

I PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants ("HKSA"). They have been prepared under the historical cost convention except that, as disclosed in the accounting policies below, investment properties are stated at market value.

In the current year, the Group adopted the following Statements of Standard Accounting Practice ("SSAPs") issued by the HKSA which are effective for accounting periods commencing on or after 1st January 2002:

SSAPI (revised) : Presentation of financial statements

SSAPII (revised) : Foreign currency translation

SSAPI5 (revised) : Cash flow statements

SSAP34 : Employee benefits

The adoption of the above new/revised SSAPs has no material effect on the accounts, except for certain presentational changes which have been made upon the adoptions.

The comparative figures presented herein have incorporated the effect on the adoption of the new/revised SSAPs.

I 主要會計政策

編製此等賬目所採用之主要會計政策列載如下：

(a) 編製基準

本賬目乃根據香港普遍採納之會計原則及香港會計師公會（「會計師公會」）發出的會計實務準則編製而成。賬目乃根據歷史成本法編製，惟投資物業乃按市值列賬（見下文會計政策）。

於本年度，本集團採納下列由會計師公會頒佈之會計實務準則（「會計準則」），該等會計準則於二零零二年一月一日或以後開始之會計期間生效：

會計準則第1號 : 財務報表
(經修訂) : 之呈報

會計準則第11號 : 外幣換算
(經修訂)

會計準則第15號 : 現金流量表
(經修訂)

會計準則第34號 : 僱員福利

除了某些呈報方式之改變外，採納上述新增／經修訂之會計準則對本賬目並未有重大影響。

於本報表所呈列之去年同期對比數字已包括了因採納新增／經修訂之會計準則而產生之影響。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(b) Consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries (the "Group") made up to 30th June.

Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one 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.

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, as appropriate.

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

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or capital reserve which was not previously charged or recognised in the consolidated profit and loss account.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

I 主要會計政策 (續)

(b) 綜合

綜合賬目包括本公司及其附屬公司（「本集團」）於截至六月三十日止之賬目。

附屬公司乃指本公司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。

於本年度內收購或出售之附屬公司之業績自收購生效日期起或截至出售生效日期止計入綜合損益表內。

所有集團內公司間之一切重大交易及結餘已於綜合賬目時對銷。

出售附屬公司之收益或虧損乃指出售收益與本集團攤佔其資產淨值之差額，連同過往並未於綜合損益表內扣除或確認之任何未攤銷商譽或資本儲備。

少數股東權益乃指外界股東於附屬公司之經營業績及資產淨值之權益。

於本公司之資產負債表中附屬公司之投資乃以成本值扣除減值虧損撥備入賬。附屬公司之業績由本公司按已收及應收股息之基準入賬。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(c) Fixed assets

(i) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are valued at intervals of not more than three years by independent valuers; in each of the intervening years valuations are undertaken by professionally qualified valuers. The valuations are on an open market value basis related to individual properties and separate values are not attributed to land and buildings. The valuations are incorporated in the annual accounts. Increases in valuation are credited to the investment properties revaluation reserve. Decreases in valuation are first set off against increases on earlier valuations on a portfolio basis and thereafter are debited to operating profit. Any subsequent increases are credited to operating profit up to the amount previously debited.

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

(ii) Properties under construction

Properties under construction are investments in land (including land use rights) and buildings on which construction work has not been completed. These properties are carried at cost which includes development and construction expenditure incurred and interest and other direct costs attributable to the development less any accumulated impairment losses. On completion, the properties are transferred to other properties at cost less accumulated impairment losses.

I 主要會計政策 (續)

(c) 固定資產

(i) 投資物業

投資物業指建築及發展工程經已完成，並因其具有投資潛力而長期持有之土地及樓宇權益，任何租金收入乃經公平磋商釐定。

投資物業每隔最多三年，由獨立估值師進行估值，於相隔之每個年度內，則由合資格專業估值師進行估值。個別物業之估值乃按公開市值基準進行，而土地及樓宇並無進行任何獨立估值。有關估值均列入年度賬目內。估值增加乃撥入投資物業重估儲備內，而估值減少會先按組合基準與早前之估值增加抵銷，餘額則自經營溢利中扣除。隨後之任何估值增加，將撥作經營溢利，惟以早前所扣除之款額為限。

出售投資物業時，於早前估值時變現之重估儲備有關部分乃自投資物業重估儲備轉撥入損益表中。

(ii) 建築中物業

建築中物業指建築工程未完成之土地(包括土地使用權)及樓宇之投資。有關投資以成本值列賬，包括發展與建築費用，及屬於發展項目之其他直接成本，扣除任何累計減值虧損。物業於落成後將轉撥為其他物業，並按成本減累計減值虧損列賬。

NOTES TO THE ACCOUNTS

賬目附註

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(c) Fixed assets (Cont'd)

(iii) Other properties

Other properties are interests in land (including land use right) and buildings other than investment properties and properties under construction and are stated at cost less accumulated depreciation and accumulated impairment losses. Cost represents the purchase price of the assets and other costs incurred to bring the asset into its existing use.

(iv) Other fixed assets

Other fixed assets, comprising leasehold improvements, machinery and equipment, furniture, fixtures and office equipment, motor vehicles and tools and moulds are stated at cost less accumulated depreciation and accumulated impairment losses.

(v) Depreciation

Investment properties held on leases with unexpired periods of 20 years or less are depreciated over the remaining portion of the leases.

Leasehold land (including land use right) of other properties is depreciated over the period of the lease while other fixed assets are depreciated at rates sufficient to write off their cost less accumulated impairment losses over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Land	2%
Buildings	2 - 2.5%
Leasehold improvements	20%
Machinery and equipment	12.5%
Furniture, fixtures and office equipment	20%
Motor vehicles	20%
Tools and moulds	20%

Improvements are capitalised and depreciated over their expected useful lives to the Group.

I 主要會計政策 (續)

(c) 固定資產 (續)

(iii) 其他物業

其他物業乃投資物業及建築中物業以外之土地(包括土地使用權)及樓宇權益, 乃按成本減累計攤銷或折舊及累計減值虧損列賬。成本乃指資產之購入價及使有關資產達致現時用途所涉及之其他費用。

(iv) 其他固定資產

其他固定資產(包括租賃物業、裝修、機器及設備、傢俬、裝置及辦公室設備、汽車、工具及模具)乃按成本減累計折舊及累計減值虧損入賬。

(v) 折舊

租賃尚餘年期少於二十年之投資物業乃按其租賃尚餘年期進行折舊。

其他物業的租賃土地(包括土地使用權)之折舊乃按其租賃尚餘年期, 而其他固定資產則按其估計可用年期內以直線法將其成本減累計減值虧損攤銷。所採用之主要年率如下:

土地	2%
樓宇	2 - 2.5%
租賃物業裝修	20%
機器及設備	12.5%
傢俬、裝置及辦公室設備	20%
汽車	20%
工具及模具	20%

資產改良支出均資本化, 並按其對本集團之預計可用年期折舊。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(c) Fixed assets (Cont'd)

- (vi) Impairment and gain or loss on disposal of fixed assets

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in properties under construction, other properties and other fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

The gain or loss on disposal of a fixed asset other than investment properties and properties under construction is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account.

