



ARTFIELD GROUP LIMITED

雅域集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)



ANNUAL REPORT 年報

2003



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BOARD OF DIRECTORS

Executive

Mr. LIANG Jin You (*Chairman & Managing Director*)
Ms. LI Kwo Yuk (*Deputy Chairman*)
Mr. LEUNG Kin Yau
Mr. OU Jian Sheng
Mr. DENG Ju Neng

Non-executive

Mr. LO Wah Wai

Independent Non-executive

Mr. LO Ming Chi, Charles
Mr. CHEUNG Doi Shu

COMPANY SECRETARY

Mr. CHAN Tak Wing

AUDITORS

Ernst & Young
Certified Public Accountants
15th Floor, Hutchison House
10 Harcourt Road
Central
Hong Kong

HONG KONG LEGAL ADVISER

D. S. Cheung & Co.
1910-1913, Hutchison House
10 Harcourt Road
Central
Hong Kong

BERMUDA LEGAL ADVISER

Conyers, Dill & Pearman
2901 One Exchange Square
8 Connaught Place
Central
Hong Kong

董事會

執行董事

梁金友先生 (主席兼董事總經理)
李戈玉女士 (副主席)
梁健友先生
歐健生先生
鄧巨能先生

非執行董事

盧華威先生

獨立非執行董事

勞明智先生
張岱樞先生

公司秘書

陳德榮先生

核數師

安永會計師事務所
執業會計師
香港
中環
夏慤道10號
和記大廈15樓

香港法律顧問

張岱樞律師事務所
香港
中環
夏慤道10號
和記大廈1910-1913室

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香港
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康樂廣場8號
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REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

13th Floor
Universal Industrial Centre
19-21 Shan Mei Street
Fo Tan, Shatin
New Territories
Hong Kong

PRINCIPAL BANKERS

The Hongkong & Shanghai Banking Corporation Limited
Citic Ka Wah Bank Limited
Citibank, N.A., Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tengis Limited
G/F, Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

WEBSITE

<http://www.artfield.com.hk>

註冊辦事處

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Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
新界
沙田火炭
山尾街19-21號
宇宙工業中心
13樓

主要往來銀行

香港上海滙豐銀行有限公司
中信嘉華銀行有限公司
花旗銀行·香港

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke
Bermuda

香港股份過戶登記處分處

登捷時有限公司
香港
灣仔
告士打道56號
東亞銀行港灣中心地下

網址

<http://www.artfield.com.hk>

Financial Highlights

財務摘要

	Year ended 31 March 2003 截至二零零三年 三月三十一日止年度	Year ended 31 March 2002 截至二零零二年 三月三十一日止年度	Growth 增長
Turnover 營業額	HK\$268.9 million 港幣268.9百萬元	HK\$272.6 million 港幣272.6百萬元	(1.4)%
Net profit/(loss) from ordinary activities attributable to shareholders 股東應佔經營溢利／(虧損)淨值	HK\$1.7 million 港幣1.7百萬元	HK\$(2.8) million 港幣(2.8)百萬元	N/A 不適用
Basic earnings/(loss) per share 每股基本盈利／(虧損)	HK0.71 cent 港幣0.71仙	HK(1.16) cents 港幣(1.16)仙	N/A 不適用
Net asset value 資產淨值	HK\$201.7 million 港幣201.7百萬元	HK\$199.3 million 港幣199.3百萬元	1.2%

Financial Highlights

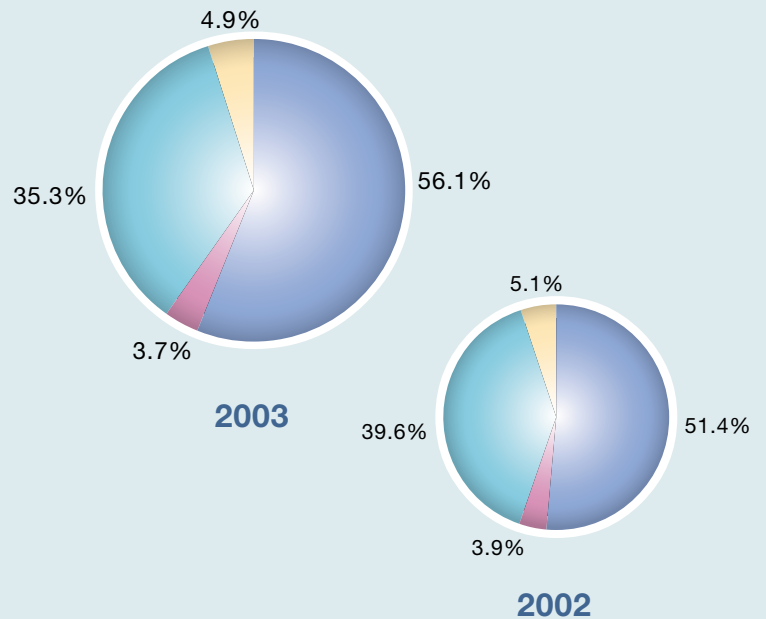
財務摘要

TURNOVER BY BUSINESS SEGMENTS

按業務分類之營業額

in percentage 百分比

- 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

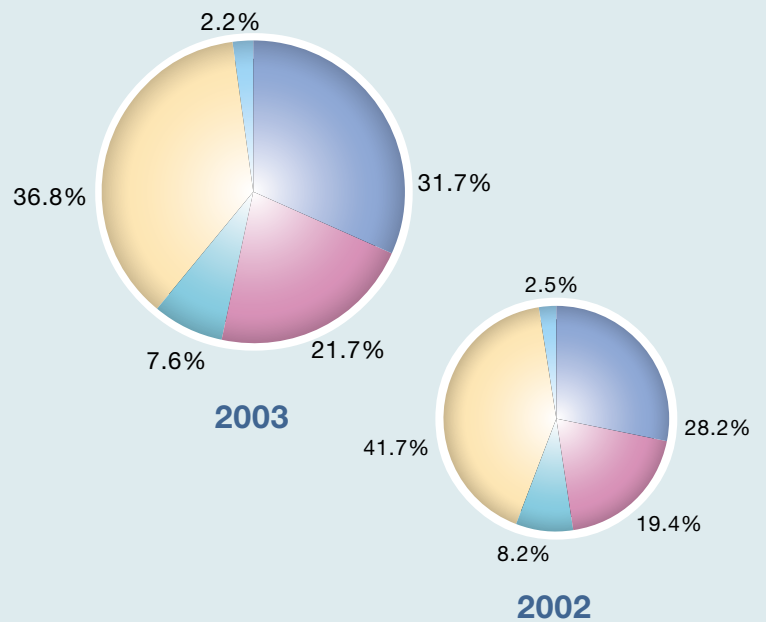


TURNOVER BY GEOGRAPHICAL SEGMENTS

按地區分類之營業額

in percentage 百分比

- North America
北美洲
- Europe
歐洲
- Hong Kong
香港
- Mainland China
中國大陸
- Others
其他





LIANG Jin You *Chairman*

梁金友 主席

TO ALL SHAREHOLDERS

On behalf of the Board of Directors of the Company (the "Board"), I am pleased to present to shareholders the Annual Report of Artfield Group Limited and its subsidiaries (collectively the "Group") for the year ended 31 March 2003.

DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 31 March 2003 (2002: Nil).

RESULTS

During the year under review, owing to continuous uncertainty of the worldwide economy, the Group recorded turnover of approximately HK\$268,853,000 (2002: HK\$272,556,000), representing a slight decrease of about 1.4% as compared with last year. In spite of poor market sentiment, the net profit from ordinary activities attributable to shareholders for the year improved to HK\$1,722,000 (2002: net loss of HK\$2,806,000). This improving result was mainly attributable to the Group's continuous efforts in enhancing management quality, controlling the operation costs and strengthening our product and marketing strategies effectively.

致各位股東

本人謹代表本公司董事會（「董事會」）欣然向各位股東呈報雅域集團有限公司及其附屬公司（統稱「本集團」）截至二零零三年三月三十一日止年度之年報。

股息

董事會不建議截至二零零三年三月三十一日止年度派發任何股息（二零零二年：無）。

業績

於回顧年內，鑑於環球經濟持續不穩，本集團營業額錄得港幣268,853,000元（二零零二年：港幣272,556,000元），較去年約微跌1.4%。儘管市場氣氛疲弱，但於年內，股東應佔經營溢利淨值獲改善至港幣1,722,000元（二零零二年：虧損淨值港幣2,806,000元）。此改進有賴於本集團持續努力提升管理質素、有效地控制營運成本及強化本身產品及市場策略所得來的成果。

BUSINESS REVIEW AND PROSPECT

Clocks and Other Office Related Products

During the year, the global economic condition remained challenging. The clocks and other related products, accounting for about 56.1% (2002: 51.4%) of the Group's total turnover, recorded a stable growth of 7.7% in turnover for the year, amounting to approximately HK\$150,792,000 (2002: HK\$140,057,000), which was a fairly satisfactory result under this unpromising market conditions. Although the intensified market competition still exerted pressure on price and profit margin, the Group endeavors to increase the total sales volume and amount in order to maintain its leading position within the industry.

As for our major markets, though the outbreak of Iraq war during the second half of the year, sales to the United States (the "US") and Europe markets achieved a remarkable increase of about 11.6% and 14.1% respectively. This achievement was mainly derived from the Group's continuing efforts on product development and market penetration by leveraging with our distribution networks in overseas offices. While sales to the Asia Pacific region including the PRC and Japan markets represented about 2.9% of the Group's total turnover.

Facing such adverse and turbulent operating environment, the Group will continue to transform our sales and marketing strategies to cope with the rapid changing market environment and to innovate more value-for-money and fashionable-design products to our potential customers at reasonable costs.

Lighting Products

On the back of lackluster consumer demand, the turnover of the lighting product segment recorded approximately HK\$9,903,000 (2002: HK\$10,605,000). Besides, with increasing domestic manufacturers in the PRC trying to compete with other rivals in the market by plunging prices of lighting products, the market competition becomes more severe.

業務回顧及展望

時鐘及其他辦公室相關產品

在本年內，環球經濟仍面對種種挑戰。時鐘及其他辦公室產品，約佔本集團整體營業額之56.1%（二零零二年：51.4%），全年營業額錄得7.7%之穩定增長，約為港幣150,792,000元（二零零二年：港幣140,057,000元），在目前不明確的市場環境下，此成績亦尚算滿意。雖然在市場熾熱的競爭下令價格及銷售毛利帶來沉重壓力，本集團仍極力增加銷售總量及銷售金額以保持本集團在業內之領導地位。

對於我們主要的銷售市場，雖然在下半年度爆發了伊拉克戰爭，然而美國及歐洲市場銷售情況卻分別達到11.6%及14.1%之明顯升幅。由於本集團持續不斷於產品開發，及藉著海外辦事處之分銷網絡的優勢以努力拓展及滲入各市場，從而取得此表現。至於銷售往亞太地區，包括中國及日本，亦約佔本集團整體營業額之2.9%。

在此不景氣及多變之經營環境下，本集團將繼續轉變銷售及市場策略以回應瞬息萬變的市場形勢，同時加強開發及創造更多物有所值及嶄新設計的產品，務求以合理價錢滿足各類潛在的顧客。

照明產品

基於消費需求放緩，照明產品業務的營業額錄得約港幣9,903,000元（二零零二年：港幣10,605,000元）。此外，由於不少中國製造商以較低價格在市場上大量傾銷照明產品，因此令競爭變得更白熱化。

BUSINESS REVIEW AND PROSPECT (Cont'd)

Lighting Products (Cont'd)

In order to maintain our competitiveness, the Group has put more efforts to expand the existing production capacity, to improve the operating efficiency and maintain stringent product quality during the year.

Trading

The result of trading segment was affected by the sluggish market environment in Asia region, coupled with the outbreak of severe acute respiratory syndrome ("SARS"). The turnover of trading segments recorded a decrease of about 12.1% to HK\$94,963,000 (2002: HK\$108,061,000).

By acquisition of Lens Trading Inc. in August 2002, the Management expects that it can broaden its earning base as well as provide a stable income source for the Group to improve its overall profitability. Supported by the Group's well-established vertical integration strategy, it is expected that the trading and distribution business will provide positive contributions to the Group in the long-term.

Electroplating Services

In light of stiff market condition, the turnover of electroplating services was approximately HK\$13,195,000 (2002: HK\$13,833,000), representing a slight decrease of about 4.6% as compared with last year. The Management will deploy additional resources in upgrading the electroplating techniques and installing advanced machinery and equipment in order to increase the capacity and enjoy the advantages of economies of scale.

業務回顧及展望 (續)

照明產品 (續)

為了保持競爭力，本集團於本年內仍不斷付出更大的努力，擴充現有的生產量，改善營運效率及維持嚴格的產品質素。

貿易

貿易業務表現亦受到亞洲地區之市場疲弱氣氛及爆發嚴重急性呼吸系統綜合症（「SARS」）所影響。貿易業務之營業額錄得約12.1%的跌幅，為港幣94,963,000元（二零零二年：港幣108,061,000元）。

自二零零二年八月收購Lens Trading Inc.後，管理層期望透過此收購不但能為本集團擴闊盈利基礎，並提供穩定的收入來源以改善其整體的盈利能力。配合本集團沿用以久之垂直綜合化策略，預計貿易及分銷業務長遠將為本集團帶來正面的貢獻。

電鍍服務

有見於市場競爭劇烈，電鍍服務之營業額約為港幣13,195,000元（二零零二年：港幣13,833,000元），較去年下跌約4.6%。管理層將投入更多資源以提升電鍍技術及裝設先進的機器及設備，務必增強生產量並享有經濟效益的優勢。

PROSPECTS

During the year, when the worldwide economy was expected to show signs of an incipient recovery, it was abruptly hampered by the tensions in the Middle East and the outbreak of SARS. The Management believes that the coming year shall remain to be tough and challenging to most industries.

Against such an adverse economic climate, the Management will continue to exercise effective cost management and improve its performance and profitability by implementing comprehensive and stringent business strategies in the following aspects:

Product Development

The Management believes that product design and development is critical to the success of the Group's business. Therefore, the Group consistently puts emphasis and consideration efforts on design concept and product engineering processes.

In light of sophisticated customers' demands nowadays, the use of clocks is no longer basic necessities, instead they are perceived as fashionable gifts and stationery items. In order to differentiate us from the market, an in-house research and development team is encouraged to explore their innovations in product designs and functionalities tied with market trends. Therefore the Group not only provides the conventional clock products, but also broadens the product range including lighting products, electroplating products and especially for development of gifts and accessory items such as office and household accessories items and giftware products like office stationery sets, wooden music boxes, photo frames, wooden medals and wooden jewellery boxes. The Management believes that enriching our product offering will expand the customer base and diversify our product portfolio in the near future.

展望

於年內，期望環球經濟開始出現復甦曙光之際，惟突然受到中東地區緊張的局勢及爆發 SARS 下進一步受打擊。管理層深信對大多數工業來說，來年仍是處於嚴峻及富挑戰性的一年。

縱然面對經濟不景氣，管理層將繼續實行有效的成本管理及改善業務狀況，並落實以下審慎的政策以求達到本集團整體的利潤目標。

產品開發

管理層認為產品設計及開發對本集團業務之成功相當重要。因此，本集團一貫注重產品設計及研究產品工程技術。

鑑於現今顧客要求日趨複雜，時鐘之用途已超越傳統計時功能，廣泛作為時尚禮品及文儀用品之用。為求在市場上脫穎而出，我們轄下的研究及開發隊伍會因應市場潮流，致力發揮其創作動力，設計匠心獨韻及具功能性的產品。因此，本集團不但供應傳統時鐘產品，更擴大其產品類別，包括照明產品及電鍍產品，尤以發展禮品及裝飾系列為主，以辦公室及家居裝飾與禮品種類如辦公室文具產品系列、木製音樂盒、相架、獎牌及木製首飾盒等。管理層深信增加產品種類將於來年為本集團擴闊客戶基礎，並使產品組合多元化。

PROSPECTS (Cont'd)

Market Expansion

Apart from enriching product mix, the Management constantly evaluates our existing market share and its position. In addition to establishing our OEM business in the US market, the Group endeavors to actively expand our distribution presences in other major geographical regions including Europe and the PRC. By establishing our representative sales offices among the US, the United Kingdom (the "UK"), Germany and the PRC in the past years, the Group enjoys the advantages of sharing the market information shortly and enhances the distribution and processing networks in promoting our OEM and branded products in different geographical regions. In the meantime, the overseas offices will liaise with various distribution agencies with extensive market coverage to gain a foothold in major cities and thereby facilitating an efficient expansion and distribution.

Brand Management

Adopting the marketing strategies targeted at different market positioning, the Group holds several brand names to suit customers' needs. In order to establish our brand recognition in the US and the PRC market, the Management will mainly focus on promoting our branded clock product "Wehrle" to meet the high-ranked markets. With over 180 years' brand history, "Wehrle" is well-renowned name in the Europe for high quality brass clocks and wins the market reputations. The Management believes that the opening up of the PRC market will provide a platform for the Group to capitalize our professional technical know-how of a high-end brand name.

展望 (續)

市場擴展

除了增加產品種類外，管理層亦持續地評估其市場佔有率及當時之形勢。我們一方面已在美國市場建立了穩定的OEM業務外，本集團積極致力拓展本身的分銷網路往其他地域包括歐洲及中國。憑藉在往年在美國、英國、德國及中國所設立的銷售代表辦事處之根基，本集團既能迅速地共享市場資訊，並加強橫越不同地域作為推廣OEM及品牌產品之分銷及處理網絡。同時，各海外辦事處將與不少擁有龐大市場覆蓋範圍的分銷代理洽商，務求作為踏進某些主要大城市的立足點，並能協助有效率地擴充市場及分銷發展。

品牌管理

針對不同市場定位而制定的市場策略，本集團擁有若干的牌名以迎合顧客需要。為了強化在美國及中國市場之品牌商譽，管理層將著重宣傳及推廣我們之牌名「Wehrle」以滿足高檔市場。「Wehrle」牌名秉承超過180年悠久的歷史，為歐洲高級黃銅鐘之著名牌子，贏得市場良好聲譽。管理層相信隨著中國市場開放將為本集團提供一個平台以發揮我們既有之高級牌名專業生產技術優勢。

PROSPECTS (Cont'd)

Capturing Opportunities in the PRC Market

Despite the overall sluggish economy, the PRC market maintains a steady growth. The China's accession to the World Trade Organization, coupled with the recent formal signing of the Closer Economic Partnership Arrangement between Hong Kong Special Administrative Region and the Central Government, will facilitate the liberalization of trade in goods and services in the mainland market. The zero-tariff policy will certainly facilitate the Group's further expansion into the mainland market in the years ahead.

Along with our foundation and experiences accumulated in the PRC market over the years, the Management always dedicates to strengthen the sales and marketing distribution channels in the major affluent cities such as Beijing, Shanghai, Guangzhou and develop our own brand positions in order to capture the arising business opportunities in the PRC.

Production Capacity and Facilities Upgrade

Leveraging with over 19 years' experiences of clock manufacturing and its proven track record in the field, the Group will preserve in enhancing our long-term vertical integration processes to maximize the economies of the scale. Therefore the Group continues to deploy more resources in advancing production machineries and facilities, upgrading the manufacturing technologies in order to enhance the operation efficiency, to increase production capacity and to maintain high quality products.

