

# NOTES TO FINANCIAL STATEMENTS

## 財務報告附註

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

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

### 2. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised HKFRSs and Hong Kong Accounting Standards (collectively "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of investment properties, certain leasehold land and buildings and other investments. The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

### 1. 一般資料

本公司於百慕達註冊成立為一間受豁免之有限公司，本公司股份在香港聯合交易所有限公司(「聯交所」)上市。

本公司為一間投資控股公司。其主要附屬公司之主要業務載於財務報告附註15。

### 2. 採納香港財務申報準則

香港會計師公會已頒佈多項新增及經修訂之香港財務報告準則及香港會計準則(「新香港財務報告準則」)，自二零零五年一月一日或之後起開始之會計期間生效。

本集團於截至二零零五年三月三十一日止年度之財務報表並未提早採納上述新香港財務報告準則。本集團已開始評估該等新香港財務報告準則之影響，惟尚未得出該等新香港財務報告準則對本集團經營業績及財務狀況會否構成重大影響。

### 3. 主要會計政策概要

#### 編製基準

財務報告乃按歷史慣例並就投資物業、若干租約土地及樓宇及其他投資重估作出修訂後予以編製。財務報告乃按照香港一般採納之會計準則而編製。採納主要會計政策載列如下：

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

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

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

#### Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

#### Interests in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interest in associates is stated at the Group's share of the net assets of the associates, plus the goodwill or less the negative goodwill on acquisition in so far as it has not already been written off/amortised/released to income, less any identified impairment loss.

### 3. 主要會計政策概要 (續)

#### 綜合基準

綜合財務報告包括本公司及其所有附屬公司截至三月三十一日止年度之財務報告。

本年度內收購或出售之附屬公司之業績，在編製綜合收益表時乃分別自其收購之生效日期起計入或計至其出售之生效日期止。

本集團所有重大之內部公司間交易及結餘已於編製綜合財務報告時對銷。

#### 附屬公司投資

附屬公司之投資乃以成本值減去任何已確認之減值虧損後列於本公司之資產負債表。

#### 聯營公司之權益

綜合收益表包括本集團於本年度應佔其聯營公司於收購後之業績。於綜合資產負債表內，聯營公司之權益按本集團應佔聯營公司之資產淨值，加任何未有撇銷攤銷之商譽減除任何未有撥作收益之負商譽，另減任何已確認之減值虧損列賬。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition.

Goodwill arising on acquisitions after 1 April 2001 is capitalised and amortised on a straight line basis over its useful economic life, generally not exceeding twenty years. Goodwill arising on acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

Goodwill arising on acquisitions prior to 1 April 2001 continues to be held in reserves, and will be charged to the income statement at the time of disposal of the relevant subsidiary or associate, or at such time as the goodwill is determined to be impaired.

On disposal of a subsidiary or an associate, the attributable amount of unamortised goodwill or goodwill previously eliminated against reserves at the time of acquisition is included in the determination of the gain or loss on disposal.

#### Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition over the cost of acquisition. Negative goodwill is released to income based on an analysis of the circumstances from which the balance resulted.

### 3. 主要會計政策概要 (續)

#### 商譽

合併賬日時產生之商譽乃指收購代價高於本集團應佔所收購附屬公司或聯營公司之可確定資產及負債於收購日期之公平價值之差額。

於二零零一年四月一日後進行之收購而產生之商譽於其可使用期限資本化及按直線法攤銷，普遍不超過20年。因收購聯營公司而產生之商譽包括在該聯營公司之賬面值內。因收購附屬公司而產生之商譽於資產負債表內分開呈報。

於二零零一年四月一日前進行之收購而產生之商譽繼續記於儲備，並將於出售有關附屬公司或聯營公司時，或當商譽被確定出現減值時自收益表扣除。

出售附屬公司或聯營公司時，應佔未攤銷之商譽或過往於收購時於儲備抵銷之商譽會於出售時於計算損益時計入。

#### 負商譽

負商譽指本集團於收購日期應佔所收購附屬公司或聯營公司之可確定資產及負債之公平價值高於收購代價之差額。負商譽會按產生結餘之情況撥往收益。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Negative goodwill (Continued)

Negative goodwill arising on acquisitions after 1 April 2001 is presented as a deduction from assets and will be released to income based on an analysis of the circumstances from which the balance resulted.

Negative goodwill arising on acquisitions prior to 1 April 2001 continues to be held in reserves and will be credited to income at the time of disposal of the relevant subsidiary or associate.

To the extent that the negative goodwill is attributable to losses or expenses anticipated at the date of acquisition, it is released to income in the period in which those losses or expenses arise. The remaining negative goodwill is recognised as income on a straight line basis over the remaining average useful life of the identifiable acquired depreciable assets. To the extent that such negative goodwill exceeds the aggregate fair value of the acquired identifiable non-monetary assets, it is recognised in income immediately.

Negative goodwill arising on the acquisition of an associate is deducted from the carrying value of that associate. Negative goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet as a deduction from assets.

#### Turnover

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and income from the provision of electroplating services.

### 3. 主要會計政策概要 (續)

#### 負商譽 (續)

於二零零一年四月一日後進行之收購而產生之負商譽呈報為資產扣減項目，並會按產生結餘之情況撥往收益。

於二零零一年四月一日前進行之收購而產生之負商譽繼續記於儲備，並將於出售有關附屬公司或聯營公司時計入收益。

於收購日期可預見之虧損或開支所產生之負商譽，於該等虧損或開支產生之期間撥往收益。剩餘之負商譽於所收購之可分開及可貶值資產之平均可使用期限按直線法確認為收益。倘若有關負商譽超逾所收購之可分開非貨幣資產之總公平價值，則即時確認超逾部份為收益。

因收購聯營公司產生之負商譽包括在聯營公司之賬面值內。因收購附屬公司之負商譽於資產負債表內分開呈報為資產扣減。

#### 營業額

營業額乃指銷售貨品之發票減去退貨及折扣後之銷售，以及提供電鍍服務之收入。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. 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) 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) provision of electroplating services, when the related services are rendered;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable; and
- (e) dividend income, when the shareholders' right to receive payment has been established.

#### Property, plant and equipment

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

### 3. 主要會計政策概要（續）

#### 收益確認

收益於本集團可能獲得有關經濟利益及有關收益可按下列基準可靠地計算時確認：

- (a) 銷售貨品，其擁有權之絕大部份風險及回報已歸買方時，惟本集團不須再保留有關管理參與之擁有權或售出貨品之有效控制權；
- (b) 提供電鍍服務所賺取之收入於提供服務後確認；
- (c) 租金收入，以時間比例為基準在租約期攤分；
- (d) 利息收入，以時間比例為基準，並計及未償還之本金及適用之實際利率；及
- (e) 股息收入，股東收款之權利成立時。

#### 物業、廠房及設備

物業、廠房及設備乃按成本或估價減累積折舊及減值虧損。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment (Continued)

Advantage has been taken of the transitional relief provided by paragraph 80 of SSAP 17 "Property, plant and equipment" from the requirement to make regular revaluations of the Group's land and buildings which had been carried at revalued amounts prior to 30 September 1995 and accordingly no further revaluation of land and buildings is carried out. In previous years, the revaluation increase arising on the revaluation of these assets was credited to the property revaluation reserve. Any future decreases in value of these assets will be dealt with as an expense to the extent that they exceed the balance, if any, on the property revaluation reserve relating to a previous revaluation of the same asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

Construction in progress is stated at cost less any identified impairment loss. Cost which includes all development expenditure and other direct costs, including borrowing cost capitalised, attributable to such projects. Construction in progress is not depreciated or amortised until the completion of construction. Cost of completed construction work is transferred to the appropriate category of property, plant and equipment.

Depreciation is provided to write off the cost or valuation of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum:

### 3. 主要會計政策概要 (續)

#### 物業、廠房及設備 (續)

利用會計實務準則第17號第80節之豁免條款以豁免本集團於一九九五年九月三十日前曾作出重估之土地及樓宇進行定時之重估，就此沒有繼而作出土地及樓宇重估。於往年，因重估土地及樓宇而產生之任何盈餘均列入物業重估儲備。因其後任何重估資產而令其賬面淨值虧損額高於早前因重估該項資產而撥入物業重估儲備之結餘(如有)，差額列作開支。其後出售或棄用經重估之資產時，其應攤佔之重估盈餘乃轉入保留溢利。

在建工程乃以成本減任何已確認減值虧損列賬。成本包括該等項目應計之一切開發支出及其他直接成本(包括應佔項目之已資本化之借貸成本)。在建工程竣工前不會計算折舊或攤銷。已完成建築工程之成本轉撥至適當之物業、廠房及設備類別。

除在建工程外之物業、廠房及設備按其估計可使用年期，並計入其估計殘值後，以直線法按下列年率撇銷其成本或估值以計算折舊及攤銷：

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment (Continued)

Leasehold land	Over the lease terms
Leasehold buildings	5%
Leasehold improvements	15%
Plant and machinery	20%
Furniture, equipment and motor vehicles	15% to 25%

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the period of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

#### Investment properties

Investment properties are completed properties held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market value based on independent professional valuations at the balance sheet date. Any surplus or deficit arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance on this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance on the investment property revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

### 3. 主要會計政策概要 (續)

#### 物業、廠房及設備 (續)

租約土地	按租約年期
租約樓宇	5%
租約物業之裝修	15%
廠房及機器	20%
傢俬、設備及汽車	15-25%

融資租賃之資產以其估計可使用年期，或較短，以有關租約期計算折舊為擁有資產。

資產出售或棄用時所產生之盈虧為出售所得款項與資產賬面值之差額，並於收益表中確認。

#### 投資物業

投資物業乃因其投資潛力而持有之落成物業，任何租金均經公平磋商後釐定。

投資物業乃按於結算日基於獨立專業估值評估之公開市值列賬。因投資物業重估產生之任何盈餘或虧絀分別計入或自投資物業重估儲備中撇除，除非此儲備結餘不足以彌補虧絀，在此情況下，虧絀超出投資物業重估儲備中結餘之差額乃自收益表中扣除。倘虧絀以往已在收益表中扣除，而其後產生重估盈餘，則此盈餘將計入收益表中，惟以以往扣除之虧絀為限。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investment properties (Continued)

On the disposal of an investment property, the balance on the investment property revaluation reserve attributable to that property is transferred to the income statement.

