

(Expressed in Hong Kong dollars)

(以港元列值)

1. SIGNIFICANT ACCOUNTING POLICIES**(a) Statement of compliance**

These financial statements have been prepared in accordance with all applicable Statements of Standard Accounting Practice (“SSAP”) and Interpretations issued by the Hong Kong Society of Accountants (“HKSA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKSE”). A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of investment properties and the marking to market of certain investments in securities as explained in the accounting policies set out below.

(c) Subsidiaries

A subsidiary is an enterprise controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

An investment in a subsidiary is consolidated into the consolidated financial statements, unless a subsidiary is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case, it is stated in the consolidated balance sheet at fair value with changes in fair value recognised in the consolidated profit and loss account as they arise.

1. 主要會計政策**(a) 遵例聲明**

本財務報表已按照香港會計師公會頒佈所有適用的會計實務準則及詮釋、香港公認會計原則及香港公司條例之披露規定而編製。此等財務報表亦遵守香港聯合交易所有限公司（「聯交所」）證券上市規則中適用的披露規定。本集團所採納之主要會計政策概要載於下文。

(b) 財務報表編製基準

除投資物業按重估值入賬及若干投資證券按市價計算（見下文會計政策）外，本財務報表是以歷史成本作為編製基準。

(c) 附屬公司

附屬公司是指被本公司控制之企業。倘本公司有權直接或間接監管該公司之財務及經營政策，因而從其業務獲得利益，控制權即存在。

在附屬公司之投資，一般均合併入綜合財務報表內。但若所購入及持有之附屬公司權益會在不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至本集團之能力，則集團在附屬公司之投資額按公平價值在綜合資產負債表列賬，而公平價值之變動則於出現時在綜合損益表內確認。



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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

1. 主要會計政策 (續)

(c) Subsidiaries (continued)

(c) 附屬公司 (續)

Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

集團內公司間之結餘及交易和因此而產生之任何未變現溢利於編製綜合財務報表時悉數抵銷。倘並無出現減值跡象，集團內公司間之交易所產生之未變現虧損則按照未變現收益之相同方式抵銷。

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(i)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Company, in which case, it is stated at fair value with changes in fair value recognised in the profit and loss account as they arise.

本公司之資產負債表內，於附屬公司之投資按成本值減去任何減值虧損（見附註1(i)）列賬。但若所購入及持有之附屬公司權益會在不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至本公司之能力，則本公司在附屬公司之投資額按公平價值在資產負債表列賬，而公平價值之變動則於出現時在損益表內確認。

(d) Associates

(d) 聯營公司

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

聯營公司是指本集團或本公司可以對其管理層發揮重大影響力的公司，包括參與財務及經營政策之決定，但並不控制或共同控制其管理層之公司。

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor, in which case it is stated at fair value with changes in fair value recognised in the consolidated profit and loss account as they arise. The consolidated profit and loss account reflects the Group's share of the post-acquisition results of the associates for the year.

於聯營公司之投資乃根據權益法記入綜合財務報表內，首先按成本入賬，其後須按本集團所佔聯營公司資產淨值於收購後的變動作出調整。但若所購入及持有該聯營公司權益將於不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至投資者的能力，集團則就此等公司之投資額按公平價值在綜合資產負債表列賬，而公平價值之變動則於出現時在綜合損益表內確認，而本集團所佔聯營公司於收購後的年度業績則於綜合損益表反映。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)**1. 主要會計政策 (續)****(d) Associates (continued)****(d) 聯營公司 (續)**

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the profit and loss account.

因本集團與其聯營公司進行交易而產生之未變現損益乃因應本集團所佔聯營公司權益比率抵銷，惟倘未變現虧損是由已轉讓資產的減值產生，則須立即在損益表上確認。

In the Company's balance sheet, its investments in associates are stated at cost less impairment losses (see note 1(i)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor, in which case, it is stated at fair value with changes in fair value recognised in the profit and loss account as they arise.