For wood product and lighting product development, the construction of new factory premises in Gao Ming, the PRC adjacent to the existing production facilities of the Group was commenced in late 2002 and expected to be completed within this coming year. The Management believes that the new production facilities will increase the annual production capacity in the future.

展望 (續)

掌握中國市場的商機

儘管整體經濟不景，中國市場仍保持穩定增長。隨著中國加入世界貿易組織，加上近期香港特別行政區及中央政府正式簽定更緊密經貿關係安排，將有助開放國內自由商品貿易及服務的市場。再者，零關稅政策必然有利本集團於未來數年擴展內地市場的目標。

配合本集團於過往數年在中國市場所奠定的基礎及累積的經驗，管理層非常重視在較富裕的大城市如北京、上海及廣州市內增強銷售及市場分銷渠道，從而建立本身的品牌地位，抓緊中國市場無限之商機。

提升生產規模及設施

擁有超過十九年時鐘製造經驗及在業界肯定的成績，本集團將堅持提升長遠垂直綜合生產程序，力求達到最佳經濟效益。故此本集團會繼續投放更多資源購買先進生產機器及設備，提升生產技術，最終提高營運效率、增加生產量及保持優質產品。

對於木製品及照明產品發展方面，本集團於二零零二年末已動工興建位於中國高明之新廠房設施，該項設施鄰近本集團之現有生產設施，預計將於來年落成。管理層確信新生產設施將有助日後增加每年生產量。

PROSPECTS (Cont'd)

Production Capacity and Facilities Upgrade (Cont'd)

For electroplating business, the Management plans to install additional automatic electroplating production lines apart from existing facilities and reinforce new electroplating techniques to cater for high expectations from customers and growing demands. In long-term perspective, the Group has equipped sufficient and specialized production manpower in our production plants in China which will be capable to meet the tight production schedules and increased production orders.

Strategic Investment

Looking ahead, the Management will prudently identify any opportunity to expand the scope of the existing businesses through merger and acquisition of other related businesses or projects with high profitability returns after evaluation of existing business and future development plan in order to deliver excellent value to our shareholders.

APPRECIATION

Together with all my fellow directors, I sincerely thank all of our staff for their loyalty, commitment and hard work, and our customers, suppliers and shareholders for their continuing support.

By Order of the Board

LIANG Jin You

Chairman

Hong Kong, 30 July 2003

展望 (續)

提升生產規模及設施 (續)

至於電鍍業務上，除現有的設備外，管理層計劃另增添多條自動化電鍍生產線及提高電鍍技術以迎合客戶的期望及逐漸增長的需求。對長遠發展來說，本集團已於國內廠房建立充足的配套裝備，再加上擁有專門技術的生產人員，將能符合緊迫的生產程序及增加生產訂單的要求。

策略性投資

展望將來，管理層仍持續對現有業務及未來發展計劃作評估，並將慎重考慮任何擴展現有業務的契機，諸如透過合併及收購其他相關業務或投資一些回報可觀的新項目，以求為股東帶來最佳利益。

致謝

本人謹與董事會就全體職員之忠誠、承諾與勤奮，以及各供應商、客戶和股東之不斷支持致以衷心謝意。

承董事會命

梁金友

主席

香港，二零零三年七月三十日

OPERATION

Vertical Integration in Manufacturing

The Group continues to follow the long-term strategy of vertical integration in its manufacturing processes. Cost effective vertical integration has proven its merits of flexibly allocating and committing resources among our various production bases, assuring production quality, shortening production lead-time, maintaining cost controls and achieving on-time delivery. These benefits have underpinned the success of the Group in the past and will continue to form the foundation for future growth.

Quality Control

The Management continues to place strong emphasis on product quality and reliability. In addition to setting adequate incoming and end-of-line quality controls, quality audit and endurance tests are performed on all incoming base materials, components, work in progress and finished goods and throughout the whole production process.

Design, Research and Development

Our products are customer-oriented. Research and development are mostly performed in-house to reduce product development time. During the year under review, over 120 models of clocks, over 20 models of lighting products and over 25 models of gifts and premium products have been developed and launched to the market under our private labels or our owned brand names with marked success.

業務

垂直綜合生產

本集團在製造程序中繼續沿用垂直綜合化之長遠策略，此具成本效益之垂直綜合系統確實能彈性分配資源予各廠房、保證產品質素、縮短生產時間、維持成本控制及達到準時運送之效益。垂直綜合生產印證本集團過往之成功，並為本集團未來之發展奠下基礎。

品質控制

管理層一直重視產品之品質及可靠性，除對來料及製成品有充份控制外，於整過生產流程中，包括外來原料、元件、半製成品及製成品均要經過品質核對及測試之程序。

設計、研究與發展

本集團之產品均以客戶需求為主導。為了縮短產品開發之時間，本集團自行負責大部份之研究及發展。於回顧年度內，本集團已成功開發及在市場上以私人牌子或本身之品牌推出超過120款時鐘、超過20款照明產品及超過25款禮品及裝飾產品。



OPERATION (Cont'd)

Sales and Marketing

As part of our aggressive expansion strategy, the Group continues to strengthen our sales and marketing teams in the US, the United Kingdom (the "UK") and Germany to develop new market segments. Each overseas office is led by high calibre and experienced sale and marketing executives. Their inputs on products, markets and customers allow the Group to keep abreast of useful information on current market and product trends. The intact knowledge on customer demands will enable us to serve them well to their complete satisfaction. The Group is greatly capitalized on this dynamic marketing and distribution network with an ongoing direct business contact with our customers.

The Group continues its strategy of direct sales which has greatly shortened the delivery time of our products to further consolidate our market position in the US, Europe and the PRC.

PRODUCTS

Analogue Clocks

This is so far the most important product line of the Group. It consists of desk clocks, travel alarm clocks, wall clocks and bell alarm clocks.

During the year under review, the turnover of analogue clocks decreased moderately against keen price competition and the worldwide deteriorating market condition. The Management will strengthen the product designs and functionalities in order to improve its sales volume.

業務 (續)

銷售及市場推廣

為配合業務擴展策略，本集團繼續加強轄下在美國、英國及德國辦事處之銷售及市場推廣隊伍，共同開發新市場。各海外辦事處乃由富有才幹及經驗之市場推廣人員掌舵，他們透徹掌握產品、市場及客戶等最新資訊，令本集團可緊貼最新之市場及產品趨勢，全面了解客戶需要，從而為客戶提供至為稱心滿意之服務。本集團並透過此靈活之推銷網絡，與客戶保持直接業務交往，裨益不淺。

本集團繼續採用直銷策略，此舉可縮短運貨時間從而鞏固本集團在美國、歐洲及中國之市場地位。

產品

行針鐘

行針鐘仍然是本集團目前最重要之產品。其中包括座檯鐘、旅行鬧鐘、掛牆鐘及響鈴鬧鐘。

於回顧年度內，行針鐘之營業額在激烈的價格競爭和環球市場不振下稍為下調，管理層將加強其產品設計及功能特色，以增加此產品之銷售。



PRODUCTS (Cont'd)

LCD Products

The turnover of LCD products was HK\$8,488,000, representing a remarkable increase of about 4 times over the last year. The Management will strive to deploy more resources on product innovation, to broaden the product range and to improve its productivity by lowering production cost.

Lighting Products

With growing concerns over environmental protection and quality consciousness, the Management will continue to improve lighting models of high efficiency and longer lifetime, as well as develop more varieties of energy saving lighting apparatus.

Accumulated during years of manufacturing experiences, the Company has developed a standardized quality assurance system in order to meet the relevant safety requirements in overseas and the PRC markets. For example, our lighting products quality is highly recognised by complying with the mandatory requirement of recognised TUV Tests.

Other Products

The Group will continue to diversify into high margin products in order to stimulate demand and improve sales performance.

產品 (續)

液晶顯示產品

液晶顯示產品之營業額為港幣8,488,000元，取得超卓的成績，較去年約4倍。管理層將投入更多資源研製新產品，擴闊產品種類，同時透過降低生產成本等連串措施，以提升其生產力。

照明產品

鑑於對環保意識及品質要求日益關注，管理層將繼續提高照明產品的效率及增長其使用壽命，同時擴闊節能燈產品的品種。

憑藉累積多年的生產經驗，本公司已建立一套符合標準化的品質保證系統，以達到海外及中國市場所需之相關安全要求。例如，照明產品的品質已合符認可TUV測試，因而獲得高度認同。

其他產品

本集團將繼續多元化發展高邊際利潤之產品，以刺激需求及增加銷售。



SUBSIDIARIES

Artfield Industries (Shenzhen) Ltd. ("AIS")

AIS is our major subsidiary where most of our clock manufacturing operations are located. The Group's senior staff located in AIS impose stringent supervision on all aspects of its operation ranging from workmanship, material control, cost control, inventory control to product quality to ensure that our products have a strong competitive edge over other industry players in terms of both profitability and return on capital expenditure.

An effective sourcing and purchasing strategy has been adopted in order to obtain favourable material prices.

Ferdinand International (Marketing) Limited ("FIM")

Since the acquisition of the business of a previously well-known UK-based clock company, Kundo Staiger UK Limited ("KS"), by the Group in 2001, the strong and extensive customers network of KS has maintained a positive contribution to the Group.

FIM, the wholly-owned subsidiary of the Group in the UK, recorded a turnover of approximately HK\$23,571,000 (2002: HK\$18,147,000). FIM will continue to put more sales and marketing efforts to diversify its markets covering other countries in Europe such as Ireland and the Netherlands. In the year ahead, FIM will assist to launch and promote our branded products and lighting products in the UK market and the Management is confident that FIM will broaden future developments.

附屬公司

雅域實業(深圳)有限公司(「深雅」)

深雅為本集團之主要附屬公司，負責本集團大部份時鐘生產業務。在深雅駐守之本集團高級職員對深雅之工藝技術、物料控制、成本控制、存貨控制及產品品質等各方面均進行嚴謹而全面之監督，以確保本集團之產品無論在盈利及資金回報等方面均較同業優勝。

本集團採用有效的採購策略，以便取得有利的物料價格。

Ferdinand International (Marketing) Limited (「FIM」)

自本集團於二零零一年收購了一間曾經是英國信譽良好及具發展基礎的公司，Kundo Staiger UK Limited (「KS」)之業務，憑藉KS龐大客戶網絡仍保持為本集團帶來正面貢獻。

FIM乃本集團於英國之全資附屬公司，營業額錄得港幣23,571,000元(二零零二年：港幣18,147,000元)。FIM將繼續加強銷售及市場推廣計劃，並積極開拓歐洲新市場，包括愛爾蘭及荷蘭。FIM於來年將協助在英國市場推出及宣傳本集團品牌產品及照明產品，管理層深信FIM能擴展未來的業務發展。



SUBSIDIARIES (Cont'd)

Wehrle Uhrenfabrik GmbH (“Wehrle”)

Our wholly-owned subsidiary in Germany, Wehrle continues to focus on turning from losses to profits by developing new products, widening customers base, restructuring management and reducing costs.

The Group will further streamline operation activities and restructure its management in Wehrle in order to strengthen it as one of our trading arms in developing the Germany market. It is expected that its performance will be improved in the forthcoming years.

Ultra Good Electroplating Limited (“Ultra Good”)

Ultra Good’s business is to apply electroplating layers onto plastic and metal surface. The electroplating layers include copper, nickel, chrome and gold. It serves the Group as well as external customers.

Ultra Good’s production technology and workmanship are the key in determining the product quality.

Ultra Good recorded a modest decrease in turnover during the year. Against the keen competition, the Management expects to manufacture our own electroplating products so as to squeeze the weaker rivalries out of competition.

附屬公司 (續)

Wehrle Uhrenfabrik GmbH (「Wehrle」)

本集團在德國所屬之全資附屬公司·Wehrle 仍重視發展新產品·擴闊客戶基礎·重整管理架構及降低成本·以轉虧為盈作目標。

本集團會繼續精簡營運架構並重整Wehrle之管理·以作為本集團在發展德國市場之貿易支援·期望Wehrle在來年的表現會有所改善。

特佳電鍍有限公司 (「特佳」)

特佳為本集團及其他客戶提供塑膠及金屬表面電鍍服務·所用金屬包括銅·鎳·鉻及黃金。

特佳之產品品質主要端賴生產技術及勞工技術。

特佳在本年度內之營業額錄得輕微下降。管理層期望可生產本身電鍍產品·將其他在市場內較弱的競爭對手擊退。



SUBSIDIARIES (Cont'd)

Right Time Group, Inc. (“Right Time”)

As part of our market expansion strategy, Right Time has been set up in the US for about 4 years. The main purpose of Right Time is to serve as a key communication bridge between Hong Kong head office and customers in the North America. During the year under review, Right Time recorded a decrease in turnover when facing the unfavorable market environment in the US.

However, the Group believes that market potential in the US is still promising in the near future. Apart from selling the low-ranked “Klik” clocks, it is proposed to introduce our high-ranked brand “Wehrle” to diversify the existing market segment and capture more market shares in the US. The Management will remain alert to the anticipation of a worldwide economic recovery and adopt strategies that provide prompt response to market changes.

附屬公司 (續)

Right Time Group, Inc. (「Right Time」)

作為市場擴充策略的一部份，Right Time已於美國成立約四年。Right Time主要作為與香港總公司及北美洲客戶的重要溝通橋樑。在回顧年度，鑑於美國市場不明朗，Right Time之銷售表現亦錄得下降。

然而，本集團對未來美國市場的潛力仍感希望。除了銷售低檔次「Klik」時鐘產品外，現建議推廣本集團所屬之高檔品牌「Wehrle」以擴展現有市場並爭取在美國市場更多的佔有率。其次，管理層仍深切注視預期的環球經濟復甦，釐訂適當的政策並對市場的轉變作出迅速回應。



SUBSIDIARIES (Cont'd)

Precision Group Limited ("Precision")

Precision is responsible for our lighting product segment. It mainly engages in the manufacturing of energy saving lamps, and its related parts and components. Its factory is located in Shenzhen, the PRC.

In line with the worldwide consciousness of saving energy and the trend to use environmental friendly products, the Group will continue to improve and upgrade the functions of the lighting products and apply tighter control over cost and labour in order to increase Precision's profitability.

EMPLOYEES

As at 31 March 2003, the Group had 2,277 (2002: 1,847) employees spreading among Hong Kong, the PRC, the US, the UK and Germany. Industrial relationship has been well maintained.

The Group has adopted an extensive training policy for its employees. It has also sponsored senior executives for higher education programs.

The Group has adopted a share option scheme whereby certain employees of the Group may be granted options to acquire shares of the Company.

附屬公司 (續)

Precision Group Limited (「Precision」)

Precision乃負責本集團之照明產品業務，主要從事節能燈及有關配件之製造。而廠房則設於中國深圳。

隨著全球對節約資源的認知，並使用環保產品之趨勢，本集團將繼續改善並提高照明產品之功能，並在成本及人手上施行更有效之監控，以增加Precision之盈利。

僱員

於二零零三年三月三十一日，本集團共有員工2,277名（二零零二年：1,847名）分佈於香港、中國、美國、英國及德國各地。本集團與員工一直保持良好關係。

本集團已採用一套完備的員工培訓政策，並贊助高級行政人員進修高級教育課程。

本集團已採納一項購股權計劃，集團部分員工可享有購股權以認購本公司之股份。



LIQUIDITY & FINANCIAL RESOURCES

As at 31 March 2003, the Group had total outstanding debts and finance lease obligations of HK\$53,889,000 (2002: HK\$37,482,000), of which HK\$42,118,000 (2002: HK\$34,503,000) was secured bank loans, HK\$9,058,000 (2002: HK\$2,335,000) was secured overdrafts, HK\$832,000 (2002: Nil) was unsecured other loans and HK\$1,881,000 (2002: HK\$644,000) was obligations under finance leases. The amount repayable within one year accounted for 68.7% (2002: 75.6%) of the total borrowings as at 31 March 2003. The maturity profile of the Group's total borrowings as at 31 March 2003 is analysed as follows:

		2003 二零零三年	2002 二零零二年
Within one year	一年內	68.7%	75.6%
In the second year	第二年內	11.3%	1.8%
In the third to fifth years, inclusive	第三年至第五年(包括首尾兩年)	8.5%	4.6%
Beyond five years	超過五年	11.5%	18.0%
Total	總計	100.0%	100.0%

Our gearing ratio was at a healthy level of 8.4% (2002: 4.6%). The computation is based on long-term borrowings of the Group divided by shareholders fund.

The Group's sound financial position will provide us with good financial capacity to either expand our existing operation or to diversify into other strategic growth business.

流動資金及財政來源

於二零零三年三月三十一日，本集團之未償還貸款及債務合共港幣53,889,000元（二零零二年：港幣37,482,000元），其中擔保銀行貸款為港幣42,118,000元（二零零二年：港幣34,503,000元），擔保銀行透支為港幣9,058,000元（二零零二年：港幣2,335,000元），無擔保其他貸款為港幣832,000元（二零零二年：無）及財務租約債務為港幣1,881,000元（二零零二年：港幣644,000元），截至二零零三年三月三十一日止需於一年內償還的金額佔總借貸的68.7%（二零零二年：75.6%）。本集團於二零零三年三月三十一日之總借貸之到期詳情分析如下：

本集團之負債比率現處於8.4%（二零零二年：4.6%）之穩健水平。負債比率之計算乃按本集團之長期負債除以於二零零三年三月三十一日之資產淨值。

本集團之財務狀況健全，具有充裕之財務能力以擴展現有業務，並於具策略性增長之業務作多元化發展。



CHARGES ON GROUP'S ASSETS

The Group's investment properties with a value of HK\$7,700,000 (2002: HK\$8,000,000), bank deposits of HK\$2,907,000 (2002: HK\$2,540,000) and certain of the Group's leasehold land and buildings, and plant and machinery were pledged to secure general banking facilities granted to the Group.

FOREIGN EXCHANGE EXPOSURE

The Group mainly earns revenue and incurs costs in US dollars and Hong Kong dollars. Foreign exchange exposure of the Group is minimal so long as the HKSAR Government's policy to link Hong Kong dollars to US dollars remains in effect.

Since the Group's principal manufacturing operations are in the PRC and most of the operating expenses are denominated in Renminbi ("RMB"), the Management is aware of possible exchange rate exposure. As a hedging strategy, the Management emphasizes on using RMB borrowings to finance the Group's PRC operation and capital expenditure.

TREASURY POLICIES

The Group generally finances its operation with generated resources and banking and credit facilities provided by banks in Hong Kong and the PRC. All borrowings are denominated in Hong Kong dollars, US dollars and RMB. Borrowing methods used by the Group mainly include trust receipt loans, overdrafts facilities and bank loans. The interest rates of most of these borrowings are fixed with reference to the Hong Kong Dollar Prime Rate or foreign currency's Trade Finance Rates.

