

Tungda Innovative Lighting Holdings Limited

東大新材料照明控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

New Energy of **LIGHT**



DURALITE

electrodeless induction lamp

 **ANNUAL REPORT**
年報 04/05



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

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

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

香港聯合交易所有限公司（「聯交所」）創業板市場（「創業板」）之特色

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

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

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

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Executive directors

CHU Chien Tung
CHU Chick Kei
CHU Sen Hei

Non-executive director

FUNG Shiu Lun, Anthony

Independent non-executive directors

ZHU Lei Bo
HONG Yong Hwan

Registered office

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

Head office and principal place of business

Room 1007-8, 10th Floor
Harcourt House
39 Gloucester Road
Wanchai
Hong Kong

Company website

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

Company secretary

WONG Yiu Hung (ACMA, CPA (HKICPA))

Qualified accountant

WONG Yiu Hung (ACMA, CPA (HKICPA))

Compliance officer

CHU Chien Tung

Audit committee

HONG Yong Hwan (Chairman)
ZHU Lei Bo

Authorised representatives (for the purpose of the GEM Listing Rules)

CHU Chien Tung
CHU Chick Kei

執行董事

朱展東
朱植杞
朱晨曦

非執行董事

馮兆麟

獨立非執行董事

朱雷波
洪庸皖

註冊辦事處

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

總辦事處兼主要營業地點

香港
灣仔
告士打道39號
夏慤大廈
10樓1007-8室

公司網址

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

公司秘書

黃耀雄 (英國特許管理會計師公會會員，
會計師(香港會計師公會))

合資格會計師

黃耀雄 (英國特許管理會計師公會會員，
會計師(香港會計師公會))

規章主任

朱展東

審核委員會

洪庸皖 (主席)
朱雷波

授權代表(就創業板上市規則而言)

朱展東
朱植杞

Principal bankers

DBS Bank (Hong Kong) Limited
16th Floor
The Center
99 Queen's Road Central
Hong Kong

Nanyang Commercial Bank, Limited
48 Tsun Yip Street
Kwun Tong
Kowloon
Hong Kong

Auditors

TING HO KWAN & CHAN
Certified Public Accountants (Practising)
9th Floor
Tung Ning Building
249-253 Des Voeux Road C.
Hong Kong

Principal share registrar and transfer office

Bank of Butterfield International (Cayman) Limited
Butterfield House
68 Fort Street
P. O. Box 705
George Town
Grand Cayman
Cayman Islands
British West Indies

Hong Kong branch share registrar and transfer office

Standard Registrars Limited
Ground Floor, BEA Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

Sponsor

China Everbright Capital Limited
40th Floor
Far East Finance Centre
16 Harcourt Road
Hong Kong
(Resigned on 30th November, 2004)

主要往來銀行

星展銀行(香港)有限公司
香港
皇后大道中99號
中環中心
16樓

南洋商業銀行有限公司
香港
九龍
觀塘
駿業街48號

核數師

丁何關陳會計師行
執業會計師
香港
德輔道中249-253號
東寧大廈
9樓

股份過戶登記總處

Bank of Butterfield International (Cayman) Limited
Butterfield House
68 Fort Street
P. O. Box 705
George Town
Grand Cayman
Cayman Islands
British West Indies

香港股份過戶登記分處

標準證券登記有限公司
香港
灣仔
告士打道56號
東亞銀行港灣中心地下

保薦人

中國光大融資有限公司
香港
夏慤道16號
遠東金融中心
40樓
(於二零零四年十一月三十日辭任)

Financial Summary 財務概要

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

		2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
RESULTS	業績					
Turnover	營業額	41,890	152,918	258,431	299,896	274,662
Profit before taxation	除稅前溢利	1,998	35,807	61,424	78,780	76,017
Taxation	稅項	(460)	(4,100)	(3,411)	(4,024)	(3,587)
Net profit for the year	年內純利	1,538	31,707	58,013	74,756	72,430
Dividends	股息	–	(10,000)	–	(5,890)	–

At 31st March,
於三月三十一日

		2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	8,645	31,789	134,647	275,146	358,671
Total liabilities	負債總額	(8,829)	(10,266)	(8,960)	(12,388)	(27,250)
Shareholders' funds	股東資金	(184)	21,523	125,687	262,758	331,421

Notes: The results for each of the three years ended 31st March, 2003 have been prepared on a combined basis as if the group structure immediately after the group reorganisation had been in existence since 1st April, 2000.

附註：截至二零零三年三月三十一日止三個年度各年之業績已按合併基準編製，猶如緊隨集團重組後之集團架構自二零零零年四月一日起一直存在。

Chairman's Statement 主席報告

Dear Shareholders and Directors,

On behalf of the board of directors (the "Board"), I am pleased to present the Group's annual report for the year ended 31st March, 2005 to the shareholders.

OPERATING RESULTS

The Group has been steady in terms of research and development, manufacturing, distribution and trading of light source products. Turnover and profit attributable to shareholders amounted to approximately HK\$274.66 million and HK\$72.43 million respectively, representing a respective decrease of 8.41% and 3.11% over last year. Since the Group's embarking on research and development in its core products, among competitors producing the same products, the production cost of the Group has strong competitive advantage.

Whilst market competition in certain lighting product segments has got more intense, with the success of the Group's cost control and unique Tungda brand products, the Group is able to maintain a competitive cost advantage, enjoy a stable gross profit margin and an optimistic development prospect.

BUSINESS REVIEW

Since listing in 2002, the Group has dedicated resources to develop and supply the market with innovative, high quality energy-saving light source products. The Group's commitment in research and development and its strategic cooperation enables the Group to expand its product offerings to cater for the needs of different customers.

During the year 2004/05, the Group has continued to participate in many international lighting fairs which provided invaluable opportunities to promote our products to potential new customers from around the world.

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

The Group has been actively seeking capable distributors in the People's Republic of China (the "PRC") to expand its sales and distribution network.

各位股東及董事：

本人謹代表董事會（「董事會」）向股東欣然提呈本集團截至二零零五年三月三十一日止年度之年報。

經營業績

本集團於光源產品研發、生產製造、銷售及貿易方面一直維持穩健發展。營業額及股東應佔溢利分別約274,660,000港元及72,430,000港元，分別較去年減少8.41%及3.11%。由於本集團致力於研發主力產品，與業務競爭對手生產的同類產品比較，本集團在生產成本上有相當強的競爭優勢。

儘管若干照明產品的市場競爭日趨激烈，憑藉本集團成功控制成本及只此一家的東大品牌產品，本集團得以維持具競爭力的成本優勢，享有穩定的毛利率及樂觀的發展前景。

業務回顧

本集團自二零零二年上市以來，一直積極投入資源開發及向市場供應優質創新的節能光源產品。本集團致力研發工作，加上策略性合作關係，得以擴展產品種類，迎合不同客戶之需要。

本集團於二零零四／零五年度繼續參與多個國際照明展覽會，為我們提供向全球各地潛在新客戶推廣產品之寶貴機會。

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

本集團一直於中華人民共和國（「中國」）積極物色實力雄厚的分銷商，擴展其銷售及分銷網絡。

BUSINESS REVIEW *(Continued)*

In meeting needs of different customers, the Group considers further investment in research and development of high-wattage induction lamps, automobile HID xenon lamps and microivave sulphur lamps in the coming years to enhance the competitiveness and completeness of its product offerings.

PROSPECTS

With the increasing awareness of the “Tungda” brand and the expanded production capacity of its new plant in the PRC, the Group believes that the competitiveness of Tungda’s products has been greatly enhanced. Tungda will continue to investing in research and development so as to supply the market with value-added, innovative high quality energy-saving light source products. We will also dedicate resources to strengthen our distribution network locally and globally, and to market our products effectively through these channels.

ACKNOWLEDGEMENT

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

Chu Chien Tung
Chairman

12th December, 2005

業務回顧 *(續)*

為配合不同客戶需求，本集團考慮於未來數年進一步投資於研究及開發高瓦數無極螢光燈、汽車用高壓氣體放電氙燈及微波硫燈，以提升旗下產品之競爭力及覆蓋產品種類。

業務前景

隨著「東大」品牌知名度日漸提升，加上於中國成立之新廠房擴充產能，本集團相信東大產品之競爭力已經大大提升。東大將繼續投資於研究及開發工作，為市場提供優質創新的增值節能光源產品。我們會積極投入資源加強本地及全球分銷網絡，透過該等途徑有效推廣產品。

致謝

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

主席
朱展東

二零零五年十二月十二日

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW

Operating Results

For the year ended 31st March, 2005, the Group's turnover was approximately HK\$274.66 million, representing a decrease of approximately 8.41% from HK\$299.90 million last year. This decrease in turnover was due to cessation of business with certain customers during the year.

The gross profit margin for the year ended 31st March, 2005 has remained relative stable at 39.59% compared to 38.53% for the same period in 2004 as proportion of house brand products and agency brand products remained relative constant as compared to that of prior year.

Other Operating Income

The major component of other operating income approximately HK\$1.19 million was interest income for the year 2005 as compared to approximately HK\$0.73 million for the same period in 2004. The increase was accounted by the higher cash and bank balance for the Group.

Selling and Administrative Expenses

The selling expenses amounted to approximately HK\$4.06 million for the year ended 31st March, 2005, as compared to approximately HK\$8.19 million for the same period in 2004, which primarily comprised of advertising, exhibition, business promotion and salaries expenses. The amount decreased because of the completion of significant contracted advertisement and promotion expenses since 2002 which do not recur in 2005.

The administrative expenses comprised primarily of directors' and staff remuneration, entertainment, legal and professional fees, and rental expenses. The administrative expenses increased to approximately HK\$29.24 million due to increase in directors' remuneration and legal and professional fees, as compared to approximately HK\$23.30 million in the corresponding period in 2004.

Research and Development Expenses

The research and development expenses amounted to approximately HK\$0.56 million in 2005, as compared to approximately HK\$6.00 million in the corresponding period in the previous year. The research and development expenses in the year 2004 comprised of the cost of research and development programme for products such as low and high wattage induction lamp, microwave sulphur lamp and automobile HID xenon lamp. Such expenses do not recur in 2005.

財務回顧

經營業績

截至二零零五年三月三十一日止年度，本集團營業額約為274,660,000港元，較去年之299,900,000港元減少約8.41%。營業額減少之原因為於年內與若干客戶之業務終止。

截至二零零五年三月三十一日止年度之毛利率為39.59%，與二零零四年同期之38.53%相比，相對維持穩定，此乃由於本身品牌產品與代理品牌產品的比例與去年相比，相對較為穩定。

其他經營收入

二零零五年度之其他經營收入約為1,190,000港元，主要為利息收入，二零零四年同期則約為730,000港元。增幅乃由於本集團現金及銀行結存增加所致。

銷售及行政開支

截至二零零五年三月三十一日止年度之銷售開支約為4,060,000港元，主要包括廣告宣傳、展覽會、業務推廣及薪金開支，而二零零四年同期則約為8,190,000港元。銷售開支下降，乃由於自二零零二年開始之重大已訂約廣告及推廣活動已完成，而於二零零五年再無錄得有關開支。

行政開支主要包括董事及員工薪酬、應酬、法律及專業費用以及租金開支。由於董事薪酬以及法律及專業費用增加，行政開支增至約29,240,000港元，而二零零四年同期則約為23,300,000港元。

研發開支

二零零五年之研發開支約為560,000港元，去年同期則約為6,000,000港元。二零零四年研發開支包括低瓦數及高瓦數無極螢光燈、微波硫燈及汽車用高壓氣體放電氙燈等產品之研發計劃成本，而於二零零五年再無錄得有關開支。

FINANCIAL REVIEW (Continued)

Net Profit

As a result of the factors discussed above, the net profit attributable to shareholders for the year ended 31st March, 2005 decreased by 3.11% to approximately HK\$72.43 million from approximately HK\$74.76 million for the same period in 2004.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31st March, 2005, the Group's shareholders' funds amounted to approximately HK\$331.42 million (2004: HK\$262.76 million). Cash and bank balances was approximately HK\$214.79 million as at 31st March, 2005, compared to HK\$139.49 million as at 31st March, 2004. Increases in cash stemmed primarily from income generated from operations. The Board believes that the Group has adequate funds to support its operations and capital expenditures for future expansion and development.

As respectively at 31st March, 2005 and 31st March, 2004, the Group had no outstanding bank borrowing. The Group's gearing ratio, defined as the Group's total borrowings to the shareholders' funds, was 0.13% (2004: zero).

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

There were neither significant investment held by the Group nor material acquisitions and disposals of subsidiaries and affiliated companies for the years ended 31st March, 2005 and 2004 except as disclosed in note 11 to the accounts of the annual report.

CHARGE ON GROUP ASSET

The Group had no significant charge on assets as at 31st March, 2005.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCE OF FUNDING

Details of the Group's future plans for material investments or capital expenditures and their expected source of funding have been stated in the Company's prospectus dated 19th July, 2002 under the sections headed "Business Objectives and Implementation Plans" and "Use of Proceeds" respectively. Progress of these has been dealt within sections headed "Business Objectives Review". Apart from those disclosed, should there be any other related plan for material investments or capital expenditure, the Group will consider any possible funding options.

財務回顧 (續)

純利

基於上述所討論因素，截至二零零五年三月三十一日止年度之股東應佔純利由二零零四年同期約74,760,000港元減少3.11%至約72,430,000港元。

流動資金、財政資源及資本結構

於二零零五年三月三十一日，本集團之股東資金約達331,420,000港元（二零零四年：262,760,000港元）。於二零零五年三月三十一日，現金及銀行結存約為214,790,000港元，而於二零零四年三月三十一日則為139,490,000港元。現金增幅主要來自經營業務所得收入。董事會相信，本集團具備充裕資金支持其業務營運與未來擴充及發展之資本開支。

於二零零五年三月三十一日及二零零四年三月三十一日，本集團並無未償還銀行借款。本集團之資產負債比率（即本集團借款總額與股東資金之比率）為0.13%（二零零四年：零）。

所持重大投資以及附屬公司及聯屬公司重大收購及出售

除年報內賬目附註11所披露者外，截至二零零五年及二零零四年三月三十一日止年度，本集團概無持有其他重大投資，亦無有關附屬公司及聯屬公司之重大收購及出售。

集團資產抵押

於二零零五年三月三十一日，本集團並無重大資產抵押。

未來重大投資計劃及預期資金來源

有關本集團未來重大投資計劃或資本支出及預期資金來源之詳情，分別載於本公司日期為二零零二年七月十九日之招股章程「業務宗旨及實施計劃」與「所得款項用途」兩節。有關進展載列於「業務目標回顧」一節。除該等章節所披露者外，倘有其他相關重大投資計劃或資本支出，本集團將考慮各種可行的融資計劃。

FOREIGN EXCHANGE EXPOSURE

The Board believes that the exchange rate risks of the Group is minimal because the Group conducts its business transactions principally in Renminbi in the PRC and United States dollars, which was relatively stable during the financial year under review. However, fluctuation of the Renminbi against the Hong Kong dollar would adversely affect the Group's performance when measured in Hong Kong dollar.

CONTINGENT LIABILITIES

The Group and the Company had no contingent liabilities as at both 31st March, 2005 and 2004.

SEGMENTAL INFORMATION

Segmental information of the Group is set out in note 4 to the accounts.

EMPLOYEE INFORMATION

As at 31st March, 2005, the Group had about 211 full time employees. The Group's employees were remunerated according to the nature of their duty and market trend, with discretionary bonus and benefit of retirement scheme, share options and necessary training. Total staff costs for the year amounted to approximately HK\$11.47 million (2004: HK\$8.47 million).

The share option schemes continue to play an important role in the motivation and retention of quality employees.

BUSINESS REVIEW

Overview

The Group achieved a turnover of approximately HK\$274.66 million, representing a decrease of 8.41% over last year, mainly due to cessation of business with certain customers during the year. For the year ended 31st March, 2005, sales of house brand light source products was HK\$135.90 million, accounting for 49.48% of total turnover.