(d) Assets under leases

- (i) 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 charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in long-term liabilities. The finance charges are charged to the profit and loss account over the lease periods.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives or the lease periods.

I 主要會計政策 (續)

(c) 固定資產 (續)

- (vi) 減值及出售固定資產之收益或虧損

在每年結算日，建築中物業、其他物業及其他固定資產項內之資產皆透過集團內部及外界所獲得的資訊，評核該等資產有否減值。如有跡象顯示該等資產出現減值，則估算其可收回價值及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在損益表入賬。

出售固定資產(不包括投資物業及建築中物業)之收益或虧損乃有關資產之出售所得收益淨額與賬面值之差額，並於損益表內確認。

(d) 租賃資產

- (i) 融資租賃

融資租賃是指將擁有資產之風險及回報實質上全部轉讓予本集團之租賃。融資租賃在開始時按租賃資產之公平值或最低租賃付款之現值(以較低者為準)撥充資本。每期租金均以資本及財務費用分配，以達到固定之資本結欠額。相應租賃承擔在扣除財務費用後計入長期負債內。財務費用於租約期內在損益賬中支銷。

以融資租賃持有之資產按租約期或資產之估計可用年限(以較短者為準)計算折舊。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(d) Assets under leases (Cont'd)

(ii) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

(e) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions that occurred prior to 1st July 2001 was taken directly to reserves.

In accordance with SSAP 30 "Business combinations", goodwill on acquisitions occurring on or after 1st July 2001 is included in intangible assets and is amortised using the straight-line method over its estimated useful life.

Where an indication of impairment exists, the carrying amount of goodwill, including goodwill previously taken to reserves, is assessed and written down immediately to its recoverable amount.

(f) Inventories

Inventories comprise trading stocks, raw materials and finished goods and are stated at the lower of cost and net realisable value. Cost, calculated on the weighted average basis, comprises materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses and, where appropriate, the cost of conversion from their existing state to a finished condition.

I 主要會計政策 (續)

(d) 租賃資產 (續)

(ii) 經營租賃

經營租賃是指擁有資產之風險及回報實質上全部由出租公司保留之租賃。根據經營租賃作出之付款在扣除自出租公司收取之任何獎勵金後，於租賃期內以直線法在損益賬中支銷。

(e) 商譽

商譽指收購成本超出於收購日本集團應佔所收購附屬公司之淨資產之數額。於二零零一年七月一日前產生之收購商譽已於儲備中撇銷。

根據會計準則第30號「企業合併」，於二零零一年七月一日或以後產生之收購商譽計入無形資產，並於其估計可用年期以直線法攤銷。

如有跡象顯示減值，商譽之賬面值（包括已於儲備中撇銷之商譽）將會作出評估及即時減至其可收回金額。

(f) 存貨

存貨包括貿易業務存貨、原料及製成品，並以成本或可變現淨值兩者中較低者入賬。成本按加權平均法計算，包括原料、直接勞工及所有生產間接費用之適當比例部份。可變現淨值乃按估計銷售收益減去估計出售費用及（如適用）由現有狀況轉變為製成品之轉換成本而釐定。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(g) Accounts receivable

Provision is made against accounts receivable to the extent that they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

(h) Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash and bank balances.

(i) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation 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, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(j) Deferred taxation

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future.

(k) Revenue recognition

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

Rental income is recognised on a straight-line basis over the rental period.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

I 主要會計政策 (續)

(g) 應收賬款

凡被視為屬呆賬之應收賬款，均提撥準備。列於資產負債表之應收賬款乃於扣除該項撥備後入賬。

(h) 現金及現金等價物

在綜合現金流量表中，現金及現金等價物指現金及銀行結餘。

(i) 撥備

當本集團因已發生的事件須承擔現有之法律性或推定性的責任，而解除責任時有可能消耗資源，並在責任金額能夠可靠地作出估算的情況下，需確立撥備。當本集團預計撥備款可獲償付，則將償付款確認為一項獨立資產，惟只能在償付款可實質地確定時確認。

(j) 遞延稅項

為課稅而計算之盈利與賬目所示之盈利兩者間之時差，若預期將於可預見將來導致資產與負債之收付，即按現行稅率計算遞延稅項。

(k) 收入確認

銷貨收入於擁有權之風險及回報轉移(即通常為貨品付運予顧客及所有權移交時)時入賬。

租金收入乃按直線法於租賃期內入賬。

利息收入乃按時間比例基準，計入尚餘本金額及適用利率後入賬。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(l) Translation of foreign currencies**

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

The accounts of subsidiaries expressed in foreign currencies are translated under the net investment method. Exchange differences arising are dealt with as a movement in reserves.

(m) Employee benefits**(i) Employee leave entitlements**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group makes contributions to the mandatory provident fund scheme (the "MPF Scheme") in Hong Kong, the assets of which are generally held in separate trustee-administered fund. The pension plan is generally funded by payments from employees and by the Group.

The Group's contributions to the MPF Scheme are expensed as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

I 主要會計政策 (續)**(l) 外幣換算**

以外幣為本位之交易，均按交易當日之匯率折算。於結算日以外幣顯示之貨幣資產與負債則按結算日之匯率折算。由此產生之滙兌盈虧均計入損益表。

附屬公司之外幣賬目均按淨投資法折算。由此產生之滙兌盈虧作為儲備變動入賬。

(m) 僱員福利**(i) 僱員應享假期**

僱員年假之權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

(ii) 退休金責任

本集團於香港向強制性公積金計劃(「強積金計劃」)供款，強積金計劃之資產與本集團之資產分開，由一獨立管理基金持有，並由集團及員工供款。

本集團向強積金計劃之供款乃於產生時列作支出，於可獲得全數供款前離職之僱員，其被沒收之供款可用作扣減本集團供款。

I PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(m) Employee benefits (Cont'd)

(iii) Equity compensation benefits

Share options are granted to directors and employees of the Group. No compensation cost is recognised on the date of the grant of the options. When the options are exercised, the proceeds received net of any transaction costs are credited to share capital (nominal value) and share premium.

(n) Borrowing costs

Borrowing costs that are directly attributable to the construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

(o) Segment reporting

In accordance with the Group's internal financial reporting the Group has determined that geographical segments be presented as the primary reporting format. Business segments are not presented as the secondary reporting format because over 90% of the Group's turnover and operating profit were contributed by manufacturing and trading of plastic products.

In respect of geographical segment reporting, turnover are based on the operating locations of group companies.

Unallocated costs represent corporate expenses. Segment assets consist primarily of investment properties, properties under development, fixed assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation and deferred taxation. Capital expenditure comprises additions to fixed assets.