本公司之資產負債表內，於聯營公司之投資按成本減去減值虧損（見附註1(i)）列賬。但若所購入及持有之聯營公司權益會在不久將來出售，或該公司的運作長期受到嚴重限制，以至嚴重影響其將資金轉移至本公司之能力，則本公司在聯營公司之投資額按公平價值在資產負債表列賬，而公平價值之變動則於出現時在損益表內確認。

(e) Goodwill**(e) 商譽**

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. In respect of subsidiaries:

綜合賬目時產生之正商譽指收購成本與本集團所佔已購入可辨認資產及負債之公平價值的差額。就附屬公司而言：

- for acquisitions before 1 January 2001, positive goodwill is eliminated against reserves and is reduced by impairment losses (see note 1(i)); and
- for acquisitions on or after 1 January 2001, positive goodwill is amortised to the consolidated profit and loss account on a straight-line basis over its estimated useful life. Positive goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and impairment losses (see note 1(i)).

- 於二零零一年一月一日前收購之附屬公司，其正商譽於儲備內抵銷並減去減值虧損（見附註1(i)）；及
- 於二零零一年一月一日或之後收購之附屬公司，其正商譽以直線法按其估計可用年期於綜合損益表攤銷。正商譽按成本扣除任何累積攤銷及減值虧損於綜合資產負債表列賬（見附註1(i)）。



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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill (continued)

On disposal of a subsidiary during the year, any attributable amount of purchased goodwill not previously amortised through the consolidated profit and loss account or which has previously been dealt with as a movement on group reserves is included in the calculation of the profit or loss on disposal.

(f) Other investments in securities

The Group's and the Company's policies for investments in securities other than investments in subsidiaries and associates are as follows:

- (i) Investments held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less any provisions for diminution in value. Provisions are made when the fair values have declined below the carrying amounts, unless there is evidence that the decline is temporary, and are recognised as an expense in the profit and loss account, such provisions being determined for each investment individually.
- (ii) Provisions against the carrying value of investment securities are written back when the circumstances and events that led to the write-down or write-off cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.
- (iii) Securities held for trading are stated in the balance sheet at fair value. Changes in fair value are recognised in the profit and loss account as they arise. Securities are presented as trading securities when they were acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.

1. 主要會計政策 (續)

(e) 商譽 (續)

就於年內售出一間附屬公司而言，計算出售所得溢利或虧損時計入先前未於綜合損益表攤銷或先前已作集團儲備變動處理之已購入商譽的任何應佔數額。

(f) 其他證券投資

除本集團及本公司於附屬公司及聯營公司投資以外之證券投資之會計政策如下：

- (i) 持續持有作指定長期用途之投資列為投資證券。投資證券按成本減任何減值撥備記入資產負債表。除非有證據證明減值是臨時性，否則，減值準備是在公平價值跌至低過賬面金額時提撥，並在損益表內確認為支出。這些準備是各項投資個別釐定。
- (ii) 倘導致撥備或撇銷之情況及事件不再存在，並具備有力證據證明新情況及事件將於可見未來持續，就投資證券賬面值作出之撥備須予撥回。
- (iii) 持作買賣之證券按公平價值列賬，公平價值之變動於產生時在損益表中確認。購入時主要旨在從短期價格波動或證券商差價中獲取溢利之證券乃列作買賣證券入賬。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)**1. 主要會計政策 (續)****(f) Other investments in securities (continued)****(f) 其他證券投資 (續)**

- (iv) Profits or losses on disposal of investments in securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the investments and are accounted for in the profit and loss account as they arise.

- (iv) 出售投資證券之盈虧指估計出售所得款項淨額與投資賬面值之差額，並於產生時記入損益表。

(g) Fixed assets**(g) 固定資產**

- (i) Fixed assets are carried in the balance sheets on the following bases:

- (i) 固定資產乃按下列基準記入資產負債表內：

- Investment properties with an unexpired lease term of more than 20 years are stated in the balance sheet at their open market value which is assessed annually by external qualified valuers.

- 租賃年期尚餘二十年以上之投資物業，乃按獨立認可測量師每年所評估之公開市值在資產負債表內列賬。

- Other fixed assets are stated in the balance sheet at cost less accumulated depreciation (see note 1(h)) and impairment losses (see note 1(i)).