集團資產抵押

本集團之投資物業價值為港幣7,700,000元（二零零二年：港幣8,000,000元），銀行存款為港幣2,907,000元（二零零二年：港幣2,540,000元）及若干租約土地及樓宇及機械及設備已作法定抵押，以致本集團獲得若干銀行貸款。

外匯風險

本集團主要以美元及港元賺取收益及支付費用。鑑於香港特區政府仍然實施港元與美元掛鈎之政策，故此本集團之外匯風險甚低。

由於本集團的主要生產業務所在地位於中國，且大部份支出乃以人民幣結算，故管理層注意到匯兌風險的可能性。作為對沖策略，管理層著重以人民幣借款支付本集團未來投資及資本開支。

庫務政策

本集團一般透過內部資金與香港及國內銀行給予之銀行融資及信貸融資提供其業務運作所需資金。本集團採用之借貸方法主要包括信託收據、透支融資及銀行貸款。所有借貸主要以港元、美元及人民幣為結算單位。上述貸款及透支之利息大部份參照港元最優惠利率或外幣貿易財務利率而釐定，以固定息率計算。

ACQUISITION OF A SUBSIDIARY

On 16 August 2002, Artfield Company Limited (“ACL”), a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with an independent third party (the “Vendor”) for the acquisition of all the issued shares of Lens Trading Inc. (“Lens”), a company incorporated in the British Virgin Islands, pursuant to which ACL agreed to purchase from the Vendor the entire interests in Lens for an aggregate consideration of HK\$20,000,000. The principal business activity of Lens is the provision of logistics and distribution business of trading commodities between Hong Kong and the PRC.

Through this acquisition, the Management believes that it will enhance the stability of earning trading income to the Company and minimize the operational risks in the trading of metal commodity business. Along with the long-term vertical integration strategy adopted by the Group, it will also enhance the management of trading and distribution business as well as to minimize the overall operation costs thus to improve profit margin in the trading business. The Board believes that this transaction represents a promising opportunity for the Company to broaden its earning base and expand its trading business into an area, which in certain aspects, complements its existing operations in the future. It is expected that the trading and distribution business will be able to contribute to the Group in the long run.

CONTINGENT LIABILITIES

As at 31 March 2003, the Group did not have material contingent liabilities (2002: HK\$517,000).

LIANG Jin You

Chairman

Hong Kong, 30 July 2003

收購附屬公司

於二零零二年八月十六日，Artfield Company Limited（「ACL」），一間於英屬處女群島註冊成立之有限公司，並為本集團之全資附屬公司與一位獨立第三者（「賣方」），雙方訂立買賣協議作為ACL收購Lens Trading Inc.（「Lens」），一間於英屬處女群島註冊成立之有限公司之全部已發行股份；據此，ACL同意由賣方購買Lens全部權益，總代價為港幣20,000,000元。Lens之主要業務為提供香港及國內貿易商品之物流及分銷業務。

透過此收購，管理層相信此將會穩定本集團之貿易盈利收入及降低金屬商品之貿易營運風險。配合本集團所採用之長遠垂直綜合貿易營運策略，此亦協助貿易及分銷業務管理，同時減少整體營運成本，從而改善貿易業務之毛利。董事會相信此交易將會擴大本集團之收入基礎之良機，並能配合現有業務之擴展機會。長遠來說，預期貿易及分銷業務將為本集團提供更大利潤貢獻。

或然負債

於二零零三年三月三十一日，本集團並無重大或然負債（二零零二年：港幣517,000元）。

梁金友

主席

香港，二零零三年七月三十日

Directors' and Senior Management's Biographies

董事及高級行政人員簡介

EXECUTIVE DIRECTORS

Mr. LIANG Jin You, aged 46, the Chairman and Managing Director of the Company, is responsible for the Group's overall strategic planning and policy making. He has more than 20 years of experience in trading, industrial management and in the real estate business in Hong Kong and the PRC. He joined the Group in 1998. He is a brother of Mr. LEUNG Kin Yau and the husband of Ms. LI Kwo Yuk.

Ms. LI Kwo Yuk, aged 41, the Deputy Chairman of the Company, is responsible for overseeing the purchasing department. Ms. LI joined the Group on 1 January 2000 and has more than 17 years of experience in accounting, trading and administration. She is the wife of Mr. LIANG Jin You.

Mr. LEUNG Kin Yau, aged 39, is responsible for the Group's clock marketing function and trading business. He has more than 14 years of experience in the trading of industrial materials and consumer products between Hong Kong and the PRC. Since 7 January 2002, he was appointed as the Marketing President of the Group to oversee the corporate marketing strategies and manage our local and overseas marketing teams. He joined the Group in 1998 and he is a brother of Mr. LIANG Jin You.

Mr. OU Jian Sheng, aged 40, is the General Manager of Artfield Industries (Shenzhen) Ltd. ("AIS"), a wholly-owned subsidiary of the Company in the PRC. He is responsible for the overall management of AIS. He has a bachelor's degree in mechanical design and is a qualified mechanical engineer. He was employed in 廣州電器科學研究所 (Guangzhou Electrical Appliance Science Research Centre) of 中國機械工業部 (the Mechanical Engineering Industrial Department) and was the factory director of 廣東佛山電風扇總廠 (Guangdong Foshan Electrical Fan General Factory). He joined the Group in August 1999.

Mr. DENG Ju Neng, aged 48, the Managing Director of Ultra Good Electroplating Surface Finishing (Shenzhen) Co., Ltd., a subsidiary of the Company in the PRC, is responsible for the subsidiary's day-to-day operations and overall manufacturing activities. He has more than 20 years of experience in trade, corporate management and real estate development. He joined the Group in 1998.

執行董事

梁金友先生，四十六歲，本公司之主席兼董事總經理，負責本集團之整體策略性規劃及政策制訂。彼於中港兩地之貿易、工業管理及房地產業務等方面有超過二十年經驗。彼於一九九八年加入本集團。彼為梁健友先生之胞兄及為李戈玉女士之丈夫。

李戈玉女士，四十一歲，為本公司之副主席，負責監控採購部門之運作。李女士於二零零零年一月一日加入本集團。李女士在會計、貿易及行政方面有超過十七年經驗。彼為梁金友先生之妻子。

梁健友先生，三十九歲，負責本集團時鐘之市場推廣及商品貿易業務，彼於中港兩地買賣工業原料及零售產品方面有超過十四年經驗。自二零零二年一月七日起獲委任為本集團之市場部總監，負責監督整體集團之市場策劃及管理本地及海外之市場銷售隊伍。彼於一九九八年加入本集團，並為梁金友先生之胞弟。

歐健生先生，四十歲，為本公司一間位於中國之全資附屬公司—雅域實業(深圳)有限公司(「深雅」)之總經理，負責深雅之整體管理。彼持有機械設計學位及機械工程師之資格。彼曾任職於中國機械工業部轄下之廣州電器科學研究所，負責電器產品之開發及研究，並曾任職於廣東佛山電風扇總廠，出任廠長。彼於一九九九年八月加入本集團。

鄧巨能先生，四十八歲，本公司一間位於中國之附屬公司—特佳電鍍表面處理(深圳)有限公司之董事總經理，負責此附屬公司之日常運作及整體製造業務。彼於貿易、公司管理及房地產發展方面有超過二十年經驗。彼於一九九八年加入本集團。

Directors' and Senior Management's Biographies

董事及高級行政人員簡介

NON-EXECUTIVE DIRECTOR

Mr. LO Wah Wai, aged 40, has been appointed as a Non-executive Director of the Company since 15 May 2001. He holds a bachelor's degree in business administration from the Chinese University of Hong Kong and is an associate member of the Hong Kong Society of Accountants. Prior to joining the Group in 1998, he worked and held senior positions in both an international accounting firm and an investment bank where he accumulated extensive experience in statutory accounting, corporate finance and strategic investment. He is currently the Chairman and an executive director of B M Intelligence International Limited, a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. It is principally engaged in the provision of business, accounting and corporate development advisory services to companies in Hong Kong and the PRC.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LO Ming Chi, Charles, aged 53, JP, is a member of the Australian Society of Certified Practising Accountants and the Securities Institute of Australia. He is a director of Tak Sing Alliance Holdings Limited, Dah Hwa International (Holdings) Limited, Xin Corporation Limited and New Century Group Hong Kong Limited, all of which are listed on The Stock Exchange of Hong Kong Limited. He has more than 24 years of experience in financial and investment services in Australia, Hong Kong and other Asian countries. He was appointed as an Independent Non-executive Director of the Company in 1998.

Mr. CHEUNG Doi Shu, aged 41, is a qualified solicitor in the Australian Capital Territory, Hong Kong, Singapore and England and Wales. He holds a bachelor's and a master's degree in law from the University of London, the United Kingdom. He is the senior partner of D.S. Cheung & Co., whose practice includes securities, corporate finance, China investments and international banking and finance. He is a director of Denway Motors Limited, TPV Holdings Limited and GZI Transport Limited, all of which are listed on The Stock Exchange of Hong Kong Limited. He was appointed as an Independent Non-executive Director of the Company in 1998.

非執行董事

盧華威先生，四十歲，自二零零一年五月十五日起被獲委任為本公司之非執行董事。彼持有香港中文大學工商管理學士學位，並為香港會計師公會之會員。彼於一九九八年加入本集團前，他曾於國際知名之會計師樓及投資銀行擔任高級職位，並在會計、企業財務及策略性投資方面累積了豐富經驗。彼現時出任於香港聯合交易所有限公司創業板上市公司一邦盟滙駿國際有限公司之主席兼執行董事。而該公司主要為香港及中國公司提供業務、會計及公司發展顧問服務。

獨立非執行董事

勞明智先生，五十三歲，太平紳士，為澳洲執業會計師公會及澳洲證券學會會員，彼為達成集團、大華國際（集團）有限公司、新創綜合企業有限公司及新世紀集團香港有限公司之董事，該等公司之證券均在香港聯合交易所有限公司上市。彼在澳洲、香港及亞洲等國家之金融服務擁有超過二十四年經驗。彼於一九九八年獲委任為本公司之獨立非執行董事。

張岱樞先生，四十一歲，為澳洲、香港、新加坡、英格蘭及威爾斯之合資格律師，彼持有英國倫敦大學之法律學士學位及碩士學位。彼為張岱樞律師事務所之高級合夥人，其業務範圍廣及證券、企業融資、中國投資及國際銀行與財務。彼亦為駿威汽車有限公司、冠捷科技有限公司及越秀交通有限公司之董事，該等公司之證券均在香港聯合交易所有限公司上市。彼於一九九八年獲委任為本公司之獨立非執行董事。

Directors' and Senior Management's Biographies

董事及高級行政人員簡介

SENIOR MANAGEMENT STAFF

Mr. CHAN Tak Wing, aged 44, the Group Financial Controller and Company Secretary, is responsible for the Group's financial, accounting and company secretarial functions. He is an associate of the Institute of Chartered Secretaries and Administrators, and the Association of Cost and Executive Accountants, and is a fellow of the Association of Taxation and Management Accountants in Australia. He joined the Group on 14 August 1995 and has more than 20 years of experience in accounting and finance.

Ms. TSE Fung Sang, aged 62, an Executive Director of Ultra Good Electroplating Limited, a subsidiary of the Company in Hong Kong, is responsible for the overall management and operations of this subsidiary. She joined the Group on 9 May 1991 and has more than 37 years of experience in the electroplating business.

Mr. Paul TURNAGE, aged 52, joined the Group on 18 May 2001, is the Managing Director of Ferdinand International (Marketing) Limited, a wholly-owned subsidiary of the Company in the United Kingdom. He is responsible for the Group's overall business and operations in the United Kingdom. Since 1987, he was the Managing Director of Kundo Staiger UK Limited, a wholly owned subsidiary of Kundo Staiger GmbH, which was one of Europe's largest clock producers. He has been in the clock industry for 24 years and has extensive knowledge of the European and Far Eastern clock industry.

Mr. Werner JASER, aged 63, is the Sales Manager of Wehrle Uhrenfabrik GmbH, a wholly-owned subsidiary of the Company in Germany. He is responsible for the Group's overall business in major countries of Europe and Middle East. Mr. JASER received substantial training in marketing and sales and has held senior positions in certain wrist watches and clocks companies in the United Kingdom, France, Austria and Switzerland. Before joining the Group in April 2001, he ran his own clock business for more than 10 years. He has more than 32 years of experience in the clock industry.

高級管理人員

陳德榮先生，四十四歲，為本公司之集團財務總監及公司秘書，負責本集團於財務、會計及公司秘書方面之工作。彼為英國特許秘書及行政人員公會會員、英國成本及行政會計師公會會員及澳洲稅務及管理會計師公會之資深會員，於會計及金融方面有超過二十年經驗，彼於一九九五年八月十四日加入本集團。

謝鳳笙女士，六十二歲，為本公司一間位於香港之附屬公司－特佳電鍍有限公司之執行董事，負責此附屬公司之整體管理及運作。於電鍍業有超過三十七年經驗，彼於一九九一年五月九日加入本集團。

Paul TURNAGE先生，五十二歲，於二零零一年五月十八日加入本集團，並獲委任為本公司於英國全資附屬公司，Ferdinand International (Marketing) Limited之董事總經理，負責本公司於英國之全盤業務運作。彼自一九八七年起曾為歐洲過去其中一間最大之時鐘生產商Kundo Staiger GmbH之全資附屬公司Kundo Staiger UK Limited之董事總經理，彼於時鐘界累積了二十四年經驗，並對歐洲及遠東之時鐘業務有豐富之知識。

Werner JASER先生，六十三歲，乃本公司於德國全資附屬公司Wehrle Uhrenfabrik GmbH之銷售經理，負責本集團於歐洲及中東主要國家之整體業務。彼曾在市場銷售方面接受相當之訓練，並曾於英國、法國、奧地利及瑞士之腕表及時鐘公司擔任要職。彼在二零零一年四月正式加入本集團前，曾擁有自己之時鐘業務達十年之久，彼在時鐘界合共累積了超過三十二年經驗。

SENIOR MANAGEMENT STAFF (Cont'd)

Mr. Ron KRISHER, aged 46, is the President of Right Time Group Inc., a wholly-owned subsidiary of the Company in the United States. Mr. KRISHER graduated from the Rochester Institute of Technology (New York) and holds a degree in Business Administration with major in Marketing. He is responsible for the Group's overall business in the Americas. Prior to joining the Group, he was the Director of Sales of General Time Corporation, which was the largest clock manufacturer and reseller in the United States. Before that, he also held succeeding more responsible positions with both Milton Bradley Company and Hunt Corporation. He joined the Group in September 2001 and has over 25 years of experience in sales and marketing of consumer products via different distribution channels.

Mr. LEE Wai Lung, aged 27, the Chief Accountant, is responsible for the Group's accounting function. Mr. LEE is a graduate of Hong Kong Baptist University in Accountancy. He is presently a member of Hong Kong Society of Accountants and the Chartered Association of Certified Accountants. He has over 5 years of experience in auditing, finance and accounting. He joined the Group in August 2001.

Mr. LI Hung Tak, aged 43, is the Plant Superintendent of the Group's factory at Shenzhen. He joined the Group in August 1990 and has more than 17 years of experience in production planning and management.

高級管理人員 (續)

Ron KRISHER先生，四十六歲，乃本公司於美國全資附屬公司Right Time Group, Inc.之總裁，彼畢業於Rochester Institute of Technology (紐約)，獲工商管理學位，主修市場學。而彼負責本集團於美國之整體業務。在加入本集團前，彼曾分別於美國最大的時鐘生產及批發商，General Time Corporation出任銷售董事，及較早年亦擔任Milton Bradley Company及Hunt Corporation之要職。彼於二零零一年九月加入本集團，擁有超過二十五年銷售經驗，於不同銷售網絡成功推廣消費產品。

李偉龍先生，二十七歲，為本集團之總會計師，負責本集團於會計方面之工作。彼於香港浸會大學會計系畢業，現為香港會計師公會及英國特許會計師公會之會員，彼於核數、財務及會計有超過五年經驗。彼於二零零一年八月加入本集團。

李鴻德先生，四十三歲，為本集團深圳廠房廠長。於生產計劃及管理方面有超過十七年經驗，彼於一九九零年八月加入本集團。

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2003.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries consisted of the manufacture and marketing of clocks and lighting products, the trading of metals and the provision of electroplating services. There were no significant changes in the nature of the Group's activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 March 2003 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 37 to 98.

The directors do not recommend the payment of any dividend in respect of the year.

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results, assets and liabilities, and minority interests of the Group for the last five financial years, as extracted from the audited financial statements is set out on pages 99 to 100 of the annual report. This summary does not form part of the audited financial statements.

FIXED ASSETS AND INVESTMENT PROPERTIES

Details of movements in the fixed assets and investment properties of the Group during the year are set out in note 12 to the financial statements.

SHARE CAPITAL, SHARE OPTIONS AND WARRANTS

Details of movements in the Company's share capital during the year, together with the reasons therefor, and details of the Company's warrants and share options are set out in notes 25 and 26 to the financial statements.

董事會茲呈報本公司及本集團截至二零零三年三月三十一日止年度之董事會報告及經審核財務報告。

主要業務

本公司之主要業務為投資控股。本公司之各附屬公司之主要業務乃製造及推銷時鐘及照明產品、金屬貿易及提供電鍍服務。本集團之業務性質於年內並無重大改變。

業績及股息

本集團截至二零零三年三月三十一日止年度之溢利及本公司與本集團於該日之業務狀況載於第37頁至第98頁之財務報告內。

董事會不建議派發年內任何之股息。

五年財務摘要

本集團過去五個財政年度公佈之業績及資產、負債及少數股東權益概要（節錄自經審核財務報告）載於本年報之第99頁至第100頁。此概要並非構成經審核財務報告之部份。

固定資產及投資物業

本集團於年內之固定資產及投資物業之變動詳情載於財務報告附註12。

股本、購股權及認股權證

本公司於本年內之股本變動與其原因、及本公司之認股權證及購股權詳情載於財務報告附註25及26。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the by-laws of the Company or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

優先購買權

根據本公司之公司細則或百慕達法例，並無有關優先購買權之規定，以致本公司必須向其現有股東按持股比例發行新股份。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year, the Company repurchased certain of its ordinary shares of HK\$0.10 each on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the summary details of which are as follows:

購入、贖回及出售本公司證券

於本年內，本公司在香港聯合交易所有限公司（「聯交所」）購回若干每股面值港幣0.10元之普通股股份，詳情摘要如下：

Month of repurchase	購回股份月份	Number of shares repurchased 購回股份數目	Price per share 每股價格		Total price paid 總繳付價格
			Highest 最高價 HK\$ 港幣元	Lowest 最低價 HK\$ 港幣元	
October 2002	二零零二年十月	962,000	0.63	0.59	592
February 2003	二零零三年二月	800,000	0.63	0.57	485
		<u>1,762,000</u>			<u>1,077</u>

The repurchased shares were cancelled during the year and the issued share capital of the Company was reduced by the par value thereof. The premium paid on the repurchase of the shares of HK\$901,000 has been debited to the share premium account.

購回之股份於本年內已註銷，而本公司之已發行股本按票面值減低。購回股份已繳付之溢價港幣901,000元於股份溢價賬扣減。

The repurchase of the Company's shares during the year was effected by the directors, pursuant to the mandate from shareholders, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Group.

於本年內，根據股東授權，董事於年內行使其授權購回本公司之股份，藉此可提高本集團每股資產淨值及每股盈利，整體使股東獲利。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY (Cont'd)

Subsequent to the balance sheet date, in May 2003, the Company repurchased 506,000 of its ordinary shares of HK\$0.10 each on the Stock Exchange at prices ranging from HK\$0.56 to HK\$0.57 per share. The total purchase consideration, including its related expenses, was HK\$291,000.