I 主要會計政策 (續)

(m) 僱員福利 (續)

(iii) 權益補償福利

本集團向董事及僱員授出購股權。於購股權授出日不會確認補償成本。購股權被行使時，所得款項扣除任何交易成本後撥入股本(面值)及股份溢價。

(n) 借貸成本

建造需要一段頗長時間方可投入擬定用途或銷售之資產直接有關之借貸成本，會撥作資本並列為該資產之部分成本。

其他借貸成本於其實際產生年度計入損益表。

(o) 分部報告

按照本集團之內部財務報告，本集團已決定將區域分部資料作為主要分部報告，業務分部資料並沒有作為從屬形式列示，因本集團超過百分之九十之營業額和經營溢利皆源於塑料製品之生產和貿易。

有關地區分部報告，營業額乃按照集團公司所在位置計算。

未分配成本指集團整體性開支。分部資產主要包括投資物業、建築中物業、固定資產、存貨、應收款項及經營現金。分部負債指經營負債，而不包括例如稅項及遞延稅項等項目。資本性開支包括購入固定資產的費用。

NOTES TO THE ACCOUNTS

賬目附註

2 REVENUES AND TURNOVER

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 24 to the accounts.

Revenues recognised during the year are as follows:

2 收益及營業額

本公司之主要業務為投資控股，其主要附屬公司之主要業務則載於賬目附註24。年內確認之收益如下：

		Group 集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Turnover	營業額		
Sale of goods, net of returns and discounts	銷售貨品（扣除退貨及折扣）	874,976	747,281
Other revenues	其他收益		
Rental income	租金收入	400	565
Interest income	利息收入	211	103
		611	668
Total revenues	總收益	875,587	747,949

2 REVENUES AND TURNOVER (Cont'd)

An analysis of the Group's segment information by geographical segment is as follows:

2 收益及營業額 (續)

本集團按主要地區劃分之分部資料分析如下：

		2003			
		The People's Republic of China excluding Hong Kong (the "PRC") 中華人民 共和國			
		Hong Kong (不包括香港) 香港	(「中國」)	Elimination 抵銷	Group 集團
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	825,981	233,977	(184,982)	874,976
Other revenues	其他收益	468	143	—	611
Total revenues	總收益	826,449	234,120	(184,982)	875,587
Segment results	分部業績	18,310	28,501		46,811
Unallocated costs	未分配成本				(1,534)
Profit before taxation	除稅前溢利				45,277
Taxation	稅項				(2,450)
Profit after taxation	除稅後溢利				42,827
Minority interests	少數股東權益				(2,365)
Profit attributable to shareholders	股東應佔溢利				40,462
Segment assets	分部資產	298,856	183,167		482,023
Unallocated assets	未分配資產				463
Total assets	總資產				482,486
Segment liabilities	分部負債	137,870	44,208		182,078
Unallocated liabilities	未分配負債				2,902
Total liabilities	總負債				184,980
Capital expenditure	資本支出	28,757	32,883		61,640
Depreciation	折舊	4,021	4,376		8,397

NOTES TO THE ACCOUNTS

賬目附註

2 REVENUES AND TURNOVER (Cont'd)

2 收益及營業額 (續)

		2002			
		Hong Kong	The PRC	Elimination	Group
		香港	中國	抵銷	集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Turnover	營業額	715,544	209,253	(177,516)	747,281
Other revenues	其他收益	620	48	—	668
Total revenues	總收益	716,164	209,301	(177,516)	747,949
Segment results	分部業績	20,312	24,755		45,067
Unallocated costs	未分配成本				(1,811)
Profit before taxation	除稅前溢利				43,256
Taxation	稅項				(2,505)
Profit after taxation	除稅後溢利				40,751
Minority interests	少數股東權益				(2,343)
Profit attributable to shareholders	股東應佔溢利				38,408
Segment assets	分部資產	211,291	169,075		380,366
Unallocated assets	未分配資產				164
Total assets	總資產				380,530
Segment liabilities	分部負債	67,663	31,095		98,758
Unallocated liabilities	未分配負債				3,441
Total liabilities	總負債				102,199
Capital expenditure	資本支出	2,491	8,156		10,647
Depreciation	折舊	6,132	4,503		10,635

2 REVENUES AND TURNOVER (Cont'd)

Turnover and segment results are presented based on the operating locations of group companies. Unallocated costs represent corporate expenses.

Over 90% of the Group's turnover, operating profit and assets are attributable to the manufacturing and trading of plastic products and accordingly no analysis of the Group's turnover, contribution to operating profit and assets by business segment is provided.

3 OPERATING PROFIT

Operating profit is stated after crediting and charging the following:

2 收益及營業額 (續)

營業額和分部業績乃按集團公司所在位置計算。未分配成本指集團整體性開支。

本集團超過百分之九十之營業額、經營溢利及資產皆源於塑料製品之生產和貿易，所以並沒有提供按主要業務劃分營業額、經營溢利及資產之分析。

3 經營溢利

經營溢利乃經計入及扣除下列各項後列賬：

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Crediting	計入		
Gross rental income from investment properties	投資物業總租金收入	400	565
Less: Outgoings	減：雜費	(36)	(26)
Net rental income from investment properties	投資物業租金收入淨額	364	539
Gain on disposal of fixed assets	出售固定資產之收益	501	—
Charging	扣除		
Auditors' remuneration	核數師酬金		
- Current year	— 本年度	830	780
- Over-provision in prior year	— 以往年度之超額撥備	—	(100)
Depreciation:	折舊：		
- Owned fixed assets	— 自置固定資產	7,705	8,903
- Leased fixed assets	— 租賃固定資產	692	1,732
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租賃租金	5,534	2,190
Staff costs, including directors' emoluments (note 9)	員工成本（包括董事酬金）（附註9）	50,816	45,145
Loss on disposal of fixed assets	出售固定資產之虧損	—	34

NOTES TO THE ACCOUNTS

賬目附註

4 FINANCE COSTS

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank borrowings wholly repayable within five years	需於五年內全數償還之銀行借貸之利息	1,783	1,182
Interest element of finance leases	融資租賃利息部份	167	59
		1,950	1,241
Less: borrowing costs capitalised in properties under development	減：借貸成本資本化作為建築中物業之成本	(500)	—
		1,450	1,241

5 TAXATION

- (a) Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16.0%) on the estimated assessable profit for the year. The Group's subsidiaries operating in the PRC have no assessable income and accordingly no provision for PRC taxation has been made in the accounts.

The amount of taxation charged to the consolidated profit and loss account represents:

4 財務費用

5 稅項

- (a) 香港利得稅乃按本集團於本年度內之估計應課稅溢利按稅率百分之十七點五(二零零二年：百分之十六)計算。由於本集團在中國營運之附屬公司並無任何應課稅收入，故並無於賬目提撥中國稅項準備。

綜合損益表之稅項支出為：

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong profits tax	香港利得稅		
Current year	本年度	1,672	2,642
(Over)/underprovision in previous years	以往年度(超額撥備)/撥備不足	(20)	85
		1,652	2,727
Deferred taxation (note 5(c))	遞延稅項(附註5(c))	798	(222)
		2,450	2,505

5 TAXATION (Cont'd)

- (b) Taxation in the balance sheet represents the amount of Hong Kong profits tax provided for the current and previous years less the amounts of provisional profits tax paid.
- (c) The movements in deferred taxation account are as follows:

		Group 集團	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Brought forward	承前	286	508
Transfer from/(to) profit and loss account (note 5(a))	轉撥自／(往) 損益表 (附註 5(a))	798	(222)
Carried forward	結轉	1,084	286
Provided for in respect of:	已提撥準備：		
Accelerated depreciation allowances	加速折舊免稅項	1,084	286

There was no material unprovided deferred taxation for the year.