外匯風險

董事會相信，由於本集團主要在中國以人民幣及美元進行業務交易，而有關匯率於回顧財政年度內相對穩定，故本集團之外匯風險輕微。然而，倘人民幣兌港元匯率波動，則會對本集團以港元計算之表現造成不利影響。

或然負債

於二零零五年及二零零四年三月三十一日，本集團及本公司概無任何或然負債。

分類資料

本集團的分類資料列載於賬目附註4。

僱員資料

於二零零五年三月三十一日，本集團聘有約211名全職僱員。本集團僱員薪酬根據彼等之職責性質及市場趨勢釐定，並設有酌情花紅及退休福利計劃以及購股權與所需培訓。年內僱員總成本約為11,470,000港元（二零零四年：8,470,000港元）。

購股權計劃繼續為激勵及留聘優質僱員之重要措施。

業務回顧

概覽

本集團錄得營業額約274,660,000港元，較去年減少8.41%，主要由於年內與若干客戶之業務終止所致。截至二零零五年三月三十一日止年度，本身品牌光源產品之銷售達135,900,000港元，佔總營業額49.48%。

BUSINESS REVIEW (Continued)

Sales & Marketing

For the year ended 31st March, 2005, the Group participated in the following major international lighting exhibitions:

業務回顧 (續)

銷售及市場推廣

截至二零零五年三月三十一日止年度，本集團參與以下大型國際照明展覽會：

Lighting Fair 2005	1st-4th March, 2005 二零零五年三月一日至四日	Tokyo, Japan 日本東京
Hong Kong International Lighting Fair 2004 香港國際燈飾展2004	27th-30th October, 2004 二零零四年十月二十七日至三十日	Hong Kong 香港
Asian Elenex 2004 亞洲國際電力及照明科技展覽會2004	15th-18th June, 2004 二零零四年六月十五日至十八日	Hong Kong 香港
Light + Building 2004	18th-22nd April, 2004 二零零四年四月十八日至二十二日	Frankfurt, Germany 德國法蘭克福
Light Fair 2004	31st March-2nd April, 2004 二零零四年三月三十一日至四月二日	Las Vegas, USA 美國拉斯維加斯

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

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

Being one of the distributors of GE Lighting for its light source products for over eight years, the Group was appointed as the exclusive distributor of GE Lighting for its lighting fixtures in Hong Kong and Macau in January 2004. The appointment enables the Group to expand its product lines to include lighting fixtures.

作為GE Lighting超過八年的光源產品分銷商之一，本集團於二零零四年一月獲GE Lighting委任為港澳兩地之照明燈具獨家分銷商。此項委任致使本集團得以擴展產品系列至涵蓋照明燈具。

As a result of revaluation of Renminbi, profit from business with the major PRC customers of Group continues declining. The management has decided to cease business with these PRC customers during the year under review.

由於人民幣升值，來自與本集團主要中國客戶進行業務之溢利持續下跌。於回顧年內，管理層已決定終止與該等中國客戶之業務。

The Group has offered five years general product guarantee for certain of its products to certain customers. Under the general product guarantee, the Group will, for a period of five years from the date of shipment, replace default products free of charge. In view of the present situation of the Group, customers are hesitating if the Group will be able to honor the guarantee should the product fail to operate. Order from these customers significantly decline in the year following.

本集團就其若干產品，向若干客戶提供五年一般產品保證。根據一般產品保證，自付日期起計五年期間，本集團將免費更換有問題產品。基於本集團現時情況，客戶對本集團能否於有關產品未能運作時，履行有關保證表示懷疑。來自該等客戶之訂單於下一個年度大幅減少。

The management expects that turnover and profit will significantly decline in the coming year.

管理層預期，營業額及溢利將於來年大幅下跌。

BUSINESS REVIEW (Continued)**Research & Development**

Committed to providing high quality energy-saving light source products, the Group has dedicated resources to enhance the offerings of its currently available induction lamps, and to develop HID xenon automobile headlights and microwave sulphur lamps.

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

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

With reference to the Company's announcement on 16th March, 2005, officers of the Commercial Crime Bureau of the Hong Kong Police Force ("CCB") have executed a warrant for search and seizure against the premises of the premises of the Group. Among other documents and records, most accounting documents and accounting records were seized by CCB. The Group encountered difficulties and delay to complete its audited accounts for announcement of annual results.

Resources has been diverted in order to resume the share trading, to handle the CCB event and to complete the audited accounts for announcement of annual results as soon as possible. The Group's business and product development plan is interrupted and deferred.

The Group and the relevant machinery vendors have agreed to extend delivery and/or payment schedule of the microwave sulphur lamp production line contract and the two automobile high intensity discharge ("HID") xenon lamp production line contracts as mentioned in the section "ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT" of this announcement. Such deferral enables the Group to appropriate and restore resources for its best interest.

USE OF PROCEEDS FROM THE LISTING

The net proceeds raised from the listing of the Group on the GEM on 26th July, 2002 and private placing on 18th September, 2003 were approximately HK\$44.3 million and HK\$49.5 million respectively, based on the actual placing price of HK\$0.25 and HK\$0.334 per share respectively.

業務回顧 (續)**研究及發展**

本集團致力提供優質節能光源產品，不單積極投入資源增加現有無極螢光燈產品的類型，更開發汽車用高壓氣體放電氙燈及微波硫燈。

股份暫停買賣及恢復買賣安排以及香港警務處商業罪案調查科人員執行搜令

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

茲提述本公司於二零零五年三月十六日刊發之公佈，香港警務處商業罪案調查科（「商業罪案調查科」）人員執行搜令，搜查及檢取本集團處所範圍。除其他文件及記錄外，大部分會計文件及會計記錄被商業罪案調查科檢取。本集團在完成其經審核賬目以公佈年度業績時，遇到困難及阻延。

為盡快恢復股份買賣、處理商業罪案調查科事件及完成經審核賬目，以便公佈年度業績，本集團分散調撥資源，導致本集團業務及產品開發計劃受阻及遭押後。

誠如本公佈「收購物業、廠房及設備」一節所述，本集團及有關機器供應商已同意押後有關微波硫燈生產線合約及兩份汽車用高壓氣體放電氙燈生產線合約之付運及／或付款時間表。押後時間表可讓本集團按其最佳利益分配及恢復資源。

上市所得款項用途

本集團於二零零二年七月二十六日在創業板上市及於二零零三年九月十八日進行私人配售，分別按每股股份0.25港元及0.334港元之實際配售價計算，所得款項淨額分別約為44,300,000港元及49,500,000港元。

USE OF PROCEEDS FROM THE LISTING (Continued)

On 26th February, 2004, the Company issued and allotted shares to certain employees upon the exercise of share option, and raised the net proceeds approximately HK\$14.9 million from this exercise.

During the period from 26th July, 2002 to 31st March, 2005, the Group had incurred the following amount to achieve the business objectives as set out in the Prospectus:

上市所得款項用途 (續)

於二零零四年二月二十六日，本公司於購股權獲行使後向若干僱員發行及配發股份，行使購股權所得款項淨額約為14,900,000港元。

於二零零二年七月二十六日至二零零五年三月三十一日期間，本集團已動用下列金額，以達致招股章程所載業務目標：

			Total planned use of proceeds stated in the Prospectus and as up to 30th September, 2004 招股章程所載 截至二零零四年 九月三十日之 所得款項 計劃用途總額 HK\$ million 百萬港元	Actual amount used up to 31st March, 2005 截至二零零五年 三月三十一日之 實際動用金額 HK\$ million 百萬港元
		<i>Note 附註</i>		
Research and development	研究及開發		13.0	12.4
Expansion of manufacturing capacity and capability (machinery and equipment)	提升產量及生產力 (機器及設備)	<i>1</i>	18.0	97.23
Expansion of sales and distribution network	擴展銷售及分銷網絡		10.0	10.4
Enhancement of brand recognition and public awareness	提高品牌認受性及公眾知名度	<i>2</i>	10.0	5.4
			51.0	125.43

Note 1: The excess of use of proceeds was attributed by the additional acquisition of plant and machinery and was financed by net proceeds raised from the private placement on 18th September, 2003 and internal funding.

附註1: 動用之所得款項增加乃由於增購廠房及機器所致，以於二零零三年九月十八日進行之私人配售籌集所得款項淨額及內部資金撥付。

Note 2: It was due to the deferral of executing the plan for enhancement of brand recognition and public awareness and allocation of proceeds for expansion of manufacturing capacity and capability.

附註2: 此乃由於押後實行提升品牌認受性及公眾知名度之計劃以及劃撥所得款項提升產量及生產力所致。

ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

At the time of the listing of the Company, the Group intended to expand its manufacturing capacity by setting up additional production lines in Shenzhen. However, to cope with new business development and demand after listing, the Group decided to set up a new plant in Fujian, the PRC. During the year 2004, the Group has entered into three major contracts for the purchases of machineries of adjusted total contracts amount HK\$80,990,000. Deposits HK\$67,105,000 were paid and included in the balance sheet as at 31st March, 2004 in respect of the three contracts.

The Group further entered into a contract in July 2004 of amount approximately HK\$21,493,000 and has paid HK\$7,965,000 as deposit in August 2004 for the contract for the purchases of machineries which are complementary to the previous contract for the automobile HID xenon lamp production line.

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

The machineries for the induction lamp production line contract amount of HK\$21,000,000 have been delivered respectively in April and May 2005 and the contract is completed.

The microwave sulphur lamp production line contract amount of HK\$20,180,000 and of deposit paid amount of HK\$9,880,000 have been delayed and deferred for 21 months pursuant to a supplementary agreement dated on 31st October, 2005 and signed between the parties.

收購物業、廠房及設備

於本公司上市時，本集團計劃透過於深圳加設生產線擴充其產量。然而，為配合上市後之新業務發展及需求，本集團決定於中國福建設立新廠房。於二零零四年，本集團就購置機器訂立三份重大合約，經調整之合約總額為80,990,000港元。就該三份合約已支付訂金67,105,000港元，已計入於二零零四年三月三十一日之資產負債表內。

本集團於二零零四年七月就採購機器進一步訂立金額約21,493,000港元之合約，並已於二零零四年八月支付7,965,000港元按金，該等機器設備與有關汽車用高壓氣體放電氙燈生產線之前一份合約相配合。

本集團將予購置之機器將致令本集團(1)擴充其現有無極螢光燈生產線之生產能力；(2)擴展產品系列至涵蓋微波硫燈（該產品為創新的無汞環保及節能光源產品）；及(3)將產品系列擴展至涵蓋汽車用高壓氣體放電氙燈（一種於歐盟及日本等已發展國家深受歡迎之車頭燈）。該等機器與本公司所刊發日期為二零零二年七月十九日之招股章程「業務宗旨及實施計劃」一節「壯大製造產量及生產力」一節所載內容相關。

涉及21,000,000港元之無極螢光燈生產線合約的機器已分別於二零零五年四月及五月付運，而有關合約已完成。

涉及20,180,000港元並已支付訂金9,880,000港元之微波硫燈生產線合約，已根據訂約各方所簽訂日期為二零零五年十月三十一日之補充協議押後及推遲21個月。

ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

(Continued)

For the automobile high discharge (“HID”) xenon lamp production line contract amount of HK\$39,810,000 (the “first xenon lamp contract”) and of deposit paid in March, 2004 amount of HK\$38,865,000, delivery should be effected within eighteen month commencing from the date of deposit payment according to the terms of the first xenon lamp contract. The Group has signed a supplementary agreement with the machinery vendor to extend the delivery schedule for twelve in order to match with availability of suitable and experienced engineers yet to be recruited by the Group.

For the other automobile high discharge (“HID”) xenon lamp production line contract amount of HK\$21,493,000 (the “complementary xenon lamp contract”) and of first deposit paid amount of HK\$7,965,000 in May 2004, the second deposit payment should be effected on or before 30th September, 2004 and delivery should be effected within eighteen month commencing from the date of the first deposit payment according to the terms of the complementary xenon lamp contract. Neither the second deposit payment nor the delivery has been effected pursuant to machineries delivery extension of the first xenon lamp contract. The Group has signed a supplementary agreement with the machinery vendor to extend the second and following deposit payments for twenty four months and delivery will be affected after eighteen months of the second deposit payment.

PROSPECTS

Given the increasing awareness in environmental protection in the lighting industry, the Group is confident that customers will continue to replace the traditional light source products with the Group’s products owing to longer life hours and higher energy efficiency.

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

The Group has experienced the worst situation since its establishment. The management expects a positive development and prospect in the future.

收購物業、廠房及設備 (續)

涉及39,810,000港元且已於二零零四年三月支付訂金38,865,000港元之汽車用高壓氣體放電氙燈生產線合約(「第一份氙燈合約」)方面,根據第一份氙燈合約條款,須於支付訂金日期起計十八個月內付運。為配合本集團將聘請之富經驗合適工程師之應聘時間,本集團已與該機器供應商簽訂補充協議,押後付運時間表十二個月。

涉及21,493,000港元之其他汽車用高壓氣體放電氙燈生產線合約(「補充氙燈合約」)的第一期訂金7,965,000港元已於二零零四年五月支付,而第二期訂金則須於二零零四年九月三十日或之前支付。根據補充氙燈合約條款,須於支付第一期訂金日期起計十八個月內付運。由於第一份氙燈合約之機器押後付運,故第二期訂金尚未支付,而機器亦尚未付運。本集團已與該機器供應商簽訂補充協議,以押後第二期及其後訂金付款二十四個月,而機器將於支付第二期訂金起計十八個月後付運。

展望

隨著照明業日漸關注環境保護,本集團有信心,客戶將繼續使用本集團壽命較長且具更高能源效益之產品,取代傳統光源產品。

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

本集團自其成立以來之最壞情況已過去,管理層預期未來發展前景樂觀。

Business Objectives Review 業務目標回顧

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as stated in the Prospectus dated 19th July, 2002 with the Group's actual business progress up to 31st March, 2005.

業務目標與實際業務進展比較

日期為二零零二年七月十九日之招股章程所載業務目標與本集團截至二零零五年三月三十一日之實際業務進展比較分析。

26th July, 2002 (date of listing) to 30th September, 2002

二零零二年七月二十六日(上市日期)至二零零二年九月三十日

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and marketing 銷售及市場推廣	<p>Establish representative offices in Shanghai, Tianjin, Beijing, Chongqin and Guangzhou in the PRC 於中國上海、天津、北京、重慶及廣州設立代表辦事處</p> <p>Appoint PRC distribution agents 委聘多名中國分銷代理</p> <p>Seek suitable overseas distribution agents 物色合適的海外分銷代理</p> <p>Visit and conduct market research in Paris, Singapore, Tokyo and Kuala Lumpur for preparation of setting up representative offices 到訪巴黎、新加坡、東京及吉隆坡等地，並進行市場調查，籌辦代表辦事處</p> <p>Participate in international and domestic lighting exhibitions 參與國際及本地照明展覽會</p>	<p>Established representative offices in Shanghai. We have not found appropriate offices in Tianjin, Beijing, Chongqing and Guangzhou 已於上海設立代表辦事處，但尚未於天津、北京、重慶及廣州等地覓得合適地點設立辦事處</p> <p>Appointed a PRC distribution agent 已委聘一名中國分銷代理</p> <p>Continue to seek suitable overseas distribution agents 繼續物色合適的海外分銷代理</p> <p>Visited Singapore and Kuala Lumpur for seeking suitable partners. We will start to visit and conduct market research in Taipei and Seoul next year 已到訪新加坡及吉隆坡，物色合適的夥伴，將於明年開始到訪台北及首爾，並進行市場調查</p> <p>Promoted the products in domestic lighting exhibitions. International lighting exhibitions was launched in alternate year 已在本地照明展覽會中推廣產品，國際照明展覽會隔年舉行</p>