- 其他固定資產乃按成本減累計折舊（見附註1(h)）及減值虧損（見附註1(i)）於資產負債表入賬。

- (ii) Changes arising on the revaluation of investment properties are generally dealt with in reserves. The only exceptions are as follows:

- (ii) 重估投資物業所產生之變動一般在儲備中處理。但下列情況則除外：

- when a deficit arises on revaluation, it will be charged to the profit and loss account, if and to the extent that it exceeds the amount held in the reserve in respect of the portfolio of investment properties, immediately prior to the revaluation; and

- 倘重估產生虧絀，而有關虧損額又超過該投資物業組合在是次重估前撥入儲備的金額，則超額部分虧絀便會撥入損益表；及



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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

1. 主要會計政策 (續)

(g) Fixed assets (continued)

(g) 固定資產 (續)

- when a surplus arises on revaluation, it will be credited to the profit and loss account, if and to the extent that a deficit on revaluation in respect of the portfolio of investment properties, had previously been charged to the profit and loss account.
- (iii) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the enterprise. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.
- (iv) Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account on the date of retirement or disposal. On disposal of an investment property, the related portion of surpluses or deficits previously taken to the investment properties revaluation reserve is also transferred to the profit and loss account for the year.

— 倘重估產生盈餘，而該投資物業組合曾經有重估虧絀撥入損益表，則會按所轉撥虧絀額將盈餘撥入損益表。

(iii) 倘固定資產之後期已確認支出能對企業帶來未來經濟利益（超逾最初評定現有資產之性能標準），則加入該項資產之賬面值。其他一切後期支出乃於產生之期間內確認為支出。

(iv) 退廢或出售固定資產之收益或虧損指估計出售所得款項淨額和資產賬面值之差額，並在退廢或出售之日於損益表確認。於出售投資物業時，早前撥入投資物業重估儲備之有關盈餘或虧絀部分亦轉入本年度損益表內。

(h) Depreciation

(h) 折舊

- (i) No depreciation is provided on investment properties with an unexpired lease term of over 20 years.
- (i) 租賃年期尚餘二十年以上之投資物業毋須計提折舊。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Depreciation (continued)

(ii) Depreciation is calculated to write off the cost of other fixed assets over their estimated useful lives as follows:

- All land held on long leases is depreciated, to write off the cost less estimated residual value, over its remaining useful life to the extent that depreciation would be material. Land held on medium and short leases is depreciated on a straight-line basis over the remaining term of the relevant lease.
- Buildings are depreciated on a straight line basis over the shorter of their estimated useful lives, being 50 years from the date of completion, and the unexpired terms of the leases; and
- Other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	10 years or over the remaining lease term (if shorter)
Plant and machinery	20% - 25% per annum
Furniture, fixtures and office equipment	20% - 25% per annum
Motor vehicles	20% - 25% per annum

1. 主要會計政策(續)

(h) 折舊(續)

(ii) 其他固定資產之折舊乃於其估計可用年內按下列方式撇銷成本：

- 所有長期租賃土地之折舊乃於其剩餘可用年內按撇銷成本(減估計剩餘價值)·以將會出現重大折舊之情況為限。中期及短期租賃土地乃於有關租約之剩餘年期按直線法計提折舊。
- 樓宇乃按其估計可用年期(即由落成日期起計五十年)或尚餘租賃年期兩者中之較短期間按直線法計提折舊；及
- 其他固定資產乃以直線法於其估計可用年內按下列年率計提折舊：

租賃物業裝修	十年或尚餘租賃年期 (倘屬較短期間)
廠房及機器	年率20%至25%
傢具、裝置及辦公室設備	年率20%至25%
汽車	年率20%至25%



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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- fixed assets (other than properties carried at revalued amounts);
- investments in subsidiaries and associates; and
- positive goodwill (whether taken initially to reserves or recognised as an asset).

If any such indication exists, the asset's recoverable amount is estimated. For positive goodwill that is amortised over 20 years from initial recognition, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

1. 主要會計政策(續)

(i) 資產減值

自內部及外界所得資料均於每個結算日審閱，以確定下列資產是否出現減值跡象或先前已確認之減值虧損不再存在或已經減少：

- 固定資產(按重估數額列值之物業除外)；
- 於附屬公司及聯營公司之投資；及
- 正商譽(不論是否屬最初計入儲備或確認為資產者)。

倘出現任何該等跡象，則就資產之可收回價值進行估計。自最初確認之日起計攤銷超過20年之正商譽於每個結算日估計其可收回數額。倘資產之賬面值超過其可收回數額，減值虧損方予確認。

(i) 計算可收回數額

資產之可收回數額乃指出售價格淨額與使用價值兩者中之較高者。評估使用價值時，估計日後現金流量乃根據除稅前折現率折現至現值，而該折現率須反映市場現行對款項的時間價值及資產獨有風險之評估。倘資產並不可在近乎獨立於其他資產之情況下產生現金流量，可收回數額則指可獨立產生現金流量之最小資產組別(即現金產生單位)之可收回數額。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment of assets (continued)

(ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the profit and loss account in the year in which the reversals are recognised.

