

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Year ended 30 June 2003 截至二零零三年六月三十日止年度

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Four Guard Int'l Limited, a company incorporated in the British Virgin Islands.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 16 to the financial statements.

2. ADOPTION OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, The Group adopted, for the first time, a number of new and revised Statements of Standard Accounting Practice ("SSAP(s)") issued by the Hong Kong Society of Accountants. The adoption of these SSAPs has resulted in a change in the format of presentation of the cash flow statements and the statement of changes in equity but has had no material effect on the results of the Group for the current or prior accounting period. Accordingly, no prior period adjustment has been required.

Foreign currencies

The revisions to SSAP 11 "Foreign Currency Translation" have eliminated the choice of translating the income statements of overseas subsidiaries and associates at the closing rate for the year, the policy previously followed by the Group. They are now required to be translated at an average rate. This change in accounting policy has not had any material effect on the results for the current or prior accounting periods.

1. 一般資料

本公司於百慕達註冊成立為一家獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。其最終控股公司為一家於英屬處女群島註冊成立之公司Four Guard Int'l Limited。

本公司為一間投資控股公司。其附屬公司之主要業務載於財務報表附註16。

2. 採納新訂及經修訂會計實務準則

於本年度，本集團首次採納多項由香港會計師公會頒佈之新訂及經修訂會計實務準則（「會計實務準則」）。採納此等會計實務準則導致現金流量表及權益變動表之呈列形式有變動，惟對本集團於本會計期間或以往會計期間之業績並無重大影響。故此，毋須作出過往期間調整。

外幣

會計實務準則第11號「外幣換算」之修訂使本集團不能選擇奉行過往之政策，即不能以年結日之收市匯率換算海外附屬公司及聯營公司損益表。修訂規定須按平均匯率進行換算。此會計政策之變動對本會計期間或以往會計期間之業績並無任何重大影響。

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2. ADOPTION OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE (continued)

Cash flow statements

In the current year, the Group adopted SSAP 15 (Revised) "Cash Flow Statement". Under SSAP 15 (Revised), cash flows are classified under three headings – operating, investing and financing, rather than the previous five headings. Interest and dividends, which were previously presented under a separate heading, are classified as operating, investing or financing cash flows. Cash flows arising from taxes on income are classified as operating activities, unless they can be separately identified with investing or financing activities. Cash flows of overseas subsidiaries have been re-translated at the rates prevailing at the dates of the cash flows rather than the rate of exchange ruling on the balance sheet date. In addition, the amounts presented for cash and cash equivalent have been amended to exclude other borrowings that are financing in nature. The re-definition of cash and cash equivalents resulted in a restatement of the comparative amount shown in the consolidated cash flow statement.

Employee benefits

In the current year, the Group adopted SSAP 34 "Employee Benefits", which introduces measurement rules for employee benefits, including retirement benefit plans. Because the Group's participates only in defined contribution retirement benefit schemes, the adoption of SSAP 34 has not had any material impact on the financial statements.

2. 採納新訂及經修訂會計實務準則 (續)

現金流量表

於本年度，本集團已採納會計實務準則第15號（經修訂）「現金流量表」。根據會計實務準則第15號（經修訂），現金流量分為三類－經營、投資及融資，而非以往之五類。以往於獨立類別呈列之權益及股息，現分類為經營、投資或融資現金流量。所得稅所產生之現金流量分類為經營業務，除非有關現金流量能獨立確認為投資或融資活動。海外附屬公司之現金流量已按現金流量當日之現行匯率，而非以結算日之匯率重新換算。此外，現金及現金等值之呈列數額已修訂，以剔除屬融資性質之其他借款。重定現金及現金等值之定義導致須重列綜合現金流量表所示之比較數額。

僱員福利

於本年度，本集團已採納會計實務準則第34號「僱員福利」，引進新的僱員福利（包括退休福利計劃）之量度規定。由於本集團僅參與界定供款退休福利計劃，故採納會計實務準則第34號對財務報表並無任何重大影響。

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3. SIGNIFICANT ACCOUNTING POLICIES

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

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

Investment in subsidiaries

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

Joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and over which none of the participating parties has unilateral control.

Jointly controlled entities

Joint venture arrangement which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

The Group's interests in jointly controlled entities are included in the consolidated balance sheet at the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. The Group's share of the post-acquisition results of its jointly controlled entities is included in the consolidated income statement.

3. 主要會計政策

財務報表已按歷史成本法（並以就租賃土地及樓宇以及投資物業重估作出修訂）根據香港公認會計原則編製。所採納之主要會計政策如下：

綜合賬目基準

本綜合財務報表包括本公司及其附屬公司截至每年六月三十日止年度之財務報表。

於年度內收購或出售之附屬公司業績已分別於收購生效日期起或截至出售生效日期止（視乎情況而定）計入綜合財務報表內。

附屬公司之投資

附屬公司之投資乃按成本減任何已識別之減值虧損於資產負債表中列示。

合營公司

合營公司為一項合約安排，據此，本集團及其他合營方進行一項須受共同控制且概無參與方有單方面控制權之經濟活動。

聯合控制企業

合營公司安排涉及成立每名合營方均擁有權益之一項獨立實體，此等實體為聯合控制企業。

本集團應佔聯合控制企業之權益已按本集團所佔聯合控制企業資產淨值扣除已識別之減值虧損而計入綜合資產負債表。本集團應佔聯合控制企業收購後業績乃計入綜合損益賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

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

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Land and buildings are stated in the balance sheet at their revalued amount, being the fair value at the date of revaluation less any subsequent accumulated amortisation and any subsequent impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Any revaluation increase arising on revaluation of land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

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

Leasehold land and buildings	2% to 4%
Plant and machinery	10% to 25%
Leasehold improvements and others	10% to 25%