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 *(續)*

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and Marketing <i>(Continued)</i> 銷售及市場推廣 <i>(續)</i>	Consistently promote the Group's products via advertising in professional magazines, sponsoring activities and product trial to end users 不斷透過在專業雜誌刊登廣告、贊助活動及給予最終用戶產品試用裝，以促銷本集團產品	Advertising and promotion activities and product trial to end users 已刊登廣告及進行宣傳活動，並向最終用戶派發產品試用裝
Expansion of manufacturing capacity and capability 提升產量及生產力	Finalise the development plan on setting up new production lines in Shenzhen 落實於深圳增設新生產線的發展計劃	The Group had rented additional premises which is used as additional office and production factory in Shenzhen 本集團已於深圳另行租用物業，作為新設辦公室及生產廠房
	Enter into rental agreement of the plant area 就廠房訂立租約	As above 如上文所述
	Order the required equipment from vendors 向供應商訂購所需設備	Preparing to order the equipments in the second half year 準備於下半年度訂購有關設備
Research and development 研發	Continue with the development of low-wattage induction lamps for residential use; high-wattage induction lamps for industrial and outdoor use; ceramic metal halide lamps and xenon lamp for automobile 繼續開發供住宅用低瓦數無極螢光燈、工業及戶外用高瓦數無極螢光燈、陶瓷金鹵燈及汽車用氙燈	All development have been carried out as planned 全部開發工作如期進行

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*
業務目標與實際業務進展比較 (續)

1st October, 2002 to 31st March, 2003

二零零二年十月一日至二零零三年三月三十一日

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and marketing 銷售及市場推廣	Continue to appoint PRC distribution agents 繼續委聘多名中國分銷代理	Continue to seek suitable PRC & overseas distribution agents 繼續物色合適的中國及海外分銷代理
	Appoint suitable overseas distribution agents 委聘合適的海外分銷代理	Continue to seek suitable overseas distribution agents 繼續物色合適的海外分銷代理
	Establish representative offices in Paris, Singapore, Tokyo and Kuala Lumpur 於巴黎、新加坡、東京及吉隆坡等地設立代表辦事處	Continue to seek appropriate offices in Paris, Singapore, Tokyo and Kuala Lumpur 於巴黎、新加坡、東京及吉隆坡等地繼續物色合適地點設立辦事處
	Visit and conduct market research in Taipei and Seoul for preparation of setting up representative offices 到訪台北及首爾，並進行市場調查，以籌辦代表辦事處	We will start to visit and conduct market research in Taipei and Seoul next year. We have visited Singapore and Kuala Lumpur for seeking suitable partners and promote the Group's products 將於明年開始到訪台北及首爾，並進行市場調查。已到訪新加坡及吉隆坡，物色合適的夥伴及推廣宣傳本集團產品
	Participate in international and domestic lighting exhibitions 參與國際及本地照明展覽會	Promoted products in domestic lighting exhibitions. International lighting exhibitions was launched in alternate year 已在本地照明展覽會中推廣產品，國際照明展覽會隔年舉行

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 *(續)*

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and Marketing <i>(Continued)</i> 銷售及市場推廣 <i>(續)</i>	<p>Consistently promote the Group's products via advertising in professional magazines, sponsoring activities and product trial to end users</p> <p>不斷透過在專業雜誌刊登廣告、贊助活動及給予最終用戶產品試用裝，以促銷本集團產品</p> <p>Support the development of education in light source related disciplines and for public awareness on energy-saving light products</p> <p>支持有關光源規格的教育及提高公眾對節能照明產品的關注</p>	<p>Advertising and promotion activities and product trial to end users</p> <p>已刊登廣告及進行宣傳活動，並向最終用戶派發產品試用裝</p> <p>Supported education in light source for publishing a professional magazine in light source</p> <p>出版有關光源產品的專業雜誌，以支持有關光源教育</p>
Expansion of manufacturing capacity and capability 提升產量及生產力	<p>Commence rental of the new plant area</p> <p>開始租用新廠房</p>	<p>The Group had set up a PRC subsidiary in Fujian Province which will engage in the business of manufacturing and trading of lighting products in the PRC in next financial year. The Group had started the plant construction in January 2003 and had been completed plant construction at the end of March 2003. The directors considered that the set up of this Fujian subsidiary is beneficial to the Company as a whole as the Group can cope with future expansion and enjoy tax savings incentive</p> <p>本集團已於福建省成立中國附屬公司，該附屬公司將於下一個財政年度在中國從事照明產品製造及貿易業務，本集團於二零零三年一月著手興建廠房，並於二零零三年三月底完成建築工程。董事認為，成立福建附屬公司可配合日後業務擴充及享有稅務減免之優惠，故對本公司整體而言有利</p>

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Expansion of manufacturing capacity and capability <i>(Continued)</i> 提升產量及生產力 (續)	Install all required equipment and auxiliary facilities 安裝一切所需設備及附屬設施	Preparing to install new equipments in Fujian subsidiary 準備在福建附屬公司安裝新設備
	Employ additional labour force 增聘員工	Preparing to employ labour in Fujian subsidiary 準備為福建附屬公司聘請員工
	Commence production with new facilities 開始以新設施生產	Expected to commence production in May 2003 預期於二零零三年五月投產
Research and development 研發	Continue with the development of low-wattage induction lamps for residential use, high-wattage induction lamps for industrial and outdoor use, ceramic metal halide lamps, xenon lamp for automobile and microwave sulphur lamps 繼續開發供住宅用低瓦數無極螢光燈、工業及戶外用高瓦數無極螢光燈、陶瓷金鹵燈、汽車用氙燈及微波硫燈	All development have been carried out as planned 全部開發工作如期進行

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

1st April, 2003 to 30th September, 2003

二零零三年四月一日至二零零三年九月三十日

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and marketing 銷售及市場推廣	Establishment and expansion of sales and distribution network in the PRC and the overseas markets 建立及擴展中國及海外市場的銷售及分銷網絡	<p>The Group has appointed a distribution agent in the USA and continued to seek agents in PRC. Also the Group has established a representative office in Shanghai and decided to postpone the establishment of other overseas office.</p> <p>本集團已在美國委聘分銷代理，並繼續在中國物色代理。本集團亦已於上海設立代表辦事處，並決定暫時擱置成立其他海外辦事處。</p>
	Enhancement of brand recognition and to promote its public awareness 提升品牌形象及公眾知名度	<p>The Group spent advertising and business promotion expenses of approximately HK\$3.8 million to promote its product and participated in domestic and international lighting exhibitions.</p> <p>本集團已動用廣告及業務推廣開支約3,800,000港元以推廣其產品，並參與本地及國際照明展覽會。</p>
Launching of new products 推出新產品	Launching low-wattage induction lamps for residential use, high-wattage induction lamps for industrial and outdoor use, and ceramic metal halide lamps 推出住宅用低瓦數無極螢光燈、工業及戶外用高瓦數無極螢光燈及陶瓷金鹵燈	<p>The products are undergoing the development stage. Delay was due to extra time involved in research and development.</p> <p>新產品正處於開發階段。由於研究及開發工作需要額外時間，故出現延誤。</p>

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Research and development 研發	<p>Development and enhancement of new light source technologies products 開發及提升嶄新光源技術產品</p> <p>Strengthening of research and development 加強研發工作</p>	<p>The Group is working closely with Fudan University in development of new products as stated planned in the Prospectus. 本集團現正如招股章程所計劃，與復旦大學緊密合作，開發新產品。</p> <p>The Group spent research and development expenses of approximately HK\$8.2 million on new products including low-wattage induction lamps, ceramic metal halide lamps and xenon lamps for automobile. 本集團已就新產品（包括低瓦數無極螢光燈、陶瓷金鹵燈及汽車用氙燈）動用研發開支約8,200,000港元。</p>

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

1st October, 2003 to 31st March, 2004

二零零三年十月一日至二零零四年三月三十一日

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and marketing 銷售及市場推廣	Launching of new products of low-wattage and high-wattage induction lamps, xenon lamps for automobile and microwave sulphur lamps 推出低瓦數及高瓦數無極螢光燈、汽車用氙燈及微波硫燈等新產品	Development and testing of low-wattage and high-wattage induction lamps are finished. These products are ready for market launching. Other products are currently in the final process of development and testing. Delay was due to the extra time involved in the development stage. 已完成開發及測試低瓦數及高瓦數無極螢光燈之工作，新產品可隨時面市。其他產品現於最後開發及測試階段，由於開發階段需要額外時間，故出現延誤。
	Continue to appoint PRC distribution agents 繼續委聘多名中國分銷代理	The Group continued to seek suitable distribution agents in the PRC. 本集團繼續物色合適的中國分銷代理。
	Continue to appoint suitable overseas distribution agents 繼續委聘合適的海外分銷代理	The Group appointed new distribution agent in Canada, and will continue to seek suitable distribution agents in other overseas markets. 本集團於加拿大委聘新分銷代理，並將於其他海外市場繼續物色合適的分銷代理。
	Participate in international and domestic lighting exhibitions 參與國際及本地照明展覽會	The Group participated in the International Lighting Exhibition held in Hong Kong in October 2003. The Group also participated in international lighting exhibitions held in Las Vegas and Frankfurt in April 2004. 本集團於二零零三年十月參與在香港舉行之國際照明展覽會，亦於二零零四年四月參與在拉斯維加斯及法蘭克福舉行之國際照明展覽會。

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
	<p>Consistently promote the Group's products via advertising in professional magazines, sponsoring activities and product trial to end users 不斷透過在專業雜誌刊登廣告、贊助活動及給予最終用戶產品試用裝，以促銷本集團產品</p> <p>Coordinate with professional associations and institutes in the light source professional for organizing market seminars and forums 與光源專業組織及機構合作，籌辦市場研討會及座談會</p>	<p>The Group promoted products through advertisement in trade journals and international lighting magazines and will continue to seek suitable platforms to promote the Group's products. 本集團於貿易雜誌及國際照明雜誌刊登廣告推廣產品，並會繼續物色合適的平台，以促銷本集團產品。</p> <p>The Group continued to seek suitable market seminars and forums to participate. 本集團繼續物色及參與合適的市場研討會及座談會。</p>
Research and development 研發	<p>Finalise the development of xenon lamps of automobile 落實開發汽車用氙燈</p> <p>Finalise the development of microwave sulphur lamps 落實開發微波硫燈</p>	<p>The Group is at the final development for the products. 本集團踏入開發該等產品之最後階段。</p> <p>As above 如上文所述</p>

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

1st April, 2004 to 30th September, 2004

二零零四年四月一日至二零零四年九月三十日

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and marketing 銷售及市場推廣	Launching of new products of low-wattage and high-wattage induction lamps, xenon lamps for automobile and microwave sulphur lamps 推出低瓦數及高瓦數無極螢光燈、汽車用氙燈及微波硫燈等新產品	Development and testing of low-wattage and high-wattage induction lamps are finished. These products are ready for market launching. Other products are currently in the final process of development and testing. Delay was due to the extra time involved in the development stage. 已完成開發及測試低瓦數及高瓦數無極螢光燈之工作，新產品可隨時面市。其他產品現於最後開發及測試階段，由於開發階段需要額外時間，故出現延誤。
	Continue to appoint PRC distribution agents 繼續委聘多名中國分銷代理	The Group continued to seek suitable distribution agents in the PRC. 本集團繼續物色合適的中國分銷代理。
	Continue to appoint suitable overseas distribution agents 繼續委聘合適的海外分銷代理	The Group will continue to seek suitable overseas distribution agents. 本集團將繼續物色合適的海外分銷代理。
	Participate in international and domestic lighting exhibitions 參與國際及本地照明展覽會	The Group participated in the International Lighting Exhibitions held in Hong Kong, Las Vegas and Frankfurt. 本集團參與在香港、拉斯維加斯及法蘭克福舉行之國際照明展覽會。

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
	<p>Consistently promote the Group's products via advertising in professional magazines, sponsoring activities and product trial to end users 不斷透過在專業雜誌刊登廣告、贊助活動及給予最終用戶產品試用裝，以促銷本集團產品</p>	<p>The Group promoted products through advertisement in trade journals and international lighting magazines and will continue to seek suitable platforms to promote the Group's products. 本集團於貿易雜誌及國際照明雜誌刊登廣告推廣產品，並會繼續物色合適的平台，以促銷本集團產品。</p>
	<p>Coordinate with professional associations and institutes in the light source professional for organizing market seminars and forums 與光源專業組織及機構合作，籌辦市場研討會及座談會</p>	<p>The Group continued to seek suitable market seminars and forums to participate. 本集團繼續物色及參與合適的市場研討會及座談會。</p>
Research and development 研發	<p>Continue to evaluate the features and performance of the Group's products 繼續評估本集團產品功能及表現</p>	<p>The Group continued to invest in research and development and to enhance features and performance of its products. 本集團繼續投資於研發工作，並提升其產品功能及表現。</p>

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

1st October, 2004 to 31st March, 2005

二零零四年十月一日至二零零五年三月三十一日

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
Sales and marketing 銷售及市場推廣	Launching of new products of low-wattage and high-wattage induction lamps, xenon lamps for automobile and microwave sulphur lamps 推出低瓦數及高瓦數無極螢光燈、汽車用氙燈及微波硫燈等新產品	Development and testing of low-wattage and high-wattage induction lamps are finished. These products are ready for market launching. Other products are currently in the final process of development and testing. Delay was due to the extra time involved in the development stage. 已完成開發及測試低瓦數及高瓦數無極螢光燈之工作，新產品可隨時面市。其他產品現於最後開發及測試階段，由於開發階段需要額外時間，故出現延誤。
	Continue to appoint PRC distribution agents 繼續委聘多名中國分銷代理	The Group continued to seek suitable distribution agents in the PRC. 本集團繼續物色合適的中國分銷代理。
	Continue to appoint suitable overseas distribution agents 繼續委聘合適的海外分銷代理	The Group will continue to seek suitable overseas distribution agents. 本集團將繼續物色合適的海外分銷代理。
	Participate in international and domestic lighting exhibitions 參與國際及本地照明展覽會	The Group participated in the International Lighting Exhibitions held in Hong Kong and Tokyo. 本集團參與在香港及東京舉行之國際照明展覽會。

**COMPARISON OF BUSINESS OBJECTIVES WITH
ACTUAL BUSINESS PROGRESS** *(Continued)*

業務目標與實際業務進展比較 (續)

	Expected Business Progress 預期業務進展	Actual Business Progress 實際業務進展
	<p>Consistently promote the Group's products via advertising in professional magazines, sponsoring activities and product trial to end users</p> <p>不斷透過在專業雜誌刊登廣告、贊助活動及給予最終用戶產品試用裝，以促銷本集團產品</p>	<p>The Group completed products promotion programme and will continue to seek suitable platforms to promote the Group's products.</p> <p>本集團完成產品推廣計劃，並會繼續物色合適的平台，以促銷本集團產品。</p>
	<p>Coordinate with professional associations and institutes in the light source professional for organizing market seminars and forums</p> <p>與光源專業組織及機構合作，籌辦市場研討會及座談會</p>	<p>The Group continued to seek suitable market seminars and forums to participate.</p> <p>本集團繼續物色及參與合適的市場研討會及座談會。</p>
Research and development 研發	<p>Continue to evaluate the features and performance of the Group's products</p> <p>繼續評估本集團產品功能及表現</p>	<p>The Group continued to invest in research and development and to enhance features and performance of its products.</p> <p>本集團繼續投資於研發工作，並提升其產品功能及表現。</p>

Profiles of Directors and Senior Management 董事及高級管理層資料

DIRECTORS

Executive Directors

Mr. CHU Chien Tung, aged 52, is the chairman and the chief executive officer of the Company. He is a member of Political Consultative Conference of Henan Province, Vice-Chairman of Putian Overseas Chinese Association. He was awarded “The Outstanding Entrepreneur” in Fujian Xianyou County. He was appointed as a director of the Company on 19th December, 2001. He is currently a part-time professor of the Faculty of Light Sources and Illuminating Engineering in Fudan University. Since the establishment of Tungda Industrial Limited in 1984, Mr. Chu has participated in manufacturing, trading and sales of lighting sources products. Mr. Chu is the founder of Tungda Industrial Limited in 1984.

Mr. CHU Chick Kei, aged 47, is the vice chairman and deputy chief executive officer of the Company. He was appointed as a director of the Company on 19th December, 2001. He joined Tungda Industrial Limited in August 1986 and has been engaged in manufacturing, trading, sales, management and administration. He is the brother of Mr. Chu Chien Tung.

Mr. CHU Sen Hei, aged 25, is a director and the son of Mr. Chu Chien Tung. He was appointed as a director of the Company on 10th April, 2002. He joined Tungda Industrial Limited in April 2000 and is responsible for technical development of lighting sources, sales for overseas market and administration.