(j) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1. 主要會計政策 (續)

(i) 資產減值 (續)

(ii) 減值虧損撥回

就商譽以外的資產而言，倘用作釐定可收回數額之估計出現重大的有利變動，則須撥回減值虧損。就商譽之減值而言，倘該減值乃由一外在非經常性之獨特事件所引致，且可收回數額之增加與該獨特事件之轉變明顯有關，商譽之減值虧損始可撥回。

減值虧損撥回只限於該資產並未計算過往年度所確認之減值虧損時之賬面價值。減值虧損撥回計入在撥回的年度之損益表內。

(j) 存貨

存貨乃按成本值或可變現淨值兩者中之較低值入賬。

成本值以加權平均成本法計算，包括所有採購成本、加工成本及其他將存貨運至現時地點及達至現時狀況所產生之其他費用。

可變現淨值為日常業務進行中，售出項目之估計售價減估計完成之成本及估計銷售所需之費用。



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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

1. 主要會計政策(續)

(j) Inventories (continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(j) 存貨(續)

存貨出售時，該等存貨之賬面值會於有關收入確認之期間，確認為支出。任何就可變現淨值而撇減存貨之數額及存貨之所有虧損，均在撇減或虧損出現之期間確認為支出。因可變現淨值增加而撥回之任何撇減存貨數額，將用以減少於撥回期間的存貨支出。

(k) Cash equivalents

Cash equivalents are short-term, highly liquid investments which are readily convertible into known amounts of cash without notice and which were within three months of maturity when acquired. For the purposes of the cash flow statement, cash equivalents would also include bank overdrafts and advances from banks repayable within three months from the date of the advance.

(k) 現金等價物

現金等價物為可不需通知而隨時兌換為已知金額現金之短期及高流通性投資，並在購入起計三個月內到期。在編製現金流量表時，現金等價物亦將包括銀行透支及須於貸款日起計三個月內償還的銀行貸款。

(l) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect arising, from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to crystallise in the foreseeable future.

(l) 遞延稅項

遞延稅項採用負債法計算，乃就因收入及開支在會計及稅務處理上存在重大時差而引致且合理地預期將於可見將來出現之稅務效益提撥準備。

Future deferred tax benefits are not recognised unless their realisation is assured beyond reasonable doubt.

未來之遞延稅項收益僅會在可確定變現時確認。

(Expressed in Hong Kong dollars)

(以港元列值)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

1. 主要會計政策(續)

(m) Provisions and contingent liabilities

(m) 撥備及或然負債

Provisions are recognised for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

當本公司或本集團因過往事件而須負上法律或推定之責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，則始為未能確定何時發生或其款額之負債作出撥備。當數額涉及重大之時間價值時，則按預期用以履行責任之開支之現值作出撥備。

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

倘不一定需要流出經濟效益履行責任或未能可靠估計款額，則該等責任將披露作或然負債，除非出現經濟效益流出的可能性極微。可能出現的責任（僅於一項或多項未來事件發生或不發生的情況下確定）亦披露為或然負債，除非出現經濟利益流出的可能性極微。

(n) Revenue recognition

(n) 收入確認

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit and loss account as follows:

當經濟效益可能流入本集團，及在收入及成本（如適用）能可靠計算之情況下，以下各項收入方會於損益表中確認：

(i) Sale of goods

(i) 貨品銷售

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added or other sales taxes and is after deduction of any trade discounts.

收入在貨物送達客戶，並經客戶接納貨物及所有權之有關風險和回報後確認。收入不包括增值稅或其他銷售稅，並已扣減任何貿易折扣。



(Expressed in Hong Kong dollars)

(以港元列值)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

1. 主要會計政策 (續)

(n) Revenue recognition (continued)

(n) 收入確認 (續)

(ii) Rental income from operating leases

(ii) 經營租賃物業之租金收入

Rental income receivable under operating leases is recognised in the profit and loss account in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the profit and loss account as an integral part of the aggregate net lease payments receivable.