Further details of these transactions are set out in note 25 to the financial statements. Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 27 to the financial statements.

DISTRIBUTABLE RESERVES

At 31 March 2003, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act 1981 of Bermuda, the Company's contributed surplus of HK\$128,013,000 may be distributed under certain circumstances. In addition, the Company's share premium account with a balance of HK\$25,361,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 55% of the total sales for the year and sales to the largest customer included therein amounted to 35%. Purchases from the Group's five largest suppliers accounted for 60% of the total purchases for the year and purchases from the largest supplier included therein amounted to 42%.

購入、贖回及出售本公司證券 (續)

在結算日後，於二零零三年五月，本公司以價格介乎每股港幣0.56元至港幣0.57元在聯交所購回每股面值港幣0.10元之506,000普通股股份。總購回代價（已包括有關費用）為港幣291,000元。

詳情載於財務報告附註25。除上文所披露外，本公司或其附屬公司於本年內概無購入、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團於本年內之儲備變動詳情載於財務報告附註27。

可供分派之儲備

於二零零三年三月三十一日，本公司沒有可供之現金分派及／或實物分派之保留溢利。根據百慕達一九八一年公司法，本公司之繳入盈餘為港幣128,013,000元，於若干情形下可供分派。此外，本公司之股份溢價結餘為港幣25,361,000元，可作已繳足紅股形式分派。

主要客戶及供應商

於回顧年度內，五大客戶佔本集團之總銷售額55%，最大客戶佔總銷售額35%。五大供應商佔本集團年內之總採購額60%，最大供應商佔總採購額42%。

MAJOR CUSTOMERS AND SUPPLIERS (Cont'd)

As far as the directors are aware, one of the shareholders, who own more than 5% of the Company's issued share capital, had 50% beneficial interest in the Group's largest customer.

Save as disclosed above, as far as the directors are aware, neither the directors, their associates, nor any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.

DIRECTORS

The directors of the Company during the year were:

Executive directors:

Mr. LIANG Jin You
Ms. LI Kwo Yuk
Mr. LEUNG Kin Yau
Mr. OU Jian Sheng
Mr. DENG Ju Neng

Non-executive director:

Mr. LO Wah Wai

Independent non-executive directors:

Mr. LO Ming Chi, Charles
Mr. CHEUNG Doi Shu

In accordance with articles 86(2) and 87 of the Company's bye-laws, Mr. OU Jian Sheng and Mr. CHEUNG Doi Shu will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 23 to 26 of the annual report.

主要客戶及供應商 (續)

就董事會所知，其中一名股東乃擁有超過本公司已發行股本5%，同時持有本集團最大客戶之50%權益擁有者。

除上文所披露外，就董事會所知，擁有本公司已發行股本5%以上之董事、彼等之聯繫人士或任何股東均無持有本集團五大客戶及供應商之任何權益。

董事

於本年度內，本公司之董事如下：

執行董事：

梁金友先生
李戈玉女士
梁健友先生
歐健生先生
鄧巨能先生

非執行董事：

盧華威先生

獨立非執行董事：

勞明智先生
張岱樞先生

根據本公司之公司細則第86(2)條及87條，歐健生先生及張岱樞先生將依章輪值告退，並於即將舉行之股東週年大會上膺選連任。

董事及高級管理人員簡介

本公司董事及本集團高級管理人員之履歷詳情載於本年報第23頁至26頁。

DIRECTORS' SERVICE CONTRACTS

During the year ended 31 March 2003, an executive director provided management services to the Group under the following contracts:

Director 董事	Terms of service 服務年期	Expiry date 終止日期
Ms. LI Kwo Yuk 李戈玉女士	2 years 二年	30 April 2002 二零零二年四月三十日

The above service contract which expired during the year was not renewed.

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party at any time during the year.

董事服務合約

截至二零零三年三月三十一日止年度內，執行董事依照以下之合約向本集團提供管理服務：

以上已到期之服務合約於本年度內並無續約。

本公司並無與擬於即將舉行之股東週年大會上膺選連任之董事訂立任何不可於一年內由本公司無償終止（法定補償除外）之合約。

董事之合約權益

各董事在本公司或其任何附屬公司於本年度內任何時間，概無參與訂立與本集團業務有關連之重大合約，亦無擁有任何直接或間接之實質利益。

**DIRECTORS' INTERESTS IN SHARES AND SHARE
OPTIONS**

At 31 March 2003, the interests of the directors and their associates in the share capital of the Company or its associated corporations, as required to be recorded in the Register of Directors' Interests maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), were as follows:

**Ordinary shares of the Company
本公司普通股股份**

**Director
董事**

Mr. LIANG Jin You*
梁金友先生*

Note:

* 119,184,300 shares are owned by Golden Glory Group Limited ("GG"). GG is a company incorporated in the British Virgin Islands. The entire issued share capital of GG is beneficially owned by General Line International (Holdings) Limited, which is in turn 100% beneficially owned by Mr. LIANG Jin You.

The interests of the directors in the share options of the Company are separately disclosed in the note 26 to the financial statements.

Save as disclosed above, none of the directors, chief executives or their associates had any personal, family, corporate or other interests in the equity or debt securities of the Company or any of its associated corporations, as defined in the SDI Ordinance.

董事於股本及購股權之權益

於二零零三年三月三十一日，根據證券（公開權益）條例（「證券權益條例」）第29條規定存放之登記名冊內顯示，各董事擁有本公司及其聯繫公司之股本權益如下：

**Number of issued ordinary shares
of HK\$0.10 each in the Company
每股面值港幣0.10元之
本公司已發行普通股股份數目**

**Corporate interests
公司權益**

119,184,300

附註：

* 119,184,300股股份由Golden Glory Group Limited（「GG」）擁有。GG為於英屬處女群島註冊成立之有限公司，GG之全部已發行股本由廣橋國際（控股）有限公司實益擁有，此公司由梁金友先生實益擁有。

各董事擁有本公司之購股權權益詳情個別載於財務報告附註26。

除上文所披露外，各董事、行政要員及彼等之聯繫人士於本公司之股本或任何聯繫公司（定義見公開權益條例）之股本或債券，概無擁有任何個人、家族、公司或其他之權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' interests in shares and share options" above and in the share option scheme disclosures in note 26 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

Due to the adoption of Hong Kong Statement of Standard Accounting Practice 34 "Employee benefits" during the year, detailed disclosures relating to the Company's share option scheme have been moved to note 26 to the financial statements.

SUBSTANTIAL SHAREHOLDERS

At 31 March 2003, no person other than Mr. LIANG Jin You, as set out in the section "Directors' interests in shares and share options" above, had registered an interest in 10% or more of the issued share capital of the Company in the register of interests that is required to be kept by the Company pursuant to Section 16(1) of the SDI Ordinance.

CODE OF BEST PRACTICE

All of the recommendations and guidelines of the Code of Best Practice issued by the Stock Exchange (the "Code") have been complied with by the Company throughout the accounting period covered by the annual report, except that independent non-executive directors are not appointed for specific terms as required by paragraph 7 of the Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange. According to the by-laws of the Company, one-third of the directors of the Company will retire by rotation every year and their appointments will be reviewed when they are due for re-election which, in the opinion of the directors, meets the same objective.

董事購買股本或債券之權利

除上文「董事於股本及購股權之權益」及在財務報告附註26所披露有關購股權計劃外，於本年內任何時間，並無任何董事、彼等之配偶或十八歲以下子女有任何認購本公司股份或債券，或已行使該等權利而獲益；或本公司及其附屬公司概無任何安排，以致本公司董事可藉購入其他法人團體之股份或債務而獲益。

購股權計劃

由於於本年內，採納了香港會計實務準則第34號「僱員福利」，有關本公司之購股權計劃詳細披露載於財務報告附註26。

主要股東

於二零零三年三月三十一日，本公司根據公開權益條例第16(1)條之規定而須保存之記錄顯示，除梁金友先生擁有10%或以上之本公司已發行股本外（見上述「董事於股本及購股權之權益」），概無任何人士持有本公司股本之權益而本公司根據公開權益條例第16(1)條之規定須予以記錄。

最佳應用守則

本公司在本年報所述之會計期間內已遵守聯交所之證券上市規則附錄十四之最佳應用守則（「守則」）之全部建議及指引，唯一例外是獨立非執行董事並無按照守則第7段之特別條款而獲委任。根據本公司之公司細則，本公司三分之一的董事每年均須輪值告退，而於彼等之委任將於可膺選連任時將再被評審。董事會認為此可達到上述守則建議之目標。

POST BALANCE SHEET EVENT

Details of the significant post balance sheet event of the Group are set out in note 32 to the financial statements.

AUDIT COMMITTEE

The Company has set up an Audit Committee (the "Committee"). The Committee meets regularly with senior management to review the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters. The members of the Committee are Mr. LO Ming Chi, Charles and Mr. CHEUNG Doi Shu, both of whom are the independent non-executive directors of the Company.

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

LIANG Jin You

Chairman

Hong Kong, 30 July 2003

結算日後事項

本集團結算日後重大事項之詳情載於財務報告附註32。

審核委員會

本公司成立審核委員會（「委員會」），委員會定期與公司高級管理人員會面，以檢討本集團採用之會計準則，以及有關賬目審核、內部管理及財務申報事宜。委員會之成員有勞明智先生及張岱樞先生，兩人均屬本公司之獨立非執行董事。

核數師

安永會計師事務所任滿告退，本公司在即將舉行之股東週年大會上將提呈決議，重新委任安永會計師事務所為本公司之核數師。

承董事會命

梁金友

主席

香港，二零零三年七月三十日



To the members

Artfield Group Limited

(Incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 37 to 98 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants, except that the scope of our work was limited as explained below.

An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. However, the evidence available to us was limited as explained below.

雅域集團有限公司

(於百慕達註冊成立之有限公司)

全體股東：

本會計師事務所已審核刊於第37至第98頁之財務報表。該財務報表乃根據香港一般採納之會計準則編製。

董事及核數師各自之責任

公司條例規定董事須編製真實與公平之財務報表。採用適當之會計政策並貫徹執行，是編製真實與公平之財務報表的基本要求。本事務所之責任，是根據本事務所對該財務報表之審核結果，作出獨立意見，並向股東報告。

意見之基礎

本事務所乃根據香港會計師公會頒佈之核數準則而進行審核。惟我們的審核工作範圍受到局限，詳情如下。

審核範圍包括以抽查方式，查核財務報表內所載數額及披露事項之憑證，並包括評估董事於編製財務報表時所作之重大估計及判斷，所釐定之會計政策是否適合貴公司與貴集團之具體情況，以及有否貫徹運用並足夠披露該等會計政策。

本事務所在策劃和進行審核工作時，均以取得一切本事務所認為必需的資料及解釋為目標，使本事務所能獲得充份的憑證，就該等財務報表是否存有重要錯誤陳述，作合理的確定。然而，就有關下列事宜本事務所能取得之憑證受到局限。

SCOPE LIMITATION – ACQUISITION OF A SUBSIDIARY

As further detailed in notes 14 and 28(b) to the financial statements, the Group acquired a subsidiary (the “Acquisition”) for a consideration of HK\$20 million during the year. The evidence available to us in connection with the acquisition of this company was limited. Notwithstanding that we understand the acquired subsidiary has been in the metals distribution business for some three years, no proper books and records in connection with the subsidiary company’s activities prior to the Acquisition, other than in respect of the fixed assets and other receivable set out in note 28(b) to the financial statements, were available for our audit. Accordingly, we were unable to obtain sufficient evidence to assess or confirm the accounting for the Acquisition, to ascertain the reasonableness of the amounts paid for the Acquisition or otherwise determine how the payments of HK\$20 million should be reflected in the underlying transaction. As a result of this scope limitation, we were not able to perform the procedures we considered necessary to assess the transaction as a whole and, accordingly, the carrying value of the goodwill arising from the acquisition at 31 March 2003. Any adjustment to either the goodwill and/or the net assets acquired arising from the acquisition of the subsidiary would have a consequential impact on the Group’s net assets as at 31 March 2003 and its profit for the year then ended.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

QUALIFIED OPINION ARISING FROM LIMITATION OF AUDIT SCOPE

Except for any adjustments or disclosures that might have been found to be necessary had we been able to satisfy ourselves regarding the matter discussed in the preceding paragraph, in our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2003 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitation on our work relating to the acquisition of the subsidiary,

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper books of account had been kept.

Ernst & Young
Certified Public Accountants

Hong Kong, 30 July 2003

受限制範圍 – 收購一間附屬公司

誠如財務報表附註14及28(b)所詳述，貴集團於本年度以代價港幣20,000,000元收購一間附屬公司（「本收購」）。本事務所就有關收購該附屬公司所獲得之憑證有限。縱使本事務所明白該被收購之公司在過去三年間有從事鋼鐵分銷業務，但該公司在本收購前之賬冊及紀錄未能按規範編制，而僅得固定資產及其他應收賬款列示於財務報表附註28(b)，可供本事務所審核。本事務所因此無法獲得足夠憑證以評估或確認有關本收購之會計處理方法，藉此確定本收購所付金額之合理性，或測定所支付之港幣20,000,000元如何反映在此交易中。由於範圍之限制，本事務所未能進行視為必要之程序以評估整個交易及因收購而產生之商譽於二零零三年三月三十一日之賬面淨值。任何對該商譽及／或因收購此附屬公司所獲得之資產淨值之調整，對貴集團截至二零零三年三月三十一日之資產淨值及截至本年度止之利潤將構成相應之影響。

在作出意見時，本事務所亦已評估財務報表內所提呈之資料整體上是否足夠。本事務所相信審核工作已為下列意見提供合理之基礎。

因受審核範圍限制而作保留意見

除了本事務所就有關上述事項而視作必要之任何調整或資料披露外，依本事務所之意見，該財務報表均真實與公平地顯示貴公司與貴集團於二零零三年三月三十一日之財務狀況及貴集團截至該日止全年度之利潤及現金流量，並根據香港公司條例之披露規定適當編制。

僅就本事務所審核收購該附屬公司所面對之限制而言：

- 本事務所未能取得進行有關審核工作所需之一切資料及解釋；及
- 本事務所亦未能確定賬冊是否適當保存。

安永會計師事務所
執業會計師

香港，二零零三年七月三十日

Consolidated Profit and Loss Account

綜合損益賬

Year ended 31 March 2003 截至二零零三年三月三十一日止年度

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
		Notes 附註		
TURNOVER	營業額	5	268,853	272,556
Cost of sales	銷售成本		(208,520)	(214,513)
Gross profit	毛利		60,333	58,043
Other income	其他收益		1,050	2,221
Administrative expenses	行政開支		(43,217)	(48,355)
Selling and distribution costs	銷售及分銷成本		(11,359)	(11,769)
Other operating expenses	其他經營開支		(1,895)	(1,770)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	經營溢利／ (虧損)	6	4,912	(1,630)
Finance costs	融資成本	7	(2,341)	(1,961)
Share of loss of a jointly-controlled entity	共同控制實體應佔 虧損		(48)	(485)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)		2,523	(4,076)
Tax	稅項	9	(219)	1,915
PROFIT/(LOSS) BEFORE MINORITY INTERESTS	未計少數股東權益前 溢利／(虧損)		2,304	(2,161)
Minority interests	少數股東權益		(582)	(645)
NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔經營 溢利／(虧損)淨值	10	1,722	(2,806)
EARNINGS/(LOSS) PER SHARE	每股盈利／(虧損)	11		
Basic	基本		HK0.71 cent 仙	HK(1.16) cents仙
Diluted	攤薄		HK0.70 cent 仙	N/A不適用

Consolidated Balance Sheet

綜合資產負債表

31 March 2003 於二零零三年三月三十一日

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Fixed assets	12	固定資產	114,892	112,717
Intangible assets	13	無形資產	80	162
Goodwill	14	商譽	19,412	-
Interest in a jointly-controlled entity	16	共同控制實體權益	-	527
			134,384	113,406
CURRENT ASSETS		流動資產		
Inventories	17	存貨	81,463	74,596
Accounts and bills receivable	18	應收賬款及應收票據	61,511	53,145
Prepayments, deposits and other receivables		預付款項、按金及其他應收賬款	8,416	8,434
Pledged bank deposits	23	已抵押銀行存款	2,907	2,540
Cash and bank balances	19	現金及銀行結存	5,819	9,729
			160,116	148,444
CURRENT LIABILITIES		流動負債		
Accounts payable	20	應付賬款	18,774	8,887
Tax payable		應付稅款	283	105
Accrued liabilities and other payables		應計負債及其他應付賬款	13,302	9,933
Interest-bearing bank and other borrowings	21, 23	銀行及其他借貸	35,791	27,830
Finance lease payables	22	應付財務租約	1,221	489
			69,371	47,244
NET CURRENT ASSETS		流動資產淨值	90,745	101,200
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	225,129	214,606

Consolidated Balance Sheet

綜合資產負債表

31 March 2003 於二零零三年三月三十一日

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
		Notes 附註		
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		225,129	214,606
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	銀行及其他借貸	21, 23	16,217	9,008
Finance lease payables	應付財務租約	22	660	155
			16,877	9,163
MINORITY INTERESTS	少數股東權益		6,556	6,179
			201,696	199,264
CAPITAL AND RESERVES	資本及儲備			
Issued capital	已發行股本	25	24,105	24,281
Reserves	儲備	27	177,591	174,983
			201,696	199,264

LIANG Jin You

梁金友
Director
董事

LI Kwo Yuk

李戈玉
Director
董事

Consolidated Summary Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2003 截至二零零三年三月三十一日止年度

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
		Notes 附註		
Total equity at 1 April	於四月一日之總權益		199,264	202,160
Exchange differences on translation of the financial statements of overseas subsidiaries	換算海外附屬公司之財務賬目所產生之滙兌差額	27	1,202	(90)
Net gains/(losses) not recognised in the profit and loss account	損益賬中未確認之收益／(虧損)淨值		1,202	(90)
Shares repurchased and cancelled	股份購回及註銷	25	(1,077)	-
Exchange fluctuation reserve released on disposal of a jointly-controlled entity	因出售一間共同控制實體時而產生之滙率波動儲備	27	585	-
Net profit/(loss) for the year attributable to shareholders	本年度股東應佔溢利／(虧損)淨值	27	1,722	(2,806)
Total equity at 31 March	於三月三十一日之總權益		201,696	199,264

Consolidated Cash Flow Statement

綜合現金流量報表

Year ended 31 March 2003 截至二零零三年三月三十一日止年度

	Notes 附註	2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元 (Restated) 重列
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit/(loss) before tax	除稅前溢利／(虧損)	2,523	(4,076)
Adjustments for:	調整：		
Finance costs	融資成本	7	1,961
Share of loss of a jointly-controlled entity	共同控制實體應佔虧損	48	485
Interest income	利息收入	6	(41)
Dividend income	股息收入	6	—
Depreciation	折舊	6	10,314
Amortisation of goodwill	商譽攤銷	6	581
Amortisation of patents and trademarks	專利權及商標攤銷	6	105
Deficit on revaluation of fixed assets	重估固定資產之虧絀	6	300
Provision for bad and doubtful debts	呆壞賬準備	6	615
Provision for impairment in value of fixed assets	固定資產減值準備	6	—
Loss on disposal of a jointly-controlled entity	出售共同控制實體之虧損	6	399
Gain on disposal of investments held for disposal	出售持作出售之投資之盈利	6	—
Loss/(gain) on disposal of fixed assets	出售固定資產之虧損／(盈利)	6	55
Operating profit before working capital changes	營運資金變動前之經營溢利	17,240	9,189
Increase in inventories	存貨之增加	(5,724)	(6,138)
Increase in accounts and bills receivable, prepayments, deposits and other receivables	應收款項及應收票據、預付款項、按金及其他應收賬款之增加	(8,959)	(7,403)
Increase in accounts payable, accrued liabilities and other payables	應付賬款、應計負債及其他應付賬款之增加	10,656	778
Decrease in an amount due to a jointly-controlled entity	應付共同控制實體款項之減少	—	(1,092)
Cash generated from/(used in) operations	經營業務所得／(所付)現金	13,213	(4,666)