Non-Executive Director

Dr. FUNG Shiu Lun, Anthony, aged 44, is a non-executive director of the Company. He was appointed as a director of the Company on 1st June, 2004. Dr. Fung graduated from Massachusetts Institute of Technology with dual Bachelor of Science degrees in Chemical Engineering and Chemistry, and a Master degree in Chemical Engineering Practice. He also holds a Master degree in Business Administration from The Wharton Business School of University of Pennsylvania and a Doctoral in Philosophy degree in Chemical Engineering from the University of Delaware of the United States (“US”).

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

董事

執行董事

朱展東先生，52歲，本公司主席兼行政總裁、河南省政協委員、莆田市僑聯副主席，在福建仙游縣曾被評為優秀企業家，於二零零一年十二月十九日獲委任為本公司董事。朱先生現為復旦大學光源與照明工程系兼職教授。自東大工業（集團）有限公司於一九八四年成立以來，朱先生一直參與光源產品製造、貿易及銷售工作。朱先生於一九八四年創辦東大工業（集團）有限公司。

朱植杞先生，47歲，本公司副主席兼副行政總裁，於二零零一年十二月十九日獲委任為本公司董事。彼於一九八六年八月加入東大工業（集團）有限公司，參與製造、貿易、銷售、管理及行政等範疇業務。彼為朱展東先生之胞弟。

朱晨曦先生，25歲，董事，為朱展東先生的兒子，於二零零二年四月十日獲委任為本公司董事。彼於二零零零年四月加入東大工業（集團）有限公司，負責光源技術發展、海外市場銷售及行政事宜。

非執行董事

馮兆麟博士，44歲，本公司非執行董事，於二零零四年六月一日獲委任為本公司董事。馮博士畢業於麻省理工學院，先後獲得化學工程和化學理學士雙學位，以及化學工程碩士學位。其後，彼在賓夕法尼亞州大學沃頓商學院(Wharton Business School)取得工商管理碩士學位，並在美國達拉華州大學取得化學工程博士學位。

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

DIRECTORS (Continued)**Independent non-executive Directors**

Mr. ZHU Lei Bo, aged 42, is an independent non-executive director of the Company. He was appointed as a director of the Company on 30th September, 2003. Mr. Zhu graduated from Shanghai Institute of Building Materials, Renmin University of China and Tongji University in the People's Republic of China ("PRC"). He is also a deputy director of Glass Sub-committee of The Chinese Ceramic Society and fellow of Coating Sub-committee of China Architectural and Industrial Glass Association. Mr. Zhu is currently the General Manager of China Luoyang Float Glass Group Company Limited, a company established in the PRC and has extensive experience in production, coordination and technology management.

Mr. HONG Yong Hwan, aged 47, is an independent non-executive director of the Company. He was appointed as a director of the Company on 18th September, 2003. Mr. Hong graduated from National Taiwan Normal University and Korea University. He was presently an executive director of a retailing and trading firm in the People's Republic of China.

SENIOR MANAGEMENT

Mr. WANG Zhimin, aged 41, is the senior engineer of the Company. He graduated from Jiangxi University in 1989 with a bachelor's degree in applied electronics. Prior to joining the Group in January 1999, he was a chief technical officer of Shenzhen Guilin Industry Co., Ltd, a lighting manufacturer based in Shenzhen, the PRC.

Mr. ZHU Qing Chun, aged 37, is the deputy general manager of Light Power. He graduated from Xiamen University in 1990 with a bachelor's degree in Economics. Prior to joining the Group in June 2000, he was a deputy general manager of Shanghai Chientung Industrial Limited, a trading company based in Shanghai, the PRC.

QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

Mr. WONG Yiu Hung, aged 49, is the Qualified Accountant and Company Secretary of the Group. Mr. Wong joined the Group in June 2004 and is responsible for accounting and company secretarial functions of the Group. He has over 15 years of experience in auditing, accounting and financial management. He is a member of the Chartered Institute of Management Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Wong holds a Bachelor's degree in Social Science from the Chinese University of Hong Kong.

董事 (續)**獨立非執行董事**

朱雷波先生，42歲，本公司獨立非執行董事，於二零零三年九月三十日獲委任為本公司董事。朱先生畢業於中華人民共和國（「中國」）上海建材學院、中國人民大學及上海同濟大學。彼亦為中國硅酸鹽學會玻璃專業委員會副理事長及中國建築玻璃與工業玻璃協會鍍膜專業委員會主任委員。彼現為於中國成立之中國洛陽浮法玻璃集團有限責任公司總經理，於生產、統籌及技術管理方面擁有廣泛經驗。

洪庸皖先生，47歲，本公司獨立非執行董事，於二零零三年九月十八日獲委任為本公司董事。洪先生畢業於國立台灣師範大學及高麗大學，現於中華人民共和國一家零售及貿易公司出任執行董事。

高級管理層

王智敏先生，41歲，本公司高級工程師。彼於一九八九年畢業於江西大學，持有應用電子學學士學位。彼於一九九九年一月加入本集團前，為中國深圳照明製造廠商深圳槐林實業有限公司技術總監。

朱慶椿先生，37歲，為光之力副總經理。彼於一九九零年在廈門大學畢業，取得經濟學學士學位。彼於二零零零年六月加入本集團前，為中國上海貿易公司上海展東實業有限公司副總經理。

合資格會計師兼公司秘書

黃耀雄先生，49歲，本集團合資格會計師兼公司秘書。黃先生於二零零四年六月加入本集團，負責本集團會計及公司秘書工作。彼於核數、會計及財務管理方面擁有逾15年經驗。彼為英國特許管理會計師公會及香港會計師公會會員，持有香港中文大學社會科學學士學位。

Report of the Directors 董事會報告

The directors present their annual report and the audited accounts of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31st March, 2005.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 11 to the accounts.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2005 are set out in the consolidated profit and loss account on page 43 of the annual report.

The directors do not recommend the payment of any dividend in respect of the year ended 31st March, 2005.

FINANCIAL SUMMARY

A summary of the results of the Group for each of the five years ended 31st March, 2005 is set out on page 4 of the annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the Group’s property, plant and equipment are set out in note 10 to the accounts.

SHARE CAPITAL

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

There was no movement in the Company’s authorised or issued share capital during the year. Further details in relation to the authorised and issued share capital of the Company are set out in note 17 to the accounts.

董事提呈本公司及其附屬公司（統稱「本集團」）截至二零零五年三月三十一日止年度之年度報告及經審核賬目。

主要業務

本公司為投資控股公司，其附屬公司之主要業務載於賬目附註11。

業績及分配

本集團截至二零零五年三月三十一日止年度之業績載於年報第43頁之綜合損益表內。

董事不建議就截至二零零五年三月三十一日止年度派付任何股息。

財務概要

本集團截至二零零五年三月三十一日止五個年度各年之業績概要載於年報第4頁。

物業、廠房及設備

本集團年內之物業、廠房及設備變動詳情載於賬目附註10。

股本

年內，本公司或其任何附屬公司均無購買、出售或贖回任何本公司上市證券。

年內，本公司法定或已發行股本概無任何變動。有關本公司已發行法定股本之進一步詳情載於賬目附註17。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive Directors:

Mr. Chu Chien Tung
(Chairman)
Mr. Chu Chick Kei
Mr. Chu Sen Hei
Ms. Chow Sau Fong, Fiona (resigned on 15th February, 2005)

Non-executive Directors:

Dr. Fung Shiu Lun, Anthony (appointed on 1st June, 2004)
Ms. Chang Wai Ling, Lily (resigned on 1st June, 2004)

Independent non-executive Directors:

Mr. Hong Yong Hwan
Mr. Zhu Lei Bo
Ms. Wu King Yin (appointed on 1st June, 2004 and
resigned on 23rd November, 2004)
Mr. Wong Tik Tung (appointed on 9th December, 2004
and resigned on 24th March, 2005)

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

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

1. each service contract of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei is of two years duration commenced on 1st August, 2004 until terminated by either party giving to the other not less than three months' prior written notice or payment of salary in lieu thereof, such notice to expire upon the initial term of two years;
2. each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei is entitled to a monthly salary plus a double pay equivalent to one month's salary;

董事及董事服務合約

本公司年內及截至本報告日期之董事如下：

執行董事：

朱展東先生
(主席)
朱植杞先生
朱晨曦先生
鄒秀芳女士 (於二零零五年二月十五日辭任)

非執行董事：

馮兆麟博士 (於二零零四年六月一日獲委任)
鄭惠玲女士 (於二零零四年六月一日辭任)

獨立非執行董事：

洪庸皖先生
朱雷波先生
胡景妍女士 (於二零零四年六月一日
獲委任及後於二零零四年
十一月二十三日辭任)
汪滌東先生 (於二零零四年十二月九日
獲委任及後於二零零五年
三月二十四日辭任)

根據本公司之公司組織章程細則第86及87條，朱植杞先生、朱晨曦先生及馮兆麟博士須於應屆股東週年大會輪值告退，並符合資格且願意膺選連任。

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

1. 朱展東先生、朱植杞先生及朱晨曦先生各自之服務合約於二零零四年八月一日開始，為期兩年，直至其中一方向對方發出不少於三個月之事先書面通知或以支付酬金代替為止，而該通知於初步兩年期後屆滿；
2. 朱展東先生、朱植杞先生及朱晨曦先生各自有權獲取月薪，另加相當於一個月薪金之雙糧；

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

(Continued)

3. each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei is entitled to such management bonus by reference to the consolidated net profits of the Group after taxation and extraordinary items ("Net Profits") as the board of directors may approve provided that the aggregate amount of management bonuses payable to all executive directors in respect of any financial year of the Group shall not exceed 20% of the Net Profits for the relevant financial year; and
4. each of Messrs. Chu Chien Tung, Chu Chick Kei and Chu Sen Hei shall abstain from voting and not be counted in the quorum in respect of any resolution of the board of directors regarding the amount of annual salary and management bonus payable to himself/herself.

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

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

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

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

董事及董事服務合約 (續)

3. 朱展東先生、朱植杞先生及朱晨曦先生均有權收取管理花紅，該花紅乃參考董事會可能批准之本集團除稅及非經常項目後之綜合純利（「純利」）計算，惟本集團於任何財政年度應付予全體執行董事之管理花紅總額，不得超過有關財政年度純利20%；及
4. 朱展東先生、朱植杞先生及朱晨曦先生，均須放棄就應付予彼等之年薪及管理花紅數額的任何董事會決議案投票，且不得計入法定人數內。

馮兆麟博士已與本公司訂立服務合約。合約詳情載列如下：

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

除上文披露者外，概無獨立非執行董事及非執行董事與本集團訂有任何服務合約。

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

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31st March, 2005, the interests of the directors and the chief executives of the Company and their associates in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the Rules Governing the Listing of Securities on Growth Enterprise Market of the Stock Exchange ("GEM Listing Rules") relating to securities transactions by directors, were as follows:

Long positions

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

Name of director
董事姓名

Capacity
身分

Mr. Chu Chien Tung
朱展東先生

Held by controlled corporation (Note)
由受控法團持有(附註)

Note:

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

董事於股份及相關股份之權益及淡倉

於二零零五年三月三十一日，本公司董事及行政總裁及彼等之聯繫人士，於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及香港聯合交易所有限公司（「聯交所」）之權益（包括根據證券及期貨條例有關條文彼等被視作或當作擁有之權益或淡倉），及須記錄於本公司根據證券及期貨條例第352條存置之登記冊之權益，或根據聯交所創業板證券上市規則（「創業板上市規則」）第5.46條有關董事進行證券交易之規定已知會本公司及聯交所之權益如下：

好倉

- (a) 本公司每股面值0.01港元之普通股及相關股份

Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
---	--

560,000,000

50.7%

附註：

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

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

(b) Share options

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

Other than as disclosed above, none of the directors and chief executives of the Company and their associates has any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 31st March, 2005.

SHARE OPTIONS

Pursuant to the Company's share option scheme adopted on 12th July, 2002, the board of directors may grant share options to any directors, full time and part time employees of the Group and the consultant or adviser of the Group. Details of the Company's share option scheme are set out in note 18 to the accounts.

No share option is granted or exercised during the year.

董事於股份及相關股份之權益及淡倉 (續)

(b) 購股權

除上文披露者外，於二零零五年三月三十一日，本公司董事及行政總裁及彼等之聯繫人士概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

購股權

根據本公司於二零零二年七月十二日採納之購股權計劃，董事會可向本集團任何董事、全職及兼職僱員以及本集團諮詢顧問或顧問授出購股權。本公司購股權計劃詳情載於賬目附註18。

年內並無任何購股權獲授出或獲行使。

SHARE OPTIONS (Continued)

A summary of the movements in the Company's share options during the year is as follows:

購股權 (續)

本公司購股權於年內之變動概述如下：

					Number of share options 購股權數目			
			Exercise price at the date of grant 每股股份 行使價 HK\$ 港元	Closing price at the date of grant 於授出日期 之收市價 HK\$ 港元	At 31st March, 2004 於二零零四年 三月三十一日	Granted or exercised during the year 年內授出 或行使	Lapsed during the year 年內失效	At 31st March, 2005 於二零零五年 三月三十一日
Directors 董事								
Mr. Chu Chien Tung 朱展東先生	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	1,054,944	–	–	1,054,944
Mr. Chu Chick Kei 朱植紀先生	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	1,054,944	–	–	1,054,944
Mr. Chu Sen Hei 朱晨曦先生	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	10,549,440	–	–	10,549,440
Ms. Chow Sau Fong, Fiona 鄧秀芳女士	21st November, 2003 二零零三年十一月二十一日	29th November, 2003 – 28th November, 2013 二零零三年十一月二十九日至 二零一三年十一月二十八日	0.452	0.440	3,000,000	–	(3,000,000)	–
Sub-total 小計					15,659,328	–	(3,000,000)	12,659,328
Employees 僱員								
	3rd October, 2003 二零零三年十月三日	22nd October, 2003– 21st October, 2013 二零零三年十月二十二日至 二零一三年十月二十一日	0.345	0.345	33,140,672	–	–	33,140,672
Total 總計					48,800,000	–	(3,000,000)	45,800,000

SHARE OPTIONS (Continued)

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

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

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

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

During the year, the Group paid rental amounting to HK\$108,000 to Tungda Industrial. Details of such transactions are set out in note 21 to the accounts.

Save as disclosed above, no contracts of significance to which the Company, its holding companies, fellow subsidiaries or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at end of the year or at any time during the year.

購股權 (續)

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

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

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

購買股份或債券之安排

除上文披露之購股權外，本公司、其控股公司、同系附屬公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使本公司董事可透過購入本公司或任何其他法人團體之股份或債券而獲益。本公司董事或彼等之配偶或18歲以下子女亦無擁有或已於年內行使可認購本公司股份的任何權利。

董事於重大合約中之權益及關連交易

年內，本集團向東大工業（集團）支付租金108,000港元。有關交易詳情載於賬目附註21。

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

SUBSTANTIAL SHAREHOLDERS

At 31st March, 2005, the following substantial shareholder (other than a director or chief executive of the Company) who have interests or short positions in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

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

Notes:

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

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

主要股東

根據本公司按證券及期貨條例第336條存置的登記冊所記錄，於二零零五年三月三十一日，除本公司董事或行政總裁外，以下主要股東於股份及相關股份中擁有權益或淡倉：

Number of issued ordinary shares held in the Company 於本公司 所持已發行 普通股數目	Approximate percentage 概約 股權百分比
560,000,000	50.7%
560,000,000	50.7%
560,000,000	50.7%

附註：

- Standard Exceed Limited乃由東大工業(集團)全資實益擁有，而東大工業(集團)則由朱展東先生、朱植杞先生及朱紹進先生分別實益擁有33.33334%、33.33333%及33.33333%權益。朱紹進先生於本集團並無管理職務。
- 根據證券及期貨條例第336條，基於朱展東先生有權於東大工業(集團)的股東大會上行使超過三分之一的投票權，彼因而被視作於東大工業(集團)擁有權益的所有本公司股份中擁有權益。基於東大工業(集團)另外兩名股東朱植杞先生及朱紹進先生無權於東大工業(集團)股東大會上行使超過三分之一的投票權，故彼等被視為並無擁有該等權益。
- 陳碧琴女士為朱展東先生的妻子。根據證券及期貨條例第336條，彼被視作於朱展東先生擁有權益的所有股份中擁有權益。

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group, in aggregate, accounted for approximately 71.67% of the Group's total turnover and the largest customer accounted for approximately 20.67% of the total turnover. The five largest suppliers of the Group in aggregate accounted for approximately 91.03% of its total purchases for the year. Purchases from the largest supplier accounted for approximately 72.94% of its total purchases.