應收經營租賃物業之租金收入乃按等額於租賃期所涵蓋會計期間於損益表中確認，但如有其他基準更清楚地反映租賃資產所產生的收益模式則除外。就租賃給予之激勵措施於損益表中確認為應收租賃款項淨額之組成部分。

(iii) Dividends

(iii) 股息

- dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

- 非上市投資之股息收入於股東收取款項之權利確立時確認。
- 上市投資之股息收入在投資之股價除淨後確認。

(iv) Interest income from bank deposits is accrued on a time-apportioned basis by reference to the principal outstanding and at the rate applicable.

(iv) 銀行存款之利息收入之確認乃按時間比例基準，根據尚未償還本金額及適用利率計算。

(Expressed in Hong Kong dollars)

(以港元列值)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)**1. 主要會計政策 (續)****(o) Translation of foreign currencies****(o) 外幣之換算**

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies and the financial statements of those subsidiaries and associates whose books and records are maintained in currencies other than Hong Kong dollars are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the profit and loss account, except for those arising from the translation at closing rates of net investments in subsidiaries and associates, which are taken directly to reserve.

年內以外幣進行之交易按交易當日之匯率換算為港元。以外幣計算之貨幣資產及負債，以及以港元以外的貨幣編列賬目及記錄之附屬公司及聯營公司之財務報表均按結算日之匯率換算為港元。外匯換算所產生之滙兌損益均撥入損益表內處理，惟因採用年終滙率換算於附屬公司及聯營公司投資淨額而產生之差額，則直接撥入儲備處理。

(p) Retirement costs**(p) 退休金成本**

Contributions to all retirement schemes are charged to the profit and loss account when incurred.

所有退休金計劃之供款均於產生時計入損益表內。

(q) Borrowing costs**(q) 借貸成本**

Borrowing costs are expensed in the profit and loss account in the period in which they are incurred.

借貸成本於產生期間在損益表中列作開支入賬。

(r) Operating lease charges**(r) 經營租賃開支**

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the profit and loss account in equal instalments over the accounting periods covered by the lease term. Lease incentives received are recognised in the profit and loss account as an integral part of the aggregate net lease payments made.

假如本集團按經營租賃租用資產，則根據租賃作出的付款在租賃期所涵蓋的會計期間內，以等額在損益表扣除。經營租賃協議所涉及的激勵措施均在損益表中確認為租賃淨付款總額的組成部份。



(Expressed in Hong Kong dollars)

(以港元列值)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

(t) Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segmental revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segmental assets may include inventories, trade receivables and fixed assets. Segmental revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment.

Segmental capital expenditure is the total cost incurred during the year to acquire segmental assets (both tangible and intangible) that are expected to be used for more than one year.

1. 主要會計政策 (續)

(s) 有關連人士

就本財務報表而言，凡本集團可直接或間接控制，或於作出財務及經營決策時對其行使重大影響力，或相反而言，或與本集團共同受他人控制或共同影響力之人士，均被視為本集團之有關連人士。有關連人士可為個別人士或其他機構。

(t) 分類報告

「分類」是指集團內可劃分的單位，這些單位或負責提供產品或服務（業務分類），或在特定之經濟環境（地區分類）提供產品或服務，而個別分類所承受之風險或所得之回報與其他分類不同。

根據本集團之內部財務報告方式，集團選擇以業務分類資料作為主要匯報方式。

分類收入、支出、業績、資產及負債包括直接歸屬於該分類之項目和能以合理方式分配至該分類之項目。舉例說，分類的資產可能包括存貨、應收賬款及物業、廠房和設備。分類收入、支出、資產及負債將於集團內公司間的結餘及交易因編製綜合財務報表而被抵銷前釐定，除非此等集團內公司間的結餘及交易是來自同一分類內的集團企業。分類之間的價格按其他外界機構獲得之類似條款而制訂。

分類之資本支出是收購預期使用超過一段期間的分類資產（有形及無形資產）而於收購期內產生之總成本。

(Expressed in Hong Kong dollars)

(以港元列值)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Segmental reporting (continued)

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses and minority interests.

2. TURNOVER

The principal activities of the Group are property and investment holding, manufacturing and sale of watches and timepieces.