Consolidated Cash Flow Statement

綜合現金流量報表

Year ended 31 March 2003 截至二零零三年三月三十一日止年度

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元 (Restated) 重列
	Notes 附註			
Cash generated from/(used in) operations	經營業務所得／(所付)現金		13,213	(4,666)
Interest received	已收利息		41	221
Interest paid	已付利息		(2,254)	(1,896)
Interest element on finance lease rental payments	財務租約之利息部份		(87)	(65)
Hong Kong profits tax paid	已繳香港利得稅		(150)	(620)
Overseas taxes paid	已繳海外稅項		(87)	(411)
Overseas taxes refunded	已退還之海外稅項		196	152
Dividends received from investments held for disposal	已收持作出售之投資之股息		-	106
Dividends paid to minority shareholders of a subsidiary	已付附屬公司之少數股東之股息		(205)	(203)
Net cash inflow/(outflow) from operating activities	經營業務之現金流入／(流出)淨額		10,667	(7,382)
CASH FLOWS FROM INVESTING ACTIVITIES	投資業務之現金流量			
Purchases of fixed assets	購買固定資產	12	(13,573)	(21,891)
Proceeds from disposal of fixed assets	出售固定資產之收益		791	289
Additions to patents and trademarks	專利權及商標之增加	13	(23)	(8)
Acquisition of a subsidiary/business	收購附屬公司／業務	28(b)	(17,400)	(606)
Proceeds from disposal of a jointly-controlled entity	出售共同控制實體之收益		665	-
Proceeds from disposal of investments held for disposal	出售持作出售之投資之收益		-	3,536
Expenditure incurred for disposal of investments held for disposal	出售持作出售之投資之支出		-	(47)
Decrease/(increase) in pledged bank deposits	已抵押存款之減少／(增加)		(367)	2,860
Net cash outflow from investing activities	投資業務之現金流出淨額		(29,907)	(15,867)

Consolidated Cash Flow Statement

綜合現金流量報表

Year ended 31 March 2003 截至二零零三年三月三十一日止年度

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元 (Restated) 重列
		Notes 附註		
CASH FLOWS FROM FINANCING ACTIVITIES	融資業務之現金流量			
Repurchase of shares	股份購回	25	(1,077)	-
New bank loans	新增銀行貸款		24,140	13,471
New other loans	新增其他貸款		950	-
Inception of finance leases	新增財務租約		2,391	-
Repayment of bank loans	償還銀行貸款		(17,299)	(4,990)
Repayment of other loans	償還其他貸款		(118)	-
Capital element of finance lease rental payments	財務租約之資本部份 租金支付		(1,154)	(672)
Increase in trust receipt loans	信託收據貸款之增加		774	4,342
Net cash inflow from financing activities	融資業務之 現金流入淨額		8,607	12,151
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值之 減少淨值		(10,633)	(11,098)
Cash and cash equivalents at beginning of year	年初之現金及現金等值		7,394	18,492
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值		(3,239)	7,394
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值之 結存分析			
Cash and bank balances	現金及銀行結存		5,819	9,729
Bank overdrafts	銀行透支	21	(9,058)	(2,335)
			(3,239)	7,394

Balance Sheet

資產負債表

31 March 2003 於二零零三年三月三十一日

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Interests in subsidiaries	附屬公司之權益	15	158,755	159,863
CURRENT ASSETS	流動資產			
Prepayments and other receivables	預付款項及其他 應收賬款		271	154
Cash and bank balances	現金及銀行結存		67	135
			338	289
CURRENT LIABILITIES	流動負債			
Accrued liabilities and other payables	應計負債及其他 應付賬款		537	847
NET CURRENT LIABILITIES	流動負債淨值		(199)	(558)
			158,556	159,305
CAPITAL AND RESERVES	資本及儲備			
Issued capital	已發行股本	25	24,105	24,281
Reserves	儲備	27	134,451	135,024
			158,556	159,305

LIANG Jin You

梁金友
Director
董事

LI Kwo Yuk

李戈玉
Director
董事

Notes to Financial Statements

財務報告附註

31 March 2003 於二零零三年三月三十一日

1. CORPORATE INFORMATION

During the year, the Group was involved in the following principal activities:

- manufacture and marketing of clocks and lighting products;
- trading of metals; and
- provision of electroplating services.

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE

The following new and revised Hong Kong Statements of Standard Accounting Practice (“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 these SSAPs are summarised as follows:

SSAP 1 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 of this SSAP is that a consolidated summary statement of changes in equity is now presented on page 40 of the financial statements in place of the consolidated statement of recognised gains and losses that was previously required.

1. 企業資料

於年內，本集團之主要業務乃屬下列：

- 製造及銷售時鐘及照明產品；
- 金屬貿易；及
- 提供電鍍服務。

2. 新頒佈及經修訂之香港會計實務準則之影響

下列新訂及經修訂之會計實務準則乃首次採納以編製本年度之財務報告：

- 會計實務準則 「財務報表之呈第1號（經修訂）：報」
- 會計實務準則 「外幣折算」第11號（經修訂）：
- 會計實務準則 「現金流量表」第15號（經修訂）：
- 會計實務準則 「員工福利」第34號：

該等會計實務準則規定新會計計算準則及披露慣例。該等會計實務準則，其對本集團會計政策及於本財務報告披露金額之主要影響概述如下：

會計實務準則第1號規定財務報表之呈報，及載有其內容架構及最低要求之指引。該會計實務準則之修訂之重大影響為現時於財務報告第40頁呈報之綜合權益變動表，以取代過往規定之綜合已確認收益及虧損賬。

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (Cont'd)

SSAP 11 prescribes the basis for the translation of foreign currency transactions in the financial statements. The principal impact of the revision of this SSAP on the consolidated financial statement is that the profit and loss accounts of overseas subsidiaries and jointly-controlled entities are now translated into Hong Kong dollars at the weighted average exchange rates for the year, whereas previously they were translated at the exchange rates ruling at the balance sheet date. The adoption of the revised SSAP 11 has had no material effect on the financial statements.

SSAP 15 prescribes the 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 into 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 ruling at the balance sheet date, and the definition of cash equivalents for the purpose of the consolidated cash flow statement has been revised. Further details of these changes are included in the accounting policies for "Cash and cash equivalents" and "Foreign currencies" in note 3 and in note 28(a) 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 material change to the previously adopted accounting treatments for employee benefits. Disclosures are now required in respect of the Company's share option scheme, as detailed in note 26 to the financial statements. These share option scheme disclosures are similar to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") disclosures previously included in the Report of the Directors, which are now included in the notes to the financial statements as a consequence of the SSAP.

2. 新頒佈及經修訂之香港會計實務準則之影響 (續)

會計實務準則第11號規定外幣交易及財務報告外幣折算之基準。該會計實務準則之修訂對綜合財務報告之重大影響為海外附屬公司及共同控制實體之損益賬現以年內之加權平均匯率折算為港幣，而非採用過往要求以資產負債表結算日之匯率折算。採納經修訂會計實務準則第11號對本財務報告並無重大影響。

會計實務準則第15號規定現金流量報表之經修訂形式。該會計實務準則之修訂之重大影響為綜合現金流量報表現將現金流量分類為經營、投資及融資活動之現金流量三項，而非如過往規定之五項。此外，海外附屬公司於本年度產生之現金流量現按交易日期之匯率或概約匯率折算為港幣，而過往現金流量乃按資產負債表結算日之匯率折算，而且對於綜合現金流量報表而言，現金等值的定義已作修訂。有關該等更改之進一步詳情載於財務報告附註3之「現金及現金等值」及「外幣」會計政策及附註28(a)內。

會計實務準則第34號規定適用於員工福利之確認及計算準則，連同有關之規定披露事項。採納該會計實務準則並無更改過往採納有關員工福利之會計處理方法。此外，現規定須就本公司之購股權計劃作出披露，詳情見財務報告附註26。該等購股權計劃披露事項與香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）所規定之披露事項類似，過往載於董事會報告，而現時購股權計劃披露事項因該會計實務準則規定而載入財務報告附註。

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 and certain fixed assets, 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 March 2003. The results of 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 interests 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 results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

3. 主要會計政策概要

編製基準

此等財務報告乃按照香港會計實務準則、香港一般採納之會計準則及香港公司條例之披露規定而編製。除下列解釋之投資物業及若干固定資產之重估外，本財務報告乃按過往成本編製。

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二零零三年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，在編製綜合賬目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。

少數股東權益指外界股東佔本公司附屬公司業績及資產淨值之權益。

附屬公司

附屬公司指財務和經營決策由本公司直接或間接控制，以冀從其業務當中獲利的公司。

附屬公司之業績按已收及應收之股息於本公司損益表內列賬。本公司於附屬公司之權益乃以成本值減去任何減損後列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Joint venture companies

A joint venture company is a company set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture company is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture company;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture company;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture company; or
- (d) a long term investment, if the Group holds, directly or indirectly, less than 20% of the joint venture company's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture company.

3. 主要會計政策概要 (續)

合營公司

合營公司乃按合約安排成立，根據合約由本集團及其他訂約方從事經濟活動。合營公司乃本集團及其他訂約方擁有權益之獨立經營之公司。

合營方所訂立之合營公司協議規定了合營各方之出資額、合營期限及於公司解散時將予變現資產之基準。合營公司營運所產生之損益及任何盈餘資產由合營方按彼等各自之出資額比例或按合營協議之條款進行分配。

合營公司將被視為：

- (a) 附屬公司，如本集團對合營公司直接或間接擁有單方面之控制權；
- (b) 共同控制實體，如本集團對合營公司沒擁有單方面控制權，但直接或間接擁有共同控制權；
- (c) 聯營公司，如本集團既無單方面控制權亦無共同控制權，但直接或間接擁有不少於該合營公司已登記股本之20%及對合營公司可施行重大影響力；或
- (d) 長期投資，如本集團直接或間接擁有少於該合營公司已登記股本之20%，及並不能共同控制合營公司，亦不能對合營公司施行重大影響力。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Jointly-controlled entities

A jointly-controlled entity is a joint venture company which is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of jointly-controlled entities is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in jointly-controlled entities are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Goodwill

Goodwill arising on the acquisition of subsidiaries and jointly-controlled entities 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 a period up to a maximum of 20 years.

In prior years, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. The Group applied the transitional provision of SSAP 30 that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on subsequent acquisitions is treated according to the SSAP 30 goodwill accounting policy above.

3. 主要會計政策概要 (續)

共同控制實體

共同控制實體為由多方共同控制之合營公司，而各合營人均無擁有其經濟活動之單方面控制權。

本集團所佔共同控制實體之收購後業績及儲備分別於綜合損益賬及綜合儲備中列賬。本集團於共同控制實體之權益按權益法以本集團應佔資產淨額減去任何減值虧損於綜合資產負債表內列賬。

商譽

因收購附屬公司及共同控制實體而產生之商譽，乃指收購成本超逾本集團於收購當日所購入可辨別資產及負債之公平價值。

因收購而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不逾20年以直線基準攤銷。

於過往年度，因收購所得之商譽已於收購年度在綜合儲備中抵銷。本集團已採用會計實務準則第30號之過渡性條文，該條文容許本集團之商譽繼續於綜合儲備中抵銷，期後進行之收購所產生之商譽按上述會計實務準則第30號商譽會計政策處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Goodwill (Cont'd)

On disposal of subsidiaries or jointly-controlled entities, 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. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, 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 the acquisition of subsidiaries and jointly-controlled entities 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 acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as 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.

3. 主要會計政策概要 (續)

商譽 (續)

於出售附屬公司或共同控制實體時，出售所得的盈利或虧損將參考其於出售日的資產淨值（包括未經攤銷的商譽及其他有關儲備）計算。以往在綜合儲備抵銷之商譽會撥回及計入在出售之溢利或虧損中。

商譽之賬面淨值，包括已於綜合儲備中抵銷的商譽，每年均作出評審及按需要時為其貶值而作減值。對較早前已被確認之貶值不會作出回撥，除非該貶值乃由於個別外來事件所致，而此外來事件不會有再發生之機會，或外來事件的發生導致事情的影響倒置。

負值商譽

因收購附屬公司及共同控制實體而產生之負值商譽，乃指在收購當日本集團收購可識別資產及負債之公平價值與收購成本之超額部份。

某程度上，當負值商譽與收購計劃中可確認之預期虧損及支出有關，而該項目能夠可靠地計量，但並不代表在收購當日之可確認負債，該部分之負值商譽於將來虧損及支出確認時，會在綜合損益賬中確認為收入。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Negative goodwill (Cont'd)

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average 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.

In the case of jointly-controlled entities, any negative goodwill not yet recognised in the consolidated profit and loss account is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

In prior years, negative goodwill arising on acquisitions was credited to the capital reserve in the year of acquisition. The Group applied the transitional provision of SSAP 30 that permitted such negative goodwill to remain credited to the capital reserve. Negative goodwill on subsequent acquisitions is treated according to the SSAP 30 negative goodwill accounting policy above.

On disposal of subsidiaries or jointly-controlled entities, 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. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

3. 主要會計政策概要 (續)

負值商譽 (續)

某程度上，當負值商譽與收購當日可確認之預期未來虧損及支出並無關係，負值商譽應有系統地按被收購之可折舊／可攤銷資產之平均使用年期於綜合損益賬內確認。任何負值商譽超過被收購之非金融性資產公平價值之金額須立刻確認為收入。

對於共同控制實體，任何尚未在綜合損益賬內確認之負值商譽，仍應包括在其賬面淨值中，而不應成為綜合資產負債表中可獨立確認之項目。

以往，因收購而產生之負值商譽均會在收購發生當年計入股本儲備。本集團採用了會計實務準則第30號之過渡性條文，容許此負值商譽繼續在綜合儲備中抵銷。其後收購所產生之負值商譽亦按上述會計實務準則之第30號負值商譽會計制度處理。

對於出售附屬公司及共同控制實體，出售所得利潤或虧損均按出售當日之淨資產來計算，淨資產指包括尚未在綜合損益賬及任何有關適當儲備被確認之負值商譽金額。過往收購時計入股本儲備之負值商譽需回撥及包括在出售利潤或虧損計算內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

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 in 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 in 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共同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。

資產減值

在每個結算日會作出評估，以檢查任何資產有否減值指示，或過往因某些指示而確認之減值虧損已不再存在。如任何該等指示出現，便能估計資產之可收回值。資產之可收回值是由該資產之使用價值或其淨銷售價兩者之高者來計算。

只有當資產之賬面淨值超出其可收回值時，減值虧損才可確認。除非該資產是以重估值計算，那該減值虧損需根據相關會計制度而處理，否則該減值虧損須計入當期損益賬中。

只有用以確定資產可收回值之估計出現更改時，才可將以往確認之減值虧損回撥，但有關金額不能高於該資產本來確定之賬面淨值（已扣除任何折舊／攤銷），令該資產像以往並無已確認之減值虧損。

除非資產是以重估值計算，那該減值虧損回撥需根據相關會計制度而處理，否則該減值虧損回撥須計入當期之損益賬中。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fixed assets and depreciation

Fixed assets, other than investment properties and construction in progress, 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.

Changes in the values of fixed assets, other than investment properties, are dealt with as movements in the property 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 property revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

In accordance with the transitional provisions as set out in SSAP 17 "Property, plant and equipment", revaluations of the leasehold land and buildings of the Group subsequent to the adoption of the SSAP in 1995 will not be undertaken on a regular basis.

3. 主要會計政策概要 (續)

固定資產及折舊

除投資物業及在建工程以外之固定資產乃按成本或估值扣除累計折舊及資產減值入賬。資產之成本包括其購買價及任何令該資產達至現時營運狀況及地點以作原定用途之直接應佔成本。固定資產投入運作後所需之開支(如修理及維修)一般將按開支產生之期間在損益賬內扣除。倘清楚顯示費用令固定資產用途取得之預期經濟效益有所增加,則該筆費用將資本化為資產之額外成本。

除投資物業外,固定資產價值之變動乃於資產重估儲備變動中處理。倘儲備結餘不足以彌補虧絀,則個別資產虧絀之餘額會在損益賬中扣除。任何其後出現之重估盈餘會按過往扣除之虧絀計入損益賬。於出售重估資產時,就過往估值而變現之重估儲備之有關部份會轉撥至保留溢利作為儲備變動。

根據會計實務準則第17號「物業、機器及設備」之豁免條文,本集團於一九九五年在採納該會計實務準則後不會定期重估租約土地及樓宇。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fixed assets and depreciation (Cont'd)

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

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

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 the costs incurred in connection with the construction of fixed assets, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs incurred during the period of construction, installation and testing. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

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 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, except where the unexpired term of the lease is 20 years or less, in which case depreciation is provided on the then carrying amount over the remaining terms of the lease.

3. 主要會計政策概要 (續)

固定資產及折舊 (續)

資產之折舊乃以直線法按其估計可使用年期攤銷其成本或估值計算，就此而言之主要年率如下：

租約土地	按租約年期
租約樓宇	5%
租約物業之裝修	15%
機械及設備	20%
傢俬、設備及汽車	15%至25%

於固定資產出售或報銷時計入損益賬之盈虧，乃出售有關資產所得款項淨額與其賬面值之差額。

在建工程指興建中之樓宇，乃以成本值減去任何減損列賬及毋須折舊。成本包括於建築、設置及測試期內產生之建築成本。在建工程倘竣工及可使用時會轉撥至適當之固定資產類別。

投資物業

投資物業指經已落成並因其投資潛力及經公平原則磋商之任何租金收入持有之土地及物業權益。該物業無需提撥折舊，並按截至各財政年度年結日進行之專業估值之公開市值列賬，惟有關租約之剩餘年期為二十年或以下者則除外。在該情況下，折舊乃按租約之剩餘年期之面值提撥。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment properties (Cont'd)

Changes in the values of investment properties are dealt with as movements in the 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 property revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

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.

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.

3. 主要會計政策概要 (續)

投資物業 (續)

投資物業估價之變動乃計入投資物業重估儲備，就整個組合而言，倘此項儲備之總額不足以彌補虧絀，在此情況下，超逾投資物業重估儲備結存之虧絀將撥入損益賬內。其後任何重估盈餘乃計入損益賬內，惟數額以先前所計入之虧絀為限。

於出售投資物業時，就先前估價之投資物業重估儲備所變現之有關部分乃計入損益賬內。

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。

研究及發展

研究及發展費用乃於產生時從損益賬中扣除。

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。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leased assets

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in fixed assets and are depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

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.

Accounts receivable

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. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are regularly reviewed by senior management.