The revaluation of investment properties does not constitute a timing difference for deferred taxation purposes as realisation of the revaluation surplus would not result in taxation liability.

6 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Included in the profit attributable to shareholders is profit of HK\$23,476,000 (2002: HK\$19,220,000) which is dealt with in the Company's own accounts.

5 稅項 (續)

- (b) 資產負債表內之稅項乃指本集團本年度及以往年度香港利得稅撥備減去已繳納之暫繳稅款之數額。
- (c) 遞延稅項賬目之變動如下：

於本年度未有重大的遞延稅項未作撥備。

由於重估盈餘之變現不會導致稅項負債，故此重估投資物業並不構成遞延稅項時差。

6 股東應佔溢利

計入本公司賬目之股東應佔溢利為 23,476,000 港元 (二零零二年：19,220,000 港元)。

NOTES TO THE ACCOUNTS

賬目附註

7 DIVIDENDS

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interim, paid, of HK3.0 cents (2002: HK2.0 cents) per ordinary share	已派中期股息每股 3.0 港仙 (二零零二年: 2.0 港仙)	9,000	6,000
Final, proposed of HK5.0 cents (2002: HK5.0 cents) per ordinary share (note (a))	擬派末期股息每股 5.0 港仙 (二零零二年: 5.0 港仙) (附註(a))	15,000	15,000
		24,000	21,000

Note:

- (a) At a meeting held on 8th October 2003, the directors proposed a final dividend of HK5.0 cents per ordinary share. This proposed dividend is not reflected as a dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 30th June 2004.

8 EARNINGS PER SHARE

The calculation of earnings per share is based on the Group's profit attributable to the shareholders of HK\$40,462,000 (2002: HK\$38,408,000) and 300,000,000 (2002: 300,000,000) ordinary shares in issue during the year.

No diluted earnings per share is presented as there is no dilutive potential ordinary share during the year.

7 股息

附註:

- (a) 於二零零三年十月八日舉行之會議上，董事建議派發末期股息每股5.0港仙。此項擬派股息並無於本賬目中列作應付股息，惟將於截至二零零四年六月三十日止年度列作保留盈餘分派。

8 每股盈利

每股盈利乃根據本集團本年度股東應佔溢利 40,462,000 港元 (二零零二年: 38,408,000 港元) 及年內已發行普通股 300,000,000 股 (二零零二年: 300,000,000 股) 計算。

由於本年度並無潛在攤薄普通股，故此沒有呈示每股攤薄盈利。

9 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

9 員工成本(包括董事酬金)

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, wages and other allowances	薪酬、工資及其他津貼	47,067	42,715
Pension costs - defined contribution plans (note)	退休金成本－界定供款計劃(附註)	2,222	2,191
Termination benefits	解僱補償	1,527	239
		50,816	45,145

Note:

Prior to 1st December 2000, the Group contributed to a defined contribution retirement benefit scheme (the "Scheme") which was available to all qualifying employees. The assets of the Scheme are held separately from those of the Group in an independently administered fund. Contributions to the Scheme by the Group are calculated as a percentage of the employees' basic salaries. No contribution has been made by the Group to the Scheme since 1st December 2000 as the Group elected to contribute to the MPF Scheme as detailed below.

With effect from 1st December 2000, the MPF Scheme was made compulsory as enforced by the Mandatory Provident Fund Schemes Authority of Hong Kong. The MPF Scheme is a defined contribution retirement benefit scheme administered by independent trustees. Each of the employer and the employee has to contribute an amount equal to 5% of the relevant income (plus cashable allowances) of the employee to the MPF Scheme. Contributions from the employer are 100% vested in the employees as soon as they are paid to the relevant MPF Scheme but all benefits derived from the mandatory contribution must be preserved until the employee reaches the retirement age of 65 subject to a few exception.

There were no forfeited contributions (2002: HK\$15,000) under the Scheme during the year. The aggregate employer's contributions net of the forfeited contributions amount to approximately HK\$2,222,000 (2002: HK\$2,191,000) have been dealt with in the profit and loss account of the Group during the year.

附註：

於二零零零年十二月一日前，本集團為所有合資格僱員可參與之界定供款退休福利計劃（「退休計劃」）支付供款。退休計劃之資產由一獨立管理基金持有，與本集團之資產分開。本集團就退休計劃作出之供款乃按僱員基本薪金之某個百分比計算。由於本集團選擇向強積金計劃供款，所以本集團並沒有於二零零零年十二月一日後向退休計劃供款。

自二零零零年十二月一日開始，香港強制性公積金計劃管理局實施強積金計劃。強積金計劃為一界定供款退休金計劃及由獨立信託人管理。僱主與僱員均須各按有關收入（包括現金津貼）之百分之五向強積金計劃供款。僱主之供款投入有關強積金計劃後，即全數歸僱員所有，除若干情況外，強制性供款涉及之利益須保留至僱員年屆65歲退休時才予發還。

本年度並無於退休計劃下被沒收之供款（二零零二年：15,000港元）。本集團在本年度損益表記賬之供款約為2,222,000港元（二零零二年：2,191,000港元）。

NOTES TO THE ACCOUNTS

賬目附註

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The aggregate amounts of the emoluments payable to Directors of the Company during the year are as follows:

10 董事及高層管理人員之酬金

(a) 董事酬金

於本年度應付本公司之董事酬金總額如下：

		Group 集團		Company 公司	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors	執行董事				
Fees	袍金	—	—	—	—
Basic salaries, allowances and other benefits in kinds	基本薪酬、津貼及其他實物利益	9,329	7,115	—	—
Discretionary bonuses	自行酌定的花紅	—	1,316	—	—
Pensions	退休金	636	745	—	—
Ex-gratia payments as compensation for loss of office	離任補償：				
- as director	— 作為董事	1,471	—	—	—
- in connection with management of the Group	— 作為本集團之管理層	—	—	—	—
Independent Non-executive Directors	獨立非執行董事				
Fees	袍金	232	240	232	240
Basic salaries, allowances and other benefits in kind	基本薪酬、津貼及其他實物利益	—	—	—	—
		11,668	9,416	232	240

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Cont'd)

(a) Directors' emoluments (Cont'd)

The number of Directors of the Company whose emoluments fell within the following bands are set out as below:

Emoluments band 酬金級別	Number of directors 董事人數	
	2003	2002
Nil - HK\$1,000,000 無 - 1,000,000 港元	5*	2*
HK\$1,000,001 - HK\$1,500,000 1,000,001 港元 - 1,500,000 港元	1	1
HK\$1,500,001 - HK\$2,000,000 1,500,001 港元 - 2,000,000 港元	—	—
HK\$2,000,001 - HK\$2,500,000 2,000,001 港元 - 2,500,000 港元	—	1
HK\$2,500,001 - HK\$3,000,000 2,500,001 港元 - 3,000,000 港元	2	2
HK\$3,000,001 - HK\$3,500,000 3,000,001 港元 - 3,500,000 港元	1	—

* Include emoluments of Independent Non-executive Directors.