None of the directors, their respective associates, or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) has any interest in any of the five largest customers and the five largest suppliers of the Group for the year ended 31st March, 2005.

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

COMPETING INTERESTS

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

PRE-EMPTIVE RIGHTS

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

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

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

主要客戶及供應商

年內，本集團五大及最大客戶分別合共佔其總營業額約71.67%及約20.67%，而本集團五大供應商合共佔其本年度採購總額約91.03%，最大供應商之採購額則佔其採購總額約72.94%。

概無董事、彼等各自之聯繫人士或就董事所知悉擁有本公司股本5%以上權益之任何股東，於本集團截至二零零五年三月三十一日止年度之五大客戶及五大供應商中擁有任何權益。

本集團與其客戶間所有交易均按一般商業條款進行。

競爭性權益

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

優先購買權

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

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

AUDIT COMMITTEE

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

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

1. reviewed the audited accounts of the Company and its subsidiaries for the year ended 31st March, 2004.
2. reviewed the unaudited accounts of the Company and its subsidiaries for the three months ended 30th June, 2004, for the three and six months ended 30th September, 2004 and for the three and nine months ended 31st December, 2004.
3. reviewed the financial reporting process, internal controls of the Company and its subsidiaries for the year ended 31st March, 2004, for the three months ended 30th June, 2004, for the six months ended 30th September, 2004 and for the nine months ended 31st December, 2004.
4. met with the statutory auditors and external auditors and participated in the re-appointment and assessment of the performance of the external auditors.

CORPORATE GOVERNANCE

The Company has complied with the Rules 5.28 to 5.39 of the GEM Listing Rules during the year ended 31st March, 2005, except that the non-executive directors and independent non-executive directors of the Company are not appointed for specific terms and are subject to re-election at the annual general meeting of the Company in accordance with the provisions of the Company's Articles of Association and that only two independent non-executive directors are appointed during certain period of the year to the date of this report.

審核委員會

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

年內，當時之審核委員會曾舉行十次會議，履行以下職務：

1. 審閱本公司及其附屬公司截至二零零四年三月三十一日止年度之經審核賬目。
2. 審閱本公司及其附屬公司截至二零零四年六月三十日止三個月、截至二零零四年九月三十日止三個月及六個月和截至二零零四年十二月三十一日止三個月及九個月之未經審核賬目。
3. 審閱本公司及其附屬公司截至二零零四年三月三十一日止年度、截至二零零四年六月三十日止三個月、截至二零零四年九月三十日止六個月及截至二零零四年十二月三十一日止九個月之財務申報程序及內部監控。
4. 與法定核數師及外聘核數師會面，並參與續聘及評估外聘核數師表現之工作。

公司管治

本公司於截至二零零五年三月三十一日止年度內，一直遵守創業板上市規則第5.28至5.39條之規定，惟本公司非執行董事及獨立非執行董事並無固定任期，而須按本公司之公司組織章程細則規定，於本公司股東週年大會膺選連任，以及於本年度若干期間至本報告日期僅已委任兩名獨立非執行董事。

SPONSOR'S INTERESTS

Pursuant to the agreement dated 10th October, 2003 entered into between the Company and the sponsor of the Company, China Everbright Capital Limited (the "Sponsor"), the Sponsor will receive the sponsorship fees for acting as the Company's sponsor for the period from 10th October, 2003 to 31st March, 2005 or until the sponsor agreement is terminated upon the terms and conditions set out therein. The Sponsor notified the Company to terminate its appointment with effect from 30th November, 2004 and the agreement terminated accordingly.

AUDITORS

The accounts for the year ended 31st March, 2005 were audited by Messrs. TING HO KWAN & CHAN, CERTIFIED PUBLIC ACCOUNTANTS, who retire and being eligible offer themselves for re-appointment. The accounts for the year ended 31st March, 2004 and 2003 were audited by Messrs. Deloitte Touche Tohmatsu.

On behalf of the Board

CHU CHIEN TUNG
CHAIRMAN

Hong Kong, 12th December, 2005

保薦人權益

根據本公司與其保薦人中國光大融資有限公司（「保薦人」）所訂立日期為二零零三年十月十日之協議，保薦人將就由二零零三年十月十日至二零零五年三月三十一日止（或直至保薦人協議根據當中所載條款及條件終止為止）期間擔任本公司保薦人而收取保薦人費用。保薦人已知會本公司終止其委聘，自二零零四年十一月三十日起生效，而有關協議亦因而終止。

核數師

截至二零零五年三月三十一日止年度之賬目經執業會計師丁何關陳會計師行審核，其將退任並合資格續聘。截至二零零四年及二零零三年三月三十一日止年度之賬目經德勤•關黃陳方會計師行審核。

代表董事會

主席
朱展東

香港，二零零五年十二月十二日

Report of the Auditors 核數師報告

To the Shareholders of

Tungda Innovative Lighting Holdings Limited

(incorporated in the Cayman Islands with limited liability)

We have audited the accounts on pages 43 to 78 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Directors are responsible for the preparation of accounts which give a true and fair view. In preparing accounts 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 accounts and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

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

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

We planned 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 accounts are free from material misstatement. However, the evidence available to us was limited as explained below:

Scope limitation – Opening balances

We were appointed on 31st March, 2005 and did not report on the accounts for the year ended 31st March, 2004. The auditors appointed for the year ended 31st March, 2004 reported that they were unable to form an opinion as to whether the accounts gave a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 2004 and of the profit and cash flows of the Group for the year then ended because of the possible effect of the limitations in evidence available to them. We have not been appointed to carry out auditing procedures to obtain adequate assurance regarding the opening balances. Accordingly, we are unable to express an opinion on the figures of brought forward as at 1st April, 2004 and the comparative figures included in these accounts.

致東大新材料照明控股有限公司全體股東

(於開曼群島註冊成立之有限公司)

本核數師行已完成審核載於第43頁至第78頁按照香港公認會計原則編製之賬目。

董事及核數師各自之責任

董事須負責編製真實公平之賬目。在編製真實公平之賬目時，董事必須選擇並貫徹採用合適之會計政策。

本核數師行之責任乃根據審核工作之結果，對該等賬目作出獨立意見，並僅向全體股東報告，且不作其他用途。本核數師行不會就本報告內容向任何其他人士負上或承擔任何責任。

意見基礎

本核數師行乃按照香港會計師公會頒布之核數準則進行審核工作，惟本核數師行於下文所述工作範圍受限者則作別論。

審核範圍包括以抽查方式查核與賬目所載數額及披露事項有關之憑證，亦包括評估董事於編製賬目時所作重大估計及判斷、所應用會計政策是否適合貴公司及貴集團之具體情況，以及有否貫徹使用並適當披露該等會計政策。

本核數師行在計劃審核工作時，均以取得一切本核數師行認為必需之資料及解釋為目標，使本核數師行能獲得充分憑證，就該等賬目是否存有重要錯誤陳述，作出合理確定，惟本核數師行獲得之證據有限，詳情闡述如下：

範圍限制－期初結餘

本核數師行於二零零五年三月三十一日獲委任，並無就截至二零零四年三月三十一日止年度之賬目作出報告。就截至二零零四年三月三十一日止年度獲委任之核數師報告其無法就賬目是否真實及公平地反映貴公司及貴集團於二零零四年三月三十一日之財務狀況以及貴集團截至該日止年度之溢利及現金流量提出意見，原因為其獲得之憑證受到限制而可能造成影響。本核數師行沒有被委任進行審核工作，以就期初結餘取得足夠保證。因此，本核數師行無法就於二零零四年四月一日之結轉數字及該等賬目所載比較數字表達意見。

Scope limitation – Turnover of recorded sales approximately HK\$19,833,000

During the year ended 31st March, 2005, the Group recorded sales of HK\$19,833,000 of which the corresponding purchases amounted to HK\$11,596,000. The aforesaid sales and purchases and the gross profit of approximately HK\$8,237,000 arising thereon have been included in the Group's turnover, cost of sales and gross profit and consequently, have been included in determining the Group's net profit for the year ended 31st March, 2005. As explained by the Directors in note 2 to the accounts, certain relevant supporting documentation in respect of the aforesaid sales and purchases cannot be located and made available to us for examination. Consequently, we have not been able to satisfy ourselves as to the validity, accuracy and disclosures of such amounts of sales and purchases in consolidated profit and loss account for the year ended 31st March, 2005 and note 4 to the accounts. Any adjustments that might have found to be necessary in respect of the matters set out above would have a consequential impact on the Group's net profit and cash flows for the year ended 31st March, 2005, and their related disclosures in the accounts.

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

Qualified opinion arising from limitation of audit scope

Except for the limitation in evidence available to us in respect of the matters as mentioned in the section headed "BASIS OF OPINION", in our opinion, the accounts give a true and fair view of the state of affair of the Company and the Group as at 31st March, 2005 and of the profit and cash flows for the year then ended and have been properly prepared in accordance with the disclosures requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitation on our work as set in the section headed "BASIS OF OPINION" of this report:

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

TING HO KWAN & CHAN

Certified Public Accountants (practising)
Hong Kong

12th December, 2005

範圍限制－錄得銷售營業額約19,833,000港元

截至二零零五年三月三十一日止年度，貴集團錄得銷售額19,833,000港元，相關採購額則為11,596,000港元。上述銷售額及採購額以及因此產生之毛利約8,237,000港元，已計入貴集團營業額、銷售成本及毛利，因此於釐定貴集團截至二零零五年三月三十一日止年度純利時亦已計算在內。誠如董事於賬目附註2所闡釋，未能尋獲及提供上述銷售額及採購額之若干相關證明文件，故本核數師行無法查核有關文件。因此，未能使本核數師行信納截至二零零五年三月三十一日止年度綜合損益表及賬目附註4所載銷售額及採購額數額之有效性、準確性及有關披露資料。倘須就上述事宜作出任何所需調整，或會對貴集團截至二零零五年三月三十一日止年度之純利及現金流量以及賬目相關披露資料造成影響。

於編製意見時，本核數師行亦評估賬目內所呈列資料於整體上是否足夠。本核數師行相信，吾等之審核工作為編製吾等意見提供合理基準。

因核數範圍限制而發表有保留之意見

除「意見基礎」一節所載，本核數師行就上述事宜所獲憑證有限外，吾等認為，賬目真實及公平地反映貴公司及貴集團於二零零五年三月三十一日之財務狀況與截至該日止年度之溢利及現金流量，並根據香港公司條例之披露規定妥為編製。

僅就本報告「意見基礎」一節所載對本核數師行工作之範圍限制而言：

- (1) 本核數師行無法獲取一切吾等認為就審核工作而言必需之資料及解釋；及
- (2) 本核數師行無法釐定貴集團是否恰當地存置賬簿。

丁何關陳會計師行

執業會計師
香港

二零零五年十二月十二日

Consolidated Profit and Loss Account 綜合損益表

For the Year Ended 31st March, 2005 截至二零零五年三月三十一日止年度

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
TURNOVER	營業額	(4)	274,662	299,896
COST OF SALES	銷售成本		(165,923)	(184,350)
GROSS PROFIT	毛利		108,739	115,546
OTHER OPERATING INCOME	其他經營收入		1,185	730
SELLING EXPENSES	銷售開支		(4,064)	(8,189)
ADMINISTRATIVE EXPENSES	行政開支		(29,243)	(23,300)
RESEARCH AND DEVELOPMENT EXPENSES	研發開支		(558)	(6,002)
PROFIT FROM OPERATIONS	經營溢利	(5)	76,059	78,785
FINANCE COSTS	融資成本	(6)	(42)	(5)
PROFIT BEFORE TAXATION	除稅前溢利		76,017	78,780
TAXATION	稅項	(7)	(3,587)	(4,024)
PROFIT FOR THE YEAR	年內溢利		72,430	74,756
DIVIDENDS	股息	(8)	–	5,890
EARNINGS PER SHARE	每股盈利			
– Basic	– 基本	(9)	6.55 cents仙	7.57 cents仙
– Diluted	– 攤薄	(9)	6.55 cents仙	7.47 cents仙

Consolidated Balance Sheet 綜合資產負債表

At 31st March, 2005 於二零零五年三月三十一日

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	(10)	63,916	44,978
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金付款	(12)	56,710	67,105
			120,626	112,083
CURRENT ASSETS	流動資產			
Inventories	存貨	(13)	9,827	9,043
Debtors, deposits and prepayments	應收賬款、按金及預付款項	(14)	13,156	14,223
Tax refundable	可退回稅項		275	–
Pledged bank deposits	已抵押銀行存款		–	305
Bank balances and cash	銀行結存及現金		214,787	139,492
			238,045	163,063
CURRENT LIABILITIES	流動負債			
Creditors and accrued charges	應付賬款及應計費用	(15)	23,219	11,819
Obligation under a finance lease	融資租約承擔	(16)	126	–
Tax payable	應付稅項		3,586	569
			26,931	12,388
NET CURRENT ASSETS	流動資產淨值		211,114	150,675
			331,740	262,758
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	(17)	11,056	11,056
Reserves	儲備		320,365	251,702
SHAREHOLDERS FUNDS	股東資金		331,421	262,758
NON-CURRENT LIABILITY	非流動負債			
Obligation under a finance lease	融資租約承擔	(16)	319	–
			331,740	262,758

The accounts on pages 43 to 78 were approved and authorised for issue by the Board of Directors on 12th December, 2005 and are signed on its behalf by:

Chu Chien Tung
朱展東
DIRECTOR
董事

第43至78頁之賬目已於二零零五年十二月十二日獲董事會批准及授權刊發，並由下列董事代表簽署：

Chu Chick Kei
朱植杞
DIRECTOR
董事

Balance Sheet 資產負債表

At 31st March, 2005 於二零零五年三月三十一日

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Investments in subsidiaries	附屬公司投資	(11)	3,128	3,128
CURRENT ASSETS	流動資產			
Debtors and prepayments	應收賬款及預付款項		195	196
Amounts due from subsidiaries	應收附屬公司款項		106,823	97,946
Pledged bank deposits	已抵押銀行存款		–	305
Bank balances and cash	銀行結存及現金		258	15,995
			107,276	114,442
CURRENT LIABILITIES	流動負債			
Accrued charges	應計費用		1,934	547
NET CURRENT ASSETS	流動資產淨值		105,342	113,895
NET ASSETS	資產淨值		108,470	117,023
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	(17)	11,056	11,056
Reserves	儲備	(19)	97,414	105,967
			108,470	117,023

Chu Chien Tung
朱展東
DIRECTOR
董事

Chu Chick Kei
朱植杞
DIRECTOR
董事

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

For the Year Ended 31st March, 2005 截至二零零五年三月三十一日止年度

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	General reserve 一般儲備 HK\$'000 千港元	Proposed dividend 擬派股息 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1st April, 2003	於二零零三年 四月一日	8,880	39,399	(2,128)	9	3,524	-	76,003	125,687
Issue of shares upon private placing on 18th September, 2003	於二零零三年九月 十八日因私人 配售發行股份	1,776	57,542	-	-	-	-	-	59,318
Issue expenses in connection with private placing	私人配售的發行開支	-	(9,801)	-	-	-	-	-	(9,801)
Issue of shares upon exercise of share options	因行使購股權發行股份	400	14,529	-	-	-	-	-	14,929
Interim dividend paid	已派中期股息	-	-	-	-	-	-	(2,131)	(2,131)
Profit for the year	年內溢利	-	-	-	-	-	-	74,756	74,756
Transfer to general reserve	轉撥至一般儲備	-	-	-	-	4,648	-	(4,648)	-
Proposed final dividend	擬派末期股息	-	-	-	-	-	3,759	(3,759)	-
At 31st March, 2004	於二零零四年 三月三十一日	11,056	101,669	(2,128)	9	8,172	3,759	140,221	262,758
Realised during the year	年內變現	-	-	-	(8)	-	-	-	(8)
Proposed final dividend paid	已派擬派末期股息	-	-	-	-	-	(3,759)	-	(3,759)
Net profit for the year	年內純利	-	-	-	-	-	-	72,430	72,430
Transfer to general reserve	轉撥至一般儲備	-	-	-	-	8,520	-	(8,520)	-
At 31st March, 2005	於二零零五年 三月三十一日	11,056	101,669	(2,128)	1	16,692	-	204,131	331,421