No amortisation is provided on investment properties except where the unexpired term of the relevant lease is twenty years or less.

#### Investments in securities

Investments in securities are recognised on a trade date basis and are initially measured at cost.

Investments other than held-to-maturity debt securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the year.

#### Intangible assets

##### Patents and trademarks

Patents and trademarks, which represent the registration fees of patents and trademarks, are stated at cost less any impairment losses and are amortised on the straight-line basis over their useful lives of five years.

### 3. 主要會計政策概要 (續)

#### 投資物業 (續)

於出售投資物業時，該物業應佔之投資物業重估儲備結餘轉入收益表。

除有關租約尚餘年期為二十年或以下者外，概無就投資物業進行攤銷。

#### 投資證券

證券投資乃按交易日基準確認，並初步以成本計算。

除持有至到期債務證券以外之投資乃分類為投資證券及其他投資。

投資證券為持有作明確長期策略用途之證券。該等證券於日後之呈報日以成本值減任何非暫時減值虧損計算。

其他投資乃按公平價值計算，未變現損益列入本年度之溢利或虧損淨額。

#### 無形資產

##### 專利權及商標

專利權及商標，乃有關專利權及商標之註冊費用，按成本減去減值虧損，及按直線法於其確實可用年期五年內撇銷。



Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Intangible assets (Continued)

##### Research and development costs

All research costs are charged to the income statement 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. Products development expenditure which does not meet these criteria is expensed when incurred.

#### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another accounting standard, in which case the impairment loss is treated as a revaluation decrease under that accounting standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another accounting standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that accounting standard.

### 3. 主要會計政策概要 (續)

#### 無形資產 (續)

##### 研究及發展成本

所有研究成本乃於產生時從收益表中扣除。

因開發新產品而引致之開支，僅會在該計劃能清楚確定及分辨個別開支，並且能肯定計劃為技術上可行而產品具商業價值時才予以遞延及列作資產攤銷。不符合上述標準之產品開發費用及研究費用將予以即時列支。

#### 減值

本集團會於每個結算日評估其資產之賬面值，以確定該等資產是否已出現減值虧損跡象。倘估計資產之可收回價值低於其賬面價值，該項資產之賬面值會調低至其可收回價值。減值虧損即時確認為開支，除非有關資產根據另一項會計實務準則按重估值列賬，在此情況下，減值虧損則根據該會計實務準則當作重估值減少處理。

倘若減值虧損其後撥回，該項資產之賬面值會增至可收回價值之經修訂估計值，惟已增加之賬面值不會超過該資產並無於過往年度確認減值虧損之情況下之賬面值。減值虧損之回撥即時確認為收入，除非有關資產根據另一項會計實務準則以重估值列賬，在此情況下，減值虧損回撥則根據該會計實務準則當作重估值增加處理。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leases

##### Lessee

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the lessee. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the rentals payable under operating leases are charged to the income statement on a straight-line basis over the relevant lease term.

##### Lessor

Rental receivable under operating leases is recognised on a straight-line basis over the relevant lease term.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average 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 the estimated selling prices less any estimated costs to be incurred to completion and disposal.

### 3. 主要會計政策概要 (續)

#### 租賃

##### 承租人

倘租約條款列明將有關資產之絕大部份收益及風險轉讓予本承租人，則該等租約概例作融資租賃。以融資租賃方式持有之資產均按購入時之公平價值入賬。應付出租方之有關負債之本金部份在扣除利息開支後作為本集團之一項融資租賃承擔列入資產負債表。因承擔總額與購入資產之公平價值不同而產生之差額則視為融資成本，此等融資成本將按有關租約年期於收益表內扣除，並藉以製定每個會計年度對負債餘額之穩定期收費率。

所有其他租約均視作營運租賃，其每年之應付租金則按直線法於租約期內在收益表內計入或扣除。

##### 出租人

應收租金乃按直線法於租約期內確認。

#### 存貨

存貨按成本值及可變現淨值兩者中之較低者列賬。成本值按加權平均基準計算，在製品及製成品之原值包括直接物料成本、直接工資及所佔相關部份之間接生產費用。可變現淨值按估計售價扣減預期在製成及售出前需承擔之任何額外成本。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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.

#### Taxation

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

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

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

### 3. 主要會計政策概要 (續)

#### 關連人士

關連人士為任何一方可直接或間接控制另一方，或於其作財務及業務決定時可行使重大影響力。而受制於共同管制或重大影響之人士亦視為關連人士。關連人士可以為個人或機構個體。

#### 稅項

所得稅開支指現時應付稅項及遞延稅項總額。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利不包括已撥往其他年度的應課稅或應扣減之收入及開支項目，亦不包括可作免稅或不可作稅項扣減之項目，故與收益表所列溢利淨值不同。

遞延稅項指預期從財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額所應付或可收回之稅項，以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產則於很可能可扣減暫時差額可對銷應課稅溢利時予以確認。如暫時差額由商譽或負商譽或由初次確認一項不影響稅項溢利或會計溢利之交易之其他資產及負債(業務合併除外)所產生，有關資產及負債不予確認。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (Continued)

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

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

#### 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 income statement.

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

### 3. 主要會計政策概要 (續)

#### 稅項 (續)

遞延稅項資產之賬面值乃於各個結算日進行檢討，並予以相應扣減，直至並無足夠應課稅溢利可供全部或部分遞延稅項資產可予應用為止。

遞延稅項按預期適用於負債清償或資產變現期間之稅率計算。遞延稅項從收益表扣除或計入收益表，除非遞延稅項關乎直接從權益扣除或直接計入權益之項目，在該情況下遞延稅項亦於權益中處理。

#### 外幣

外幣交易乃按交易日之適用率記錄。於資產負債表結算日以外幣定值之貨幣資產及負債均按該日之適用率折算。兌差額於收益表處理。

於綜合賬目時，海外附屬公司及聯營公司之財務報告使用投資淨額法折算為港幣。海外附屬公司及聯營公司之收益表按年內之加權平均率折算為港幣，而彼等之資產負債表按資產負債表結算日之率折算為港幣。由此所產生之換算差額列入兌波動儲備。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 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 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.

The Company's subsidiaries established in Mainland China are members of the state-managed retirement benefits scheme operated by the People's Republic of China (the "PRC") government. The retirement scheme contributions, which are based on a certain percentage of the salaries of the PRC subsidiaries' employees, are charged to the income statement in the period to which they relate and represent the amount of contributions payable by these subsidiaries to this scheme.

### 3. 主要會計政策概要 (續)

#### 退休福利計劃

本集團根據強積金計劃條例為合資格參與計劃之僱員設立一項定額供款強積金退休福利計劃(「強積金計劃」)。供款乃根據僱員之基本薪金之百分比計算，並根據該強積金計劃之規例於產生時計入收益表內。該強積金計劃之資產由一個獨立管理基金持有，與本集團之資產分開處理。本集團所作於該強積金計劃之僱主供款全數歸僱員所有。

本公司在中國大陸成立之附屬公司乃中華人民共和國(「中國」)政府成立之一項定額供款退休福利計劃之成員。退休福利供款額乃根據中國附屬公司僱員之薪金若干百分比計算，並在供款有關期間自收益表中扣除，數額為此等附屬公司應付予彼等所參與供款退休福利計劃之供款金額。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 income statement or balance sheet for their cost. Upon the exercise of 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. Options which are cancelled prior to their exercise date, or which have lapsed, are deleted from the register of outstanding options.

### 4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats:

- (i) on a primary segment reporting basis, by business segment; and
- (ii) on a secondary segment reporting basis, by geographical segment.