Turnover represents the sales value of goods supplied to customers, interest income and rental income. The amount of each significant category of revenue recognised in turnover during the year is as follows:

1. 主要會計政策(續)

(t) 分類報告(續)

未經分配之項目主要包括財務及企業資產、帶息貸款、借貸、企業及融資費用，及少數股東權益。

2. 營業額

本集團的主要業務為物業持有、投資控股、鐘錶及時計產品製造及銷售。

營業額乃指出售予客戶之貨品銷售額、利息收入及租金收入。於年內，營業額內各主要項目之已確認收入如下：

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Continuing operations:	持續經營業務：		
Sales of watches and timepieces	銷售鐘錶及時計產品	73,998	57,101
Interest income	利息收入	19,923	21,031
Property investments	物業投資收入	5,468	4,660
		<u>99,389</u>	<u>82,792</u>
Discontinued operations:	已終止業務：		
Sales of goods	銷售貨品		
- computer keyboards (note (i))	— 電腦鍵盤 (附註(i))	-	155,578
- communication equipment (note (ii))	— 通訊設備 (附註(ii))	-	26,772
		<u>-</u>	<u>182,350</u>
		<u>99,389</u>	<u>265,142</u>



(Expressed in Hong Kong dollars)

(以港元列值)

2. TURNOVER (continued)

Notes:

(i) Sale of computer keyboards manufacturing business

In July 2000, the Company sold its 100% equity interest in Goodnice International Limited ("Goodnice") at a total consideration of approximately \$195,000,000. The consideration would be settled by equal quarterly instalments and paid in full by the end of 2002. Goodnice is engaged in the manufacturing and sale of computer keyboards. The gain on disposal amounted to \$12,659,000, representing the surplus of consideration over net assets disposed of.

(ii) Sale of communication equipment business

On 15 January 2000, the Group entered into a sale and purchase agreement with an independent party. The total consideration paid by the vendor of RMB 30 million (\$28 million equivalent) was satisfied by the issue of 168,104 shares at market value of US\$21.6 (\$167.8 equivalent) for the 65% of interest in China Everbright Telecom-Land Network ("Telecom-Land Network"). Upon the completion of this transaction, the Group's interest in the communication equipment business was reduced from 75% to 35%. The attributable amount of such consideration to the Group is approximately \$17 million. The gain on disposal amounted to \$32,118,000, representing the surplus of consideration over net liabilities disposed of.

2. 營業額(續)

附註:

(i) 出售電腦鍵盤製造業務

於二零零零年七月，本集團以約195,000,000元之總代價出售其於德麗國際有限公司(「德麗公司」)的100%股本權益。代價以每季度等額分期支付，至二零零二年底全數付清。德麗公司從事電腦鍵盤製造及銷售。出售所得溢利為12,659,000元，即代價超出已出售淨資產之盈餘。

(ii) 出售通訊設備業務

本集團於二零零零年一月十五日與一獨立第三者訂立買賣協議。賣方支付中國光大通訊天地網絡系統有限公司(「通訊天地網絡」)之65%權益之總代價人民幣30,000,000元(相當於28,000,000元)，乃透過按市值21.6美元(相當於167.8元)發行168,104股股份而償付。於交易完成時，本集團於通訊設備業務之權益由75%減至35%。本集團應佔該項代價之金額為約17,000,000元。出售溢利為32,118,000元，乃有關代價超出已出售淨負債之盈餘。

(Expressed in Hong Kong dollars)

(以港元列值)

3. OTHER REVENUE AND OTHER NET LOSS

3. 其他收入及其他虧損淨額

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Other revenue	其他收入		
Dividend income from listed securities	上市證券股息收入	1,656	-
PRC valued added tax exempted	中國增值稅豁免	5,790	4,886
Miscellaneous income	雜項收入	1,013	1,656
		<u>8,459</u>	<u>6,542</u>
Other net loss	其他虧損淨額		
Net realised and unrealised (gain)/losses on trading and other securities carried at fair value	以公平價值列賬之買賣及其他證券之已變現及未變現(溢利)/虧損淨額	(2,767)	15,585
Net loss on disposal of fixed assets	出售固定資產之虧損淨額	3,432	18
		<u>665</u>	<u>15,603</u>



(Expressed in Hong Kong dollars)

(以港元列值)

4. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

4. 一般業務除稅前溢利

Profit from ordinary activities before taxation is arrived at after charging/(crediting):