Consolidated Cash Flow Statement 綜合現金流量報表

For the Year Ended 31st March, 2005 截至二零零五年三月三十一日止年度

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit before taxation	除稅前溢利	76,017	78,780
Adjustments for:	調整：		
Interest income	利息收入	(1,100)	(700)
Finance costs	融資成本	42	5
Depreciation	折舊	4,994	3,070
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	79,953	81,155
Increase in inventories	存貨增加	(784)	(2,273)
Decrease/(Increase) in debtors, deposits and prepayments	應收賬款、按金及預付款項減少／（增加）	1,067	(7,535)
Increase in creditors and accrued charges	應付賬款及應計費用增加	11,202	4,852
Cash generated from operations	經營業務所得現金	91,438	76,199
TAXATION	稅項		
Hong Kong Profits Tax paid	已付香港利得稅	(844)	(2,645)
PRC Enterprise Income tax paid	已付中國企業所得稅	(1)	(1,375)
Net cash generated from operating activities	經營業務所得現金淨額	90,593	72,179
INVESTING ACTIVITIES	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	(5,382)	(15,524)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金付款	(7,965)	(67,105)
Decrease in pledged bank deposits	已抵押銀行存款減少	305	2,014
Interest received	已收利息	1,100	700
Net cash used in investing activities	投資活動所用現金淨額	(11,942)	(79,915)

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Proceeds from issue of shares for private placing	私人配售發行股份所得款項	—	59,318
Proceeds from issue of shares upon exercise of share options	因行使購股權發行股份所得款項	—	14,929
Issues expenses in connection with private placing	私人配售之發行開支	—	(9,801)
Advances from ultimate holding company	最終控股公司墊款	—	501
Repayments to ultimate holding company	還款予最終控股公司	—	(976)
Dividend paid	已付股息	(3,759)	(2,131)
Interest and finance charges paid	已付利息及融資開支	(42)	(5)
Inception of a finance lease	融資租約開始	535	—
Repayment of capital element of a finance lease	融資租約資本部分還款	(90)	—
Net cash (used in)/generated from financing activities	融資活動(所用)／所得現金淨額	(3,356)	61,835
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加淨額	75,295	54,099
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值項目	139,492	85,393
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金等值項目	214,787	139,492
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結存及現金	214,787	139,492

1. GROUP REORGANIZATION AND BASIS OF PREPARATION OF ACCOUNTS

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Law (2001 Second Revision) of the Cayman Islands. The shares of the Company are listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 26th July, 2002.

The Company's ultimate holding company is Tungda Industrial Limited ("Tungda Industrial"), a company incorporated in Hong Kong.

The Company is an investment holding company and the principal activities of the Group are trading and manufacturing of light source products.

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

2. BASIS OF PRESENTATION

With reference to the Company's announcement on 16th March, 2005, officers of the Commercial Crime Bureau of the Hong Kong Police Force ("CCB") have executed a warrant for search and seizure against the premises of the Group on 9th March, 2005 in relation to an investigation of a suspected offence. Certain executive directors of the Company are also involved as part of the investigation.

During the search carried out by the CCB, among other documents and records, most accounting documents and accounting records of the Company and certain subsidiaries were seized by CCB. The Group can have access to and retrieve documents and information withheld by the CCB under appointment and arrangement in advance with the CCB at each time. Despite the Group has visited the office of CCB many times attempting to locate and retrieve certain documents and information in relation to sales amounting to HK\$19,833,000 and its corresponding purchases amounting to HK\$11,596,000, the Group is unable to identify, trace and retrieve these documents which are required by the Auditors for their examination. However, the Directors have made representation that the above sales and purchases are properly supported and recorded and all transactions entered into in the name of the Company and its subsidiaries during the year under review have been included in the preparation of the accounts.

1. 集團重組及賬目編製基準

本公司根據開曼群島公司法(二零零一年第二次修訂本)在開曼群島註冊成立為獲豁免有限公司。本公司股份自二零零二年七月二十六日起於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

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

本公司為投資控股公司，本集團之主要業務為買賣及製造光源產品。

應本公司要求，本公司股份自二零零四年七月二十九日起暫停於聯交所買賣。

2. 呈報基準

茲提述本公司於二零零五年三月十六日刊發之公佈，香港警務處商業罪案調查科(「商業罪案調查科」)人員於二零零五年三月九日就調查一項涉嫌罪行執行搜令，搜查及檢取本集團處所範圍。本公司若干執行董事亦牽涉於調查中。

在商業罪案調查科進行搜查過程中，除其他文件及記錄外，本公司及若干附屬公司大部分會計文件及會計記錄被商業罪案調查科檢取。本集團每次須事先與商業罪案調查科預約及作出安排，方可取得及查閱由商業罪案調查科扣留之文件及資料。儘管本集團已多次前往商業罪案調查科辦事處，試圖找出及取得涉及為數19,833,000港元之銷售及其相關採購額11,596,000港元之文件及資料，惟本集團無法辨別、找出及取得核數師就審查所需之文件。然而，董事已作出聲明，表示上述銷售及採購均具備充足證明及記錄，而編製此等賬目時已計入所有以本公司及其附屬公司名義於回顧年內進行之交易。

2. BASIS OF PRESENTATION (Continued)

The Directors of the Company have consulted with the legal advisers and confirmed that it is too early for them to make an assessment of any legal implication on the investigation undertaken by the CCB and its allegation will have for the Group as a whole. The Directors also confirmed that they are not aware of any circumstances that will lead the Group to have significant financial effects on the accounts as at 31st March, 2005.

3A. IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1st January, 2005. The Group has not early adopted these new HKFRSs in the accounts for the year ended 31st March, 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

3B. SIGNIFICANT ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention as modified for the revaluation of certain properties.

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as below:

Basis of consolidation

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

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal respectively, as appropriate.

All significant intercompany transactions and balances within the Group have been eliminated on consolidation.

2. 呈報基準 (續)

本公司董事已諮詢法律顧問之意見，並確認彼等就有關商業罪案調查科所採取調查行動及其檢控對本集團整體將構成之法律影響作出評估屬言之過早。董事亦確認，彼等並不知悉任何情況將對本集團於二零零五年三月三十一日之賬目造成重大財務影響。

3A. 最近頒佈之會計準則之影響

香港會計師公會已頒佈多項於二零零五年一月一日或之後開始會計期間生效的新訂及經修訂香港財務報告準則（「新香港財務報告準則」）。本集團並無於截至二零零五年三月三十一日止年度之賬目提早採納該等新香港財務報告準則。本集團已著手評估該等新香港財務報告準則之影響，惟本集團仍未能確定該等新香港財務報告準則會否對其經營業績及財政狀況造成重大影響。

3B. 主要會計政策

賬目乃根據歷史成本法編製，並就若干物業重估作出修訂。

賬目乃根據香港公認會計原則編製。所採納之主要會計政策如下：

綜合基準

綜合賬目包括本公司及其附屬公司每年截至三月三十一日止之賬目。

於年內收購或出售之附屬公司業績，由實際收購日期起或實際售出版日期止（按適用情況而定）計入綜合損益表內。

集團內各公司間所有重要交易及結餘已於綜合賬目時對銷。

3B. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Subsidiaries**

Subsidiaries are those entities in which the Group directly or indirectly, controls more than half of the voting power, has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors, or to cast majority of votes at the meetings of the board of directors.

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment losses. The results of subsidiary are accounted for by the company on the basis of dividend received and receivable.

Property, plant and equipment

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

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

Depreciation is provided to write off the cost of property, plant and equipment less any accumulated impairment losses over their estimated useful lives, using the straight line method, at the following rates per annum:

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

3B. 主要會計政策 (續)**附屬公司**

附屬公司指本集團直接或間接控制過半數投票權；有權控制財政及營運決策；委任或撤換董事會大多數成員；或在董事會會議上有大多數投票權之公司。

於附屬公司之投資按成本值減任何已識別減值虧損計入本公司之資產負債表。本公司按已收及應收股息基準將附屬公司之業績列賬。

物業、廠房及設備

物業、廠房及設備以成本值減累計折舊及任何累計減值虧損列賬。

出售或廢棄資產產生之盈虧，按銷售所得款項與資產賬面值的差額計算，並於損益表確認。

物業、廠房及設備以直線法，按估計可用年期以下列年率折舊，以撇銷成本減任何累計減值虧損：

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

3B. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised over the life of the project from the date of commencement of commercial operation subject to a maximum period of five years.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of Group. It can also be a present obligation arising from past events that are not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

3B. 主要會計政策 (續)

研發開支

研究工作的開支乃於產生期間確認作年內支出。

倘預期清楚界定項目所產生的開發成本，可於日後透過商業活動收回，開發開支所產生的內部產生無形資產方會予以確認。所得資產將於開始作商業投產時，按項目年期攤銷，而最長期限為五年。

倘並無確認內部產生的無形資產，則開發開支乃於產生期間確認作支出。

或然負債

或然負債指因過往事件而可能引起之責任，此等責任只能就本集團不能完全控制之一宗或多宗未來不確定事件會否出現才能確認。或然負債亦可能是因為過往事件而引致之現有責任，惟由於可能毋須消耗經濟資源，或責任金額未能可靠計量而未有確認。

或然負債不會被確認，但會在賬目附註中披露。假若消耗資源之可能性改變導致可能出現資源消耗，或然負債將被確認為撥備。

減值

於各結算日，本集團審閱其資產的賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘估計資產的可收回數額少於其賬面值，則資產的賬面值將減至其可收回數額。減值虧損會即時確認為開支。

倘其後撥回減值虧損，則資產的賬面值將予增至重新估計的可收回數額，惟所增加的賬面值不會超過於過往年度並無確認減值虧損而釐定的資產賬面值數額。減值虧損撥回將被即時確認為收入。

3B. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price less all estimated costs to completion and cost to be incurred in marketing, selling and distribution.

Provision

Provisions are recognised when the Group has a present legal or constructive obligations as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Interest income is accrued on a time basis by reference to the principal amount outstanding and the interest rates applicable.

Taxation

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

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

3B. 主要會計政策 (續)**存貨**

存貨乃按成本值與可變現淨值兩者中較低者列賬。成本包括直接材料及(如適用)直接勞工成本及將存貨運送至現時地點及達至現時狀況所產生之其他成本。成本值以先入先出法計算。可變現淨值為估計售價減估計完成所需所有成本及市場推廣、銷售及分銷所涉及之成本。

撥備

當本集團因過往事件而須承擔現有法律責任或推定責任，而解決責任時有可能消耗資源，則在責任金額能夠可靠地估算之情況下，將確認撥備。倘本集團預期該撥備(如根據一份保險合約)將予歸還，則會將歸還數額確認作獨立資產，惟僅會在歸還數額可實質地作出確定時方會作出此舉。

收入確認

銷售貨品乃於貨品已付運且所有權已轉移時予以確認。

利息收入乃參考未償還本金按時間基準以適用利率計算。

稅項

所得稅開支指現時應付稅項及遞延稅項總額。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利不包括已撥往其他年度的應課稅或可扣稅之收入及開支項目，亦不包括毋須課稅或不扣稅之損益表項目，故與損益表所列純利不同。

3B. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

Deferred taxation liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Cash and cash equivalents

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

3B. 主要會計政策 (續)

稅項 (續)

遞延稅項指預期從賬目內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額所應付或可收回之稅項，並以資產負債表負債法入賬。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產則於有可能產生足以動用可扣稅暫時差額之應課稅溢利時確認。倘暫時差額由商譽（或負商譽）或由初次確認一項不影響稅項溢利或會計溢利之交易之其他資產及負債（業務合併除外）所產生，有關資產及負債不予確認。

遞延稅項負債乃就於附屬公司之投資所產生之應課稅暫時差額，予以確認。如本集團有能力控制暫時差額之撥回，且暫時差額可能不會於可見將來撥回，則不予確認。

遞延稅項資產之賬面值乃於每個結算日審閱，並撇減至應課稅溢利可能不足以動用全部或部分將予收回之資產為限。

遞延稅項按預期適用於負債獲清償或資產獲變現之期間之稅率計算。遞延稅項乃於損益表扣除或計入，除非遞延稅項關乎直接從股本扣除或直接計入股本之項目，則在該情況下遞延稅項亦於股本中處理。

現金及現金等值項目

現金及現金等值項目包括銀行及手頭現金、銀行及其他財務機構活期存款以及可隨時兌換為已知金額現金、價值變動風險不大且於購入時起計於三個月內屆滿之短期高流通性投資項目。就現金流量表而言，須按要求償還及組成本集團現金管理部分之銀行透支，亦計入現金及現金等值項目一部分。

3B. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Related parties**

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

Foreign currencies

Transactions in currencies other than Hong Kong dollars are translated at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are re-translated at the rates prevailing on the balance sheet date. Gains and losses arising on exchange are dealt with in the profit and loss account.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Operating leases

Rentals payment under operating leases are charged to the profit and loss account on a straight line basis over the period of the relevant lease terms.

Retirement benefits

Payments to the state-managed retirement benefit schemes for staff in the People's Republic of China (the "PRC") and the mandatory provident fund scheme for staff in Hong Kong are charged as expense as they fall due.

Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the inception of the leases at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated between the capital and finance lease charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance lease charges, are included in long term liabilities. The finance lease charges are charged to the profit and loss account over the lease period.