3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備乃按成本或估值減折舊及累計減值虧損列值。

出售或廢棄物業、廠房及設備所產生之收益或虧損以銷售所得款項與資產賬面值之差額釐定，並於損益賬中確認。

土地及樓宇於資產負債表內以其重估金額列賬，即以其於重估日期減任何隨後累積攤銷及任何隨後減值虧損為基準計算之公平價值。重估以充份規律進行，以使賬面金額與於結算日按公平價值計算之金額並無重大差異。

任何重估土地及樓宇所引致之增加均列入資產重估儲備，惟若其沖銷先前被視作支出之同一資產之重估減值，則此增加按先前所扣除之虧蝕列入損益表。重估資產引起之賬面淨值減少將被視作為支出，惟以超出先前重估該資產之重估儲備之結餘（如有）為限。隨後出售或棄用重估資產時，應佔重估盈餘乃撥入保留溢利。

折舊乃根據物業、廠房及設備項目之估計可使用年期經計及其剩餘價值後以直線法撇銷其成本或估值而計算，所使用之折舊率如下：

租賃土地及樓宇	2% – 4%
廠房及機器	10% – 25%
租賃物業裝修及其他	10% – 25%

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible 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 losses are recognised as an expense immediately unless the relevant asset is carried at a revalued amount under another SSAP, in which case the impairment loss is treated as revaluation decrease under that SSAP.

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

Investment properties

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

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

3. 主要會計政策 (續)

減值

於各結算日，本集團將審核其有形及無形資產之賬面值，以確認該等資產有否出現任何減值虧損之跡象。倘資產之可收回數額預期少於其賬面值，則資產之賬面值將減至其可收回數額。減值虧損即時確認為開支，惟有關資產按其他會計實務準則之重估數額列值除外。此等情況下，根據該會計實務準則，減值虧損將作為重估減值處理。

倘隨後減值虧損撥回，資產賬面值將增加至其經修訂之預期可收回數額，惟已增加之賬面值不得超過倘有關資產於往年年度並未確認減值虧損之賬面值。減值虧損撥回即時確認為收入，惟有關資產按其他會計實務準則之重估數額列值除外。此等情況下，根據會計實務準則，減值虧損撥回將作為重估升幅處理。

投資物業

投資物業乃指因其投資潛力擬作長期持有之已完成物業，任何租金收入乃經公平磋商後釐定。

投資物業於結算日根據每年專業估值以公開市值入賬。重估投資物業所產生之任何盈餘或虧絀將計入投資物業重估儲備或於物業重估儲備中扣除，除非此儲備之結餘按組合計算不足彌補虧損，則虧損超逾投資物業重估儲備總額將於損益賬中扣除。倘虧損之前已於損期賬中扣除，而隨後出現重估盈餘，則此盈餘乃按之前所扣除之虧損而計入損益賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties (continued)

On disposal of an investment property, the balance on the investment property revaluation reserve attributable to that property is included in the determination of the profit or loss on disposal.

No depreciation is provided on investment properties except where the unexpired term of relevant lease is 20 years or less.

Intangible assets

Intangible assets represent expenses incurred for the application and registration of trademarks and patents. They are stated at cost less amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of trademarks and patents over its estimated useful life, using the straight line method over periods not exceeding five years.

Leased assets

LESSOR

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the lessees.

All other leases are classified as operating leases and the rental income is recognized on a straight-line basis over the relevant lease term.

LESSEE

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

3. 主要會計政策 (續)

投資物業 (續)

於出售投資物業時，將計入該物業所佔之投資物業重估儲備以釐訂出售之盈虧。

除有關租約之未滿年期為20年或以下者外，概不就投資物業提撥折舊。

無形資產

無形資產乃指申請及註冊商標及專利權時所涉及之費用。該等資產乃按成本減去攤銷及累計減值虧損列示。攤銷以直線法按不超過五年之估計可用期限內以撇銷註冊商標及專利權之成本而計算。

租約資產

出租人

融資租約指涉及資產所有權之大部份回報及風險轉讓予出租人的租約。

所有其他租約分類為經營租約，租金收入以直線法按有關租期確認。

承租人

倘租約條款大致轉讓有關本集團資產擁有權之絕大部份風險及回報，則該等租約將分類為融資租約。融資租約持有之資產於收購當日按其公平值資本化。出租人之有關負債在扣除利息支出後，以融資租約債務計入資產負債表。融資成本指租約承擔總額與所收購資產公平值之差額，按其有關租約年期於損益賬中扣除，以提供各會計期間債務支出餘額之定期比率。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leased assets (continued)

LESSEE (continued)

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Revenue recognition

Sales of goods are recognized when the goods are delivered and title has passed.

Rental income is recognised on a straight line basis over the relevant lease terms.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalized as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3. 主要會計政策 (續)

租約資產 (續)

承租人 (續)

所有其他租約均分類為經營租約，每年租金以直線法按有關租期於損益賬扣除。

存貨

存貨乃按成本與可變現淨值兩者中之較低者入賬。成本按先入先出法計算。在製品及製成品之成本包括直接物料、直接工資及經常費用之適當數額。可變現淨值乃將估計售價減去預期貨品製成及出售所產生之成本。

收入確認

售貨收入於交付貨品及轉交所有權後確認。

租金收入乃於租賃年期內以直線法予以確認。

利息收入按本金餘額及適用利率，按時間比例基準計算。

借貸成本

直接來自合資格資產之收購、建築或生產借貸成本，資本化為該等資產成本之一部份。當資產大致可作其擬議用途或銷售時，則不再將該等借貸成本資本化。

所有其他借貸成本於產生期間確認為開支。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

The charge for taxation is based on the results for the year after adjusting for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognized in the financial statements. The tax effect of the resulting timing differences, computed under the liability method, is recognized as deferred taxation in the financial statements to the extent that it is probable that a liability or an asset will crystallize in the foreseeable future.

Foreign currencies

Transactions in currencies other than Hong Kong dollar are translated at the rates ruling on the date of the transactions. Monetary assets and liabilities denominated in currencies other than Hong Kong dollar are re-translated at the rates ruling on the balance sheet date. Profits and losses arising on exchange are dealt with in the income statement.