3. 主要會計政策概要 (續)

租賃資產

財務租約乃將資產所有權(法定業權除外)之所有收益及風險轉移至本集團之租賃。財務租約開始後,租賃資產之成本值按最低租賃付款額之現金值撥作資本,並連同有關責任(不包括利息費用)入賬,以反映購置資產及融資費用。按撥作成本之財務租約持有之資產列為固定資產,並於租賃年期或估計可使用年期(如屬較短者)內攤銷。該等租約之融資費用計入損益賬,以按租賃期計算出一個固定之扣除率。

倘資產之絕大部份收益及風險仍由出租方承擔,其有關租約則列為經營租約。當本集團為出租方時,本集團租賃之資產包括在非流動資產中,及該等經營租約之應收租金於租賃期內以直線法計入損益賬內。當本集團為承租方時,該等經營租約之應付租金於租賃期內以直線法在損益賬內扣除。

應收賬項

除新客户(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。每一位客戶均定立信貸最高限額。管理層會設法繼續嚴格管理長期拖欠之貨款,並成立信貸管理部門以減低信貸風險。管理層亦會定期檢討逾期貨款。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

Cash and 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.

Prior to the adoption of the revised SSAP 15 during the year, as explained in note 2 to the financial statements, cash equivalents in the consolidated cash flow statement also included advances from banks repayable within three months from the date of the advance, in addition to bank overdrafts. This change in definition has resulted in a prior year adjustment relating to trust receipt loans, further details of which are included in note 28(a) to the financial statements.

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

3. 主要會計政策概要 (續)

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。

現金及現金等值

就綜合現金流量報表而言，現金及現金等值包括手頭上現金及活期存款，以及可隨時兌換為已知數額現金、價值變動風險並不重大及一般於收購後三個月內到期之短期高流動性投資，減按通知償還之銀行透支，並為本集團現金管理之主要部份。

於本年度採納經修訂會計實務準則第15號前，如財務報告附註2所詳述，除銀行透支外，載於綜合現金流量報表之現金等值亦包括須於墊款日期起計三個月內償還之銀行墊款。該釋義之改動導致有關信託收據貸款之前年度調整，有關之進一步詳情載於財務報告附註28(a)。

就資產負債表而言，現金及銀行結餘包括手頭現金及銀行結存，包括並無限制用途之定期存款，及與現金性質相似之資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

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) 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.

3. 主要會計政策概要 (續)

遞延稅項

遞延稅項乃按負債法，就所有重大時差，惟以可見將來可能出現者為限，作出準備。遞延稅項資產於能毫無疑問地確定其出現時方會確認。

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) 由銷售貨品，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通常與售出貨品之擁有權或實際控制權有關之管理參與；
- (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。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Employee benefits

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

In the opinion of the directors of the Company, the Group had no significant obligations for long service payments to its employees pursuant to the requirements under the Employment Ordinance, Chapter 57 of the Laws of Hong Kong, at 31 March 2003 and 2002.

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 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. 主要會計政策概要 (續)

員工福利

僱傭條例長期服務金

若干本集團僱員已完成所需為本集團服務年數，以符合資格在離職時領取香港僱傭條例下之長期服務金。倘僱員離職之原因符合僱傭條例所列明之情況，則本集團須支付有關款項。

按照本公司董事之意見，根據香港法例第57章僱傭條例之規定，於二零零三年及二零零二年三月三十一日，本集團對員工並無重大之長期服務金承擔。

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損益賬內。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。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Employee benefits (Cont'd)

Retirement benefits scheme (Cont'd)

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 profit and loss account in the period to which they relate and represent the amount of contributions payable by these subsidiaries to this scheme.

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 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 prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

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.

3. 主要會計政策概要 (續)

員工福利 (續)

退休福利計劃 (續)

本公司在中國之附屬公司乃中國有關當地政府機構舉辦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損益賬中扣除，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。

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記錄於損益賬或資產負債表。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。

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匯率折算。滙兌差額於損益賬處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign currencies (Cont'd)

On consolidation, the financial statements of overseas subsidiaries and jointly-controlled entities are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries and jointly-controlled entities 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.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into 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 of overseas subsidiaries and jointly-controlled entities and the cash flows of overseas subsidiaries were translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The adoption of the revised SSAP 11 has had no material effect on the financial statements, while the adoption of the revised SSAP 15 has resulted in changes to the layout of the consolidated cash flow statement and a prior year adjustment relating to trust receipt loans, further details of which are included in note 28(a) to the financial statements.

3. 主要會計政策概要 (續)

外幣 (續)

於綜合賬目時，海外附屬公司及共同控制實體之財務報告使用投資淨額法折算為港幣。海外附屬公司及共同控制實體之損益賬按年內之加權平均滙率折算為港幣，而彼等之資產負債表按資產負債表結算日之滙率折算為港幣。由此所產生之換算差額列入滙兌波動儲備。

就綜合現金流量報表而言，海外附屬公司之現金流量按現金流量日期之滙率折算為港幣。海外附屬公司於整個年度內經常產生之現金流量按年內之加權平均滙率折算為港幣。

於本年度內採納經修訂會計實務準則第11號及第15號前，如財務報告附註2所詳述，海外附屬公司及共同控制實體之損益賬，以及海外附屬公司之現金流量按資產負債表結算日之滙率折算為港幣。採納經修訂會計實務準則第11號對本財務報告並無任何重大影響，而採納經修訂會計實務準則第15號導致綜合現金流量報表之形式改變及前年有關信託收據貸款之調整，有關之進一步詳情載於財務報表附註28(a)。

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.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. 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

分類資料以以下兩種形式表達：(i) 依照主要分類呈報機制，以業務分類；及(ii) 依照次要分類呈報機制，以地域分類。

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。

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4. SEGMENT INFORMATION (Cont'd)

(a) Business segments

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

Group 集團

		Clocks and other office related products		Lighting products		Trading		Electroplating services		Consolidated	
		時鐘及其他辦公室相關產品		照明產品		貿易		電鍍服務		總額	
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue:	分類收益:										
Sales to external customers	銷售予對外客戶	150,792	140,057	9,903	10,605	94,963	108,061	13,195	13,833	268,853	272,556
Segment results	分類業績	8,467	4,073	621	577	2,781	2,459	1,917	2,515	13,786	9,624
Interest and dividend income	利息及股息收入									41	327
Net unallocated expenses	未能攤分支出淨值									(8,915)	(11,581)
Profit/(loss) from operating activities	經營溢利/(虧損)									4,912	(1,630)
Finance costs	融資成本									(2,341)	(1,961)
Share of loss of a jointly-controlled entity	共同控制實體應佔虧損	(48)	(485)	-	-	-	-	-	-	(48)	(485)
Profit/(loss) before tax	除稅前溢利/(虧損)									2,523	(4,076)
Tax	稅項									(219)	1,915
Profit/(loss) before minority interests	未計少數股東權益前溢利/(虧損)									2,304	(2,161)
Minority interests	少數股東權益									(582)	(645)
Net profit/(loss) from ordinary activities attributable to shareholders	股東應佔經營溢利/(虧損)淨值									1,722	(2,806)

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、負債及費用資料。

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4. SEGMENT INFORMATION (Cont'd)

(a) Business segments (Cont'd)

Group 集團

		Clocks and other office related products		Lighting products		Trading		Electroplating services		Consolidated	
		時鐘及其他辦公室相關產品		照明產品		貿易		電鍍服務		總額	
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment assets	分類資產	154,718	140,337	10,915	7,953	64,891	39,055	16,310	17,596	246,834	204,941
Interest in a jointly-controlled entity	共同控制實體權益	-	527	-	-	-	-	-	-	-	527
Unallocated assets	未能攤分資產									47,666	56,382
Total assets	資產總額									294,500	261,850
Segment liabilities	分類負債	18,579	14,426	1,919	750	-	-	1,425	1,278	21,923	16,454
Unallocated liabilities	未能攤分負債									64,325	39,953
Total liabilities	負債總額									86,248	56,407
Other segment information:	其他分類資料:										
Capital expenditure	資本性開支	11,722	6,714	1,222	-	3	-	368	523	13,315	7,237
Unallocated capital expenditure	未能攤分資本性開支									261	15,260
Depreciation and amortisation	折舊及攤銷	7,326	6,672	388	413	581	-	1,379	1,503	9,674	8,588
Unallocated depreciation and amortisation	未能攤分折舊及攤銷									1,326	1,526
Unallocated impairment loss recognised in the profit and loss account	未能攤分於損益表中已確認之減值虧損									-	1,099
Other non-cash expense	其他非現金費用	1,126	71	130	-	-	-	95	-	1,351	71
Unallocated non-cash expenses	未能攤分非現金費用									355	600
Revaluation reserve released on disposal of land and buildings	出售土地及樓宇而產生之物業重估儲備									154	-

4. 分類資料 (續)

(a) 按業務分類 (續)

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4. SEGMENT INFORMATION (Cont'd)

(b) Geographical segments

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

Group 集團

	North America		Europe		Hong Kong		Mainland China		Others		Consolidated	
	北美洲		歐洲		香港		中國		其他		總額	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue: 分類收益:												
Sales to external customers 銷售予對外客戶	85,252	76,739	58,334	52,863	20,366	22,461	99,106	113,652	5,795	6,841	268,853	272,556
Other segment information: 其他分類資料												
Segment assets 分類資產	2,416	3,268	20,779	17,129	80,179	62,822	191,126	178,631	-	-	294,500	261,850
Capital expenditure 資本性開支	131	-	159	814	4,386	15,159	8,900	6,524	-	-	13,576	22,497

5. 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.

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、若干資產及費用資料。

5. 營業額

營業額乃指銷售貨品之發票值減去退貨及折扣後之銷售；以及提供電鍍服務之收入。

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6. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

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

6. 經營溢利／（虧損）

本集團經營溢利／（虧損）已扣除／（計入）下列項目：

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
	Notes 附註			
Cost of inventories sold		售出存貨之成本	200,605	211,176
Cost of services provided		提供服務之成本	7,578	7,270
Staff costs (excluding directors' emoluments, note 8):		員工成本（董事酬金除外·附註8）：		
Wages and salaries		工資及薪金	41,264	42,764
Provident fund contributions		強積金供款	567	597
			<u>41,831</u>	<u>43,361</u>
Depreciation		折舊	10,314	10,015
Amortisation of patents and trademarks *		專利權及商標攤銷*	105	99
Amortisation of goodwill **		商譽攤銷**	581	-
Auditors' remuneration		核數師酬金	500	930
Research and development expenditure		研究及發展費用	1,667	2,342
Minimum lease payments under operating leases for land and buildings		土地及樓宇之經營租約最低付款	1,433	1,425
Exchange losses/(gains), net		滙兌虧損／（盈利）淨額	(150)	633
Provision for bad and doubtful debts		呆壞賬準備	615	71
Provision for impairment in value of fixed assets		固定資產減值準備	-	1,099
Deficit on revaluation of fixed assets		重估固定資產之虧絀	300	600
Loss/(gain) on disposal of fixed assets		出售固定資產虧損／（盈利）	55	(29)
Provision for/(write back) of provision for inventories		存貨準備／（回撥）	337	(3,933)
Loss on disposal of a jointly-controlled entity		出售共同控制實體虧損	399	-
Gain on disposal of investments held for disposal		出售持作出售之投資盈利	-	(709)
Dividend income from investments held for disposal		持作出售之投資之股息收入	-	(106)
Gross rental income		租金收入總額	(893)	(1,238)
Less: Outgoings		減除：支出	83	82
Net rental income		租金收入淨值	<u>(810)</u>	<u>(1,156)</u>
Interest income		利息收入	<u>(41)</u>	<u>(221)</u>

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6. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

(Cont'd)

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

6. 經營溢利／（虧損）（續）

- * 本年度專利權及商標攤銷已包括在綜合損益賬之「行政開支」內。
- ** 本年度商譽攤銷已包括在綜合損益賬之「其他經營開支」內。

7. FINANCE COSTS

7. 融資成本

		Group	
		集團	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		<hr/>	<hr/>
Interest expense on:	利息支出：		
Bank loans, overdrafts and other loans wholly repayable within five years	須於五年內悉數償還之銀行貸款、透支及其他貸款	1,973	1,796
Bank loans repayable beyond five years	須於五年後悉數償還之銀行貸款	281	100
Finance leases	財務租約	87	65
		<hr/>	<hr/>
		2,341	1,961
		<hr/>	<hr/>

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8. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID EMPLOYEES

Directors' remuneration

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

		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Fees:	費用:		
Independent non-executive directors	獨立非執行董事	100	200
Other emoluments of executive directors:	執行董事之其他酬金:		
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、房屋津貼、其他津貼及實物利益	3,391	5,333
Provident fund contributions	強積金供款	36	51
		<u>3,427</u>	<u>5,384</u>
		<u>3,527</u>	<u>5,584</u>

The number of directors whose remuneration fell within the bands set out below is as follows:

8. 董事酬金及五名最高薪酬之僱員

董事酬金

根據上市規則及香港公司法第161條之披露規定，支付予本公司之董事之合計酬金詳情如下：

		2003 二零零三年 Number of directors 董事人數	2002 二零零二年 Number of directors 董事人數
Nil – HK\$1,000,000	無 – 港幣1,000,000元	7	7
HK\$1,000,001 – HK\$1,500,000	港幣1,000,001元 – 港幣1,500,000元	1	1
HK\$2,000,001 – HK\$2,500,000	港幣2,000,001元 – 港幣2,500,000元	–	1
		<u>8</u>	<u>9</u>

下列酬金範圍之董事人數載列如下：

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8. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID EMPLOYEES (Cont'd)

Directors' remuneration (Cont'd)

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2002: Nil).

Five highest paid employees

The five highest paid employees during the year included two (2002: four) directors, details of whose remuneration are set out above. Details of the remuneration of the remaining three (2002: one) non-director, highest paid employees, each of which fell within the nil – HK\$1,000,000 band, are as follows:

Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、房屋津貼、其他津貼及實物利益
Provident fund contributions	強積金供款

During the year, no share options were granted to the directors, or the non-director, highest paid employees in respect of their services provided to the Group (2002: Nil). Further details of the share option scheme of the Company are set out in note 26 to the financial statements.

During the year, no emoluments were paid by the Group to the directors, or the non-director, highest paid employees as an inducement to join or upon joining the Group, or as compensation for loss of office (2002: Nil).

8. 董事酬金及五名最高薪酬之僱員 (續)

董事酬金 (續)

董事在本年概無任何安排放棄或同意放棄任何酬金 (二零零二年: 無)。

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 (二零零二年: 四名) 均為董事, 有關彼等酬金詳情載列如上。餘下之三名 (二零零二年: 一名) 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:

		Group 集團	
		2003 二零零三年	2002 二零零二年
		HK\$'000 港幣千元	HK\$'000 港幣千元
		2,363	525
		51	12
		2,414	537

於年內, 並沒有董事或非董事之高薪僱員獲授購股權 (二零零二年: 無)。購股權計劃詳情載於財務報告附註26。

於年內, 本集團沒有向任何董事或非董事之高薪僱員支付任何酬金, 以吸引他們加入或即將加入本集團, 或為其因失去職位而作出賠償 (二零零二年: 無)。

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9. TAX

Hong Kong profits tax has been provided at the rate of 16% (2002: 16%) on the estimated assessable profits arising in Hong Kong during the year.

At 31 March 2003, four (2002: three) subsidiaries, which were established in Mainland China, were exempted from the PRC income tax for two years from their first profit-making year and were eligible for a 50% relief from PRC corporate income tax for the following three years under the Income Tax Law of the PRC. The current tax rates that would otherwise be applicable to these subsidiaries range from 15% to 24%.

Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdictions in which the subsidiaries operated during the year, based on existing legislation, interpretations and practices in respect thereof.

9. 稅項

香港利得稅乃按照本年度業務之香港估計應課稅溢利以稅率16% (二零零二年: 16%) 提撥準備。

於二零零三年三月三十一日, 四間 (二零零二年: 三間) 在中國成立之附屬公司, 根據中國企業所得稅法規定自其獲利第一年起計兩年內可獲豁免繳付中國企業所得稅, 其後三年之企業所得稅則減半。否則該等附屬公司以適合之現時稅率範圍由15%至24%計算。

在其他地方之應課稅溢利之稅項則以年內附屬公司經營地方之司法權區適用之稅率及根據當地現行法律、釋義及常規計算撥備。

		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Group:	集團:		
Hong Kong:	香港:		
Current year provision	本年度	(385)	(260)
Overprovision in prior years	過往年度之超額撥備	120	249
Deferred (note 24)	遞延 (附註24)	-	1,771
		<u>(265)</u>	<u>1,760</u>
Elsewhere:	其他地區:		
Current year provision	本年度	(84)	(185)
Overprovision/(underprovision) in prior years	過往年度之超額撥備/ (撥備不足)	(66)	188
Rebate relating to prior years	過往年度之回扣	196	152
		<u>46</u>	<u>155</u>
Tax credit/(charge) for the year	本年度稅項撥回/(支出)	<u>(219)</u>	<u>1,915</u>

10. NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net profit from ordinary activities attributable to shareholders for the year ended 31 March 2003 dealt with in the financial statements of the Company was HK\$328,000 (2002: net loss of HK\$811,000).

11. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$1,722,000 (2002: net loss of HK\$2,806,000), and the weighted average number of 242,264,656 (2002: 242,807,500) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$1,722,000. The weighted average number of ordinary shares used in the calculation is the 242,264,656 ordinary shares in issue during the year, as used in the basic earnings per share calculation; and the weighted average number of 4,940,776 ordinary shares assumed to have been issued at no consideration on the deemed exercise of all options outstanding during the year. The exercise price of the warrants outstanding during the year is higher than the average market price of the Company's shares and, accordingly, they have no dilutive effect on the basic earnings per share.

No diluted loss per share amount was shown for the year ended 31 March 2002 as the effect of the Company's share options outstanding during that year was anti-dilutive. In addition, the exercise price of the warrants granted and outstanding during that year, was higher than the average market price of the Company's shares and, accordingly, there was no dilutive effect on the basic loss per share for the year ended 31 March 2002.