No Directors waived emoluments in respect of the years ended 30th June 2003 and 2002.

(b) Five highest paid individuals

The five individuals whose emoluments were highest in the Group for the year include three (2002: three) Directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2002: two) individuals during the year are as follows:

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries, allowances and other benefits in kinds	基本薪酬、津貼及其他實物利益	2,548	2,434
Discretionary bonuses	自行酌定的花紅	—	1,351
Pensions	退休金	127	122
		2,675	3,907

10 董事及高層管理人員之酬金 (續)

(a) 董事酬金 (續)

介乎下列各酬金級別之本公司董事人數載列如下：

Emoluments band 酬金級別	Number of directors 董事人數	
	2003	2002
Nil - HK\$1,000,000 無 - 1,000,000 港元	5*	2*
HK\$1,000,001 - HK\$1,500,000 1,000,001 港元 - 1,500,000 港元	1	1
HK\$1,500,001 - HK\$2,000,000 1,500,001 港元 - 2,000,000 港元	—	—
HK\$2,000,001 - HK\$2,500,000 2,000,001 港元 - 2,500,000 港元	—	1
HK\$2,500,001 - HK\$3,000,000 2,500,001 港元 - 3,000,000 港元	2	2
HK\$3,000,001 - HK\$3,500,000 3,000,001 港元 - 3,500,000 港元	1	—

* 包括獨立非執行董事之酬金。

概無董事放棄收取截至二零零三年及二零零二年六月三十日止年度之酬金。

(b) 五名最高薪酬人士

本集團本年度五名最高薪酬人士中，三名(二零零二年：三名)為本公司之董事，其酬金已於上述分析內反映。年內付予其餘兩名(二零零二年：兩名)最高薪酬人士之酬金如下：

NOTES TO THE ACCOUNTS

賬目附註

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Cont'd)

(b) Five highest paid individuals (Cont'd)

The emoluments fell within the following bands:

Emoluments band 酬金級別		Number of individuals 人數	
		2003	2002
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	—	2

11 FIXED ASSETS - GROUP

10 董事及高層管理人員之酬金 (續)

(b) 五名最高薪酬人士 (續)

酬金級別如下：

11 固定資產－集團

		Investment properties 投資物業 HK\$'000 千港元	Other properties 其他物業 HK\$'000 千港元	Properties under development 建築中物業 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Tools and moulds 工具及模具 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Cost or valuation	成本或估值									
At 1st July 2002	於二零零二年七月一日	6,100	68,445	7,312	3,680	98,522	16,279	8,296	2,892	211,526
Additions	增加	—	609	13,903	3,889	36,125	4,536	1,490	1,088	61,640
Revaluation	重估	1,099	—	—	—	—	—	—	—	1,099
Reclassification	重新分類	646	3,701	(4,347)	—	—	—	—	—	—
Disposals	出售	—	—	—	—	(3,543)	—	(1,490)	(282)	(5,315)
At 30th June 2003	於二零零三年六月三十日	7,845	72,755	16,868	7,569	131,104	20,815	8,296	3,698	268,950
Accumulated depreciation	累計折舊									
At 1st July 2002	於二零零二年七月一日	—	12,110	—	2,287	90,102	14,106	6,494	2,572	127,671
Charge for the year	本年度折舊	—	1,590	—	512	3,599	1,627	890	179	8,397
Revaluation	重估	(201)	—	—	—	—	—	—	—	(201)
Reclassification	重新分類	201	(201)	—	—	—	—	—	—	—
Disposals	出售	—	—	—	—	(1,148)	—	(1,468)	—	(2,616)
At 30th June 2003	於二零零三年六月三十日	—	13,499	—	2,799	92,553	15,733	5,916	2,751	133,251
Net book value	賬面淨值									
At 30th June 2003	於二零零三年六月三十日	7,845	59,256	16,868	4,770	38,551	5,082	2,380	947	135,699
At 30th June 2002	於二零零二年六月三十日	6,100	56,335	7,312	1,393	8,420	2,173	1,802	320	83,855

II FIXED ASSETS - GROUP (Cont'd)

The analysis of the cost or valuation at 30th June 2003 of the above assets is as follows:

		Investment properties 投資物業	Other properties 其他物業	Properties under development 建築中物業	Leasehold improvements 租賃物業裝修	Machinery and equipment 機器及設備	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備	Motor vehicles 汽車	Tools and moulds 工具及模具	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At cost	按成本	—	72,755	16,868	7,569	131,104	20,815	8,296	3,698	261,105
At 2003 professional valuation	二零零三年專業估值	7,845	—	—	—	—	—	—	—	7,845
		7,845	72,755	16,868	7,569	131,104	20,815	8,296	3,698	268,950

II 固定資產－集團（續）

上述資產於二零零三年六月三十日之成本或估值分析如下：

The analysis of the cost or valuation at 30th June 2002 of the above assets is as follows:

		Investment properties 投資物業	Other properties 其他物業	Properties under development 建築中物業	Leasehold improvements 租賃物業裝修	Machinery and equipment 機器及設備	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備	Motor vehicles 汽車	Tools and moulds 工具及模具	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At cost	按成本	—	68,445	7,312	3,680	98,522	16,279	8,296	2,892	205,426
At 2002 professional valuation	二零零二年專業估值	6,100	—	—	—	—	—	—	—	6,100
		6,100	68,445	7,312	3,680	98,522	16,279	8,296	2,892	211,526

上述資產於二零零二年六月三十日之成本或估值分析如下：

NOTES TO THE ACCOUNTS

賬目附註

II FIXED ASSETS - GROUP (Cont'd)

- (a) The Group's interests in investment properties and other properties at their net book values are analysed as follows:

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Held on leases of between	按年期介乎十年至五十年之		
10 to 50 years:	租約持有：		
- in Hong Kong	- 香港	26,449	25,719
- outside Hong Kong	- 香港以外地區	40,652	36,716
		67,101	62,435

- (b) Certain other properties of the Group were reclassified as investment properties on 31st May 2003.
- (c) All investment properties of the Group were revalued as at 30th June 2003 on the basis of their open market values by Chung, Chan & Associates, an independent firm of professional valuers. The surplus arising on revaluation of HK\$1,300,000 (2002: deficit of HK\$250,000) was taken directly to the investment properties revaluation reserve (note 17).
- (d) As at 30th June 2003, the cost and accumulated depreciation of fixed assets held by the Group under finance leases amounted to approximately HK\$14,881,000 (2002: HK\$18,302,000) and HK\$971,000 (2002: HK\$18,116,000) respectively.
- (e) As at 30th June 2003, certain investment and other properties of the Group with an aggregate net book value of approximately HK\$47,894,000 (2002: HK\$46,057,000) have been pledged to banks to secure for banking facilities granted to the Group.