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 disposal of.

Retirement benefits scheme

Payments to the Mandatory Provident Fund Scheme are charged as an expense as they fall due.

Employees of the Group's subsidiary which operates in the PRC are required to participate in a central pension scheme operated by the local municipal government. Contributions are made based on a percentage of the eligible employees' salaries pursuant to relevant pension regulations. Contributions to the central pension scheme are charged to income statement as incurred.

3. 主要會計政策 (續)

稅項

稅項支出乃年期內業績經就無須課稅或不獲寬減之項目作調整後計算。某些收入及支出項目在稅務上與會計賬目上於不同之會計期間的財務報表中確認，因而引致時差。因時差而產生之稅務影響，按負債法計算並於財務報表確認為遞延稅項，惟只限於在可見將來變現之負債或資產。

外幣

港幣以外之外幣交易按交易日之匯率換算後入賬。以非港幣為單位的貨幣資產及負債按結算日的適用匯率換算，所產生之兌匯差額在損益賬中處理。

編製綜合賬目時，本集團港外業務之資產及負債按結算日之現行匯率換算。收入及開支項目則以年內平均匯率換算。所產生匯兌差額（如有）列為股本，並轉撥至本集團之匯兌儲備而有關之匯兌差額於出售有關業務之期間確認為收入或開支。

退休福利計劃

強制性公積金計劃供款於到期支付時列作開支。

本集團於中國營運之附屬公司的僱員須參與由地方政府運作之中央退休金計劃。該等供款乃根據退休金條款按合資格僱員薪金百份比計算。該等中央退休金計劃供款於產生時於損益賬中扣除。

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Year ended 30 June 2003 截至二零零三年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

4. TURNOVER

Turnover represent the net amounts received and receivable for goods sold by the Group to outside customers, less returns and allowances, and is analysed as follows:

Sale of cigarette lighters and related accessories

銷售香煙打火機及相關配件

5. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment, and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's primary segment is the design, manufacture and sale of cigarette lighters and lighter-related accessories. Since this is the only business segment of the Group, no further analysis thereof is presented.

Segment information is presented below in respect of the Group's geographical segment, which is regarded as the secondary segment. In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

3. 主要會計政策 (續)

關連人士

倘其中一方有能力直接或間接控制另一方，或對另一方之財務及營運決策方面具有重大影響力，則雙方為互相關連，而受共同控制或共同重大影響者，亦被視為互相關連。關連人士可以為個人或公司實體。

4. 營業額

營業額指扣除退貨及貿易折扣後本集團向對外客戶銷貨之已收及應收款項淨值，並分析如下：

THE GROUP	
本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
140,193	122,560

5. 分類資料

分類資料乃以兩種分類方式呈列：(i)以業務分類作為主要分類申報基準；及(ii)以地區分類作為次要分類申報基準。

本集團之唯一業務為設計、製造及銷售香煙打火機及與打火機相關配件。由於本集團只有單一業務，故並無呈列進一步分析。

以下分類資料乃按本集團之地區劃分，亦即次要分類。在釐定按地區劃分之資料時，分類收益及業績乃按客戶所處地區分佈計算，而分類資產則按資產所處地區分佈計算。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

Year ended 30 June 2003 截至二零零三年六月三十日止年度

5. SEGMENT INFORMATION (continued)

Geographical segments

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

THE GROUP

		United States of America 美國		Hong Kong 香港		Elsewhere in the PRC 中國其他地區		Asia 亞洲		Others 其他		Eliminations 抵銷		Consolidated 綜合	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Segment revenue:	分類收入:														
Sales to external customers	售予對外客戶	55,226	49,746	5,640	18,725	10,580	11,351	28,359	23,342	40,388	19,396	-	-	140,193	122,560
Other revenue	其他收入	-	-	3,292	1,388	266	2,530	34	-	-	1,301	-	-	3,592	5,219
Total revenue	收入總計	55,226	49,746	8,932	20,113	10,846	13,881	28,393	23,342	40,388	20,697	-	-	143,785	127,779

5. 分類資料 (續)

地區分類

下表呈列本集團地區分類之收入及若干資產及開支資料。

本集團

		United States of America 美國		Hong Kong 香港		Elsewhere in the PRC 中國其他地區		Asia 亞洲		Others 其他		Eliminations 抵銷		Consolidated 綜合	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Other segment information:	其他分類資料:														
Segment assets	分類資產	-	-	50,042	64,872	58,039	39,051	45	82	-	-	-	-	108,126	104,005
Capital expenditure	資本開支	-	-	2,888	819	4,174	9,871	-	-	-	-	-	-	7,062	10,690

The contribution to loss from operating activities by geographical area is substantially in line with the overall rate of contribution to turnover and, accordingly, a geographical analysis of contribution, which is discloseable pursuant to the Rules Governing the Listing of Securities in The Stock Exchange of Hong Kong Limited (the "Listing Rules"), is not presented.

按地區劃分之經營業務對虧損之貢獻大致上與其對營業額之整體貢獻率一致，因此，並無呈列根據香港聯合交易所有限公司證券上市規則（「上市規則」）規定須予披露之按地區劃分貢獻之分析。

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Year ended 30 June 2003 截至二零零三年六月三十日止年度

6. OTHER OPERATING INCOME

6. 其他經營收入

THE GROUP 本集團

		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Amortisation of deferred income	遞延收入攤銷	2,007	2,610
Net rental income	租金淨收入	466	851
Interest income	利息收入	69	75
Freight and service income	運費及服務收入	-	631
Surplus on revaluation of investment properties and leasehold land and buildings	重估投資物業以及租賃土地及樓宇盈餘	-	176
Others	其他	1,050	876
		3,592	5,219
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備淨收益	-	765
Exchange gains, net	滙兌淨收益	135	311
		3,727	6,295

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Year ended 30 June 2003 截至二零零三年六月三十日止年度

7. LOSS FROM OPERATIONS

Loss from operations has been arrived at after charging/
(crediting):