10. 股東應佔經營溢利／（虧損）淨值

本公司於財務報告處理之股東應佔經營溢利淨值為港幣328,000元（二零零二年：虧損淨值港幣811,000元）。

11. 每股盈利／（虧損）

每股基本盈利／（虧損）乃根據本年度股東應佔經營溢利淨值港幣1,722,000元（二零零二年：虧損淨值港幣2,806,000元）及年內已發行股份之加權平均數242,264,656股（二零零二年：242,807,500股）而計算。

每股攤薄盈利乃根據該年度股東應佔溢利淨值港幣1,722,000元計算。在計算中所使用之加權平均數乃根據在每股基本盈利計算中所使用之年度已發行242,264,656之普通股，及假設於年度內尚未行使之購股權以沒有代價而發行所得之加權平均數4,940,776普通股。於年內之尚未行使之認股權證行使價較本公司的平均股價為高，因此對每股基本盈利並無攤薄影響。

截至二零零二年三月三十一日，因尚未行使之購股權並無攤薄影響，所以並沒有列出每股攤薄虧損。此外，於該年度派送而尚未行使之認股權證，其行使價較本公司的平均股價為高，因此對截至二零零二年三月三十一日之每股基本虧損並無攤薄之影響。

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12. FIXED ASSETS

Group 集團

12. 固定資產

		Investment properties 投資物業 HK\$'000 港幣千元	Leasehold land and buildings 租約土地及 樓宇 HK\$'000 港幣千元	Leasehold improvements 租約物業之 裝修 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Plant and machinery 機械及設備 HK\$'000 港幣千元	Furniture, equipment and motor vehicles 傢俬、設備 及汽車 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost or valuation:	成本或估值:							
At beginning of year	承前	8,000	110,623	833	-	47,513	44,038	211,007
Additions	添置	-	126	3,995	4,504	2,209	2,739	13,573
Acquisition of a subsidiary (note 28(b))	收購附屬公司 (附註28(b))	-	-	-	-	-	3	3
Transfers	轉撥	-	2,901	-	(4,335)	336	1,098	-
Disposals	出售	-	(2,305)	-	-	(250)	(1,439)	(3,994)
Revaluation	重估	(300)	-	-	-	-	-	(300)
Exchange realignment	滙兌調整	-	(28)	-	-	887	25	884
At 31 March 2003	於二零零三年 三月三十一日	7,700	111,317	4,828	169	50,695	46,464	221,173
Accumulated depreciation:	累積折舊:							
At beginning of year	承前	-	21,681	293	-	39,900	36,416	98,290
Provided during the year	本年折舊	-	3,956	503	-	2,713	3,142	10,314
Disposals	出售	-	(1,555)	-	-	(240)	(1,353)	(3,148)
Exchange realignment	滙兌調整	-	(6)	-	-	827	4	825
At 31 March 2003	於二零零三年 三月三十一日	-	24,076	796	-	43,200	38,209	106,281
Net book value:	賬面淨值:							
At 31 March 2003	於二零零三年 三月三十一日	7,700	87,241	4,032	169	7,495	8,255	114,892
At 31 March 2002	於二零零二年 三月三十一日	8,000	88,942	540	-	7,613	7,622	112,717

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12. FIXED ASSETS (Cont'd)

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

		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
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	18,606	18,606
At 1995 professional valuation	按一九九五年專業估值	29,504	31,809
		<u>48,110</u>	<u>50,415</u>
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	32,381	29,382
At 1995 professional valuation	按一九九五年專業估值	30,826	30,826
		<u>63,207</u>	<u>60,208</u>
Total cost or valuation	成本或估值總值	<u>111,317</u>	<u>110,623</u>

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 2003 would be restated at HK\$20,604,000 (2002: HK\$22,336,000).

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 2003 amounted to HK\$1,932,000 (2002: HK\$732,000).

12. 固定資產 (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：

		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
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	18,606	18,606
At 1995 professional valuation	按一九九五年專業估值	29,504	31,809
		<u>48,110</u>	<u>50,415</u>
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	32,381	29,382
At 1995 professional valuation	按一九九五年專業估值	30,826	30,826
		<u>63,207</u>	<u>60,208</u>
Total cost or valuation	成本或估值總值	<u>111,317</u>	<u>110,623</u>

中期租約之土地及樓宇之估值由獨立專業估值師簡福銓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，於二零零三年三月三十一日之土地及樓宇之淨值重列為港幣20,604,000元（二零零二年：港幣22,336,000元）。

於二零零三年三月三十一日由財務租約持有之資產賬面淨值（包括本集團機械及設備總額）為港幣1,932,000元（二零零二年：港幣732,000元）。

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12. FIXED ASSETS (Cont'd)

The investment properties are situated in Hong Kong and are held under medium term leases.

The Group's investment properties were revalued on 31 March 2003 by K.T. Liu Surveyors Limited, an independent firm of professionally qualified valuers, at HK\$7,700,000 (2002: HK\$8,000,000) on an open market basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 30(a) to the financial statements.

At 31 March 2003, the Group's investment properties, and 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 23).

12. 固定資產 (續)

投資物業乃位於香港並以中期租約持有。

本集團之投資物業由獨立專業估值師廖敬棠測計師有限公司按公開市值之基準於二零零三年三月三十一日作出評估為港幣7,700,000元(二零零二年:港幣8,000,000元)。該資產已根據經營租約方式租予第三者,進一步資料載於財務報告附註30(a)。

於二零零三年三月三十一日,本集團之投資物業、及若干租約土地及樓宇及機械及設備,已作法定抵押以令本集團獲得若干銀行貸款(附註23)。

13. INTANGIBLE ASSETS

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13. 無形資產

		Patents and trademarks 專利權及商標
		<i>HK\$'000</i> 港幣千元
Cost:	成本	
At beginning of year	於本年初	1,591
Additions	增加	23
Exchange realignment	滙兌調整	125
At 31 March 2003	於二零零三年三月三十一日	1,739
Accumulated amortisation:	累積攤銷:	
At beginning of year	於本年初	1,429
Provided during the year	本年度攤銷	105
Exchange realignment	滙兌調整	125
At 31 March 2003	於二零零三年三月三十一日	1,659
Net book value:	賬面淨值:	
At 31 March 2003	於二零零三年三月三十一日	80
At 31 March 2002	於二零零二年三月三十一日	162

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14. GOODWILL AND NEGATIVE GOODWILL

The amount of goodwill capitalised as an asset, arising from the acquisition of a subsidiary during the year, is as follows:

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		HK\$'000 港幣千元
Cost:	成本:	
Acquisition of a subsidiary and at 31 March 2003 (note 28(b))	收購附屬公司及於二零零三年 三月三十一日 (附註28(b))	19,993
Accumulated amortisation:	累計攤銷:	
Amortisation provided during the year and at 31 March 2003	本年度內攤銷 及於二零零三年三月三十一日	(581)
Net book value:	賬面淨值:	
At 31 March 2003	於二零零三年三月三十一日	19,412

As detailed in note 3 to the financial statements, on the adoption of SSAP 30, the Group applied the transitional provision of SSAP 30 that permitted goodwill and negative goodwill in respect of acquisitions which occurred prior to 1 April 2001, to remain eliminated against consolidated reserves or credited to the capital reserve, respectively.

The amounts of goodwill and negative goodwill remaining in consolidated reserves, arising from the acquisition of subsidiaries prior to 1 April 2001, were HK\$4,575,000 (2002: HK\$4,575,000) and HK\$1,097,000 (2002: HK\$1,097,000), respectively, as at 31 March 2003. The amounts of the goodwill and negative goodwill which arose in prior years are stated at cost.

14. 商譽及負值商譽

於年內因收購一間附屬公司所產生為資產之商譽金額如下:

本集團已採納標準會計實務準則第30條之豁免條款，該條款允許本集團在二零零一年四月一日前，因收購而產生之商譽及負值商譽，仍維持在綜合儲備中扣除，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負值商譽仍包括在綜合儲備中之金額分別為港幣4,575,000元（二零零二年：港幣4,575,000元）及港幣1,097,000元（二零零二年：港幣1,097,000元）。過往年度產生之商譽及負值商譽金額乃按成本入賬。

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15. INTERESTS IN SUBSIDIARIES

Unlisted investments, at cost	非上市投資·按成本
Due from subsidiaries	應收附屬公司之欠款
Less: Provision for impairment	減:減值準備

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 2003 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.

15. 附屬公司權益

		Company 公司	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
		118,249	118,249
		80,260	81,368
		(39,754)	(39,754)
		158,755	159,863

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二零零三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。

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15. INTERESTS IN SUBSIDIARIES (Cont'd)

15. 附屬公司權益 (續)

Name 公司名稱	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		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
<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	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	100	Manufacture and marketing of clocks 製造及銷售時鐘
Artfield Industries (Shenzhen) Ltd. ("AIS") 雅域實業(深圳) 有限公司	PRC/ Mainland China 中華人民 共和國	RMB46,000,000 人民幣46,000,000元	100	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	79.75	Provision of electroplating services 提供電鍍服務

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15. INTERESTS IN SUBSIDIARIES (Cont'd)

15. 附屬公司權益 (續)

Name 公司名稱	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		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
<i>Indirectly held: (Cont'd)</i> 非直接持有股份：(續)					
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/ Mainland China 中華人民 共和國	US\$600,000 美金600,000元	79.75	79.75	Provision of electroplating services 提供電鍍服務
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	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	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	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	100	Investment holding 投資控股

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15. INTERESTS IN SUBSIDIARIES (Cont'd)

15. 附屬公司權益 (續)

Name 公司名稱	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		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
<i>Indirectly held: (Cont'd)</i> 非直接持有股份：(續)					
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	100	Trading of lighting products 買賣照明產品
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	100	Trading of lighting products 買賣照明產品
City Bright Lighting (Shenzhen) Co., Ltd. ("CBL(SZ)") 邦暉燈具(深圳) 有限公司	PRC/ Mainland China 中華人民 共和國	HK\$3,000,000 港幣3,000,000元	100	100	Manufacture of lighting products 製造照明產品
German Time Limited 德國時計有限公司	Hong Kong 香港	Ordinary HK\$2,000,000 普通股 港幣2,000,000元	100	100	Property holding 持有物業
Artfield Industries (Gaoming) Ltd. ("AIG") 雅域實業(高明) 有限公司	PRC/ Mainland China 中華人民 共和國	HK\$7,000,000 港幣7,000,000元	100	100	Manufacture of wooden products 製造木製品

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15. INTERESTS IN SUBSIDIARIES (Cont'd)

15. 附屬公司權益 (續)

Name 公司名稱	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		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
<i>Indirectly held: (Cont'd)</i> 非直接持有股份：(續)					
高明豐雅鐘錶 有限公司 (「高明豐雅」)	PRC/ Mainland China 中華人民 共和國	HK\$1,500,000 港幣1,500,000元	100	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	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	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	100	Investment holding 投資控股
Smart Best Development Limited 俊富發展有限公司	Hong Kong 香港	Ordinary HK\$4 普通股 港幣4元	100	100	Property investment 物業投資

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15. INTERESTS IN SUBSIDIARIES (Cont'd)

Name	Place of incorporation/ registration and operations	Nominal value of issued share/ registered capital
公司名稱	成立／註冊及經營之地點	已發行／已註冊資本面值

15. 附屬公司權益 (續)

Percentage of equity attributable to the Company	Principal activities
本公司應佔股本權益之百分比	主要業務
2003	2002
二零零三年	二零零二年

Indirectly held: (Cont'd)
非直接持有股份：(續)

Ferdinand International (Marketing) Limited	United Kingdom 英國	GBP10,000 英鎊10,000	100	100	Marketing of clocks 銷售時鐘
Lens Trading Inc. ("Lens")	British Virgin Islands/ Hong Kong 英屬處女群島／香港	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/ Mainland China 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

The non-voting deferred shares are entitled 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.

* Subsidiary acquired during the year. For further details, please refer to note 28(b) to the financial statements.

^ Subsidiaries incorporated/established during the year.

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

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。

* 於年內收購之附屬公司。詳情見財務報告附註 28(b)。

^ 於年內新成立之附屬公司。

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大陸之外資全資企業。

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16. INTEREST IN A JOINTLY-CONTROLLED ENTITY

16. 共同控制實體權益

		Group 集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Share of net assets	所佔資產淨值	<u>-</u>	<u>527</u>

Particulars of the jointly-controlled entity, which was disposed of during the year, were as follows:

於年內出售之共同控制實體之詳情如下：

Name 公司名稱	Business structure 註冊及 業務架構	Place of registration and operations 經營地點	Percentage of 百分比			Principal activity 主要業務
			Ownership interest 股本權益	Voting power 投票權	Profit sharing 利潤分配	
Shanghai Shen Ya Lacquerware Wooden Products Co., Ltd. ("SSY") 上海申雅漆木製品有限公司	Corporate 公司	PRC/ Mainland China 中華人民 共和國	48	40	48	Manufacture of wooden products 製造木製品

17. INVENTORIES

17. 存貨

		Group 集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Raw materials	原材料	33,700	32,699
Work in progress	在製品	37,278	30,135
Finished goods	製成品	10,485	11,762
		<u>81,463</u>	<u>74,596</u>

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17. INVENTORIES (Cont'd)

No inventories were stated at net realisable value at 31 March 2003 (2002: Nil).

18. ACCOUNTS AND BILLS RECEIVABLE

An aged analysis of the Group's accounts and bills receivable as at the balance sheet date, based on the date of goods delivered, is as follows:

Outstanding balances aged:	於下列期限尚未清償之結餘：
Within 90 days	90天內
Between 91 to 365 days	91天至365天內
Over 1 year	超過1年

17. 存貨 (續)

於二零零三年三月三十一日，並無存貨以可變現淨值列賬（二零零二年：無）。

18. 應收賬款及應收票據

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	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		39,112	35,986
		22,265	16,612
		134	547
		61,511	53,145

19. CASH AND BANK BALANCES

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$2,156,000 (2002: HK\$6,217,000). RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

19. 現金及銀行結存

於結算日，本集團之人民幣現金及銀行結餘有約港幣2,156,000元（二零零二：港幣6,217,000）。人民幣是不能自由對換為其他貨幣，但根據中國大陸之外匯控制規定及結匯、售匯及付匯管理規定，本集團獲授權可透過進行外匯業務之銀行將人民幣兌換為其他貨幣。

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20. ACCOUNTS PAYABLE

An aged analysis of the Group's accounts payable as at the balance sheet date, based on the date of goods received, is as follows:

Outstanding balances aged: 於下列期限尚未清償之結餘：
 Within 90 days 90天內
 Between 91 to 365 days 91天至365天內
 Over 1 year 超過1年

20. 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：

	2003 二零零三年 HK\$'000 港幣千元	Group 集團 2002 二零零二年 HK\$'000 港幣千元
	17,491	7,815
	1,191	899
	92	173
	18,774	8,887

21. INTEREST-BEARING BANK AND OTHER BORROWINGS

Bank overdrafts, secured 銀行透支－有抵押
 Trust receipt loans, secured 信託收據貸款－有抵押
 Bank loans, secured and repayable: 銀行貸款－有抵押及須償還於：
 Within one year 一年內
 In the second year 第二年內
 In the third to fifth years, inclusive 第三年至五年內 (包括首尾兩年)
 Beyond five years 超過五年

21. 銀行及其他借貸

	2003 二零零三年 HK\$'000 港幣千元	Group 集團 2002 二零零二年 HK\$'000 港幣千元
	9,058	2,335
	18,492	17,718
	7,768	7,777
	5,578	536
	4,089	1,715
	6,191	6,757
	23,626	16,785
	473	-
	99	-
	260	-
	832	-
	52,008	36,838
Portion classified as current liabilities 分類作流動負債之部份	(35,791)	(27,830)
Non-current portion 非流動負債部份	16,217	9,008

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21. INTEREST-BEARING BANK AND OTHER

BORROWINGS (Cont'd)

The Group's other loans are unsecured, bear interest at 5.0% to 6.5% per annum and are repayable by 12 to 53 monthly instalments commencing in December 2002.

22. FINANCE LEASE PAYABLES

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 4 to 35 months.

At 31 March 2003, 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	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Amounts payable:	應付款項:				
Within one year	一年內	1,286	512	1,221	489
In the second year	第二年內	441	157	421	155
In the third to fifth years, inclusive	第三年至五年 (包括首尾兩年)	244	-	239	-
Total minimum finance lease payments	財務租約最低 付款總額	1,971	669	1,881	644
Future finance charges	日後融資費用	(90)	(25)		
Total net finance lease payables	應付財務租 約總淨值	1,881	644		
Portion classified as current liabilities	分類作流動 負債部份	(1,221)	(489)		
Non-current portion	非流動負債部份	660	155		

21. 銀行借貸 (續)

本集團之其他貸款乃屬無抵押，按年利率5.0%至6.5%計算，須由二零零二年十二月開始以十二至五十三個每月供款償還。

22. 應付財務租約

本集團因業務需要而租入若干機械及設備。於結算日該等租約被分類為財務租約，其餘下租約期由四個月至三十五個月不等。

於二零零三年三月三十一日，根據財務租約下之付款總額及其現金值如下：

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23. BANKING FACILITIES

At 31 March 2003, the Group's banking facilities were supported by the following:

- (a) a pledge of the Group's fixed deposits of HK\$2,907,000 (2002: HK\$2,540,000);
- (b) legal charges over the Group's investment properties, certain of the Group's leasehold land and buildings and plant and machinery; and
- (c) corporate guarantees from the Company and certain subsidiaries of the Company.

24. DEFERRED TAX

Balance at beginning of year	於本年初	-	1,771
Credit for the year (note 9)	本年度撥回 (附註9)	-	(1,771)
At 31 March	於三月三十一日	-	-

The revaluation of the Group's leasehold land and buildings do not constitute timing differences and, consequently, the amount of potential deferred tax thereon has not been quantified.

Deferred tax has not been provided for the Company (2002: Nil) and the Group (2002: Nil) because there were no significant timing differences at the balance sheet date.

23. 銀行信貸

於二零零三年三月三十一日，本集團之銀行信貸有以下之支持：

- (a) 本集團之港幣2,907,000元（二零零二年：港幣2,540,000元）定期存款；
- (b) 已作法定抵押之本集團之投資物業、若干租約土地及樓宇及機械及設備；及
- (c) 本公司及若干附屬公司作出之公司擔保。

24. 遞延稅項

		Group 集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Balance at beginning of year	於本年初	-	1,771
Credit for the year (note 9)	本年度撥回 (附註9)	-	(1,771)
At 31 March	於三月三十一日	-	-

本集團重估的租約土地及樓宇並不構成時差，故不會產生遞延稅項。

在結算時，因沒有重大時差，故本公司（二零零二年：無）及本集團沒有（二零零二年：無）為遞延稅項作出準備。

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25. SHARE CAPITAL AND WARRANTS

25. 股本及認股權證

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		HK\$'000 港幣千元	
		2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年
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	<u>900,000,000</u>	900,000,000	<u>90,000</u>	90,000
Issued and fully paid:	已發行及已繳足股本：				
Balance at beginning of year	於年初之結餘	<u>242,807,500</u>	242,807,500	<u>24,281</u>	24,281
Shares repurchased and cancelled	股份購回及註銷	<u>(1,762,000)</u>	-	<u>(176)</u>	-
At 31 March	於三月三十一日	<u>241,045,500</u>	242,807,500	<u>24,105</u>	24,281

During the year, the Company repurchased and cancelled 1,762,000 of its ordinary shares of HK\$0.10 each from the market at a total consideration of HK\$1,077,000. The premium of approximately HK\$901,000 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.

於年內，本公司於市場以總代價港幣1,077,000元購回及註銷每股面值港幣0.10元之1,762,000普通股股份。購回股份時支付之溢價港幣901,000元已由股份溢價賬扣除，見財務報告附註27。

Subsequent to the balance sheet date, in May 2003, the Company repurchased a further 506,000 of its ordinary shares of HK\$0.10 each on the Stock Exchange at a total purchase consideration of HK\$291,000 (note 32).

結算日後，於二零零三年五月，本公司以總代價港幣291,000元於聯交進一步所購回每股面值港幣0.10元之506,000普通股股份（附註32）。

25. SHARE CAPITAL AND WARRANTS (Cont'd)

Share options

Details of the Company's share option scheme are included in note 26 to the financial statements.