### 3. 主要會計政策概要 (續)

#### 購股權計劃

本公司設有購股權計劃，藉以向對本集團業務之成功作出貢獻之合資格參與者提供獎勵及回報。根據購股權計劃授出之購股權之財務影響並無記錄在本公司或本集團之資產負債表，直至購股權已獲行使，而有關成本之開支並未紀錄於收益表或資產負債表。在行使購股權後，本公司將該已發行股份記錄為額外股本，而每股行使價與股份面值之差額將記入本公司之股份溢價賬。在購股權行使日期前已註銷或失效之購股權將從尚未行使之購股權記錄中刪除。

### 4. 分類資料

分類資料以以下兩種形式表達：

- (i) 依照主要分類呈報基制，以業務分類；及
- (ii) 依照次要分類呈報基制，以地域分類。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

#### 4. SEGMENT INFORMATION (CONTINUED)

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provided. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the clocks and other office related products segment engages in the manufacture and marketing of clocks and other office related accessories;
- (b) the lighting products segment engages in the manufacture and marketing of energy saving lighting products;
- (c) the trading segment engages in the trading of metals; and
- (d) the electroplating services segment engages in the provision of electroplating services.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

#### 4. 分類資料 (續)

本集團之經營業務按照其不同的操作模式、提供之產品及服務，以不同的架構及管理模式運作。本集團旗下之每個業務分類代表不同的策略性業務單位，其個別提供之產品及服務均受獨立之收益及風險所管制，個別業務亦與其他單位完全不同。業務分類之要詳細如下：

- (a) 時鐘及其他辦公室相關產品業務－製造及銷售時鐘及其他辦公室相關產品；
- (b) 照明產品業務－製造及銷售節能燈產品；
- (c) 貿易業務－金屬貿易；及
- (d) 電鍍服務業務－提供電鍍服務。

在釐定本集團之地域分類時，其收益及業績乃根據客戶的所在地而計算，而其資產乃根據該資產的所在地區而計算。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

#### 4. SEGMENT INFORMATION (CONTINUED)

##### (a) Business segments

The following tables present revenue, results and certain asset, liability and expenditure information for the Group's business segments.

	Clocks and other office related products 時鐘及其他 辦公室相關產品		Lighting products 照明產品		Trading 貿易		Electroplating services 電鍍服務		Consolidated 總額	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Segment revenue: 分類收益:										
Sales to external customers 銷售予對外客戶	158,369	145,208	26,868	15,199	41,647	56,210	11,416	13,308	238,300	229,925
Segment results 分類業績	2,233	(5,763)	2,035	82	1,772	(302)	1,170	2,390	7,210	(3,593)
Interest income 利息收入									442	27
Net unallocated expenses 未能攤分支出淨值									(7,499)	(9,155)
Profit/(loss) from operations 經營溢利/(虧損)									153	(12,721)
Finance costs 融資成本									(3,185)	(3,527)
Gain on disposal of subsidiaries 出售附屬公司之收益									1,693	-
Share of results of associates 應佔聯營公司之業績									765	-
Loss before taxation 除稅前虧損									(574)	(16,248)
Taxation 稅項									(1,755)	182
Loss before minority interests 未計少數股東權益前虧損									(2,329)	(16,066)
Minority interests 少數股東權益									(341)	(472)
Net loss for the year 本年度虧損淨值									(2,670)	(16,538)

#### 4. 分類資料 (續)

##### (a) 按業務分類

下表詳列了本集團按業務分類之收益、業績以及若干資產、負債及開支資料。



Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

#### 4. SEGMENT INFORMATION (CONTINUED)

##### (a) Business segments

		Clocks and other office related products 時鐘及其他 辦公室相關產品		Lighting products 照明產品		Trading 貿易		Electroplating services 電鍍服務		Consolidated 總額	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		Segment assets	分類資產	157,696	157,917	4,750	6,776	52,329	60,542	13,996	15,031
Interests in associates	於聯營公司之權益									18,526	17,551
Unallocated assets	未能攤分資產									36,235	48,181
Total assets	資產總額									283,532	305,998
Segment liabilities	分類負債	31,211	24,566	8,824	5,224	-	-	1,545	1,479	41,580	31,269
Unallocated liabilities	未能攤分負債									40,533	86,969
Total liabilities	負債總額									82,113	118,238
Other segment information:	其他分類資料：										
Capital expenditure	資本性開支	6,444	5,786	21	89	-	-	229	484	6,694	6,359
Unallocated capital expenditure	未能攤分資本性開支									68	495
Depreciation and amortisation	折舊及攤銷	7,454	8,115	75	450	997	997	978	1,092	9,504	10,654
Unallocated depreciation and amortisation	未能攤分折舊及攤銷									1,737	1,261
Impairment loss recognised in the income statement	攤分於收益表中已 確認之減值虧損	-	-	-	-	-	416	-	-	-	416
Unallocated impairment loss recognised in the income statement	未能攤分於收益表 中已確認之減值 虧損									-	1,500
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備虧損	23	41	-	25	-	-	-	-	23	66
Unallocated loss on disposal of property, plant and equipment	未能攤分出售 物業、廠房及 設備虧損									521	10

#### 4. 分類資料 (續)

##### (a) 按業務分類

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

#### 4. SEGMENT INFORMATION (CONTINUED)

##### (b) Geographical segments

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

	North America 北美洲		Europe 歐洲		Hong Kong 香港		PRC 中國		Others 其他		Consolidated 總額	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Segment revenue: 分類收益:												
Sales to external customers 銷售予對外客戶	81,344	78,034	83,364	66,801	15,779	20,276	44,209	59,056	13,604	5,758	238,300	229,925
Other segment information: 其他分類資料:												
Segment assets 分類資產	637	1,904	15,923	18,810	51,367	69,836	215,605	215,448	-	-	283,532	305,998
Capital expenditure 資本性開支	-	8	80	387	413	560	6,269	5,899	-	-	6,762	6,854

#### 4. 分類資料 (續)

##### (b) 按地區分類

以下報表代表本集團地區分類之收益、若干資產及開支資料。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 5. PROFIT/(LOSS) FROM OPERATIONS

The Group's profit/(loss) from operations has been arrived at after charging/(crediting):

## 5. 經營溢利／(虧損)

本集團經營溢利／(虧損)已扣除／(計入)下列項目：

		2005	2004
Cost of inventories sold	售出存貨之成本	173,762	172,898
Cost of services provided	提供服務之成本	8,362	7,655
Staff costs (excluding directors' remuneration (note 6)):	員工成本(董事酬金除外，(附註6))：		
Basic salaries and allowances	基本薪金及津貼	43,131	43,869
Retirement benefits scheme contributions	退休福利計劃供款	296	655
		43,427	44,524
Depreciation of property, plant and equipment	物業、廠房及設備折舊	10,218	10,873
Amortisation of intangible assets (included in administrative expenses)	無形資產攤銷 (計入行政費用)	27	46
Amortisation of goodwill (included in other operating expenses)	商譽攤銷(計入其他經營開支)	996	996
Auditors' remuneration	核數師酬金	400	400
Research and development expenditure	研究及開發費用	290	1,235
Minimum lease payments under operating leases for land and buildings	土地及樓宇之經營租約的最低租務費用	1,480	2,196
(Write back of)/provision for bad and doubtful debts	呆壞賬(撥回)／準備	(326)	8
Surplus on revaluation of investment properties	重估投資物業之盈餘	—	(300)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	544	76
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	—	1,500
Impairment loss on goodwill	商譽減值虧損	—	416
Unrealised holding loss on other investments	其他投資之未變現持有虧損	103	126
Exchange gains, net	滙兌盈利淨額	(966)	(621)
Gross rental income	租金收入總額	(517)	(926)
Less: Outgoings	減除：支出	109	109
Net rental income	租金收入淨值	(408)	(817)
Interest income	利息收入	(442)	(27)

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 6. DIRECTORS' REMUNERATION

## 6. 董事酬金

		Group 集團	
		2005	2004
Directors' fees	董事費用：		
Independent non-executive directors	獨立非執行董事	60	100
Non-executive director	非執行董事	60	120
		<b>120</b>	220
Other emoluments of executive directors	執行董事之其他酬金：		
Basic salaries and allowances	基本薪金及津貼	2,853	2,624
Retirement benefits scheme contributions	退休福利計劃供款	37	36
		<b>2,890</b>	2,660
		<b>3,010</b>	2,880

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

下列酬金範圍之董事人數載列如下：

		董事人數 Number of directors	
		2005	2004
Nil to HK\$ 1,000,000	無至港幣1,000,000元	9	7
HK\$ 1,000,001 to HK\$ 1,500,000	港幣1,000,001元至港幣1,500,000元	1	1
		<b>10</b>	8

During the year, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join, or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

於本年度，本集團沒有向五名最高薪酬之人士(包括董事及員工)支付任何酬金以吸引他們加入或將加入本集團，或其因失去職位而作出賠償。在本年概無董事放棄任何酬金。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 7. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2004: one) directors, details of whose remuneration are set out in note 6 above. Details of the remuneration of remaining three (2004: four) non-director, highest paid employees, each of which fell within the nil to HK\$1,000,000 band, are as follows:

		Group 集團	
		2005	2004
Basic salaries and allowances	基本薪金及津貼	1,155	2,491
Retirement benefits scheme contributions	退休福利計劃供款	36	78
		<b>1,191</b>	<b>2,569</b>

## 7. 五名最高薪酬之僱員

本年度之五名最高薪酬僱員其中兩名(二零零四年：一名)為董事，有關彼之酬金詳情載列於附註6。餘下之三名(二零零四年：四名)非董事之高薪僱員，其每位酬金範圍由無一港幣1,000,000元，資料載列如下：

## 8. FINANCE COSTS

		Group 集團	
		2005	2004
Interest on:	利息：		
Bank loans and overdrafts	銀行貸款及透支	3,089	3,393
Other loans wholly repayable within five years	須於五年內悉數償還之其他貸款	34	50
Finance leases	融資租賃	62	84
		<b>3,185</b>	<b>3,527</b>

## 8. 融資成本

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 9. TAXATION

## 9. 稅項

		Group 集團	
		2005	2004
Hong Kong Profits Tax	香港利得稅		
– current year	– 本年度	401	545
– overprovision in prior years	– 過往年度之超額撥備	(226)	(250)
Tax in other jurisdictions	其他司法權區之稅項		
– current year	– 本年度	574	321
– underprovision in prior years	– 過往年度之撥備不足	162	–
		911	616
Deferred taxation (Note 25)	遞延稅項 (附註25)	844	(798)
		<b>1,755</b>	(182)

Hong Kong Profits Tax is calculated at 17.5% (2004: 17.5%) of the estimated assessable profits arising in Hong Kong for the year.