7. 經營業務虧損

本集團之經營業務虧損已扣除／(計入)下列項目：

		THE GROUP	
		本集團	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Auditors' remuneration	核數師酬金	240	600
Depreciation and amortisation	折舊及攤銷		
Depreciation of property, plant and equipment	物業、廠房及設備 折舊	4,803	4,942
Amortisation of intangible assets (included in administrative expenses)	無形資產攤銷 (計入行政費用)	724	627
		5,527	5,569
Staff costs	僱員成本		
Directors' remuneration (note 9)	董事酬金(附註9)	2,863	4,425
Salaries and other benefit	薪金及非現金利益	9,272	9,329
Retirement benefit scheme contributions	退休福利計劃供款	159	702
Total staff costs	僱員成本總額	12,294	14,456
Fixed assets written off	固定資產註銷	-	2,300
Construction in progress written off	在建工程註銷	-	218
Loss on dissolution of a subsidiary	解散一間附屬公司之虧損	-	376
Loss on disposal of long term listed investment	出售長期上市投資 之虧損	-	839
Revaluation deficit/(surplus) on:	重估虧絀／(盈餘)：		
Leasehold land and buildings	租賃土地及樓宇	348	(94)
Investment properties	投資物業	1,310	(82)
Exchange gains, net	滙兌淨收益	(135)	(311)
Loss/(gain) on disposal of property, plant and equipment, net	出售物業、廠房及設備 虧損／(收益)淨額	107	(765)
Gross rental income	租金總收入	(506)	(879)
Less: Outgoings	減：費用	40	28
Net rental income	租金淨收入	(466)	(851)
Interest income	利息收入	(69)	(75)
Amortisation of deferred income	遞延收入攤銷	(2,007)	(2,610)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Year ended 30 June 2003 截至二零零三年六月三十日止年度

8. FINANCE COSTS

8. 融資成本

		THE GROUP 本集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Interests on:	利息：		
bank loans and overdrafts	銀行貸款及透支	1,021	1,204
finance leases	融資租約	200	86
		1,221	1,290

9. DIRECTORS' EMOLUMENTS

9. 董事酬金

		THE GROUP 本集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Directors' fees	董事袍金		
Executive	執行董事	-	-
Independent non-executive	獨立非執行董事	210	-
		210	-
Other emoluments:	其他酬金：		
Salaries and other benefits	薪金及非現金利益	2,616	4,377
Retirement benefits scheme contributions	退休福利計劃供款	37	48
		2,653	4,425
Total emoluments	酬金總額	2,863	4,425

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

Year ended 30 June 2003 截至二零零三年六月三十日止年度

9. DIRECTORS' EMOLUMENTS (continued)

The emoluments of the directors were within the following bands:

Nil – HK\$1,000,000	零至港幣1,000,000元
HK\$1,000,001 – HK\$2,500,000	港幣1,000,001元至港幣2,500,000元
HK\$2,500,001 – HK\$3,000,000	港幣2,500,001元至港幣3,000,000元

10. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in Group, four (2002: five) were directors of the Company whose emoluments are included in the disclosures in note 9 above. The emolument of the remaining one (2002: Nil) individual was as follows:

Salaries and other benefits	薪金及其他非現金利益
-----------------------------	------------

The emolument was within the following band:

Nil–HK\$1,000,000	零至港幣1,000,000元
-------------------	----------------

9. 董事酬金 (續)

酬金介乎下列組別之董事人數如下:

Number of directors 董事人數	
2003 二零零三年	2002 二零零二年
5	6
1	–
–	1

10. 僱員酬金

本集團五名最高薪人士中，其中四名(二零零二年：五名)為本公司董事，其酬金已於上文附註9披露。餘下一名(二零零二年：無)人士之酬金如下:

THE GROUP 本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
513	–

酬金介乎下列組別:

No. of employee 僱員人數	
2003 二零零三年	2002 二零零二年
1	–

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Year ended 30 June 2003 截至二零零三年六月三十日止年度

11. TAXATION

The charge comprises:

Hong Kong Profits Tax charge for the year
Under-provision in prior years

稅項包括：

本年度香港利得稅支出
往年撥備不足

Hong Kong Profits Tax was calculated at the rate of 17.5% (2002: 16%) on the estimated assessable profit for the year.

There was no unprovided deferred tax in respect of the year. (2002: Nil)

12. LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss for the year of HK\$5,452,000 (2002: HK\$9,763,000) and the weighted average number of 150,000,000 (2002: 150,000,000) ordinary shares in issue during the year.

Diluted loss per share amounts for the years ended 30 June 2003 and 2002 have not been calculated as no diluting events existed during these years.

11. 稅項

THE GROUP

本集團

2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
5	168
112	-
117	168

香港利得稅乃根據稅率17.5% (二零零二年：16%) 按本年度之估計應課稅溢利計算。

本年度概無任何未撥備遞延稅項 (二零零二年：無)。

12. 每股虧損

每股基本虧損乃根據本年度淨虧損港幣5,452,000元 (二零零二年：港幣9,763,000元) 及本年度已發行普通股之加權平均數150,000,000股 (二零零二年：150,000,000股) 計算。

鑑於截至二零零三年及二零零二年六月三十日止年度內並無任何攤薄每股虧損事項發生，因此並沒有呈列該等年度之每股攤薄虧損。

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Year ended 30 June 2003 截至二零零三年六月三十日止年度