一般業務除稅前溢利已扣除／(計入)下列各項：

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
(a) Finance costs:	(a) 財務費用：		
Interest on bank loans	銀行貸款之利息	<u>2,597</u>	<u>4,189</u>
(b) Other items:	(b) 其他項目：		
Cost of inventories *	存貨成本*	44,248	206,594
Staff costs (including retirement costs of \$1,270,000 (2000: \$1,100,000))	僱員成本(包括退休金成本1,270,000元(二零零零年：1,100,000元))	17,917	15,348
Auditors' remuneration	核數師酬金	875	1,050
Depreciation	折舊	5,529	14,724
Operating lease charges for land and buildings	土地及樓宇之經營租賃支出	541	673
Rental income from investment properties net of outgoings of \$994,000 (2000: 1,077,000)	投資物業租金收入減開支994,000元(二零零零年：1,077,000元)		
- from China Everbright Holdings Company Limited	- 來自中國光大集團有限公司	(1,929)	(1,570)
- from others	- 來自其他方面	<u>(2,545)</u>	<u>(2,013)</u>

* Cost of inventories included \$974,000 (2000: \$16,068,000) relating to staff costs, depreciation expenses and operating lease charges, which amount is also included in respective total amounts disclosed separately above for each of these types of expenses.

* 存貨成本包括僱員成本、折舊費用及經營租賃支出之974,000元(二零零零年：16,068,000元)，上文披露各項開支各自之總金額亦包括此金額。

(Expressed in Hong Kong dollars)

(以港元列值)

5. GAINS ON DISPOSAL OF SUBSIDIARIES

5. 出售附屬公司收益

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Disposal of Goodnice (note 2(i))	出售德麗公司 (附註2(i))	-	12,659
Disposal of Telecom-Land Network (note 2(ii))	出售通訊天地網絡 (附註2(ii))	-	32,118
		<u>-</u>	<u>44,777</u>

6. TAXATION

6. 稅項

(a) Taxation in the consolidated profit and loss account represents:

(a) 綜合損益表之稅項包括:

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅 撥備	149	123
Provision for income tax outside Hong Kong in the PRC for the year	本年度中國(香港除外) 所得稅撥備	1,067	700
(Over)/under - provision in respect of prior years	以往年度(超額準備) / 補提以往年度準備不足	(15)	482
		<u>1,201</u>	<u>1,305</u>
Share of associates' taxation	所佔聯營公司稅項	374	839
		<u>1,575</u>	<u>2,144</u>

The provision for Hong Kong Profits Tax is calculated at 16% (2000: 16%) of the estimated assessable profits for the year ended 31 December 2001. Taxation for PRC subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the PRC.

香港利得稅撥備以截至二零零一年十二月三十一日止年度的估計應課稅溢利按16%(二零零零年:16%)稅率計算。中國附屬公司之稅項以中國現行適用稅率按有關規定計算。



(Expressed in Hong Kong dollars)

(以港元列值)

6. TAXATION (continued)

6. 稅項 (續)

(b) Taxation in the consolidated balance sheet represents:

(b) 綜合資產負債表之稅項包括:

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	149	123
Balance of provision for Hong Kong Profits Tax relating to prior years	以往年度香港利得稅撥備結餘	108	-
		----- 257	----- 123
Provision for PRC income tax	中國所得稅撥備	1,067	700
Balance of provision for PRC income tax related to prior years	以往年度中國所得稅撥備結餘	1,229	1,106
		----- 2,296	----- 1,806
		=====	=====
		2,553	1,929

None of the taxation payable is expected to be settled after more than 1 year.

預期應繳稅項將於一年內清繳。

(Expressed in Hong Kong dollars)

(以港元列值)

6. TAXATION (continued)

- (c) At the balance sheet date, the Group had an unrecognised deferred tax asset of \$2,300,000 (2000: \$1,177,000) which represents the tax effect of timing differences arising as a result of tax losses available to set off against future assessable profits. These deferred tax assets have not been recognised in the financial statements as it is not certain that the benefit will be realised in the foreseeable future.

In the opinion of the directors, the deficit arising on revaluation of investment properties situated in Hong Kong does not constitute a timing difference for tax purposes. In addition, the directors are of the opinion that the Group has no intention to dispose of its investment properties situated in the PRC in the foreseeable future. Accordingly, no deferred taxation has been provided on the revaluation deficit of these property interests.

The Group had no significant unprovided deferred taxation for the year or at the balance sheet date.