香港利得稅乃根據本年度估計應課稅溢利按稅率17.5% (二零零四年：17.5%) 計算。

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

其他司法權區之稅項則按有關司法權區之適用稅率計算。

Pursuant to the laws and regulations in the PRC, certain Group's PRC subsidiaries are entitled to exemption from PRC income tax for two years commencing from their first profit-making year of operation and thereafter, these PRC subsidiaries will be entitled to a 50% relief from PRC income tax for the following three years.

根據中國法律及規定，本集團若干中國附屬公司自其首個獲利經營年度起計兩年可獲豁免繳付中國所得稅，其後三年之所得稅則減半。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 9. TAXATION (CONTINUED)

The taxation for the year is reconciled to the loss before taxation per the consolidated income statement as follows:

## 9. 稅項 (續)

本年度稅項可與綜合收益表中除稅前虧損對賬如下：

		Group 集團	
		2005	2004
Loss before taxation	除稅前虧損	(574)	(16,248)
Tax at the domestic income tax rate of 17.5% (2004: 17.5%)	按本地稅率17.5%計算之稅項 (二零零四年：17.5%)	(100)	(2,843)
Tax effect of expenses that are not deductible in determining taxable profit	就決定應課稅溢利不得扣減開支之稅務影響	762	1,047
Tax effect of income that is not taxable in determining taxable profit	就決定應課稅溢利毋須課稅收入之稅務影響	(1,249)	(690)
Utilisation of tax losses previously not recognised	動用過往並未確認稅項虧損	(323)	(355)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	2,651	2,598
Overprovision in prior years	過往年度超額撥備	(64)	(250)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司之不同稅率之影響	78	88
Increase in opening deferred tax liability resulting from an increase in Hong Kong Profits Tax rate	因香港利得稅率之增加而產生之期初遞延稅項負債之增加	-	223
Taxation for the year	本年度稅項	1,755	(182)

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 10. LOSS PER SHARE

The calculation of basic loss per share is based on the net loss for the year of HK\$2,670,000 (2004: net loss of HK\$16,538,000), and the weighted average number of 261,276,442 (2004: 240,619,686) ordinary shares in issue during the year.

No diluted loss per share for the years ended 31 March 2005 and 2004 has been presented as the warrants and share options outstanding during both years had an anti-dilutive effect on the basic loss per share for both years.

## 11. INVESTMENT PROPERTIES

## 10. 每股虧損

每股基本虧損乃根據本年度虧損淨值港幣2,670,000元 (二零零四年：虧損淨值港幣16,538,000元) 及年內 261,276,442股 (二零零四年：240,619,686股) 已發行普通股之加權平均數計算。

因截至二零零四年及二零零五年三月三十一日止年度尚未行使之認股權證及購股權對該兩年年度每股基本虧損具反攤薄影響，所以該兩年年度並沒有列出每股攤薄虧損。

## 11. 投資物業

		Group 集團	
		2005	2004
Balance at beginning of year	於年初	8,000	7,700
Disposal of a subsidiary	出售附屬公司	(8,000)	-
Surplus on revaluation	重估盈餘	-	300
Balance at end of year	於年末	-	8,000



Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 12. PROPERTY, PLANT AND EQUIPMENT 12. 物業、廠房及設備

### Group 集團

		Leasehold land and buildings 租約土地 及樓宇	Leasehold improvements 租約物業 之裝修	Construction in progress 在建工程	Plant and machinery 廠房及機器	Furniture, equipment and motor vehicles 傢俬、設備 及汽車	Total 總計
<b>Cost or valuation</b>	<b>成本或估值</b>						
At 1 April 2004	於二零零四年四月一日	112,045	4,872	3,062	52,146	48,142	220,267
Additions	添置	3,564	–	562	585	2,051	6,762
Transfer	轉撥	2,439	549	(3,614)	–	626	–
Disposals	出售	(2,266)	–	–	(2,038)	(374)	(4,678)
Disposal of subsidiaries	出售附屬公司	(14,477)	(2,901)	–	–	(303)	(17,681)
Exchange realignment	匯兌調整	–	–	–	49	25	74
At 31 March 2005	於二零零五年三月三十一日	101,305	2,520	10	50,742	50,167	204,744
<b>Depreciation</b>	<b>折舊</b>						
At 1 April 2004	於二零零四年四月一日	30,630	1,485	–	45,937	41,409	119,461
Provided for the year	本年折舊	4,122	413	–	2,446	3,237	10,218
Disposals	出售	(975)	–	–	(2,038)	(308)	(3,321)
Disposal of subsidiaries	出售附屬公司	(2,598)	(914)	–	–	(98)	(3,610)
Exchange realignment	匯兌調整	–	–	–	35	16	51
At 31 March 2005	於二零零五年三月三十一日	31,179	984	–	46,380	44,256	122,799
<b>Net book value</b>	<b>賬面淨值</b>						
At 31 March 2005	於二零零五年三月三十一日	70,126	1,536	10	4,362	5,911	81,945
At 31 March 2004	於二零零四年三月三十一日	81,415	3,387	3,062	6,209	6,733	100,806

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

An analysis of the cost or valuation of the leasehold land and buildings of the Group at the balance sheet date is as follows:

		2005	2004
Medium term leasehold land and buildings in Hong Kong:	在香港中期租約之土地及樓宇：		
At cost	按成本	4,128	18,606
At 1995 professional valuation	按一九九五年專業估值	27,238	29,504
		<b>31,366</b>	48,110
Medium term leasehold land and buildings outside Hong Kong:	在香港以外之中期租約土地及樓宇：		
At cost	按成本	39,113	33,109
At 1995 professional valuation	按一九九五年專業估值	30,826	30,826
		<b>69,939</b>	63,935
Total cost or valuation	成本或估值總值	<b>101,305</b>	112,045

The valuation of the medium term leasehold land and buildings was carried out by Knight, Frank & Kan, an independent firm of professionally qualified valuers, on an open market, existing use basis as at 31 January 1995. Had the revalued assets been valued at their cost less accumulated depreciation and impairment losses, the total carrying amount of land and buildings as at 31 March 2005 would be restated at HK\$17,000,000 (2004: HK\$19,336,000).

The net book value of assets held under finance leases included in the total amount of plant and machinery of the Group as at 31 March 2005 amounted to HK\$621,000 (2004: HK\$1,169,000).

At 31 March 2005, certain of the Group's leasehold land and buildings and plant and machinery were pledged to secure general banking facilities granted to the Group (note 24).

## 12. 物業、廠房及設備 (續)

於結算日，本集團之租約土地及樓宇成本或估值分析如下：

中期租約之土地及樓宇之估值由獨立專業估值師簡福齡測量行根據公開市值及現用基準於一九九五年一月三十一日評估。當評估資產以成本減累積折舊及減值虧損，於二零零五年三月三十一日之土地及樓宇之淨值重列為港幣17,000,000元(二零零四年：港幣19,336,000元)。

於二零零五年三月三十一日由融資租賃持有之資產賬面淨值(包括於本集團廠房及機器總額)為港幣621,000元(二零零四年：港幣1,169,000元)。

於二零零五年三月三十一日，本集團之若干租約土地及樓宇及廠房及機器，已作法定抵押以令本集團獲得若干銀行貸款(附註24)。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 13. INTANGIBLE ASSETS

### 13. 無形資產集團

<b>Group</b> 集團		<b>Patents and trademarks</b> 專利權及商標
<b>Cost</b>	<b>成本</b>	
At 1 April 2004 and at 31 March 2005	於二零零四年四月一日 於二零零五年三月三十一日	1,771
<b>Amortisation</b>	<b>攤銷</b>	
At 1 April 2004	於二零零四年四月一日	1,705
Charge for the year	本年度攤銷	27
At 31 March 2005	於二零零五年三月三十一日	1,732
<b>Carrying amount</b>	<b>賬面淨值</b>	
At 31 March 2005	於二零零五年三月三十一日	39
At 31 March 2004	於二零零四年三月三十一日	66

### 14. GOODWILL

### 14. 商譽

		<b>Group</b> 集團
<b>Cost</b>	<b>成本</b>	
At 1 April 2004 and at 31 March 2005	於二零零四年四月一日及 二零零五年三月三十一日	19,993
<b>Amortisation</b>	<b>攤銷</b>	
At 1 April 2004	於二零零四年四月一日	1,993
Charge for the year	本年度內攤銷	996
At 31 March 2005	於二零零五年三月三十一日	2,989
<b>Carrying amount</b>	<b>賬面淨值</b>	
At 31 March 2005	於二零零五年三月三十一日	17,004
At 31 March 2004	於二零零四年三月三十一日	18,000

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 14. GOODWILL (CONTINUED)

As detailed in note 3 to the financial statements, the Group eliminated goodwill or credited negative goodwill in respect of acquisitions which occurred prior to 1 April 2001 against consolidated reserves or capital reserve, respectively, on adoption of transitional provision of Statement of Standard Accounting Practice ("SSAP") 30.