13. PROPERTY, PLANT AND EQUIPMENT THE GROUP

13. 物業、廠房及設備 本集團

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 港幣千元	Plant and machinery 廠房及機器 HK\$'000 港幣千元	Leasehold improve- ments and others 租賃物業 裝修及其他 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
COST OR VALUATION	成本值或估值					
At 1 July 2002	於二零零二年七月一日	15,437	44,038	4,120	945	64,540
Additions	添置	-	3,322	426	2,826	6,574
Disposals	出售	-	(3,476)	-	-	(3,476)
Transfer	轉撥	1,402	1,553	-	(2,955)	-
Surplus on revaluation	重估盈餘	19,030	-	-	-	19,030
At 30 June 2003	於二零零三年 六月三十日	35,869	45,437	4,546	816	86,668
Comprising:	包括:					
At cost	按成本	-	45,437	4,546	816	50,799
At 30 June 2003 valuation	按於二零零三年 六月三十日之估值	35,869	-	-	-	35,869
		35,869	45,437	4,546	816	86,668
DEPRECIATION	折舊					
At 1 July 2002	於二零零二年七月一日	239	22,871	2,947	-	26,057
Provided for the year	本年度撥備	777	3,720	306	-	4,803
Eliminated on disposals	出售時抵銷	-	(211)	-	-	(211)
Eliminated on revaluation	重估時抵銷	(1,016)	-	-	-	(1,016)
At 30 June 2003	於二零零三年 六月三十日	-	26,380	3,253	-	29,633
NET BOOK VALUES	賬面淨值					
At 30 June 2003	於二零零三年 六月三十日	35,869	19,057	1,293	816	57,035
At 30 June 2002	於二零零二年 六月三十日	15,198	21,167	1,173	945	38,483

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

Year ended 30 June 2003 截至二零零三年六月三十日止年度

13. PROPERTY, PLANT AND EQUIPMENT (continued)

The net book value of properties shown above comprises:

Land in Hong Kong:	於香港之土地：
Long-term lease	長期租約
Medium-term lease	中期租約
Land outside Hong Kong:	於香港以外之土地：
Medium-term lease	中期租約

The leasehold land and buildings of the Group in Hong Kong and the PRC were valued at 30 June 2003 by Messrs. C.L. Tsang Surveyors Limited, Chartered Surveyors, on an open market value basis. Messrs. C.L. Tsang Surveyors Limited are not connected with the Group.

If leasehold land and buildings of the Group had not been revalued, they would have been included in these financial statements at historical cost less accumulated depreciation of HK\$17,380,000 (2002: HK\$6,898,000).

The net book value of machinery and a motor vehicle held under finance leases as at 30 June 2003 amounted to HK\$3,663,000 (2002: HK\$1,692,000) and HK\$211,000 (2002: HK\$311,000) respectively.

The Group has pledged the leasehold land and buildings situated in Hong Kong with a net book value of HK\$4,840,000 (2002: HK\$5,294,000) to secure general banking facilities granted to the Group.

13. 物業、廠房及設備 (續)

上述物業之賬面淨值包括：

THE GROUP	
本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
3,724	4,232
1,116	1,062
31,029	9,904
35,869	15,198

本集團於香港及中國之租賃土地及樓宇已於二零零三年六月三十日由特許測量師曾正麟測量師行有限公司按公開市價估值。曾正麟測量師行有限公司與本集團並無關連。

倘本集團之租賃土地及樓宇並無重估，則以歷史成本減累計折舊而計入財務報表之數額為港幣17,380,000元(二零零二年：港幣6,898,000元)。

按融資租約持有之機器及汽車之賬面值於二零零三年六月三十日分別為港幣3,663,000元(二零零二年：港幣1,692,000元)及港幣211,000元(二零零二年：港幣311,000元)。

本集團已抵押位於香港賬面淨值為港幣4,840,000元(二零零二年：港幣5,294,000元)之租賃土地及樓宇，以取得授予本集團之一般銀行信貸。

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14. INVESTMENT PROPERTIES

14. 投資物業

THE GROUP
本集團
HK\$'000
 港幣千元

At 1 July 2002	於二零零二年七月一日	10,912
Revaluation decrease	重估減少	(1,310)

At 30 June 2003

於二零零三年六月三十日

9,602

The Group's investment properties are situated in Hong Kong and held under long-term leases. Investment properties were valued at their open market value at 30 June 2003 by Messrs. C.L. Tsang Surveyors Limited. This valuation gave rise to a revaluation decrease of HK\$1,310,000 which has been charged to the consolidated income statement.

本集團之投資物業均位於香港，並以長期租約持有。投資物業已於二零零三年六月三十日由曾正麟測量師行有限公司按公開市值估值。該估值所產生之重估減值港幣1,310,000元已在綜合損益賬支銷。

The Group's investment properties have been pledged to secure banking facilities granted to the Group.

本集團之投資物業已抵押以取得授予本集團之銀行信貸。

15. INTANGIBLE ASSETS THE GROUP

15. 無形資產 本集團

**Trademark
and patents**
商標及專利權
HK\$'000
 港幣千元

COST:	成本:	
At 1 July 2002	於二零零二年七月一日	3,135
Additions	添置	488

At 30 June 2003

於二零零三年六月三十日

3,623

AMORTISATION:	攤銷:	
At 1 July 2002	於二零零二年七月一日	1,712
Charge for the year	本年度撥備	724

At 30 June 2003

於二零零三年六月三十日

2,436

NET BOOK VALUE:	賬面淨值:	
At 30 June 2003	於二零零三年六月三十日	1,187

At 30 June 2002	於二零零二年六月三十日	1,423
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16. INVESTMENTS IN SUBSIDIARIES

16. 於附屬公司之投資

		THE COMPANY	
		本公司	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Unlisted shares, at cost	非上市股份，按成本	62,515	62,515
Amounts due from subsidiaries	應收附屬公司款項	13,915	15,413
		76,430	77,928

The amounts due from subsidiaries are unsecured, interest-free and repayable after one year.

