

Financial highlights

For the six months ended 30th June

Results	2002 HK\$'million	2001 HK\$'million	Changes %
Turnover	3,959	2,316	+71
Profit for the period	168	94	+78
Earnings per share, basic <i>(in HK cents)</i>	28.01	16.75	+67
Dividend per share <i>(in HK cents)</i>	6	4.5	+33

Financial Position

Total assets	5,275	3,772*	+40
Total liabilities	3,658	2,658*	+38
Shareholders' fund	1,603	1,103*	+45
Net tangible value per share <i>(HK\$)</i>	2.38	1.81*	+31
Net bank debt/net tangible equity ratio <i>(in %)</i>	21.3%	54.9%*	N/A

Turnover by Principal Activity

Power and outdoor products	3,140	79.4%	1,601	69.1%	+96
Floor care appliances	618	15.6%	525	22.7%	+18
Solar powered and electronic products	124	3.1%	103	4.4%	+20
Others	77	1.9%	87	3.8%	-11

Turnover by Geographical Market Location

North America	3,308	83.5%	1,963	84.8%	+69
Europe	506	12.8%	251	10.8%	+102
Other countries	145	3.7%	102	4.4%	+42

* as at 31st December 2001

Interim dividend

The Directors have resolved to pay an interim dividend of HK6.0 cents per share (2001 interim dividend: HK4.5 cents). Dividend warrants will be despatched on or about 30th September 2002 to persons who are registered shareholders of the Company on 20th September 2002.

Closure of register of members

The register of members of the Company will be closed from 16th September 2002 to 20th September 2002, both days inclusive, during which period no transfer of shares will be effected.

In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Secretaries Limited at 5/F, Wing On Centre, 111 Connaught Road, Central, Hong Kong, not later than 4:00 p.m. on 13th September 2002.

Corporate governance and other information

COMPLIANCE WITH THE CODE OF BEST PRACTICE

None of the Directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not for any part of the period, in compliance with the Code of Best Practice as set out by The Stock Exchange of Hong Kong Limited in Appendix 14 to the Listing Rules except all directors of the Company are not appointed for a specific term as they are subject to retirement by rotation in accordance with the Company's Articles of Association.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim financial statements for the six months ended 30th June 2002.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND OPTIONS

(i) Shares

At 30th June 2002, the interests of the directors, the chief executive and their associates in the share capital of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows :

Name of Director	Number of shares of the Company			
	Personal interests	Family interests	Corporate interests	Other interests
Mr. Horst Julius Pudwill	33,174,000	380,000	111,329,897(a)	—
Mr. Roy Chi Ping Chung	54,750,974	68,000	18,537,515(b)	—
Mr. Kin Wah Chan	1,200,000	—	—	—
Mr. Chi Chung Chan	—	—	—	—
Dr. Akio Urakami	—	—	—	—
Mr. Susumu Yoshikawa	—	—	—	—
Mr. Vincent Ting Kau Cheung	960,000	—	—	—
Mr. Joel Arthur Schleicher	100,000	—	—	—
Mr. Christopher Patrick Langley	150,000	—	—	—

(a) These shares were held by the following companies in which Mr. Horst Julius Pudwill has a beneficial interest:

	No. of shares
Sunning Inc.	92,792,382
Cordless Industries Company Limited *	18,537,515
	111,329,897

(b) These shares were held by Cordless Industries Company Limited* in which Mr. Roy Chi Ping Chung has a beneficial interest.

* Cordless Industries Company Limited is jointly owned by Messrs. Horst Julius Pudwill and Roy Chi Ping Chung.

Save as disclosed above and other than certain nominee shares in the subsidiaries and associates held in trust for the Group by certain directors, at 30th June 2002, none of the directors or chief executive, or their associates, had any interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance, and none of the directors or chief executive, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

(ii) Options

The following directors and employees were granted share options to subscribe for shares in the Company:

Name of Director	Date share options granted	Share option scheme category	Share options balance at 31.12.2001	No. of share options exercised in the period	No. of share options granted in the period	Share options balance at 30.6.2002	Sub- scription price HK\$	Exercise Period
Mr. Horst Julius Pudwill	6.6.2001	B	800,000	—	—	800,000	2.0920	6.6.2001 – 5.6.2006
	19.6.2001	B	3,000,000	—	—	3,000,000	2.2600	19.6.2001 – 18.6.2006
	5.7.2001	B	1,200,000	—	—	1,200,000	2.1480	5.7.2001 – 4.7.2006
	28.6.2002	C	—	—	12,864,000	12,864,000	7.2000	28.6.2002 – 27.6.2007
Mr. Roy Chi Ping Chung	6.6.2001	B	1,000,000	—	—	1,000,000	2.0920	6.6.2001 – 5.6.2006
	19.6.2001	B	1,000,000	—	—	1,000,000	2.2600	19.6.2001 – 18.6.2006
	5.7.2001	B	1,000,000	—	—	1,000,000	2.1480	5.7.2001 – 4.7.2006
	28.6.2002	C	—	—	6,432,000	6,432,000	7.2000	28.6.2002 – 27.6.2007
Mr. Kin Wah Chan	4.1.2000	A	1,200,000	1,200,000	—	—	1.0000	4.1.2001 – 3.1.2010
	6.6.2001	B	500,000	500,000	—	—	2.0920	6.6.2001 – 5.6.2006
	19.6.2001	B	500,000	500,000	—	—	2.2600	19.6.2001 – 18.6.2006
	30.4.2002	C	—	—	300,000	300,000	6.4000	30.4.2002 – 29.4.2007
Mr. Chi Chung Chan	4.2.1994	A	500,000	500,000	—	—	1.2800	4.2.1995 – 3.2.2004
	5.6.2000	A	500,000	500,000	—	—	1.0144	5.6.2001 – 4.6.2010
	6.6.2001	B	500,000	—	—	500,000	2.0920	6.6.2001 – 5.6.2006
	19.6.2001	B	500,000	—	—	500,000	2.2600	19.6.2001 – 18.6.2006
30.4.2002	C	—	—	300,000	300,000	6.4000	30.4.2002 – 29.4.2007	
Dr. Akio Urakami	6.6.2001	B	250,000	—	—	250,000	2.0920	6.6.2001 – 5.6.2006
	30.4.2002	C	—	—	250,000	250,000	6.4000	30.4.2002 – 29.4.2007
Mr. Vincent Ting Kau Cheung	30.4.2002	C	—	—	200,000	200,000	6.4000	30.4.2002 – 29.4.2007
Mr. Joel Arthur Schleicher	30.4.2002	C	—	—	100,000	100,000	6.4000	30.4.2002 – 29.4.2007
Mr. Christopher Patrick Langley	30.4.2002	C	—	—	100,000	100,000	6.4000	30.4.2002 – 29.4.2007
total for directors			12,450,000	3,200,000	20,546,000	29,796,000		
Employees	27.10.1997	A	100,000	—	—	100,000	1.1504	27.10.1998 – 26.10.2007
	1.4.1998	A	400,000	300,000	—	100,000	1.7440	1.4.1999 – 31.3.2008
	20.9.1999	A	100,000	—	—	100,000	1.1584	20.9.2000 – 19.9.2009
	27.11.1999	A	400,000	200,000	—	200,000	1.0800	27.11.2000 – 26.11.2009
	30.12.1999	A	100,000	—	—	100,000	0.9776	30.12.2000 – 29.12.2009
	4.1.2000	A	100,000	—	—	100,000	1.0000	4.1.2001 – 3.1.2010
	26.6.2000	A	100,000	100,000	—	—	1.4768	26.6.2001 – 25.6.2010
	8.6.2001	B	1,000,000	—	—	1,000,000	2.1960	8.6.2001 – 7.6.2006
	23.7.2001	B	10,500,000	6,000,000	—	4,500,000	2.1160	23.7.2001 – 22.7.2006
	10.10.2001	B	100,000	—	—	100,000	2.4750	10.10.2001 – 9.10.2006
	30.4.2002	C	—	—	8,625,000	8,625,000	6.4000	30.4.2002 – 29.4.2007
	31.5.2002	C	—	—	250,000	250,000	7.2000	31.5.2002 – 30.5.2007
total for employees			12,900,000	6,600,000	8,875,000	15,175,000		
			25,350,000	9,800,000	29,421,000	44,971,000		

— Scheme adopted on 28th November 1990 and expired on 27th November 2000 (“Scheme A”)

— Scheme adopted on 25th May 2001 (“Scheme B”)

— Scheme adopted on 28th March 2002 (“Scheme C”)

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company 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 the end of the period or at any time during the period.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than as disclosed above, at no time during the period was the Company, 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.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of certain directors and chief executives, the register of substantial shareholders maintained by the Company pursuant to Section 16(1) of the SDI Ordinance discloses no company and person as having an interest of 10% or more in the issued share capital of the Company as at 30th June 2002.

PURCHASE, SALES OR REDEMPTION OF SHARES

There has been no purchase, sales or redemption of shares of the Company by the Company or any of its subsidiaries during the period.

By Order of the Board

Horst Julius Pudwill

Chairman and Chief Executive Officer

Hong Kong, 8th August 2002