The amounts of goodwill and negative goodwill remaining in consolidated reserves, arising from the acquisition of subsidiaries prior to 1 April 2001, were HK\$4,488,000 (2004: HK\$4,575,000) and HK\$1,097,000 (2004: HK\$1,097,000), respectively, as at 31 March 2005. The amounts of the goodwill and negative goodwill which arose in prior years are stated at cost.

## 15. INTERESTS IN SUBSIDIARIES

		Company 公司	
		2005	2004
Unlisted investments, at cost	非上市投資，按成本	118,249	118,249
Due from subsidiaries	應收附屬公司之欠款	97,624	80,256
Less: Provision for impairment	減：減值準備	(39,754)	(39,754)
		176,119	158,751

The amounts due from subsidiaries are unsecured, interest-free and are not repayable within twelve months.

The following table lists the particulars of the principal subsidiaries of the Company as at 31 March 2005 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.

## 14. 商譽 (續)

本集團已採納標準會計實務準則第30條之豁免條款，在二零零一年四月一日前，因收購而產生之商譽及負商譽，本集團已在綜合儲備或股本儲備中扣除，有關內容已詳列於財務報告附註3。

本集團在二零零一年四月一日前，因購入附屬公司而產生之商譽及於二零零五年三月三十一日負商譽仍包括在綜合儲備中之金額分別為港幣4,488,000元 (二零零四年：港幣4,575,000元) 及港幣1,097,000元 (二零零四年：港幣1,097,000元)。過往年度產生之商譽及負商譽金額乃按成本入賬。

## 15. 於附屬公司權益

此應收附屬公司之欠款是無抵押、免息及十二個月內不需償還。

下表所列出本公司於二零零五年三月三十一日之附屬公司乃董事會認為對本年度內本集團業績有重要影響或構成本集團資產淨值之重大部份。倘提供其他附屬公司之詳情，董事會認為會過於冗長。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 15. INTERESTS IN SUBSIDIARIES (CONTINUED)

## 15. 於附屬公司權益 (續)

Name 名稱	Place of incorporation / registration and operations 成立/註冊及經營之地點	Nominal value of issued share/ registered capital 已發行/已註冊資本面值	Percentage of equity attributable to the Company 本公司應佔股本權益之百分比 2005&2004	Principal activities 主要業務
<i>Directly held:</i> 直接持有股份:				
Artfield Company Limited	British Virgin Islands 英屬處女群島	Ordinary US\$50,010 普通股 美金50,010元	100	Investment holding 投資控股
<i>Indirectly held:</i> 非直接持有股份:				
Artfield Manufacturing Company Limited 雅域實業有限公司	Hong Kong 香港	Ordinary HK\$1,000 non-voting deferred# HK\$2,000,000 普通股 港幣1,000元 及無投票權 遞延股# 港幣2,000,000元	100	Manufacture and marketing of clocks 製造及銷售時鐘
Artfield Industries (Shenzhen) Limited ("AIS") 雅域實業(深圳)有限公司	PRC 中華人民共和國	RMB46,000,000 人民幣46,000,000元	100	Manufacture of clocks 製造時鐘
Ultra Good Electroplating Limited 特佳電鍍有限公司	Hong Kong 香港	Ordinary HK\$4,000,000 普通股 港幣4,000,000元	79.75	Provision of electroplating services 提供電鍍服務
Ultra Good Electroplating Surface Finishing (Shenzhen) Co., Ltd. ("UG(SZ)") 特佳電鍍表面處理(深圳)有限公司	PRC 中華人民共和國	US\$600,000 美金600,000元	79.75	Provision of electroplating services 提供電鍍服務

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 15. INTERESTS IN SUBSIDIARIES (CONTINUED)

## 15. 於附屬公司權益 (續)

Name 名稱	Place of incorporation /registration and operations 成立/註冊及 經營之地點	Nominal value of issued share/ registered capital 已發行/已註冊 資本面值	Percentage of equity attributable to the Company 本公司應佔股本 權益之百分比 <b>2005&amp;2004</b>	Principal activities 主要業務
<i>Indirectly held: (Continued)</i> 非直接持有股份：(續)				
Dixon Design Limited	British Virgin Islands 英屬處女群島	Ordinary US\$ 10,000 普通股 美金10,000元	100	Ownership of patents and trademarks 持有專利權 及商標
Wehrle Uhrenfabrik GmbH	Germany 德國	EUR255,646 歐元255,646	100	Marketing of clocks 銷售時鐘
Precision Group Limited	British Virgin Islands 英屬處女群島	Ordinary US\$437,000 普通股 美金437,000元	100	Investment holding 投資控股
City Bright International Limited 邦暉國際有限公司	Hong Kong 香港	Ordinary HK\$2,000,000 普通股 港幣2,000,000元	100	Investment holding 投資控股
Everbright Lighting Limited 永光燈具有限公司	Hong Kong 香港	Ordinary HK\$1,000,000 普通股 港幣1,000,000元	100	Trading of lighting products 照明產品貿易
Everbright Lighting (Hong Kong) Limited 永光燈具(香港)有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 港幣2元	100	Trading of lighting products 照明產品貿易
City Bright Lighting (Shenzhen) Co., Ltd. ("CBL(SZ)") 邦暉燈具(深圳)有限公司	PRC 中華人民共和國	HK\$3,000,000 港幣3,000,000元	100	Manufacture of lighting products 製造照明產品
Artfield Industries (Gaoming) Limited ("AIG") 雅域實業(高明)有限公司	PRC 中華人民共和國	HK\$7,000,000 港幣7,000,000元	100	Manufacture of wooden products 製造木製品

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 15. INTERESTS IN SUBSIDIARIES (CONTINUED)

Name 名稱	Place of incorporation /registration and operations 成立/註冊及經營之地點	Nominal value of issued share/ registered capital 已發行/已註冊資本面值	Percentage of equity attributable to the Company 本公司應佔股本權益之百分比 2005&2004	Principal activities 主要業務
<i>Indirectly held: (Continued)</i> 非直接持有股份：(續)				
高明豐雅鐘錶有限公司 (「高明豐雅」)	PRC 中華人民共和國	HK\$2,500,000 港幣2,500,000元	100	Manufacture and marketing of clocks 製造及銷售時鐘
East Champion International Limited 東澤國際有限公司	Hong Kong 香港	Ordinary HK\$1,200 普通股港幣1,200元	100	Property holding 持有物業
Right Time Group, Inc.	United States of America 美利堅合眾國	US\$10,000 美金10,000元	100	Marketing of clocks 銷售時鐘
Royal Success Enterprises Limited 豐成企業有限公司	Hong Kong 香港	Ordinary HK\$4 普通股 港幣4元	100	Investment holding 投資控股
Ferdinand International (Marketing) Limited	United Kingdom 英國	GBP100,000 英鎊100,000	100	Marketing of clocks 銷售時鐘
Lens Trading Inc. ("Lens")	British Virgin Islands 英屬處女群島	US\$1 美金1元	100	Trading of metals 金屬貿易
Artfield Trading (Hong Kong) Limited 雅域貿易(香港)有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股港幣10,000元	100	Trading of metals 金屬貿易
德力時鐘(深圳)有限公司 (「德力」)	PRC 中華人民共和國	HK\$3,000,000 港幣3,000,000元	100	Manufacture of clocks 製造時鐘
#	<i>The non-voting deferred shares are entitled to a fixed non-cumulative dividend at the rate of 5% per annum and a return of the paid-up capital after the distribution of HK\$100,000,000, but carry no rights to receive notice of or to attend or vote at any general meeting of the company, or to participate in the profits or assets of the company.</i>		#	<i>無投票權遞延股擁有權利取得一個每年5%計算之特定非累積股息及在分派港幣100,000,000元後的已付資本回報，但沒有權力接收任何本公司股東大會通告或出席或投票於本公司之股東大會或參與本公司之利潤及資產。</i>

AIS, UG(SZ), CBL(SZ), AIG, 高明豐雅 and 德力 are wholly foreign-owned enterprises established in the PRC.