應收附屬公司款項均為無抵押、免息及須於一年後償還。

Particulars of the subsidiaries are as follows:

附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及 營運地點	Issued and paid-up share/ registered capital 已發行及 繳足股份/ 註冊資本	Percentage of equity attributable to the Company 本公司 應佔股本權益 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Classic Line International Limited	British Virgin Islands 英屬處女群島	US\$16 16美元	100	–	Investment holding 投資控股
Eversun Corporation Limited 恆旭有限公司	Hong Kong 香港	HK\$2 港幣2元	–	100	Trading of cigarette lighters 買賣香煙打火機
Headjoin Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Property investment 物業投資

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16. INVESTMENTS IN SUBSIDIARIES (continued)

16. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及 營運地點	Issued and paid-up share/ registered capital 已發行及 繳足股份/ 註冊資本	Percentage of equity attributable to the Company 本公司 應佔股本權益 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Longnan County Poly Action Plastic & Metal Products Co., Limited 龍南縣萬德精密塑料 五金工業有限公司	PRC 中國	US\$4,500,000 4,500,000美元	-	100	Manufacture of cigarette lighters and lighters parts 製造香煙打火機 及打火機零件
Polycity Enterprise Limited 寶利時實業有限公司	Hong Kong 香港	HK\$2 港幣2元	-	100	Trading of cigarette lighters 買賣香煙打火機
PT. Magastand Industries	Indonesia 印尼	US\$250,000 250,000美元	-	99	Manufacture of cigarette lighters 製造香煙打火機
Ribbon Worldwide Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Investment holding 投資控股
Tak Fi Brothers Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	-	100	Investment holding, product design and trading of cigarette lighters and related products 投資控股、產品 設計及打火機 及有關產品貿易

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17. INTEREST IN A JOINTLY CONTROLLED ENTITY

Share of net assets	應佔資產淨值
Amount due from a jointly controlled entity	應收聯合控制企業款項
Deferred income	遞延收入

The amount due from a jointly controlled entity is unsecured, interest-free and repayable after one year. Deferred income arising from sales of production machinery and moulds to the jointly-controlled entity is amortised over 5 to 10 years, which approximates the useful lives of the machinery and moulds.

Particulars of the jointly-controlled entity are as follows:

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of incorporation and operation 註冊成立及經營地點	Percentage of paid-up capital held by the Group 本集團持有繳足股本百分比	Principal activities 主要業務
Shangdong Luneng Plastics & Metal Mfy. Co., Ltd. 山東魯能塑料五金製品有限公司	Corporate 公司	PRC 中國	50	Manufacture of cigarette lighters and lighter parts 製造香煙打火機及打火機配件

The Group's entitlement to share in the profits of its jointly controlled entity is in proportion to its ownership interest.

17. 於聯合控制企業之權益

THE GROUP 本集團

2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
-	3,650
3,132	3,132
(4,784)	(6,292)
(1,652)	490

應收聯合控制企業款項為無抵押、免息及於一年後償還。因出售生產機器及鑄模予聯合控制企業而產生之遞延收入分五至十年攤銷，攤銷期與機器及鑄模之使用年限相若。

聯合控制企業詳情如下：

本集團攤佔其聯合控制企業溢利之權利乃按其擁有權權益計算。

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18. INVENTORIES

Raw materials	原料
Work in progress	在製品
Finished goods	製成品

All the inventories are carried at cost.

19. TRADE AND BILLS RECEIVABLES

The Group allows an average credit period of 30 to 90 days to its trade customers.

The following is an aged analysis of trade and bills receivable at the balance sheet date:

Within 3 months	三個月內
4-6 months	四個月至六個月
7-12 months	七個月至十二個月
13-24 months	十三個月至二十四個月

18. 存貨

THE GROUP 本集團

2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
5,665	4,683
3,433	3,818
4,164	4,378
13,262	12,879

所有存貨均按成本列值。

19. 應收賬款及應收票據

本集團給予客戶之貸款期為三十天至九十天。

應收賬款及應收票據於結算日之賬齡分析如下：

THE GROUP 本集團

2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
3,943	6,283
1,350	4,069
1,722	7,367
1,471	9,513
8,486	27,232

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20. TRADE PAYABLES

The following is an aged analysis of trade payables at the balance sheet date:

Within 3 months	三個月內
4-6 months	四個月至六個月
7-12 months	七個月至十二個月
13-24 months	十三個月至二十四個月
Over 24 months	超過二十四個月

Included in trade payables at 30 June 2003 was a trade payable of HK\$12,173,000 (2002: HK\$15,676,000) due to the jointly controlled entity of the Group, which was unsecured, interest-free and had no fixed terms of repayment.

21. OTHER PAYABLES AND ACCRUALS

Other payables and accruals	其他應付賬項及應計負債
Amounts due to related companies	應付關連公司之款項
Amounts due to directors	應付董事之款項

The amounts due to related companies and directors are unsecured, interest-free and have no fixed terms of repayment.

20. 應付賬款

於結算日應付賬款之賬齡分析如下：

THE GROUP 本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
15,911	12,845
519	5,425
1,009	1,514
33	349
372	2,544
17,844	22,677

於二零零三年六月三十日之應付賬款中，包括應付本集團聯合控制企業之款項港幣12,173,000元（二零零二年：港幣15,676,000元），此款項為無抵押、免息及無固定還款期。

21. 其他應付賬項及應計負債

THE GROUP 本集團		THE COMPANY 本公司	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
4,898	5,704	120	600
87	87	77	77
192	225	160	-
5,177	6,016	357	677

應付關連公司及應付董事之款項為無抵押、免息及無固定還款期。

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22. BANK BORROWINGS

22. 銀行借款

		THE GROUP 本集團	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Bank overdrafts, secured	銀行透支－有抵押	2,157	7,306
Bank loans, secured	銀行貸款－有抵押	6,240	6,487
		8,397	13,793
The maturity profile of the above loans and overdrafts is as follows:			
On demand or within one year	按要求或一年內	6,759	11,548
More than one year, but not exceeding two years	一年後但不超過兩年	647	606
More than two years, but not exceeding five years	兩年後但不超過五年	991	1,639
		8,397	13,793
Less: Amounts due within one year shown under current liabilities	減：流動負債所示一年內到期數額	(6,759)	(11,548)
		1,638	2,245

The Group's bank loans and overdrafts are secured by:

本集團之銀行貸款及透支以下列各項作抵押：

- (i) all-monies legal charges over the Group's leasehold land and buildings and investment properties situated in Hong Kong with an aggregate carrying value of HK\$14,442,000 (2002: HK\$16,206,000) at the balance sheet date as set out in notes 13 and 14;
 - (ii) the pledge of the Group's time deposits amounting to HK\$2,041,000 (2002: HK\$2,028,000); and
 - (iii) unlimited corporate guarantees granted by the Company.
- (i) 本集團於結算日賬面總值合共港幣14,442,000元(二零零二年：港幣16,206,000元)之租賃土地及樓宇及投資物業(載於財務報表附註13及14)之一切款項作為法定抵押；
 - (ii) 本集團定期存款抵押為港幣2,041,000元(二零零二年：港幣2,028,000元)；及
 - (iii) 本公司授予之無限企業擔保。

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23. OBLIGATIONS UNDER FINANCE LEASES

23. 融資租約責任

		THE GROUP 本集團			
		Minimum lease payments 最低應付租賃金額		Present value of minimum lease payment 最低應付租賃金額之現值	
		2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
Amounts payable under finance leases:	應付款項：				
Within one year	一年內	1,594	1,029	1,510	940
In the second to fifth years inclusive	第二年至第五年 (首尾兩年包括在內)	171	407	167	377
		1,765	1,436	1,677	1,317
Less: Future finance charges	減：未來融資費用	(88)	(119)	-	-
Present value of lease obligations	租約責任現值	1,677	1,317	1,677	1,317
Less: Amounts due within one year shown under current liabilities	減：流動負債所示 一年內到期數額			(1,510)	(940)
Amounts due after one year	一年後到期數額			167	377

The Group leases a motor vehicle and certain of its machinery for its business operation. These leases are classified as finance leases and have remaining lease terms ranging from 2 to 3 years.

本集團為其業務營運租賃一輛汽車及若干機器，此等租賃分類為融資租約。剩餘之租約年期為2至3年不等。

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

本集團之融資租約責任以出租人就所租資產之抵押而作擔保。

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24. SHARE CAPITAL

Ordinary shares of HK\$0.10 each	每股面值港幣0.10元之普通股
<i>Authorised:</i>	法定:
At 30 June 2002 and 2003	於二零零二及二零零三年 六月三十日
	800,000,000
<i>Issued and fully paid:</i>	已發行及繳足:
At 30 June 2002 and 2003	於二零零二及二零零三年 六月三十日
	150,000,000

There was no movement in the share capital of the Company for each of the two years ended 30 June 2003.

25. SHARE OPTION SCHEME

The Company has adopted share option schemes on 13 June 2000 (the "2000 Scheme") and 28 November 2002 (the "2002 Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Details are set out below:

(a) 2000 Scheme

Pursuant to the terms of the 2000 Scheme which terminated on 28 November 2002, the Company may grant options to the Company's directors and full-time employees of the Group.

The maximum number of unexercised share options permitted to be granted under the 2000 Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. No share options have been granted under the 2000 Scheme.

24. 股本

	Number of shares 股份數目	Amount 數額 HK\$'000 港幣千元
Ordinary shares of HK\$0.10 each		
<i>Authorised:</i>		
At 30 June 2002 and 2003	800,000,000	80,000
<i>Issued and fully paid:</i>		
At 30 June 2002 and 2003	150,000,000	15,000

本公司股本於截至二零零三年六月三十日止兩個年度各年均無變動。

25. 購股權計劃

本公司於二零零零年六月十三日及二零零二年十一月二十八日採納購股權計劃（分別為「二零零零年計劃」及「二零零二年計劃」），旨在向對本集團業務有貢獻之合資格參與者提供鼓勵及獎勵。詳情如下：

(a) 二零零零年計劃

根據已於二零零二年十一月二十八日終止之二零零零年計劃條款，本公司可向本公司董事及本集團全職僱員授出購股權。

根據二零零零年計劃獲准授出而尚未行使購股權數目上限相等於其獲行使時本公司於任何時間已發行股份之10%。概無根據二零零零年計劃授出購股權。

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25. SHARE OPTION SCHEME (continued)

(b) 2002 Scheme

On 28 November 2002, the Company adopted the 2002 Scheme which will expire on 27 November 2012. Pursuant to the terms of the 2002 Scheme, the directors of the Company may grant options to directors and full time employees of the Company or its subsidiaries to subscribe for shares in the Company at a consideration of HK\$1. The subscription price for the shares under the 2002 Scheme shall be a price determined by the directors of the Company being at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant; or (ii) the average closing price of the shares stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; or (iii) the nominal value of the shares. Options granted are exercisable at any time during a period to be notified by the directors of the Company but limited to a maximum period of ten years after the date the options are granted. Options granted should be accepted within 28 days from the date of offer.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other schemes shall not exceed 10% of the shares in issue at the date on which the 2002 Scheme becomes unconditional.

The Company may, by the approval of the shareholders in general meeting, grant options beyond the 10% limit provided that the options in excess of the 10% limit are granted only to employees specifically identified by the Company before shareholders' approval is sought.

25. 購股權計劃 (續)

(b) 二零零二年計劃

於二零零二年十一月二十八日，本公司採納二零零二年計劃。二零零二年計劃將於二零一二年十一月二十七日屆滿。根據二零零二年計劃之條款，本公司董事可向本公司或其附屬公司之董事及全職僱員以按代價港幣1元授出購股權，認購本公司股份。根據二零零二年計劃之股份認購價由本公司董事釐定，並為：(i) 股份於授出要約當日於聯交所每日報表所報之收市價；(ii) 股份於緊接授出要約當日前五個交易日於聯交所每日報表所報之平均收市價；或(iii) 股份面值（以較高者為準）。所授出購股權可於本公司董事所通知之期間之任何時間內行使，惟有關期間之上限為授出購股權當日起計十年。所授出之購股權須自要約日期起計28日內接納。

根據二零零二年計劃及其他計劃授出之所有購股權獲行使時可予發行之股份數目上限，不得超過二零零二年計劃成為無條件當日之已發行股份之10%。

本公司可在股東於股東大會上批准之情況下，授出超過10%限額之購股權，惟超過10%限額之購股權僅可授予本公司在尋求股東批准前已特定之僱員。

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25. SHARE OPTION SCHEME (continued)

(b) 2002 Scheme (continued)

Unless approved by the shareholders as set out herein, the total number of shares issued and to be issued upon exercise of the options granted to each employee (including both exercised and outstanding options) in any twelve month period must not exceed 1% of the shares of the Company in issue. Where any further grant of options to an employee would result in the shares issued and to be issued upon exercise of any options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the shareholders in general meeting with such employee and his associates abstaining from voting.

