未訂約：
購買設備
興建工廠
注資予一家將於中國
大陸成立之附屬公司

Contracted, but not provided for:
Purchase of land
Purchases of equipment
Construction of a factory
Capital contributions into subsidiaries
established in Mainland China

已訂約但未撥備：
購買土地
購買設備
興建工廠
注資予中國大陸成立
之附屬公司

Total

合計

At the balance sheet date, the Company had no significant capital commitments.

30. 承擔

資本承擔

於結算日，本集團有下列資本承擔：

Group		本集團	
2002	2001	2002	2001
二零零二年	二零零一年	二零零二年	二零零一年
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
		–	2,357
		–	25,050
		15,560	8,000
		15,560	35,407
		9,956	–
		769	–
		10,796	10,390
		17,816	11,464
		39,337	21,854
		54,897	57,261

於結算日，本公司並無重大資本承擔。

31. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances with related parties detailed elsewhere in these financial statements, during the year, the Group had the following transactions with related companies, in which certain directors of the Company have beneficial interests:

31. 關連人士交易

除本財務報表其他地方詳列之與關連人士交易及結餘外，年內，本集團與若干關連公司(本公司若干董事擁有該公司之實益權益)進行下列交易。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

31. RELATED PARTY TRANSACTIONS (continued)

- (a) The Group paid hotel room charges and food and beverage charges to a related company, which is beneficially owned by certain directors of the Company, for an aggregate amount of approximately HK\$1,469,000 (2001: HK\$776,000) for the provision of services to the Group's business partners and business associates during their visits to the Group's factory in the PRC. In the opinion of the directors, these transactions represented the acquisition of consumer goods and services in the ordinary and normal course of business of the Group on terms similar to those offered by such related company to independent third parties.
- (b) Mr. Hsu Chen Shen, Mrs. Hsu Wei Jui Yun and Mr. Hsu Shui Sheng, directors of the Company, and Bright Yin Huey Co., Ltd., in which certain directors of the Company have beneficial interests, had executed guarantees for general banking facilities of approximately HK\$25,618,000 (2001: HK\$25,618,000) granted to certain subsidiaries of the Group.
- (c) In prior year, Bright Group (BVI) Ltd, a wholly-owned subsidiary of the Company, acquired 100% interest in a company, Ticko Inc., of which 60% had been owned by a close family member of certain directors of the Company, for an aggregate cash consideration of HK\$110,000.

31. 關連人士交易(續)

- (a) 本集團向一家關連公司(本公司若干董事實益擁有)支付酒店住宿及餐飲費用,總金額約1,469,000港元(二零零一年:776,000港元)以支付本集團業務夥伴及業務合夥人到訪本集團位於中國之廠房期間所提供之酒店服務。董事認為,該等交易是屬於本集團日常業務過程中取得消費品及服務之性質,交易條款與該家關連公司向獨立第三者提供之條款相若。
- (b) 本公司董事徐振森先生、徐魏瑞雲女士、徐水盛先生與瑩輝興業股份有限公司已為授予本集團若干附屬公司約25,618,000港元(二零零一年:25,618,000港元)之一般銀行信貸簽立擔保。
- (c) 於上年,本公司全資附屬公司Bright Group (BVI) Ltd以現金代價合共110,000港元收購Ticko Inc.(其中60%權益由本公司若干董事之親屬擁有)100%權益。

Notes to Financial Statements (Cont'd)

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財務報表附註(續)

32. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial statements, due to the adoption of certain new and revised SSAPs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified to conform with the current year's presentation.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2003.

32. 比較數字

鑑於本年度採納若干新頒及經修訂會計實務準則(財務報表附註2有進一步說明)，財務報表內若干項目及結餘之會計處理及呈報已經修訂以符合新規定。因此，若干比較數字已經重新分類以配合本年度之呈報方式。

33. 批准財務報表

本財務報表已於二零零三年三月二十五日經董事會批准及授權刊發。