Warrants

At the balance sheet date, the Company had 48,561,500 (2002: 48,561,500) warrants outstanding. Each warrant entitles the holder thereof to subscribe for one ordinary share of HK\$0.10 at a subscription price of HK\$1.23 per share, payable in cash and subject to adjustment, at any time within the period from 20 February 2004 to 1 March 2004 (both dates inclusive).

The exercise in full of such warrants would, under the present capital structure of the Company, result in the issue of 48,561,500 (2002: 48,561,500) additional shares of HK\$0.10 each for a total consideration, before expenses, of approximately HK\$59,731,000 (2002: HK\$59,731,000).

26. 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, the following detailed disclosures relating to the Company's share option scheme are now included in the notes to the financial statements. In the prior year, these disclosures were included in the Report of the Directors, as their disclosures are also a requirement of the Listing Rules.

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 are the directors and employees of the Group. The Scheme became effective on 21 March 1995 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

25. 股本及認股權證 (續)

購股權

本公司採用之購股權計劃詳情載於財務報告附註26。

認股權證

於結算日，本公司持有48,561,500股（二零零二年：48,561,500股）認股權證。該認股權證給予其持有人在二零零四年二月二十日起至二零零四年三月一日止（包括首尾兩天）期間內任何時間按行使價每股港幣1.23元（可予調整），以現金認購一股本公司每股面值港幣0.10元之普通股。

按現時本公司之資金結構，行使全部認股權證引致發行每股面值港幣0.10元之額外48,561,500股（二零零二年：48,561,500股）股本，未計費用前代價約為港幣59,731,000元（二零零二年：港幣59,731,000元）。

26. 購股權計劃

於年內採納會計實務準則第34號，詳情載於附註2及財務報告附註3「員工福利」一節。據此，有關本公司購股權計劃之披露詳情載於財務報告附註。在過往年度，根據上市規則之規定此等披露資料已載入董事會報告書內。

本公司設有購股權計劃（「本計劃」），藉以向對本集團業務之成績作出貢獻之合資格參與者提供獎勵及回報。本計劃之合資格參與者包括本集團董事及僱員。該計劃於一九九五年三月二十一日起生效，除以其他方式註銷或修訂外，該計劃將自該日起計十年內仍然生效。

26. SHARE OPTION SCHEME (Cont'd)

The maximum number of unexercised share options currently permitted to be granted under the Scheme 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 in the Scheme 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 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.

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

Pursuant to the amendments (the "New Rules") to Chapter 17 of the Listing Rules, any options granted after 1 September 2001 must comply with the provisions of the New Rules. If the Company wishes to grant options to its directors or other eligible participants in future, a new share option scheme in compliance with the New Rules is to be approved and adopted by the shareholders of the Company in a general meeting. The options remaining outstanding under the existing scheme remain valid.

26. 購股權計劃 (續)

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本計劃屆滿日期結束（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於香港聯合交易所有限公司（「聯交所」）所報在緊接發售前五個交易日之平均收市價之80%或本公司股份之面值（以較高者為準）。

購股權持有人並無享有股息或於股東大會投票之權利。

根據上市規則第17章之修訂（「新規則」）之規定，任何於二零零一年九月一日後授出之購股權必須符合新規則之規定。倘本公司欲於日後各其董事或其他合資格參與者授出購股權，符合新規則之購股權計劃必須由本公司之股東於股東大會上批准及採納。根據現行計劃尚未行使之購股權份為有效。

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財務報告附註

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26. SHARE OPTION SCHEME (Cont'd)

The directors propose to terminate the Scheme and adopt a new share option scheme, which will be in line with the changes made to the Listing Rules in relation to share option schemes, at the forthcoming annual general meeting of the Company.

The following share options were outstanding under the Scheme during the year:

Name or category of participant 參與者姓名或類別	Number of share options as at 1 April 2002 and 31 March 2003	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使日期	Exercise price of share options* 購股權行使價* HK\$ 港元
	購股權數目於二零零二年四月一日及二零零三年三月三十一日			
<i>Directors</i> 董事				
Mr. LIANG Jin You 梁金友先生	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	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	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			

* 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. 購股權計劃 (續)

董事提議終止本計劃及於即將舉行之股東週年大會採納一個新購股權計劃乃根據上市規則規定之購股權計劃修訂。

於年內，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。

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26. SHARE OPTION SCHEME (Cont'd)

At the balance sheet date, the Company had 10,908,000 share options outstanding under the Scheme. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 10,908,000 additional ordinary shares of the Company and additional share capital of approximately HK\$1,091,000 and share premium of approximately HK\$2,847,000 (before issue expenses).

26. 購股權計劃 (續)

於結算日，本公司根據該計劃有10,908,000份購股權尚未行使。根據本公司現行之股本結構，悉數行使尚未行使之購股權可導致額外發行10,908,000股本公司之普通股及增加股本約港幣1,091,000元及股份溢價約港幣2,847,000元（未扣除發行費用）。

27. RESERVES

27. 儲備

Group

集團

2003

二零零三年

		Share premium account	Property revaluation reserve	Capital reserve	Expansion funds	Exchange fluctuation reserve	Retained profits	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At beginning of year	於本年初	26,262	26,160	42,516	9,116	(2,488)	73,417	174,983
Disposal of fixed assets	出售固定資產	-	(154)	-	-	-	154	-
Shares repurchased and cancelled (note 25)	股份購回及註銷 (附註25)	(901)	-	-	-	-	-	(901)
Exchange fluctuation reserve released on disposal of a jointly-controlled entity	出售共同控制實體而產生之滙率波動儲備	-	-	-	-	585	-	585
Arising on translation of the financial statements of overseas subsidiaries	換算海外附屬公司之財務報告產生之滙率差異	-	-	-	-	1,202	-	1,202
Net profit for the year	本年度溢利	-	-	-	-	-	1,722	1,722
At 31 March 2003	於二零零三年三月三十一日	25,361	26,006	42,516	9,116	(701)	75,293	177,591

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27. RESERVES (Cont'd)

27. 儲備 (續)

Group 集團

2002
二零零二年

		Share premium account 股份溢價 HK\$'000 港幣千元	Property revaluation reserve 物業重估 儲備 HK\$'000 港幣千元	Capital reserve 資本儲備 HK\$'000 港幣千元	Reserve and enterprise expansion funds 儲備及 企業發展 基金 HK\$'000 港幣千元	Exchange fluctuation reserve 匯率波動 儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At beginning of year	於本年初	26,262	26,160	42,516	8,884	(2,398)	76,455	177,879
Transfer to reserve and enterprise expansion funds	轉撥至儲備及 企業發展基金	-	-	-	232	-	(232)	-
Arising on translation of the financial statements of overseas subsidiaries	換算海外附屬公司之 財務報告產生之 匯率差異	-	-	-	-	(90)	-	(90)
Net loss for the year	本年度虧損	-	-	-	-	-	(2,806)	(2,806)
At 31 March 2002	於二零零二年三月三十一日	<u>26,262</u>	<u>26,160</u>	<u>42,516</u>	<u>9,116</u>	<u>(2,488)</u>	<u>73,417</u>	<u>174,983</u>
Reserves retained by:	儲備保留於:							
Company and subsidiaries	公司及附屬公司	26,262	26,160	42,516	9,116	(1,903)	74,109	176,260
Jointly-controlled entity	共同控制實體	-	-	-	-	(585)	(692)	(1,277)
At 31 March 2002	於二零零二年三月三十一日	<u>26,262</u>	<u>26,160</u>	<u>42,516</u>	<u>9,116</u>	<u>(2,488)</u>	<u>73,417</u>	<u>174,983</u>

Certain amounts of goodwill and negative goodwill arising on the acquisition of subsidiaries in prior years remain eliminated against consolidated retained profits and credited to the capital reserve, respectively, as explained in note 14.

於往年，因購入附屬公司而產生之商譽及負值商譽維持分別與綜合保留溢利作抵銷及計入資本儲備，如解釋於附註14。

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27. RESERVES (Cont'd)

In accordance with PRC regulations, all of the Group's subsidiaries in the PRC are required to transfer part of their profit after tax to the reserve and enterprise expansion funds, which are non-distributable, before profit distributions are made. The amounts of the transfers are subject to the approval of the boards of directors of these companies in accordance with their joint venture agreements and/or articles of association.

Company

公司

		Share premium account 股份溢價 HK\$'000 港幣千元	Contributed surplus 繳入盈餘 HK\$'000 港幣千元	Accumulated losses 累積虧損 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2001	於二零零一年四月一日	26,262	128,013	(18,440)	135,835
Net loss for the year	該年度淨虧損	-	-	(811)	(811)
At 31 March 2002 and 1 April 2002	於二零零二年三月三十一日 及二零零二年四月一日	26,262	128,013	(19,251)	135,024
Shares repurchased and cancelled (note 25)	股份購回及註銷 (附註25)	(901)	-	-	(901)
Net profit for the year	本年度淨溢利	-	-	328	328
At 31 March 2003	於二零零三年三月三十一日	25,361	128,013	(18,923)	134,451

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 (續)

根據中國之有關條例，本集團於中國之附屬公司需轉撥其部份除稅後溢利到儲備及企業發展基金，該儲備在沒有利潤分派前，是不能分派的。所轉撥之金額，需根據其合營協議及／或公司章程由該等公司之董事會批准。

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。

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Prior year adjustments

SSAP 15 (Revised) was adopted during the current year, as detailed in note 2 to the financial statements, which has resulted in a change to the layout of the consolidated cash flow statement. The consolidated cash flow statement is now presented under three headings: cash flows from operating activities, investing activities and financing activities. Previously five headings were used, comprising the three headings listed above, together with cash flows from returns on investments and servicing of finance and from taxes paid. The significant reclassifications resulting from the change in presentation are that taxes paid, interest and dividends received, and interest and dividends paid are now included in cash flows from operating activities. The presentation of the comparative amounts of consolidated cash flow statement for the year ended 31 March 2002 has been changed to accord with the new layout.

Also, the definition of “cash equivalents” under the revised SSAP 15 has been revised from that under the previous SSAP 15, as explained under the heading “Cash and cash equivalents” in note 3 to the financial statements. This has resulted in trust receipt loans no longer qualifying as cash equivalents. The amount of cash equivalents in the consolidated cash flow statement at 31 March 2002 has been adjusted to remove trust receipt loans amounting to HK\$17,718,000, previously included as cash and cash equivalents at that date. The current year’s movement in trust receipt loans is now included in cash flows from financing activities and the comparative cash flow statement has been changed accordingly.

28. 綜合現金流量報表附註

(a) 前年度調整

本集團於本年度採納會計實務準則第15號(經修訂),詳情見財務報告附註2,導致綜合現金流量報表之形式有所更改。綜合現金流量報表現分為經營業務、投資業務及融資業務之現金流量三項呈列。綜合現金流量報表過往規定使用五項呈列,包括上文列出之三項,加上投資回報及融資費用之現金流量,以及已付稅項之現金流量。呈列方式更改所產生之主要重新分類為,已付稅項、已收利息及股息、以付利息及股息現列入經營活動之現金流量。二零零二年比較綜合現金流量報表之呈列方式已作更改,以符合新形式。

此外,根據經修訂會計實務準則第15號界定之「現金等值」之釋義,已由過往之會計實務準則第15號所界定者修訂,詳情見財務報告附註3「現金及現金等值」一節。此項修訂導致信託收據貸款不再符合現金等值之釋義。載於二零零二年三月三十一日之綜合現金流量報表之現金等值金額已調整至不包括過去於該日列帳之港幣17,718,000元之信託收據貸款。本年度之信託收據貸款變動詳情現已歸納為融資業務之現金流量,去年現金流量報表亦已據此作出更改。

Notes to Financial Statements

財務報告附註

31 March 2003 於二零零三年三月三十一日

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

(b) Acquisition of a subsidiary/business

28. 綜合現金流量報表附註 (續)

(b) 收購附屬公司／業務

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
		Notes 附註		
Net assets acquired:	所收購之資產淨值：			
Fixed assets	固定資產	12	3	606
Other receivables	其他應收款項		4	-
			7	606
Goodwill on acquisition	收購時產生之商譽	14	19,993	-
			20,000	606
Satisfied by:	支付方式：			
Cash	現金		20,000	606

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary/business is as follows:

收購附屬公司／業務流出現金及現金等值淨額之分析如下：

			2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Cash consideration paid and payable	已付及應付現金代價		(20,000)	(606)
Cash consideration payable	應付現金代價		2,600	-
Net outflow of cash and cash equivalents in respect of acquisition of a subsidiary/business	於年內收購附屬公司／業務流出現金及現金等值淨額		(17,400)	(606)

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財務報告附註

31 March 2003 於二零零三年三月三十一日

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

(b) Acquisition of a subsidiary/business (Cont'd)

On 16 August 2002, the Group acquired the entire issued capital of Lens from an independent third party. Lens is engaged in the distribution of metals. The purchase consideration for the acquisition was in the form of cash, with HK\$17,400,000 being paid during the year and the remaining balance included in other payables at 31 March 2003.

Since its acquisition, Lens contributed HK\$2,150,000 to the Group's turnover and HK\$594,000 to the consolidated profit after tax and before minority interests for the year ended 31 March 2003.

The business acquired during the year ended 31 March 2002 contributed approximately HK\$17,082,000 to the Group's turnover and approximately HK\$446,000 to the consolidated loss after tax for that year.

28. 綜合現金流量表附註 (續)

(b) 收購附屬公司／業務 (續)

於二零零二年八月十六日，本集團由獨立第三者收購「Lens」之全部股本。Lens主要提供金屬分銷。收購之代價以現金支付，於本年度已支付港幣17,400,000元，餘額包括在於二零零三年三月三十一日之其他應付賬款。

自收購後，於二零零三年三月三十一日止年度，Lens為本集團貢獻約港幣2,150,000元之營業額及約港幣594,000元之未計少數股東權益前除稅後綜合溢利。

截至二零零二年三月三十一日止年度，於本年度內收購之業務，為本集團貢獻約港幣17,082,000元之營業額及約港幣446,000元之除稅後綜合虧損。

29. CONTINGENT LIABILITIES

29. 或然負債

	Group		Company	
	2003	2002	2003	2002
	二零零三年	二零零二年	二零零三年	二零零二年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元
Bills discounted with recourse	-	517	-	-
Guarantees provided for banking facilities and finance leases utilised by certain subsidiaries	-	-	44,143	30,251
	-	517	44,143	30,251

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31 March 2003 於二零零三年三月三十一日

30. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain of its properties (note 12) 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 2003, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年在內)

(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 2003, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年在內)

The Company did not have any operating lease arrangements at the balance sheet date (2002: Nil).

30. 經營租約安排

(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（附註12），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。

於二零零三年三月三十一日，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：

		Group 集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Within one year	一年內	742	969
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年在內)	323	1,150
		<u>1,065</u>	<u>2,119</u>

(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。

於二零零三年三月三十一日，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：

		Group 集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Within one year	一年內	1,267	376
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年在內)	3,154	184
		<u>4,421</u>	<u>560</u>

於結算日，本公司並沒有任何經營租約安排（二零零二年：無）。

31. COMMITMENTS

In addition to the operating lease commitments detailed in note 30 above, the Group had the following commitments at the balance sheet date:

- (a) a contracted commitment of HK\$2,000,000 (2002: Nil) in respect of an investment in a subsidiary in Mainland China.
- (b) contracted commitments of HK\$4,476,000 (2002: HK\$4,318,000) in respect of construction in progress in Mainland China.

The Company had no significant commitments at the balance sheet date (2002: Nil).

32. POST BALANCE SHEET EVENT

Subsequent to balance sheet date, the Company repurchased certain of its own shares through the Stock Exchange as further described in note 25 to the financial statements.

33. 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.

34. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 July 2003.

31. 承擔

除上述附註30之經營租約承擔外，本集團於結算日擁有下列承擔：

- (a) 一項有關位於中國之附屬公司投資為數港幣2,000,000元（二零零二年：無）之合約承擔。
- (b) 本集團擁有一項有關位於中國之在建工程為數港幣4,476,000元（二零零二年：港幣4,318,000元）之資本承擔。

於結算日，本公司並無任何重大之承擔（二零零二年：無）。

32. 結算日後事項

結算日後，本公司於聯交所購回若干本身之股份，如述於財務報告附註25。

33. 比較金額

如解釋於財務報告附註2，由於本年度採用了若干標準會計實務準則，就該等新規定而於財務報告之若干項目及結餘的會計處理及編排已作出修訂。據此，有關比較金額作出修訂以符合本年度的報告方式。

34. 審批財務賬目

本財務報告已於二零零三年七月三十日獲董事會批准。

Five Year Financial Summary

五年財務摘要

As at 31 March 2003 於二零零三年三月三十一日

A summary of the published results, assets and liabilities, and minority interests of the Group for the last five financial years is set out below.

本集團過去五個財政年度之已公布業績、資產及負債及少數股東權益如下：

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元	1999 一九九九年 HK\$'000 港幣千元
TURNOVER	營業額	268,853	272,556	284,222	275,001	259,339
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	經營溢利／(虧損)	2,571	(3,591)	5,092	7,680	(12,677)
Share of profits less losses of:	應佔溢利減虧損於：					
Associates	聯營公司	-	-	-	-	86
Jointly-controlled entities	共同控制實體	(48)	(485)	140	108	(452)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	2,523	(4,076)	5,232	7,788	(13,043)
Tax	稅項	(219)	1,915	96	(2,378)	(2,888)
PROFIT/(LOSS) BEFORE MINORITY INTERESTS	未計少數股東權益 前溢利／(虧損)	2,304	(2,161)	5,328	5,410	(15,931)
Minority interests	少數股東權益	(582)	(645)	(998)	(1,197)	1,056
NET PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS	股東應佔淨溢利／ (虧損)淨值	1,722	(2,806)	4,330	4,213	(14,875)

Five Year Financial Summary

五年財務摘要

As at 31 March 2003 於二零零三年三月三十一日

ASSETS AND LIABILITIES AND MINORITY INTERESTS

資產及負債及少數股東權益

		31 March				
		於三月三十一日				
		2003	2002	2001	2000	1999
		二零零三年	二零零二年	二零零一年	二零零零年	一九九九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
FIXED ASSETS	固定資產	114,892	112,717	102,159	109,432	108,960
INTERESTS IN ASSOCIATES	聯營公司權益	-	-	-	-	196
INTERESTS IN JOINTLY- CONTROLLED ENTITIES	共同控制實體權益	-	527	(80)	2,370	1,446
PATENTS AND TRADEMARKS	專利權及商標	80	162	253	409	774
GOODWILL	商譽	19,412	-	-	-	-
CURRENT ASSETS	流動資產	160,116	148,444	151,034	132,780	134,169
TOTAL ASSETS	總資產	294,500	261,850	253,366	244,991	245,545
CURRENT LIABILITIES	流動負債	69,371	47,244	42,949	39,970	71,375
LONG TERM LIABILITIES	長期負債	16,877	9,163	749	598	2,327
DEFERRED TAX	遞延稅項	-	-	1,771	1,771	1,771
TOTAL LIABILITIES	總負債	86,248	56,407	45,469	42,339	75,473
MINORITY INTERESTS	少數股東權益	6,556	6,179	5,737	5,144	8,545
		201,696	199,264	202,160	197,508	161,527
SHARE CAPITAL AND RESERVES	股本及儲備	201,696	199,264	202,160	197,508	161,527



ARTFIELD GROUP LIMITED

雅域集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)