II 固定資產－集團(續)

- (a) 本集團於投資物業及其他物業之權益之賬面淨值分析如下：

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Held on leases of between	按年期介乎十年至五十年之		
10 to 50 years:	租約持有：		
- in Hong Kong	- 香港	26,449	25,719
- outside Hong Kong	- 香港以外地區	40,652	36,716
		67,101	62,435

- (b) 本集團某部份其他物業於二零零三年五月三十一日重新分類為投資物業。
- (c) 本集團全部投資物業於二零零三年六月三十日由獨立專業估值師行衡量行按公開市值基準重估。投資物業重估盈餘1,300,000港元(二零零二年：虧損250,000港元)已直接計入投資物業重估儲備內(附註17)。
- (d) 於二零零三年六月三十日，本集團根據融資租賃持有之固定資產之成本及累計折舊分別約為14,881,000港元(二零零二年：18,302,000港元)及971,000港元(二零零二年：18,116,000港元)。
- (e) 於二零零三年六月三十日，本集團賬面淨值總額約47,894,000港元(二零零二年：46,057,000港元)之若干投資物業及其他物業已抵押予銀行，為本集團取得銀行信貸。

12 INVESTMENTS IN SUBSIDIARIES

12 附屬公司投資

		Company 公司	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，按成本	62,711	62,711
Amounts due from subsidiaries	應收附屬公司款項	74,665	74,352
Amount due to a subsidiary	應付附屬公司款項	(1,203)	—
		136,173	137,063

Particulars of the principal subsidiaries of the Company as at 30th June 2003 are set out in note 24 to the accounts.

本公司於二零零三年六月三十日各主要附屬公司之詳情載於賬目附註24。

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

應收及應付附屬公司款項並無抵押、免息，且無固定之還款期限。

13 INVENTORIES

13 存貨

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Trading stocks	貿易業務存貨	48,255	28,827
Raw materials	原料	32,108	31,586
Finished goods	製成品	17,060	9,832
		97,423	70,245

At 30th June 2003, the carrying amount of inventories that are carried at net realisable value amounted to HK\$1,407,000 (2002: HK\$1,770,000).

於二零零三年六月三十日，按可變現淨值列賬之存貨賬面值為1,407,000港元（二零零二年：1,770,000港元）。

NOTES TO THE ACCOUNTS

賬目附註

14 TRADE RECEIVABLES

The aging analysis of trade receivables is as follows:

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Below 90 days	0 – 90 日	152,047	146,075
91 - 180 days	91 – 180 日	15,325	17,099
Over 180 days	超過 180 日	5,484	2,950
		172,856	166,124

The majority of the Group's sales are with credit terms of 30 to 90 days. The remaining amounts are on letter of credit or documents against payment.

14 貿易應收款

貿易應收款的賬齡分析如下：

本集團大部份銷售的信貸期為30至90日，其餘以信用狀或付款交單方式進行。

15 TRADE PAYABLES

The aging analysis in trade payables is as follows:

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Below 90 days	0 – 90 日	61,263	45,054
91 - 180 days	91 – 180 日	156	1,514
Over 180 days	超過 180 日	869	503
		62,288	47,071

15 貿易應付款

貿易應付款的賬齡分析如下：

16 SHARE CAPITAL

16 股本

		Company 公司	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Authorised:	法定股本：		
800,000,000 (2002: 800,000,000)	800,000,000 (二零零二年：800,000,000)		
ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股	80,000	80,000
Issued and fully paid:	已發行及繳足股本：		
300,000,000 (2002: 300,000,000)	300,000,000 (二零零二年：300,000,000)		
ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股	30,000	30,000

Note:

Pursuant to the share option scheme approved and adopted on 5th December 2002, the Board of Directors of the Company may offer eligible employees (including executive directors) rights to subscribe for shares of the Company (the "Share Option"). Movements in the number of Share Options outstanding during the year are as follows:

附註：

根據二零零二年十二月五日批准並採納之購股權計劃，本公司之董事會可向合資格僱員（包括執行董事）授與認購本公司股份之權利（「購股權」）。於本年度尚未行使之購股權變動如下：

		Number of Share Options 購股權數目	
		2003	2002
At the beginning of the year	年初	—	—
Granted on 30th April 2003 (Note (i))	於二零零三年四月三十日授出（附註(i)）	1,500,000	—
Granted on 2nd May 2003 (Note (ii))	於二零零三年五月二日授出（附註(ii)）	24,000,000	—
At the end of the year	年末	25,500,000	—

(i) On 30th April 2003, the Company granted 1,500,000 Share Options to certain employee. The Share Options are exercisable at HK\$0.82 per share.

(ii) On 2nd May 2003, the Company granted 24,000,000 Share Options to certain employees. The Share Options are exercisable at HK\$0.82 per share.

(i) 於二零零三年四月三十日，本公司向僱員授出1,500,000股購股權，其行使價為每股0.82港元。

(ii) 於二零零三年五月二日，本公司向僱員授出24,000,000股購股權，其行使價為每股0.82港元。

NOTES TO THE ACCOUNTS

賬目附註

16 SHARE CAPITAL (Cont'd)

(iii) Share Options outstanding at the end of the year have the following terms:

Expiry Date 到期日	Exercise price 行使價	Number of Share Options 購股權數目	
		2003	2002
Directors 董事			
– 1st May 2009	– 二零零九年五月一日 HK\$0.82 0.82 港元	18,000,000	—
Employees 僱員			
– 29th April 2009	– 二零零九年四月二十九日 HK\$0.82 0.82 港元	1,500,000	—
– 1st May 2009	– 二零零九年五月一日 HK\$0.82 0.82 港元	6,000,000	—
		25,500,000	—

(iv) At the dates before the options were granted (29th and 30th April 2003), the closing prices per share were both HK\$0.82.