雅域實業(深圳)有限公司、特佳電鍍表面處理(深圳)有限公司、邦暉燈具(深圳)有限公司、雅域實業(高明)有限公司、高明豐雅及德力乃屬成立於中國之外資全資企業。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 16. INTERESTS IN ASSOCIATES

## 16. 於聯營公司權益

		Group 集團	
		2005	2004
Share of net assets	所佔資產淨值	29,768	29,605
Unamortised negative goodwill arising on acquisition of associates	因收購聯營公司所產生之未攤銷負值商譽	(11,452)	(12,054)
Due from associates	應收聯營公司款項	210	-
		<b>18,526</b>	17,551

The amounts due from associates are unsecured, interest-free and are not repayable within twelve months.

應收聯營公司款項為無抵押、免息及毋須於未來十二個月償還。

Negative goodwill arising on the acquisition of associates is released to income on a straight line basis over 20 years.

因收購聯營公司而產生之負商譽按二十年以直線法計入收益。

Particulars of the associates as at 31 March 2005 are as follows:

於二零零五年三月三十一日，本集團之主要聯營公司詳情如下：



Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 16. INTERESTS IN ASSOCIATES (CONTINUED) 16. 於聯營公司權益 (續)

Name 名稱	Business Structure 業務架構	Place of incorporation/ registration and operations 成立/註冊及 經營之地點	Nominal value of issued share/ registered capital 已發行/已註冊 資本面值	Percentage of equity attributable to the Group 本集團應佔股本 權益之百分比 2005&2004	Principal activities 主要業務
Success Start Holdings Limited 成發控股有限公司	Incorporated 法團公司	British Virgin Islands 英屬處女群島	HK\$390,000 港幣390,000元	49%	Investment holding 投資控股
Anxi Medicine-Make Co., Limited Fujian 福建省安溪製藥 有限公司	Incorporated 法團公司	PRC 中華人民共和國	RMB30,000,000 人民幣30,000,000元	39%	Manufacture of medical products 製造醫藥產品
Beijing Xipu Biotechnology Limited 北京聖圖環球 生物醫藥技術 有限公司	Incorporated 法團公司	PRC 中華人民共和國	RMB10,000,000 人民幣10,000,000元	43%	Research and development, production and sales of bio-technological medical products 研究及開發、 生產及銷售 生物技術醫藥產品

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 17. INVENTORIES

		Group 集團	
		2005	2004
Raw materials	原材料	35,992	32,966
Work in progress	在製品	42,575	37,556
Finished goods	製成品	17,067	17,547
		<b>95,634</b>	<b>88,069</b>

No inventories were stated at net realisable value as at 31 March 2005 (2004: Nil).

## 17. 存貨

於二零零五年三月三十一日，並無存貨以可變現淨值列賬(二零零四年：無)。

## 18. TRADE AND BILLS RECEIVABLES

Trading terms with customers are largely on credit, except for new customers where payment in advance is normally required. Invoices are normally payable within 30 days of issuance, except for certain well-established customers, where the terms are extended to 180 days.

An aging analysis of the trade and bills receivables as at the balance sheet date, based on the date of goods delivered, is as follows:

## 18. 應收賬款及應收票據

除新客戶需預先付款外，大部份客戶均給予信貸期。除若干關係良好之客戶給予最長180天之信貸期外，大部份貨款於30天內償還。

本集團於結算日之應收賬款及應收票據之賬齡分析(根據出貨日期)如下：

		Group 集團	
		2005	2004
Within 90 days	90天內	24,224	28,725
Between 91 to 365 days	91天至365天內	28,236	29,275
Over 1 year	超過1年	437	161
		<b>52,897</b>	<b>58,161</b>

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in prepayments, deposits and other receivables as at 31 March 2005 was amount due from a related company. Information disclosed pursuant to Section 161B of the Hong Kong Companies Ordinance are as follow:

Name 名稱	Name of directors having beneficial interest 擁有實益權益之董事名稱	Balance at	Balance at	Maximum amount
		31 March 2005 於二零零五年三月三十一日結餘	31 March 2004 於二零零四年三月三十一日結餘	outstanding during the year 年中未償還最高數額
Smart Best Development Limited 俊富發展有限公司	Ms. Li Kwo Yuk 李戈玉女士	1,460	-	1,738

The amount is unsecured, non-interest bearing and has no fixed repayment term.

## 19. 預付款項，按金及其他應收賬款

於二零零五年三月三十一日預付款項，按金及其他應收賬款包括一間關連公司之應收款項。根據香港公司法第161B段需要披露之資料如下：

此數額為無抵押，無利息及無固定之還款期。

## 20. OTHER INVESTMENTS

## 20. 其他投資

		Group 集團	
		2005	2004
Open-ended mutual fund, stated at quoted market price	開端互惠基金，按上市市價	2,311	2,414

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 21. TRADE PAYABLES

An aging analysis of the Group's trade payables as at the balance sheet date, based on the date of goods received, is as follows:

## 21. 應付賬款

本集團於結算日之應付賬款之賬齡分析 (根據收貨日期) 如下：

		Group 集團	
		2005	2004
Within 90 days	90天內	20,620	16,165
Between 91 to 365 days	91天至365天內	8,371	4,304
Over 1 year	超過1年	2,436	1,360
		<b>31,427</b>	21,829

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 22. INTEREST-BEARING BANK AND OTHER BORROWINGS 22. 銀行及其他計息借貸

		Group 集團		Company 公司	
		2005	2004	2005	2004
Bank overdrafts, secured	銀行透支－有抵押	6,589	6,374	–	30
Trust receipt loans, secured	信託收據貸款－有抵押	4,633	6,478	–	–
Bank loans, secured and repayable:	銀行貸款－有抵押及須償還於：				
Within one year	一年內	13,830	29,368	–	–
In the second year	第二年內	6,112	7,014	–	–
In the third to fifth years, inclusive	第三年至五年內（包括首尾兩年）	–	6,204	–	–
Over five years	超過五年	–	5,548	–	–
		19,942	48,134	–	–
Other loans, unsecured and repayable:	其他貸款－無抵押及須償還於：				
Within one year	一年內	259	479	–	–
In the second year	第二年內	–	106	–	–
In the third to fifth years, inclusive	第三年至五年內（包括首尾兩年）	–	147	–	–
		259	732	–	–
		31,423	61,718	–	30
Portion classified as current liabilities	分類作流動負債之部份	(25,311)	(42,699)	–	(30)
Non-current portion	非流動負債部份	6,112	19,019	–	–

The Group's other loans are unsecured, bear interest at 5.0% to 6.75% per annum and with fixed repayment term.

本集團之其他貸款乃屬無抵押，按年利率5.0%至6.75%計算及固定還款期。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 23. OBLIGATIONS UNDER FINANCE LEASES

The Group leases certain of its plant and machinery for its business operations. These leases are classified as finance leases and have remaining lease terms at the balance sheet date ranging from 2 to 50 months.

At 31 March 2005, the total future minimum lease payments under finance leases and their present values, were as follows:

### Group 集團

		Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金現金值	
		2005	2004	2005	2004
Amounts payable:	應付款項：				
Within one year	一年內	<b>636</b>	859	<b>606</b>	801
In the second year	第二年內	<b>239</b>	567	<b>229</b>	544
In the third to fifth years, inclusive	第三年至五年 （包括首尾兩年）	<b>147</b>	171	<b>134</b>	168
Total minimum finance lease payments	融資租賃最低租金 總額	<b>1,022</b>	1,597	<b>969</b>	1,513
Future finance charges	日後融資費用	<b>(53)</b>	(84)		
Total net finance lease payables	應付融資租賃 總淨值	<b>969</b>	1,513		
Portion classified as current liabilities	分類作流動 負債部份	<b>(606)</b>	(801)		
Non-current portion	非流動負債部份	<b>363</b>	712		

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

## 23. 融資租賃之承擔

本集團因業務需要而租入若干廠房及機器。於結算日該等租約被分類為融資租賃，其餘下租約期由兩個月至五十個月不等。

於二零零五年三月三十一日，根據融資租賃下之未來最低租金總額及其現金值如下：

集團之融資租賃之承擔乃由出租人之租賃資產作抵押。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 24. BANKING FACILITIES

At 31 March 2005, the Group's banking facilities were secured by the following:

- (a) legal charges over certain of the Group's leasehold land and buildings and plant and machinery; and
- (b) corporate guarantees from the Company and certain subsidiaries of the Company.