3B. 主要會計政策 (續)**關連人士**

倘有關人士有能力直接或間接控制另一方或於作出財務及經營決策時對另一方發揮重大影響力；或倘有關人士受共同控制或受制於共同重大影響力，則有關人士被視為關連人士。

外幣

以港元以外貨幣進行的交易，均按交易日期適用的匯率換算。以港元以外貨幣列值的貨幣資產及負債，均按結算日的適用匯率重新換算。匯兌產生的收益及虧損概撥入損益表處理。

於綜合賬目時，本集團海外業務的資產與負債，乃按結算日的適用匯率換算。收支項目以年內平均匯率換算。於綜合賬目時產生的匯兌差額（如有），乃歸類為股本及轉撥至本集團之匯兌儲備。該等匯兌差額於出售業務期間確認為收入或支出。

經營租約

經營租約租金乃按有關租約年期以直線法自損益表扣除。

退休福利

中華人民共和國（「中國」）員工之國家管理退休福利計劃及香港員工之強制性公積金計劃之供款，於到期支付時列作開支扣除。

融資租約

凡將資產擁有權之絕大部分風險及報酬轉歸本集團之租約，均列為融資租約。融資租約乃於租約開始生效時按租賃資產之公平價值或最低租金現值（以較低者為準）撥充資本。每期租金劃分為資本及融資租約費用兩部分，以便產生固定之資本結欠額。扣除融資租約費用後之相應租金承擔列作長期負債。融資租約費用乃於租賃期內在損益表中扣除。

4. TURNOVER AND OTHER REVENUE AND SEGMENT INFORMATION

4. 營業額及其他收益及分類資料

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
TURNOVER	營業額		
Sales of lighting source product	銷售光源產品	274,662	299,896
OTHER REVENUE	其他收益		
Bank interest income	銀行利息收入	1,100	700
Other income	其他收入	85	30
		1,185	730
TOTAL REVENUE	收益總額	275,847	300,626

Business segments

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

Segment information about these business is presented as below:

業務環節分析

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

有關該等業務的分類資料呈列如下：

		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Profit and loss account	損益表			
<i>For the year ended</i>	<i>截至二零零五年</i>			
<i>31st March, 2005</i>	<i>三月三十一日止年度</i>			
Turnover	營業額	135,904	138,758	274,662
Result	業績			
Segment result	分類業績	97,886	10,853	108,739
Unallocated corporate expenses	未分配公司開支			(33,780)
Interest income, net of finance costs	利息收入，扣除融資成本			1,058
Profit before taxation	除稅前溢利			76,017
Taxation	稅項			(3,587)
Net profit for the year	年內純利			72,430

4. TURNOVER AND OTHER REVENUE AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

4. 營業額及其他收益及分類資料 (續)

業務環節分析 (續)

		House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
BALANCE SHEET				
<i>At 31st March, 2005</i>				
	資產負債表			
	<i>於二零零五年 三月三十一日</i>			
Assets	資產			
Segment assets	分類資產	133,522	4,996	138,518
Unallocated corporate assets	未分配公司資產			220,153
Consolidated total assets	綜合資產總值			358,671
Liabilities	負債			
Segment liabilities	分類負債	19,151	4,229	23,380
Unallocated corporate liabilities	未分配公司負債			3,870
Consolidated total liabilities	綜合負債總額			27,250

4. TURNOVER AND OTHER REVENUE AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

4. 營業額及其他收益及分類資料 (續)

業務環節分析 (續)

	House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
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OTHER INFORMATION

For the year ended
31st March, 2005

其他資料

截至二零零五年
三月三十一日止年度

Additions of property, plant and equipment	添置物業、廠房及設備	22,892	–	1,040	23,932
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金付款	7,965	–	–	7,965
Depreciation of property, plant and equipment	物業、廠房及設備折舊	4,249	–	745	4,994

	House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
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Profit and loss account

For the year ended
31st March, 2004

損益表

截至二零零四年
三月三十一日止年度

Turnover	營業額	145,329	154,567	299,896
Result	業績			
Segment result	分類業績	102,856	11,604	114,460
Unallocated corporate expenses	未分配公司開支			(36,375)
Interest income, net of finance costs	利息收入 (扣除融資成本)			695
Profit before taxation	除稅前溢利			78,780
Taxation	稅項			(4,024)
Net profit for the year	年內純利			74,756

4. TURNOVER AND OTHER REVENUE AND SEGMENT INFORMATION (Continued)

Business segments (Continued)

4. 營業額及其他收益及分類資料 (續)

業務環節分析 (續)

	House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
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BALANCE SHEET

At 31st March, 2004

資產負債表

於二零零四年

三月三十一日

Assets	資產			
Segment assets	分類資產	120,902	6,445	127,347
Unallocated corporate assets	未分配公司資產			147,799
Consolidated total assets	綜合資產總值			275,146
Liabilities	負債			
Segment liabilities	分類負債	8,036	2,028	10,064
Unallocated corporate liabilities	未分配公司負債			2,324
Consolidated total liabilities	綜合負債總額			12,388

	House brand light source products 本身品牌 光源產品 HK\$'000 千港元	Agency brand light source products 代理品牌 光源產品 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
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OTHER INFORMATION

For the year ended

31st March, 2004

其他資料

截至二零零四年

三月三十一日止年度

Additions of property, plant and equipment	添置物業、廠房及設備	15,509	–	15	15,524
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金付款	67,105	–	–	67,105
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,369	–	701	3,070

4. TURNOVER AND OTHER REVENUE AND SEGMENT INFORMATION (Continued)

Geographical segments

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

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
The PRC, excluding Hong Kong	中國·不包括香港	124,794	144,465
Hong Kong	香港	14,157	10,582
Europe	歐洲	68,504	96,985
North America	北美洲	43,727	32,869
Others	其他地區	23,480	14,995
		274,662	299,896

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

4. 營業額及其他收益及分類資料 (續)

地區分析

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

以下為按資產所在地區分析的分類資產賬面值及添置物業、廠房及設備分析：

		Carrying amount of consolidated segment assets 綜合分類 資產賬面值		Additions to and deposits paid for acquisition of plant, property and equipment 添置物業、廠房 及設備及收購物業、 廠房及設備 之訂金付款	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Hong Kong	香港	71,321	112,133	1,041	15
The PRC, excluding Hong Kong	中國·不包括 香港	287,350	163,013	30,857	82,614
		358,671	275,146	31,898	82,629

5. PROFIT FROM OPERATIONS

5. 經營溢利

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Profit from operations has been arrived at after charging:	經營溢利乃經扣除：		
Directors' remuneration	董事酬金		
– Fees	– 袍金	–	–
– Other emoluments	– 其他酬金	5,625	3,348
– Retirement benefits contributions	– 退休福利供款	60	49
Other staff costs	其他員工成本	5,685	3,397
Retirement benefits contributions for other staff	其他員工退休福利供款	5,532	4,797
		254	272
Total staff costs	員工總成本	11,471	8,466
Auditors' remuneration	核數師酬金	600	700
Cost of inventories recognised as an expense	存貨成本確認作開支	165,923	184,350
Depreciation	折舊		
– owned assets	– 自置資產	4,905	3,070
– leased asset	– 租賃資產	89	–
Operating lease rentals in respect of land and buildings	土地及樓宇的經營租賃租金	1,406	1,485
and after crediting:	並經計入：		
Interest income from bank balances and deposits	銀行結存及存款的利息收入	1,100	700

5. PROFIT FROM OPERATIONS (Continued)

Note:

Emoluments of directors and highest paid employees

- (i) Details of emoluments paid by the Group to the directors of the Company are as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Other emoluments to executive directors:	執行董事其他酬金：		
Salaries and other benefits	薪金及其他福利	5,315	3,237
Retirement benefits contributions	退休福利供款	47	43
		5,362	3,280
Other emoluments to non-executive directors:	非執行董事其他酬金：		
Salaries and other benefits	薪金及其他福利	310	111
Retirement benefits contributions	退休福利供款	13	6
		323	117
		5,685	3,397

The executive directors received total emoluments of HK\$2,325,000, HK\$1,652,000, HK\$723,000 and HK\$662,000 respectively for the year ended 31st March, 2005 and received total emoluments of HK\$1,312,000, HK\$1,052,000, HK\$662,000 and HK\$254,000 respectively for the year ended 31st March, 2004.

The non-executive directors received total emoluments of HK\$101,000, HK\$84,000, HK\$48,000, HK\$48,000, HK\$32,000 and HK\$10,000 respectively for the year ended 31st March, 2005. Two of the non-executive directors received total emoluments of HK\$63,000 and HK\$54,000 respectively for the year ended 31st March, 2004. The other non-executive directors did not receive any emoluments for the year ended 31st March, 2004.

5. 經營溢利 (續)

附註：

董事及最高薪僱員酬金

- (i) 本集團支付本公司董事之酬金詳情如下：

截至二零零五年三月三十一日止年度，執行董事所收取酬金總額分別為2,325,000港元、1,652,000港元、723,000港元及662,000港元，而截至二零零四年三月三十一日止年度所收取酬金總額則分別為1,312,000港元、1,052,000港元、662,000港元及254,000港元。

截至二零零五年三月三十一日止年度，非執行董事所收取酬金總額分別為101,000港元、84,000港元、48,000港元、48,000港元、32,000港元及10,000港元，而其中兩名非執行董事截至二零零四年三月三十一日止年度所收取酬金總額則分別為63,000港元及54,000港元。截至二零零四年三月三十一日止年度，其他非執行董事並無收取任何酬金。

5. PROFIT FROM OPERATIONS (Continued)

Note: (Continued)

Emoluments of directors and highest paid employees (Continued)

- (ii) Emoluments of the directors of the Company were within the following bands:

		2005 二零零五年 Number 人數	2004 二零零四年 Number 人數
Nil – HK\$1,000,000	零 – 1,000,000港元	8	7
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	—	2
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	1	—
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	—
		10	9

- (iii) Of the five individuals with the highest emoluments in the Group, four (2004: four) are directors of the Company whose emoluments are included in the disclosures in Note (i) and (ii) above. The emoluments of the remaining one (2004: one) individuals are as follows:

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	480	520
Retirement benefits contributions	退休福利供款	12	12
		492	532

- (iv) During the year, no emolument has been paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group, or as compensation for loss of office (2004: Nil). No directors waived or agreed to waive any emoluments during the year.

5. 經營溢利 (續)

附註: (續)

董事及最高薪僱員酬金 (續)

- (ii) 本公司董事的酬金乃介乎以下範圍:

- (iii) 本集團五名最高薪人士包括四名(二零零四年: 四名)本公司董事,其酬金詳情載於上文附註(i)及(ii)所披露資料。其餘一名(二零零四年: 一名)人士的酬金如下:

- (iv) 年內,本集團並無向五名最高薪人士(包括董事及僱員)支付任何酬金,作為吸引加入或於加入本集團時之報酬或作為離職補償(二零零四年: 無)。年內概無董事放棄或同意放棄任何酬金。

6. FINANCE COSTS**6. 融資成本**

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interest on bank borrowings wholly repayable within five years	須於五年內悉數償還之銀行借款利息	25	5
Finance charges	融資開支	17	—
		42	5

7. TAXATION

7. 稅項

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Current taxation:	本期稅項：		
Hong Kong Profits Tax	香港利得稅	-	3,186
PRC Enterprise Income Tax	中國企業所得稅	3,587	838
Taxation charge	稅項開支	3,587	4,024

No provision for Hong Kong profits tax has been provided as the group had no estimate assessable profits arising in or derived from Hong Kong (2004: 17.5%).

Pursuant to the relevant laws and regulations in the PRC, two subsidiaries of the Company are entitled to exemption from PRC Enterprise Income Tax for two years commencing from their first year of profitable operations and thereafter, they are entitled to a 50% relief from PRC Enterprise Income Tax which is charged at 24% for the following three years. The first profit making year of the subsidiaries in PRC commenced on 1st January, 2001 and 1st January, 2003 respectively.

The charge for the year can be reconciled to the profit before taxation per profit and loss account as follows:

由於本集團並無於香港產生或源自香港之估計應課稅溢利，故並無就香港利得稅作出撥備（二零零四年：17.5%）。

根據中國有關法例及規則，本公司兩間附屬公司可於其首個盈利年度起計兩年獲豁免繳納中國企業所得稅，並可於其後三年獲豁免繳納50%中國企業所得稅（有關稅率為24%）。該等中國附屬公司的首個盈利年度分別於二零零一年一月一日及二零零三年一月一日開始。

本年度稅項支出可按損益表之除稅前溢利對賬如下：

		2005 二零零五年 HK\$'000 千港元	%	2004 二零零四年 HK\$'000 千港元	%
Profit before taxation	除稅前溢利	76,017		78,780	
Tax at the domestic income tax rate	按本地所得稅稅率計算之稅項	13,303	17.50	13,787	17.50
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	125	0.16	212	0.20
Tax effect of income not assessable for tax purposes	毋須課稅收入之稅務影響	(1)	-	(20)	-
Tax effect of tax losses unrecognised for the year	本年度未確認稅項虧損之稅務影響	1,097	1.44	-	-
Effect of preferential tax rates of subsidiaries operating in other jurisdiction	於其他司法權區經營之附屬公司之優惠稅率影響	(11,013)	(14.49)	(10,667)	(13.50)
Others	其他	76	0.10	712	0.90
Taxation charge to income statement	於收入報表扣除之稅項	3,587	4.71	4,024	5.10

7. TAXATION (Continued)

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

7. 稅項(續)

由於所涉及數額並不重大，故並無就各年度提撥遞延稅項準備。

8. DIVIDENDS**8. 股息**

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interim dividend paid – nil (2004: HK\$0.0020 per share)	已付中期股息 – 無 (二零零四年：每股0.0020港元)	–	2,131
Final dividend proposed – nil (2004: HK\$0.0034 per share)	擬派末期股息 – 無 (二零零四年：每股0.0034港元)	–	3,759
		–	5,890

9. EARNINGS PER SHARE

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

9. 每股盈利

每股盈利乃按下列數據計算：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Earnings	盈利		
Net profit for the year for the purposes of basic and diluted earnings per share	就計算每股基本及攤薄盈利之本年度純利	72,430	74,756
Number of shares	股份數目		
Weighted average number of shares for the purpose of basic earnings per share	就計算每股基本盈利之股份加權平均數	1,105,600,000	986,933,000
Effect of dilutive potential ordinary shares on share options	有關購股權之具攤薄潛力普通股之影響	–	13,485,000
Weighted average number of shares for the purpose of diluted earnings per share	就計算每股攤薄盈利之股份加權平均數	1,105,600,000	1,000,418,000

No diluted earnings per share has been presented for the year as the Company did not have any dilutive potential shares outstanding in the year.

由於本公司本年度並無任何具攤薄潛力之發行在外股份，故並無呈報本年度每股攤薄盈利。

10. PROPERTY, PLANT AND EQUIPMENT

10. 物業、廠房及設備

		Leasehold land and building 租賃土地 及樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Leasehold improve- ment 租賃物業 裝修 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Motor vehicle 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
THE GROUP	本集團						
COST	成本						
At 1st April, 2004	於二零零四年四月一日	21,550	1,501	960	24,350	387	48,748
Additions	添置	514	107	473	22,218	535	23,847
Exchange realignment	匯兌調整	—	—	—	85	—	85
At 31st March, 2005	於二零零五年三月三十一日	22,064	1,608	1,433	46,653	922	72,680
DEPRECIATION	折舊						
At 1st April, 2004	於二零零四年四月一日	622	529	720	1,882	17	3,770
Charged for the year	年內支出	866	279	437	3,253	159	4,994
At 31st March, 2005	於二零零五年三月三十一日	1,488	808	1,157	5,135	176	8,764
NET BOOK VALUE	賬面淨值						
At 31st March, 2005	於二零零五年三月三十一日	20,576	800	276	41,518	746	63,916
At 31st March, 2004	於二零零四年三月三十一日	20,928	972	240	22,468	370	44,978
NET BOOK VALUE OF LEASED ASSET	租賃資產賬面淨值						
At 31st March, 2005	於二零零五年三月三十一日	—	—	—	—	446	446
At 31st March, 2004	於二零零四年三月三十一日	—	—	—	—	—	—

The Group's buildings are situated in PRC and are held under land use right for 50 years expiring on 8th February, 2053.

本集團之樓宇位於中國，乃根據土地使用權持有，於二零零五年二月八日屆滿，為期50年。

11. INVESTMENTS IN SUBSIDIARIES

11. 附屬公司投資

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	3,128	3,128

Particulars of the Company's subsidiaries at 31st March, 2005 are set out as follows:

本公司之附屬公司於二零零五年三月三十一日之詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立／ 成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本／ 註冊股本	Percentage of nominal value of issued share capital/registered capital held by the Company 本公司所持 已發行股本／ 註冊股本 面值百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Bright Growth Resources Limited [‡]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$1 1美元	100	—	Investment holding 投資控股
Bright World Resources Limited [‡]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$4 4美元	100	—	Investment holding 投資控股
Direct Intelligent Limited [‡]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$1 1美元	100	—	Not yet commenced business 尚未營運
Ultra Modern Technology Limited [‡]	British Virgin Islands 英屬處女群島	Hong Kong 香港	US\$2 2美元	100	—	Investment holding 投資控股
Tungda Electrical & Lighting Limited [‡] ("Tungda Electrical") [‡] 東大電業有限公司 [‡] (「東大電業」) [‡]	Hong Kong 香港	Hong Kong 香港	HK\$4 4港元	—	100	Trading of light source products 買賣光源產品
Light Power (Shenzhen) Company Limited [*] 光之力照明(深圳)有限公司 [*]	PRC 中國	PRC 中國	HK\$10,000,000 10,000,000港元	—	100	Manufacturing of light source products 製造光源產品

11. INVESTMENTS IN SUBSIDIARIES (Continued)

11. 附屬公司投資 (續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊股本	Percentage of nominal value of issued share capital/registered capital held by the Company 本公司所持 已發行股本/ 註冊股本 面值百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Tungda Lighting (Fujian) Company Limited ("Tungda Fujian")* 東大照明(福建)有限公司 (「東大福建」)*	PRC 中國	PRC 中國	RMB26,942,748 人民幣26,942,748元	-	100	Manufacturing and trading of light source products 製造及買賣光源產品

Note:

None of the subsidiaries had any debt securities outstanding at 31st March, 2005 or at any time during the year.

* Private companies with limited liability.

* Wholly foreign-invested enterprise with limited liability.