16 股本 (續)

(iii) 於年末尚未行使之購股權條款如下：

(iv) 本公司股份在緊接授出購股權日期前(二零零三年四月二十九日及三十日)之收市價均為0.82港元。

17 RESERVES

17 儲備

		Group 集團		Company 公司	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Share premium	股份溢價				
Brought forward and carried forward	承前及結轉	28,475	28,475	28,475	28,475
Capital reserve	資本儲備				
Brought forward and carried forward (note 17(a))	承前及結轉 (附註 17(a))	408	408	—	—
Contributed surplus	實繳盈餘				
Brought forward and carried forward (note 17(b))	承前及結轉 (附註 17(b))	—	—	62,511	62,511
Exchange fluctuation reserve	滙兌波動儲備				
Brought forward	承前	5,229	5,255	—	—
Exchange difference on translation of the accounts of an overseas subsidiary	換算海外附屬公司賬目之滙兌差額	—	(26)	—	—
Carried forward	結轉	5,229	5,229	—	—
Investment properties revaluation reserve	投資物業重估儲備				
Brought forward	承前	1,312	1,562	—	—
Surplus/(deficit) on revaluation (note 11)	重估盈餘/(虧損) (附註 11)	1,300	(250)	—	—
Carried forward	結轉	2,612	1,312	—	—
Other reserves	其他儲備	36,724	35,424	90,986	90,986
Retained earnings	保留溢利				
Brought forward	承前	207,536	179,628	15,718	6,998
Profit for the year	本年溢利	40,462	38,408	23,476	19,220
2001/2002 (2002: 2000/2001) final dividends paid	二零零一/二零零二年度 (二零零二年： 二零零零/二零零一年度) 已付末期股息	(15,000)	(4,500)	(15,000)	(4,500)
2002/2003 (2002: 2001/2002) interim dividends paid	二零零二/二零零三年度 (二零零二年： 二零零一/二零零二年度) 已付中期股息	(9,000)	(6,000)	(9,000)	(6,000)
Carried forward	結轉	223,998	207,536	15,194	15,718
Representing:	組成如下：				
Retained earnings	保留溢利	208,998	192,536	194	718
Proposed final dividends	建議末期股息	15,000	15,000	15,000	15,000
		223,998	207,536	15,194	15,718

NOTES TO THE ACCOUNTS

賬目附註

17 RESERVES (Cont'd)

- (a) The capital reserve of the Group represents the aggregate amount of the non-voting deferred shares of Ngai Hing Hong Plastic Materials Limited and the difference between the nominal amount of the share capital issued by the Company in exchange for the aggregate nominal amount of the share capital of the subsidiaries acquired pursuant to the group reorganisation in 1994 (the "Reorganisation").
- (b) The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of Ngai Hing (International) Company Limited at the date on which the Reorganisation became effective and the nominal amount of the Company's shares issued under the Reorganisation. At group level the contributed surplus is reclassified into its components of reserves of the underlying subsidiaries.

18 LONG-TERM LIABILITIES

17 儲備 (續)

- (a) 本集團之資本儲備乃指毅興塑膠原料有限公司之無投票權遞延股份總值及於一九九四年本公司根據集團重組(「重組」)所發行之股本面值以交換所收購附屬公司之股本面值總額兩者之差額。
- (b) 本公司之實繳盈餘乃指Ngai Hing (International) Company Limited於重組生效日期之綜合股東資金與本公司根據重組所發行之股份面值兩者之差額。本集團之實繳盈餘乃重新撥入有關附屬公司之儲備組合內。

18 長期負債

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Obligations under finance leases (note 18(a))	融資租賃責任 (附註 18(a))	17,738	87
Deferred taxation (note 5(c))	遞延稅項 (附註 5(c))	1,084	286
		18,822	373
Current portion of long-term liabilities	長期負債之即期部分	(3,481)	(87)
		15,341	286

18 LONG-TERM LIABILITIES (Cont'd)

(a) At 30th June 2003, the Group's finance lease liabilities were repayable as follows:

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	3,956	104
In the second year	第二年	4,032	—
In the third to fifth year	第三年至第五年	11,060	—
		19,048	104
Future finance charges			
on finance leases	融資租賃之未來財務費用	(1,310)	(17)
Present value of obligations			
under finance leases	融資租賃責任之現值	17,738	87

The present value of obligations under finance leases is as follows:

融資租賃責任之現值如下：

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	3,481	87
In the second year	第二年	3,654	—
In the third to fifth year	第三年至第五年	10,603	—
		17,738	87

NOTES TO THE ACCOUNTS

賬目附註

19 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of operating profit to net cash inflow generated from operations

19 綜合現金流量表附註

(a) 經營溢利與經營產生之現金流入淨額調節

		Group 集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Operating profit	經營溢利	46,727	44,497
Depreciation of fixed assets	固定資產折舊	8,397	10,635
(Gain)/loss on disposal of fixed assets	出售固定資產之 (收益)／虧損	(501)	34
Interest income	利息收入	(211)	(103)
Operating profit before working capital changes	營運資金改變前之經營溢利	54,412	55,063
Increase in inventories	存貨之增加	(27,178)	(8,429)
Increase in trade receivables, other receivables, prepayments and deposits	貿易應收款、其他應收款、 預付款及按金之增加	(5,425)	(16,177)
Increase in trade payables, other payables and accruals	貿易應付款、其他應付款及 預提費用之增加	5,816	14,844
Net cash generated from operations	經營產生之現金流入淨額	27,625	45,301

19 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(Cont'd)

(b) Analysis of changes in financing during the year

		Short-term bank loans 短期銀行貸款		Minority interests 少數股東權益		Obligations under finance leases 融資租賃責任		Trust receipts loans 信託收據貸款	
		2003	2002	2003	2002	2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Brought forward	承前	7,731	7,870	5,371	3,505	87	2,218	21,519	26,153
New bank loans raised	新增銀行借款	16,414	2,639	—	—	—	—	—	—
Repayment during the year	本年度償還	—	(2,778)	—	—	—	—	—	—
Increase/(decrease) in trust receipts loans	增加/(減少) 信託收據貸款	—	—	—	—	—	—	41,367	(4,634)
Dividend paid to minority shareholders	支付少數股東之股息	—	—	(952)	(477)	—	—	—	—
Inception of finance leases	融資租賃開始	—	—	—	—	18,616	—	—	—
Capital element of finance lease payments	融資租賃支出的資本部份	—	—	—	—	(965)	(2,131)	—	—
Share of profit by minority shareholders	少數股東應佔溢利	—	—	2,365	2,343	—	—	—	—
Carried forward	結轉	24,145	7,731	6,784	5,371	17,738	87	62,886	21,519

19 綜合現金流量表附註 (續)

(b) 年內融資變動分析

20 COMMITMENTS

(a) Capital commitments for property, plant and equipment

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Contracted but not provided for	已簽約但未撥備	1,148	16,429
Authorised but not contracted for	已授權但未簽約	—	—
		1,148	16,429

20 承擔

(a) 有關物業、機器及設備之資本承擔

NOTES TO THE ACCOUNTS

賬目附註

20 COMMITMENTS (Cont'd)

(b) Commitment under operating leases

As at 30th June 2003, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Not later than one year	一年內	5,580	5,354
Later than one year and not later than five years	一年後但不遲於五年	10,635	14,489
Later than five years	第五年後	1,477	2,954
		17,692	22,797

21 CONTINGENT LIABILITIES

As at 30th June 2003, the Company and the Group had the following contingent liabilities:

- Guarantee in respect of the due performance of a subsidiary under a contract manufacturing agreement to the extent of HK\$20,000,000 (2002: HK\$20,000,000);
- Guarantees given to banks for banking facilities granted to its subsidiaries to the extent of approximately HK\$205,360,000 (2002: HK\$175,000,000); and
- In April 2003, a customer (the "Customer") Issued a Writ of Summons in the High Court of the Hong Kong Special Administrative Region against a subsidiary of the Company (the "Subsidiary") and filed a Statement of Claim in June 2003 claiming against the Subsidiary for US\$589,590.53 (the "Claim") for losses and damages alleged to have been suffered by the Customer as a result of alleged breach of contract entered into between the Customer and the Subsidiary for goods sold by the Subsidiary to the Customer. On the basis of Independent legal advice obtained, the Subsidiary has (i) filed a defence and counterclaim to the Claim and (ii) taken out Third Party Proceedings against the supplier of the subject goods. In the opinion of the Directors, the Subsidiary is unlikely to suffer any loss for the Claim and no provision is considered necessary.