## 24. 銀行信貸

於二零零五年三月三十一日，本集團之銀行信貸由以下作抵押：

- (a) 若干本集團租約土地及樓宇和廠房及機器已作法定抵押；及
- (b) 本公司及若干附屬公司作出之公司擔保。

## 25. DEFERRED TAX

## 25. 遞延稅項

		Decelerated tax depreciation	Revaluation of properties	Tax losses	Unrealised losses on inventories	Total
		累積稅項折舊	物業重估	稅項虧損	未實現之 存貨虧損	總計
At 1 April 2003	於二零零三年四月一日	(312)	2,325	(789)	3,672	4,896
(Credit)/charge to income for the year	於本年度之收益內 (計入)/扣除	(107)	-	87	(1,001)	(1,021)
Credit to equity for the year	於本年度內權益中計入	-	(160)	-	-	(160)
Effect of change in tax rate (Credit)/charge to income for the year	稅率變動之影響 於本年度之收益內 (計入)/扣除	(47)	-	(74)	344	223
Charge to equity	權益中扣除	-	218	-	-	218
At 31 March 2004	於二零零四年 三月三十一日	(466)	2,383	(776)	3,015	4,156
(Credit)/charge to income for the year	於本年度之收益內 (計入)/扣除	(190)	-	689	345	844
Credit to equity for the year	權益中計入	-	(203)	-	-	(203)
Released on disposal of subsidiaries	於出售附屬公司 時撥回	(110)	-	-	-	(110)
At 31 March 2005	於二零零五年 三月三十一日	(766)	2,180	(87)	3,360	4,687

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 25. DEFERRED TAX (CONTINUED)

For the purposes of balance sheet presentation, certain deferred tax assets and liabilities have been offset in accordance with the conditions set out in SSAP 12 (Revised). The following is the analysis of the deferred tax balances for financial reporting purposes:

		2005	2004
Deferred tax liabilities	遞延稅項負債	4,822	4,322
Deferred tax assets	遞延稅項資產	(135)	(166)
		<b>4,687</b>	4,156

At the balance sheet date, the Group has unused tax losses of HK\$22,115,000 (2004: HK\$12,105,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$497,000 (2004: HK\$4,435,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$21,618,000 (2004: HK\$7,670,000) due to the unpredictability of future profits streams. The unrecognised tax losses will expire in five year's time.

The Company had no significant unprovided deferred taxation for the year or at the balance sheet date.

## 25. 遞延稅項 (續)

就資產負債表之呈報而言，若干遞延稅項資產及負債已根據會計實務準則第12號(經修訂)所載之規定對銷。以下為就財務呈報目的而編製之遞延稅項結存分析：

於結算日，本集團之未動用稅項虧損為港幣22,115,000元(二零零四年：港幣12,105,000元)可用作與未來溢利對銷，該稅務虧損已確認之遞延稅項資產為港幣497,000元(二零零四年：港幣4,435,000元)，剩餘約為港幣21,618,000元(二零零四年：港幣7,670,000元)之稅務虧損，因未來溢利流入不可預測，因此未有確認遞延稅項資產。未確認稅項虧損將於五年內期滿之虧損。

於本年度或於結算日，本公司並無重大之未證明遞延稅項。



Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 26. SHARE CAPITAL AND SHARE OPTIONS

## 26. 股本及購股權

### Shares

### 股份

		Number of ordinary shares of HK\$0.10 each 每股面值港幣0.10元 普通股股份數目			
		2005	2004	2005	2004
Authorised:	法定股本：				
Balance at beginning of year and at 31 March	於年初及三月三十一日之結餘	900,000,000	900,000,000	90,000	90,000
Issued and fully paid:	已發行及已繳足股本：				
Balance at beginning of year	於年初結餘	240,539,500	241,045,500	24,054	24,105
Issued in consideration for the acquisition of associates (note a)	因收購聯營公司而發行 (附註a)	21,939,084	–	2,194	–
Shares repurchased and cancelled (note b)	股份購回及註銷 (附註b)	–	(506,000)	–	(51)
Balance at end of year	於年底結餘	262,478,584	240,539,500	26,248	24,054

#### Notes:

- (a) During the year, the Company allotted 21,939,084 ordinary shares at the price of HK\$0.8 per share as consideration for the acquisition of Success Start Holdings Limited.
- (b) During the year ended 31 March 2004, the Company repurchased and cancelled 506,000 of its ordinary shares of HK\$0.10 each from the market at a total consideration of HK\$289,000. The premium of approximately HK\$238,000 paid on the repurchase of such shares has been debited to the share premium account, as set out in note 27 to the financial statements.

#### 附註：

- (a) 於本年度中，本公司分配21,939,084股普通股以每股作價港幣0.8元已收購成發控股有限公司。
- (b) 於截至日二零零四年三月三十一日市之年度中，本公司以總代價港幣289,000元由市場購回及注銷506,000股每股面值港幣0.10元之普通股，在本財務報表附註二十七中顯示，該購回股份之溢價約港幣238,000元已在股份溢價賬目中扣除。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 26. SHARE CAPITAL AND SHARE OPTIONS (CONTINUED)

### Share options

The Company adopted a share option scheme on 21 March 1995 (the "Old Scheme") for the purpose of providing incentives and rewards to directors and eligible employees and expired on 20 March 2005.

Under the Old Scheme, the maximum number of unexercised share options permitted to be granted is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant is limited to 2.5% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted in writing within 21 days from the date of the offer, with no consideration being payable by the grantee. The exercise period of the share options granted is determinable by the directors, and commences from the date of grant of the share options and ends on a date which is not later than six years from the date of the commencement of the exercise period of the share options or the expiry date of the Old Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of the nominal value of the shares of the Company or 80% of the average closing price of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of the grant of the share options.

## 26. 股本及購股權 (續)

### 購股權

本集團於一九九五年三月二十一日採納一項購股權計劃（「舊計劃」），目的為向董事及合資格僱員提供鼓勵及獎勵，及已於二零零五年三月二十日屆滿。

按舊計劃，現時准許根據本計劃授出之未獲行使購股權之數目，須以其獲行使時相等於本公司於任何時間已發行股份10%為上限。於任何時間內，根據本計劃向每名合資格參與者授出之購股權下可發行股份之最高數目，以本公司於任何時間已發行股份之2.5%為上限。任何超出此限額進一步授出之購股權須經股東於股東大會上批准。

授出購股權之發售建議可自發售建議日期起計21日內，承授人可透過書面接納，並無須支付任何代價。所授購股權之行使期限由本公司董事釐定，且於一定歸屬期間後開始，並於自購股權之行使期開始之日起不多於六年期或舊計劃屆滿日期結束（以較早者為準）。

購股權之行使價乃由董事釐定，惟不可少於本公司股份之面值或本公司股份於聯交所所報在緊接發售前五個交易日之平均收市價之80%（以較高者為準）。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 26. SHARE CAPITAL AND SHARE OPTIONS (CONTINUED)

### Share options (Continued)

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

The following options to subscribe for shares were outstanding under the Old Scheme:

Name or category of participant	As at 1 April 2004 於二零零四年四月一日	Lapsed during the year 在年中失效	As at 31 March 2005 於二零零五年三月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期間	Exercise price of share options* 購股權行使價*
<b>Directors</b>						
<b>董事</b>						
Mr. Liang Jin You 梁金友先生	2,306,000	(2,306,000)	-	6 October 1999 一九九九年十月六日	6 October 1999 to 20 March 2005 一九九九年十月六日至二零零五年三月二十日	0.2608
Ms. Li Kwo Yuk 李戈玉女士	2,836,000	(2,836,000)	-	27 January 2000 二零零零年一月二十七日	27 January 2000 to 20 March 2005 二零零零年一月二十七日至二零零五年三月二十日	0.6464
Mr. Ou Jian Sheng 歐健生先生	5,766,000	(5,766,000)	-	6 October 1999 一九九九年十月六日	6 October 1999 to 20 March 2005 一九九九年十月六日至二零零五年三月二十日	0.2608
	10,908,000	(10,908,000)	-			

\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

## 26. 股本及購股權 (續)

### 購股權 (續)

購股權持有人並無享有股息或於股東大會投票之權利。

按舊計劃，根據本計劃尚未行使之購股權如下：

\* 購股權行使價在供股或紅股發行或本公司股本發生其他類似變動時可予調整。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 26. SHARE CAPITAL AND SHARE OPTIONS (CONTINUED)

### Share options (Continued)

As a result of the amendments of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") on 1 September 2001, certain terms of the Old Scheme are no longer in compliance with the Listing Rules and the Company can no longer grant any further options under the Old Scheme without being in breach of the Listing Rules. Accordingly, the Company terminated the Old Scheme and adopted a new share option scheme (the "New Scheme"), which was approved in the Company's annual general meeting on 28 August 2003, for the purpose of providing incentives to directors and eligible participants.

Except that no further options may be granted under the Old Scheme subsequent to its termination, all the other provisions of the Old Scheme will remain in force so as to give effect to the exercise of all outstanding options granted under the Old Scheme prior to 1 September 2001 and all such options will remain valid and exercisable in accordance with the provisions of the Old Scheme.

According to the New Scheme, the directors of the Company may grant options to eligible employees, including directors of the Company or any of its subsidiaries and any suppliers, customers, any technical, financial, and legal professional advisers who have contributed to the Group, to subscribe for shares in the Company for a consideration of HK\$1 for each lot of share options granted.

## 26. 股本及購股權 (續)

### 購股權 (續)

由於聯交所證券上市規則（「上市規則」）第17章於二零零一年九月一日作出修訂，令舊計劃之若干條款不再符合上市規則，故若本公司根據舊計劃再授出任何購股權，將會違反上市規則。因此，本公司建議終止舊計劃並採納一項新購股權計劃（「新計劃」），主要目的為獎勵董事及合資格參與者，其後此計劃已於本公司在二零零三年八月二十八日舉行之股東週年大會上獲批准。

除於終止舊計劃後不可再據此授出購股權外，舊計劃之所有其他條文均仍舊有效，因此於二零零一年九月一日前根據舊計劃已授出但尚未行使其所有購股權均可予行使，而所有該等購股權均可按照舊計劃之條文繼續有效及可予行使。

根據新計劃，本公司董事會可向合資格僱員，包括本公司或其任何附屬公司之董事，以及任何曾對本集團作出貢獻之供應商、客戶、任何技術、財務及法律上提供專業意見之人士授予購股權以供認購本公司股份，購股權代價為每批港幣1元。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 26. SHARE CAPITAL AND SHARE OPTIONS (CONTINUED)

### Share options (Continued)

Options granted should be accepted within 28 days from the date of grant. The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the shares of the Company in issue at the date of adoption of the New Scheme.