However, the overall limit on the number of shares which may be issued upon exercise of all options granted under all share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

No share option has been granted under the 2002 Scheme.

25. 購股權計劃 (續)

(b) 二零零二年計劃 (續)

除非如本文所載獲股東批准，否則在任何十二個月期間授予每名僱員之購股權（已行使及未行使之購股權）獲行使而已發行及將予發行之股份總數，不得超過本公司已發行股份之1%。倘向一名僱員進一步授出購股權導致已授予及將授予該名人士之任何購股權（包括已行使、已註銷及未行使之購股權）在截至進一步授出購股權之十二個月期間（包括當日）獲行使時，已發行及將予發行之股份合共超過已發行股份之1%，則該進一步授出購股權必須由股東於股東大會另行批准，而該名僱員及其聯繫人須於會上放棄投票。

然而，倘根據本公司所有購股權計劃授出之所有購股權獲行使時可予發行之整體股份數目上限，不得超過不時已發行股份之30%。

概無根據二零零二年計劃授出購股權。

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26. RESERVES THE COMPANY

At 1 July 2001	於二零零一年七月一日
Loss for the year	年內虧損
At 1 July 2002	於二零零二年七月一日
Loss for the year	年內虧損
At 30 June 2003	於二零零三年六月三十日

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganization, over the nominal value of the Company's share issued in exchange therefor.

27. MAJOR NON-CASH TRANSACTION

During the year, the Group entered into a finance lease arrangement in respect of fixed assets with a total capital value at the inception of the lease of HK\$2,400,000 (2002: HK\$1,692,000).

26. 儲備 本公司

Share premium	Contributed surplus	Accumulated losses	Total
股份溢價	繳入盈餘	累計虧損	合計
HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元
6,459	62,315	(2,967)	65,807
-	-	(3,486)	(3,486)
6,459	62,315	(6,453)	62,321
-	-	(1,173)	(1,173)
6,459	62,315	(7,626)	61,148

本公司之繳入盈餘原指本集團重組所收購附屬公司之股份公平價值高於兌換本公司所發行股份公平價值之差額。

27. 主要非現金交易

於本年度，本集團已為固定資產作融資租約之安排，訂立租約時之資本部份為港幣2,400,000元（二零零二年：港幣1,692,000元）。

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28. CONTINGENT LIABILITIES

Guarantees given to banks, in respect of banking facilities utilised by subsidiaries	就附屬公司所動用 之銀行信貸而提供 予銀行之擔保
Bills discounted with recourse	附追索權之已貼現票據

28. 或然負債

THE GROUP 本集團		THE COMPANY 本公司	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
-	-	16,703	17,800
8,306	4,000	-	-
8,306	4,000	16,703	17,800

29. OPERATING LEASE ARRANGEMENTS

The Group as lessee

Minimum lease payments paid under operating leases during the year:	於年內根據經營租約 之已付最低租賃款項:
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29. 經營租約安排

本集團作為承租人

THE GROUP 本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
264	675

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29. OPERATING LEASE ARRANGEMENTS (continued)

The Group as lessee (continued)

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
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Operating lease payments represent rentals payable by the Group for certain of its godowns. Leases are negotiated for terms within one year.

The Group as lessor

The Group leases its investment properties as set out in note 14 to the financial statements under operating lease arrangements, with leases negotiated for term ranging from 1 to 2 years, without renewal options given to the lessees.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

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

29. 經營租約安排 (續)

本集團作為承租人 (續)

於結算日，本集團根據不可撤銷經營租約之未來最低應付租金之承擔將於下列期限到期：

THE GROUP 本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
113	53

經營租約應付租金指本集團就其若干貨倉而應付之租金。經磋商之租約為期一年內。

本集團作為出租人

本集團根據經營租約安排出租其投資物業（見財務報表附註14），經磋商之租約年期介乎1至2年，且無給予承租人續租之選擇。

於結算日，本集團根據與租客訂立於下列期限屆滿之未來最低應收租金如下：

THE GROUP 本集團	
2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
50	546
-	328
50	874

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30. CAPITAL COMMITMENTS

Contracted, but not provided for:
Capital contributions to a subsidiary
Capital expenditure in respect of the acquisition of property, plant and equipment

已簽約但未撥備：
對一間附屬公司之資本貢獻
有關收購物業、廠房及設備
之資本開支

30. 資本承擔

THE GROUP 本集團

2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
-	29,375
3,955	8,913
3,955	38,288

31. RELATED PARTY TRANSACTIONS

During the year, the Group had the following material transactions with its jointly-controlled entity:

Purchases of finished goods	購買製成品
Purchases of raw materials	購買原材料
Sales of raw materials	銷售原材料
Sales of machinery and moulds	銷售機器及鑄模

The above transactions were carried out on terms agreed between the Group and the jointly-controlled entity and were conducted in the normal course of business with reference to the prevailing market prices.

Details of the Group's trade balances with its jointly-controlled entity as at the balance sheet date, are disclosed in note 20 to the financial statements.

31. 關連人士交易

本年度內，本集團與其聯合控制企業進行之重大交易如下：

THE GROUP 本集團

2003 二零零三年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元
45,318	47,160
21	1,139
(10,532)	(10,756)
(638)	(512)

以上交易按本集團與聯合控制企業釐定之條款進行，並參考當時市價於日常業務過程進行。

本集團與其聯合控制企業於結算日之貿易結餘詳情於本財務報表附註20內披露。