20 承擔 (續)

(b) 經營租賃承擔

於二零零三年六月三十日，本集團有於下列期間到期之有關土地及樓宇之不可撤銷經營租賃之未來最少租賃付款：

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
	5,580	5,354
	10,635	14,489
	1,477	2,954
	17,692	22,797

21 或有負債

於二零零三年六月三十日，本公司及本集團之或有負債如下：

- 本公司根據一項承包製造協議就附屬公司之履約保證提供最高20,000,000港元(二零零二年：20,000,000港元)之擔保；
- 本公司就其附屬公司之銀行信貸，向銀行提供最高約205,360,000港元(二零零二年：175,000,000港元)之擔保；及
- 於二零零三年四月，一名客戶(「該客戶」)向本公司一家附屬公司(「該附屬公司」)於香港特別行政區高等法院發出傳訊令狀，並於二零零三年六月發出申索陳述書，指稱該附屬公司違反與該客戶簽訂之貨物買賣合同而申索589,590.53美元(「該申索」)之損失及賠償。根據獨立法律意見，該附屬公司已(i)就該申索發出抗辯及反申索書及(ii)向貨物之供應商進行第三方的法律程序。本公司董事認為該附屬公司不會因該索償而招致任何損失及無需作出撥備。

22 ULTIMATE HOLDING COMPANY

The directors regard Good Benefit Limited, a company incorporated in the British Virgin Islands, as being the ultimate holding company.

23 APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 8th October 2003.

24 PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries as at 30th June 2003:

22 最終控股公司

董事認為本公司最終控股公司為Good Benefit Limited(在英屬處女群島註冊成立之公司)。

23 批准賬目

賬目已於二零零三年十月八日獲董事會批准。

24 主要附屬公司

於二零零三年六月三十日，本公司之主要附屬公司如下：

Name 名稱	Place of incorporation or establishment/operation * kind of legal entity 註冊成立/ 成立及經營地點 * 法人類別	Issued and fully paid up share capital/ registered capital 已發行及 繳足股本/註冊資本	Principal activities 主要業務	Effective percentage of equity held indirectly by the Company 本公司間接持有 之實際股本百分比
Dongguan Ngai Hing Plastic Materials Ltd. 東莞毅興塑膠原料 有限公司	The PRC * wholly foreign- owned enterprise 中國 * 外商獨資企業	HK\$90,000,000 90,000,000 港元	Manufacture and sale of colorants and compounded plastic resins 製造及銷售着色劑及 着色合成樹脂	100
Hong Kong Colour Technology Limited 顏色專業有限公司	Hong Kong 香港	500,000 ordinary shares of HK\$1 each 500,000 普通股 每股 1 港元	Manufacture and trading of colorants and compounded plastic resins 製造及買賣着色劑及 着色合成樹脂	100
Ngai Hing Engineering Plastic Materials Limited 毅興工程塑料有限公司	Hong Kong 香港	2,000,000 ordinary shares of HK\$1 each 2,000,000 普通股 每股 1 港元	Manufacture, trading, marketing and promotion of engineering plastic products 製造、買賣、市場 推廣及推銷工程 塑膠產品	76.2

NOTES TO THE ACCOUNTS

賬目附註

24 PRINCIPAL SUBSIDIARIES (Cont'd)

24 主要附屬公司 (續)

Name 名稱	Place of incorporation or establishment/ operation * kind of legal entity 註冊成立/ 成立及經營地點 * 法人類別	Issued and fully paid up share capital/ registered capital 已發行及 繳足股本/註冊資本	Principal activities 主要業務	Effective percentage of equity held indirectly by the Company 本公司間接持有 之實際股本百分比
Ngai Hing Hong Plastic Materials Limited 毅興塑膠原料有限公司	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000 普通股 每股 1 港元	Trading of plastic materials and pigments 買賣塑膠原料 及色粉	100
		500,000 non-voting deferred shares of HK\$1 each 500,000 無投票權 遞延股每股 1 港元		(Note a) (附註 a)
Shanghai Ngai Hing Plastic Materials Co., Ltd. 上海毅興塑膠原料 有限公司	The PRC * wholly foreign- owned enterprise 中國 * 外商獨資企業	HK\$12,000,000 12,000,000 港元	Manufacture and sale of colorants and compounded plastic resins 製造及銷售着色劑 及着色合成樹脂	100
Tsing Tao Ngai Hing Plastic Materials Co., Ltd. 青島毅興塑膠原料 有限公司	The PRC * sino-foreign equity joint venture 中國 * 中外合資企業	HK\$10,500,000 10,500,000 港元	Manufacture and sale of colorants and compounded plastic resins 製造及銷售着色劑 及着色合成樹脂	85

24 PRINCIPAL SUBSIDIARIES (Cont'd)

Notes:

- (a) The holders of the non-voting deferred shares in Ngai Hing Hong Plastic Materials Limited ("NHH") shall not be entitled to any participation in the profits or surplus assets of NHH and they are not entitled to receive notice of or attend or vote at any general meeting of NHH in respect of their holdings of such deferred shares.

Ngai Hing (International) Company Limited has been granted an option by the holders of the non-voting deferred shares to acquire these shares for an aggregate cash consideration of HK\$4.

- (b) The above table includes the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.
- (c) The aggregate net assets of subsidiaries not audited by PricewaterhouseCoopers under statutory requirements amounted to approximately 30.3% (2002: 40.0%) of the Group's total net assets.

24 主要附屬公司 (續)

附註：

- (a) 毅興塑膠原料有限公司(「毅興」)無投票權遞延股份之持有人無權參與毅興之溢利或剩餘資產分派，亦無權就其持有之遞延股份收取毅興股東大會通告或出席毅興股東大會或於會上投票。

Ngai Hing (International) Company Limited以現金總代價4港元獲無投票權遞延股份持有人授出可購買該等股份之購股權。

- (b) 上表列出董事認為對本年度業績構成重要影響或構成本集團資產淨值之主要部分之本公司附屬公司。董事認為如載列其他附屬公司之詳情會令資料過於冗長。
- (c) 並非由香港羅兵咸永道會計師事務所法定審核之附屬公司之資產淨值總額佔本集團資產淨值總額約百分之三十點三(二零零二年：百分之四十)。