The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to director, chief executive or substantial shareholder of the Company or any of their associates in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the issued share capital of the Company from time to time.

The directors may at their absolute discretion determine the period during which an option may be exercised, such period to expire not later than 10 years from the date of grant of the option. The exercise price is determined by the directors and shall not be less than the highest of (i) the closing price of the Company's share on the date of grant, (ii) the average closing price of Company's shares for the five business days immediately preceding the date of grant, and (iii) the nominal value of the share.

## 26. 股本及購股權 (續)

### 購股權 (續)

授出之購股權須於授出之日起計28日內獲接納。根據新計劃或本公司任何其他購股權計劃可能授出之購股權涉及之股份總數不得超過本公司於新計劃採納日已發行股份之10%。

在未經本公司股東事先批准下，任何人士在一年之內獲授之購股權涉及之股份數目在任何時候均不得超過本公司已發行股份之1%。向董事、主要行政人員或主要股東或其聯繫人士授出之購股權如涉及本公司股本超過0.1%或總值超過港幣5,000,000元，必須事先獲本公司股東批准。

根據新購股權計劃及本公司任何其他購股權計劃准予授出之尚未行使之購股權若獲悉數行使，因此而可予發行之最高股份數目，任何時間不得超過本公司已發行股份總數之30%。

董事會可酌情決定購股權可予行使之期間，惟該期間不得超過授出購股權日期當日起計十年。行使價由董事會釐定，並不會低於(i)本公司股份於授出日期之收市價；(ii)本公司股份於緊接授出日期前五個營業日之平均收市價；及(iii)股份面值三者中之最高者。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 26. SHARE CAPITAL AND SHARE OPTIONS (CONTINUED)

### Share options (Continued)

No options were granted under the New Scheme since its adoption.

The financial impact of share options granted 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 recognised in the income statement in respect of the value of options granted 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 prior to their exercise date are deleted from the register of outstanding options.

## 26. 股本及購股權 (續)

### 購股權 (續)

自採納新計劃起，並無授出任何購股權。

授出購股權之財務影響將不會於本公司或本集團之資產負債表內列賬，直至購股權獲行使為止，其費用亦不會於收益表內列賬。因行使購股權而發行之股份，均以股份面值列入本公司之額外股本，而每股行使價高於股份面值之部份，將於本公司之股份溢價賬內列賬。行使日期到期前失效或被註銷之購股權，將於尚未行使購股權登記名冊上刪除。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度（港幣千元單位列表）

## 27. RESERVES

### Company

#### 公司

		Share premium	Contributed surplus	Accumulated losses	Total
		股份溢價	繳入盈餘	累積虧損	總額
At 1 April 2003	於二零零三年四月一日	25,361	128,013	(18,923)	134,451
Share repurchased and cancelled	股份購回及註銷	(238)	–	–	(238)
Net profit for the year	該年度淨溢利	–	–	277	277
At 31 March 2004	於二零零四年三月三十一日	25,123	128,013	(18,646)	134,490
Issue of shares on acquisition of associates	因收購聯營公司而發行	15,358	–	–	15,358
Net loss for the year	本年度淨虧損	–	–	(14)	(14)
At 31 March 2005	於二零零五年三月三十一日	40,481	128,013	(18,660)	149,834

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued shares of the companies being acquired and the value of net assets of the underlying companies acquired at the time of the Group's reorganisation in preparation for its listing in 1995. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its members out of the contributed surplus in certain circumstances.

## 27. 儲備

本公司之繳入盈餘指於一九九五年本集團為準備上市而進行重組時，本公司為交換所收購公司之已發行股份而發行本公司股份之面值與所收購附屬公司資產淨值之差額。根據百慕達一九八一年公司法，本公司可根據某些情況分派是項繳入盈餘予股東。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 28. DISPOSAL OF SUBSIDIARIES

During the year, the Group disposed of its entire interests in Smart Best Development Limited and German Time Limited. The net assets of these subsidiaries at the date of disposal were as follows:

## 28. 出售附屬公司

年內，本集團出售俊富發展有限公司及德國時計有限公司的全部權益。該等附屬公司於出售當日之資產淨值如下：

		2005	2004
Net assets disposal of:	出售淨資產：		
Investment properties	投資物業	8,000	—
Property, plant and equipment	物業、廠房及設備	14,071	—
Trade receivables	應收賬	66	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	8	—
Bank balances and cash	銀行結存及現金	18	—
Amount due to an intermediate holding company	應付中介控股公司款項	(4)	—
Amount due to an immediate holding company	應付直接控股公司款項	(890)	—
Amount due to a fellow subsidiary	應付同系附屬公司款項	(844)	—
Other payables and accruals	其他應付賬款及應計負債	(108)	—
Taxation	稅項	13	—
Deferred tax liabilities	遞延稅項	(110)	—
		20,220	—
Capital reserve released	資本儲備撥回	87	—
Gain on disposal	出售之盈利	1,693	—
Total consideration	總作價	22,000	—
Satisfied by:	付款方式		
Cash	現金	22,000	—
Net cash inflow arising on disposal:	出售產生之淨現金流入：		
Cash consideration	現金作價	22,000	—
Bank balances and cash disposal of	出售所失之銀行和現金結餘	(18)	—
		21,982	—



Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 29. MAJOR NON-CASH TRANSACTION

During the year, the Group satisfied the other payable arising on the acquisition of associates during the year ended 31 March 2004 of HK\$17,552,000 by allotment of 21,939,084 ordinary shares of the Company at the issue price of HK\$0.80 each.

## 29. 主要非現金交易

於年內，本集團因分配21,939,084股本公司普通股以每股發行價港幣0.8元支付於截至二零零五年三月三十一日止之年度內收購聯營公司所產生之其他應付款項港幣17,552,000元。

## 30. CONTINGENT LIABILITIES

## 30. 或然負債

	The Group 本集團		The Company 本公司	
	2005	2004	2005	2004
Guarantees provided for banking facilities and finance				
為若干附屬公司獲授銀行信貸及融資租賃而作出之擔保	-	-	14,673	44,225

## 31. OPERATING LEASE ARRANGEMENTS

## 31. 經營租約安排

### (a) As lessor

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

At 31 March 2005, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

### (a) 作為出租者

根據經營租約安排，本集團租出旗下若干物業，租約期由一年至三年不等。租約條款亦要求租戶先繳付訂金及預備因市場環境而作出租金調整。

於二零零五年三月三十一日，於以下期間屆滿之不可取消經營租約在未來之最低租約應收款如下：

		2005	2004
Within one year	一年內	280	725
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	-	176
		280	901

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

### 31. OPERATING LEASE ARRANGEMENTS

(CONTINUED)

#### (b) As lessee

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

At 31 March 2005, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2005	2004
Within one year	一年內	1,462	1,327
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	2,207	1,859
		<b>3,669</b>	<b>3,186</b>

The Company did not have any operating lease arrangements at the balance sheet date (2004: Nil).

### 31. 經營租約安排 (續)

#### (b) 作為租戶

根據經營租約安排，本集團租入若干辦公室物業及職員宿舍，租約條件由一年至六年不等。

於二零零五年三月三十一日，於以下期間屆滿之不可取消經營租約在未來之最低租約付款如下：

於結算日，本公司並沒有任何經營租約安排(二零零四年：無)。

Year ended 31 March 2005 (Express in thousands of Hong Kong dollars)  
截至二〇〇五年三月三十一日止年度 (港幣千元單位列表)

## 32. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties:

## 32. 關連人仕交易

於本年度內本集團與關連人仕達成下列交易：

		2005	2004
<b>Smart Best Development Limited</b>	<b>俊富發展有限公司</b>		
Accounting fee received (note a)	已收會計費 (附註a)	40	—
Interest income received (note a)	已收利息 (附註a)	187	—
Management fee received (note a)	已收管理費 (附註a)	40	—
<b>German Time Limited</b>	<b>德國時計有限公司</b>		
Interest income received (note a)	已收利息 (附註a)	165	—
Management fee paid (note a)	已付管理費 (附註a)	560	—
<b>Ms. Li Kwo Yuk</b>	<b>李戈玉女士</b>		
Disposal of subsidiaries (note b)	出售附屬公司 (附註b)	22,000	—

Notes:

- (a) The transactions were carried out on terms agreed between the Group and the related parties and were conducted in the normal course of business with reference to the prevailing market prices.
- (b) The transactions were carried out on normal commercial terms with reference to the independent property valuation report.

附註：

- (a) 本集團和關連人仕之交易參考一般市場價格及以雙方同意之條款及正常生意交易進行。
- (b) 此交易參考獨立物業估價報告及正常商業條款下進行。