附註:

於二零零五年三月三十一日或年內任何時間，概無任何附屬公司有任何尚未償還債務證券。

* 有限責任的私營公司。

* 有限責任的外商獨資企業。

12. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT THE GROUP

12. 收購物業、廠房及設備之訂金付款

本集團

			2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Notes 附註				
Balance brought forward	承前結餘	a	67,105	—
Addition	添置		7,965	67,105
Recognised as fixed assets	確認為固定資產		(18,360)	—
Balance carried forward	結轉結餘	b	56,710	67,105

Note a: In last year, a subsidiary of the Group had entered into contracts with two PRC manufacturers and paid deposits of HK\$67,105,000 for the acquisition of machinery and equipment. During the year, a contract with contract sum of HK\$21,000,000 was completed and the corresponding deposit of HK\$18,360,000 has been recognized as fixed assets.

Note b: The year end balance represented deposits paid for three outstanding contracts amounted to HK\$9,880,000, HK\$7,965,000 and HK\$38,865,000. These contracts were scheduled to be completed around the year end of 2005. Subsequently, pursuant to the supplementary agreements, the expected completion dates are re-scheduled to about September 2006, January 2007 and March 2008 respectively. The amount of deposits were shown as non-current assets in the balance sheet.

附註a: 本集團一家附屬公司於去年與兩家中國製造商訂立合約，並就購買機器及設備支付訂金67,105,000港元。年內，涉及合約金額21,000,000港元之合約已完成，而有關訂金18,360,000港元已確認為固定資產。

附註b: 年終結餘指就三份未完成合約已付之訂金分別9,880,000港元、7,965,000港元及38,865,000港元。此等合約預期將於二零零五年年底前後完成。其後，根據補充協議，預期完成日期分別重新訂定為二零零六年九月、二零零七年一月及二零零八年三月前後。訂金金額於資產負債表以非流動資產呈列。

13. INVENTORIES

13. 存貨

		THE GROUP 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Raw materials, at cost	原料·按成本值	2,372	2,124
Finished goods, at cost	製成品·按成本值	7,455	6,919
		9,827	9,043

14. DEBTORS, DEPOSITS AND PREPAYMENTS

An aged analysis of the Group's trade debtors, included in debtors, deposits and prepayments, is as follows:

14. 應收賬款、按金及預付款項

本集團計入應收賬款、按金及預付款項的應收貿易賬款賬齡分析如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within three months	三個月內	1,796	1,640
Four months to six months	四個月至六個月	404	236
Seven months to twelve months	七個月至十二個月	67	57
More than one year	一年以上	24	12
		2,291	1,945

The Group normally allows credit periods ranging from 7 to 90 days to its trade customers.

本集團一般給予其貿易客戶的信貸期由七日至九十日不等。

15. CREDITORS AND ACCRUED CHARGES

An aged analysis of the Group's trade creditors, included in creditors and accrued charges, is as follows:

15. 應付賬款及應計費用

本集團計入應付賬款及應計費用的應付貿易賬款賬齡分析如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within three months	三個月內	4,419	3,224
Four months to six months	四個月至六個月	203	284
Seven months to twelve months	七個月至十二個月	1,123	24
More than one year	一年以上	372	6
		6,117	3,538

16. OBLIGATION UNDER A FINANCE LEASE

At 31st March, 2005, the Group's total minimum lease payments under finance lease management and their present values are as follows:

16. 融資租約承擔

於二零零五年三月三十一日，本集團根據融資租約管理之最低租金總額及其現值如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Amounts payable	應付款項		
Within one year	一年內	152	—
In the second to fifth year inclusive	第二至第五年， 包括首尾兩年	343	—
Total minimum lease payment	最低租金總額	495	—
Future finance lease charges	未來融資租約開支	(50)	—
Present value of total minimum lease payments	最低租金總額現值	445	—
The present value of finance lease obligations is due as follows:	於下列時間到期之 融資租約承擔之現值：		
Within one year	一年內	126	—
In the second to fifth year inclusive	第二至第五年， 包括首尾兩年	319	—
Falling due within one year included in current liabilities	計入流動負債於一年內到期	445	—
		(126)	—
		319	—

The Group leases a motor vehicle under a finance lease arrangement expiring in four years. At the end of the lease term the Group has the option to purchase the motor vehicle at a price deemed to be a bargain purchase option. The leased motor vehicle secures the above lease obligation.

本集團根據一項於四年後到期之融資租約安排租用一輛汽車。於租約期滿時，本集團有權選擇按屬便宜之價格購買該汽車，該租賃汽車為上述租約承擔之抵押品。

17. SHARE CAPITAL

17. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
	Notes 附註		
Shares of HK\$0.01 each	每股面值0.01港元之股份		
Authorised:	法定:		
At 31st March, 2004 and 2005	於二零零四年及二零零五年 三月三十一日	5,000,000,000	50,000
Issued and fully paid:	已發行及繳足:		
At 31st March, 2003	於二零零三年三月三十一日	888,000,000	8,880
Issue of shares upon private placing on 18th September, 2003	於二零零三年九月十八日 進行私人配售時 發行股份	(a) 177,600,000	1,776
Issue of shares upon exercise of share options on 26th February, 2004	於二零零四年二月二十六日 行使購股權時 發行股份	(b) 40,000,000	400
At 31st March, 2004 and at 31st March 2005	於二零零四年三月三十一日及 二零零五年三月三十一日	1,105,600,000	11,056
(a) On 18th September, 2003, the Company issued and allotted 177,600,000 new shares of HK\$0.01 each at the price of HK\$0.334 per share to provide the additional capital to finance the Group's business expansion.		(a) 於二零零三年九月十八日·本公司按每股股份0.334港元之價格發行及配發177,600,000股每股面值0.01港元之新股份·藉以提供額外資本作為本集團擴充業務之資金。	
(b) On 26th February, 2004, the Company issued and allotted 10,549,440 shares and 29,450,560 shares of HK\$0.01 each at HK\$0.452 and HK\$0.345 per share respectively upon the exercise of share options granted to certain employees.		(b) 於二零零四年二月二十六日·因授予若干僱員之購股權獲行使·本公司分別按每股0.452港元及0.345港元之價格發行及配發10,549,440股及29,450,560股每股面值0.01港元之股份。	

18. SHARE OPTIONS SCHEME

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

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

18. 購股權計劃

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

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

18. SHARE OPTIONS SCHEME (Continued)

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

The following tables disclose details of the Company's share options held by employees (including directors) and the movements in such holdings during the year ended 31st March, 2005:

Date of grant 授出日期	Exercise price per share 每股行使價	Exercisable period 行使期間	Outstanding at 31.3.2004 於二零零四年 三月三十一日 尚未行使	Exercised or Granted during the year 年內行使或授出	Lapsed during the year 年內失效	Outstanding at 31.3.2005 於二零零五年 三月三十一日 尚未行使
3.10.2003	0.345	22.10.2003-21.10.2013	33,140,672	-	-	33,140,672
21.11.2003	0.452	29.11.2003-28.11.2013	15,659,328	-	(3,000,000)	12,659,328
			48,800,000	-	(3,000,000)	45,800,000

Details of the movements of the share options during the year held by the directors of the Company included in the above table are as follows:

Date of grant 授出日期	Exercise price per share 每股行使價	Exercisable period 行使期間	Outstanding at 31.3.2004 於二零零四年 三月三十一日 尚未行使	Exercised or Granted during the year 年內行使或授出	Lapsed during the year 年內失效	Outstanding at 31.3.2005 於二零零五年 三月三十一日 尚未行使
21.11.2003	0.452	29.11.2003-28.11.2013	15,659,328	-	(3,000,000)	12,659,328

No option is granted or exercised during the year under review.

Total consideration received from the directors and employees for taking up the options granted during the year is nil (2004: HK\$13).

18. 購股權計劃 (續)

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

下表披露截至二零零五年三月三十一日止年度內僱員（包括董事）所持本公司購股權之詳情及該等購股權之變動：

上表所載本公司董事於年內所持購股權之變動詳情如下：

於回顧年度並無授出或行使購股權。

年內就董事及僱員接納所獲授購股權收取之總代價為零（二零零四年：13港元）。

18. SHARE OPTIONS SCHEME *(Continued)*

During the year ended 31st March, 2004, (i) 62,591,232 options with exercise price HK\$0.345 per share were granted and 29,450,560 options were exercised. (ii) 26,208,768 options with exercise price HK\$0.452 per share were granted and 10,549,440 options were exercised.

**19. RESERVES
THE GROUP**

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

18. 購股權計劃 (續)

截至二零零四年三月三十一日止年度，(i) 62,591,232份購股權按行使價每股0.345港元授出及29,450,560份購股權獲行使；(ii) 26,208,768份購股權按行使價每股0.452港元授出及10,549,440份購股權獲行使。

**19. 儲備
本集團**

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

19. RESERVES (Continued)
THE COMPANY

19. 儲備 (續)
本公司

		Share premium 股份溢價 HK\$'000 千港元	Proposed dividend 建議股息 HK\$'000 千港元	Retained profit/ (accumulated loss) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31st March, 2003	於二零零三年 三月三十一日	39,399	–	(1,079)	38,320
Premium arising from issue of shares for cash in private placing on 18th September, 2003	於二零零三年 九月十八日因 私人配售而發行股份 換取現金所產生之溢價	57,542	–	–	57,542
Issue expenses in connection with private placing	私人配售之發行開支	(9,801)	–	–	(9,801)
Premium arising from issue of shares upon exercise of share options on 26th February, 2004	於二零零四年二月 二十六日行使購股權時 發行股份所產生之溢價	14,529	–	–	14,529
Interim dividend paid	已派中期股息	–	–	(2,131)	(2,131)
Profit for the year	年內溢利	–	–	7,508	7,508
Proposed final dividend	擬派末期股息	–	3,759	(3,759)	–
At 31st March, 2004	於二零零四年 三月三十一日	101,669	3,759	539	105,967
Proposed final dividend paid	已派擬派末期股息	–	(3,759)	–	(3,759)
Loss for the year	年內虧損	–	–	(4,794)	(4,794)
At 31st March, 2005	於二零零五年 三月三十一日	101,669	–	(4,255)	97,414

19. RESERVES (Continued)

THE COMPANY (Continued)

The Company's reserves available for distribution represent the share premium and accumulated profits. Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and/or Articles of Association and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends can be distributed out of the share premium and accumulated profits of the Company. As at 31st March, 2005, the Company's reserve available for distribution amounted to approximately HK\$97,414,000 (at 31st March, 2004: HK\$105,967,000).

20. MAJOR NON-CASH TRANSACTIONS

- (i) During the year ended 31st March, 2005, certain deposits paid in prior year for acquisition of property, plant and equipment in amounting to HK\$18,360,000 has been recognised as fixed assets.
- (ii) During the year ended 31st March, 2005, the Group entered into a finance lease arrangement in respect of asset with a total capital value at the inception of the lease of HK\$535,000.

21. RELATED PARTY TRANSACTIONS

During the year, the Group had the following significant transactions with related parties:

19. 儲備 (續)

本公司 (續)

本公司之可供分派儲備指股份溢價及累計溢利。根據開曼群島法例第22章公司法(修訂本)，本公司之股份溢價可供向股東作出分派或派付股息，惟須受本公司組織章程大綱及／或組織章程細則之條款規限，以及於緊隨分派或派息後，本公司必須能於日常業務過程中支付到期應付之債項。根據本公司之組織章程細則，股息可從本公司股份溢價及累計溢利中撥付。於二零零五年三月三十一日，本公司之可供分派儲備約為97,414,000港元(二零零四年三月三十一日：105,967,000港元)。

20. 主要非現金交易

- (i) 於截至二零零五年三月三十一日止年度內，上年度就收購物業、廠房及設備支付之訂金18,360,000港元已確認為固定資產。
- (ii) 於截至二零零五年三月三十一日止年度內，本集團就資產訂立融資租約安排，於租約開始時之總資本值為535,000港元。

21. 關連人士交易

年內，本集團與關連人士進行以下重大交易：

		Note 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Rental paid to Tungda Industrial Limited	付予東大工業(集團)有限公司之租金	(a)	108	108

21. RELATED PARTY TRANSACTIONS (Continued)

- (a) Tungda Industrial Limited entered into a sub-tenancy agreement ("Sub-tenancy Agreement") with Tungda Electrical on 28th May, 2002. Accordingly to the Sub-tenancy Agreement, Tungda Industrial agreed to sub-lease a portion of the premises being part of the Room 1903A, 19 Floor, Nanying Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong ("Rented Property") to Tungda Electrical for a term commencing from 1st April, 2002 to 31st March, 2004 (both days inclusive) at a monthly rental of HK\$9,000 inclusive of other charges. On 20th April, 2004, Tungda Electrical and Tungda Industrial entered into a tenancy agreement to rent the Rented Property for a term of two years commencing from 1st April, 2004 at a monthly rental of HK\$9,000 inclusive of other charges.

Messrs. CHU Chien Tung, CHU Chick Kei and CHU Siu Chun jointly hold the entire beneficial interest in Tungda Industrial, the ultimate holding company of the Company.

21. 關連人士交易 (續)

- (a) 東大工業(集團)有限公司於二零零二年五月二十八日與東大電業訂立分租協議(「分租協議」)。根據分租協議,東大工業(集團)同意向東大電業分租其位於香港九龍官塘鴻圖道57號南洋廣場19樓1903A室的部分物業(「租賃物業」),年期由二零零二年四月一日至二零零四年三月三十一日(包括首尾兩日)止,月租為9,000港元(包括其他費用)。於二零零四年四月二十日,東大電業及東大工業(集團)就租賃租賃物業訂立租賃協議,租賃年期由二零零四年四月一日起計,為期兩年,月租9,000港元(包括其他費用)。

朱展東先生、朱植杞先生及朱紹進先生共同持有本公司最終控股公司東大工業(集團)全部實益權益。

22. LEASE COMMITMENTS

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

22. 租約承擔

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

		THE GROUP 本集團		THE COMPANY 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within one year	一年內	1,249	605	—	383
In the second to fifth year inclusive	第二至第五年, 包括首尾兩年	1,056	—	—	—
		2,305	605	—	383

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

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

23. CAPITAL AND OTHER COMMITMENTS

23. 資本及其他承擔

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Amount contracted for but not provided in the accounts in respect of	就下列項目已訂約但未於賬目撥備之款項		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	27,413	17,866
– research and development expenditure	– 研究及開發開支	200	756
– advertising expenditure	– 廣告開支	880	1,780
		28,493	20,402

24. POTENTIAL CLAIM

During the year ended 31 March, 2004, the Group received a letter from an overseas manufacturer (the “Manufacturer”) concerning the allegation of potential infringement of certain patents rights of the Manufacturer. Up to the date of this report, the Group has not infringed such patent rights of the Manufacturer. Accordingly, no provision for this potential claim has been made.

24. 潛在索償

截至二零零四年三月三十一日止年度，本集團接獲一名海外製造商（「製造商」）之函件，聲稱本集團可能侵犯製造商之若干專利權。截至本報告日期，本集團並無侵犯製造商之有關專利權。故此，並無就此項潛在索償提撥準備。

25. RETIREMENT BENEFITS SCHEMES

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

The Group also participates in a defined contribution retirement scheme organised by the local government of Shenzhen, the PRC. All employees in the PRC are entitled to an annual pension equal to a fixed portion of their individual final basic salaries at their retirement date. The Group is required to make contributions to the retirement scheme at the rate of 9% of the basic salaries of its employees in the PRC.

During the year, the total cost of retirement benefits contributions charged to the profit and loss account of HK\$314,000 (2004: HK\$321,000) represents contributions to the scheme made by the Group at rates specified in the rules of the respective schemes. No forfeited contributions may be used by the employer to reduce the existing level of contributions.

25. 退休福利計劃

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

本集團亦參與中國深圳當地政府設立之定額供款退休計劃，所有中國僱員均有權取得相等於其退休之日最終基本薪金某固定比例之年度退休金，本集團須按其中國僱員基本薪金9%之比率向該退休計劃作出供款。

年內計入損益表之退休福利供款總成本為314,000港元（二零零四年：321,000港元），該數額為本集團按有關計劃規例之指定比率向該等計劃作出之供款額。僱主不得以沒收供款減低其現有供款水平。