6. 稅項 (續)

- (c) 於結算日，本集團有為數2,300,000元（二零零零年：1,177,000元）之未確認遞延稅項資產，為以稅務虧損抵銷未來應課稅溢利而產生之時差稅務效益。由於未能確定此等遞延稅項資產會否於可見將來變現，故並未在財務報表上確認此項利益。

董事認為，重估位於香港之投資物業價值所產生之虧絀在稅務上並不構成時差。此外，董事認為本集團無意於可見將來出售名下位於中國之投資物業。因此，並無就此等物業權益之重估虧絀提撥遞延稅項。

於本年度內或於結算日，本集團並無任何未撥備之重大遞延稅項。



(Expressed in Hong Kong dollars)

(以港元列值)

7. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Fees	袍金	100	100
Salaries and other emoluments	薪金及其他酬金	5,356	5,254
Retirement scheme contributions	退休金計劃供款	47	4
		<u>5,503</u>	<u>5,358</u>

Included in the directors' remuneration were fees of \$100,000 (2000: \$100,000) paid to the independent non-executive directors during the year.

The remuneration of the directors is within the following bands:

		Number of directors 董事人數	
		2001 二零零一年	2000 二零零零年
\$Nil - \$1,000,000	零至1,000,000元	4	9
\$1,000,001 - \$1,500,000	1,000,001元至1,500,000元	1	1
\$1,500,001 - \$2,000,000	1,500,001元至2,000,000元	<u>2</u>	<u>1</u>

7. 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Fees	袍金	100	100
Salaries and other emoluments	薪金及其他酬金	5,356	5,254
Retirement scheme contributions	退休金計劃供款	47	4
		<u>5,503</u>	<u>5,358</u>

董事酬金中包括於本年度支付予獨立非執行董事之袍金共100,000元(二零零零年:100,000元)。

董事酬金介乎下列範圍：

(Expressed in Hong Kong dollars)

(以港元列值)

8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2000: four) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other two (2000: one) individuals are as follows:

	2001	2000
	二零零一年	二零零零年
	\$'000	\$'000
	千元	千元
Salaries and other emoluments	<u>1,563</u>	<u>645</u>

The emoluments of the two (2000: one) individuals are within the following band:

	Number of individuals	
	僱員人數	
	2001	2000
	二零零一年	二零零零年
\$Nil - \$1,000,000	<u>2</u>	<u>1</u>

8. 最高薪酬人士

五位最高薪酬人士中，其中三位（二零零零年：四位）為董事，其酬金已在附註7披露。其餘兩位（二零零零年：一位）人士之酬金總額如下：

	2001	2000
	二零零一年	二零零零年
	\$'000	\$'000
	千元	千元
Salaries and other emoluments	<u>1,563</u>	<u>645</u>

兩位（二零零零年：一位）人士之酬金介乎下列範圍：

	Number of individuals	
	僱員人數	
	2001	2000
	二零零一年	二零零零年
\$Nil - \$1,000,000	<u>2</u>	<u>1</u>



(Expressed in Hong Kong dollars)

(以港元列值)

9. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a profit of \$4,487,000 (2000: \$120,516,000) which has been dealt with in the financial statements of the Company.

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the consolidated profit for the year of \$4,017,000 (2000: \$13,696,000) and the weighted average of 1,554,980,368 ordinary shares (2000: 1,552,313,820 shares) in issue during the year.

(b) Diluted earnings per share

Diluted earnings per share is not shown as the potential ordinary shares were anti-dilutive.

9. 股東應佔溢利

股東應佔綜合溢利中包括4,487,000元(二零零零年:120,516,000元)之溢利已於本公司財務報表中處理。

10. 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本年度綜合溢利4,017,000元(二零零零年:13,696,000元)及於本年內已發行普通股之加權平均數1,554,980,368股(二零零零年:1,552,313,820股)計算。

(b) 每股攤薄盈利

由於潛在普通股未受攤薄影響，故並無呈列每股攤薄盈利。

(Expressed in Hong Kong dollars)

(以港元列值)

11. CHANGES IN ACCOUNTING POLICIES

The effects of the adoption of the applicable new SSAP issued by the HKSA on the results and financial position of the Group and the Company are as follows:

(a) SSAP 30 “Business Combinations”

Goodwill arising on consolidation represents the excess of the cost of investments in the subsidiaries and associates over the Group’s share of the fair value of the separable net assets of these companies at the respective acquisition dates. In prior years, goodwill arising on consolidation was taken to capital reserve in the year in which it arose. With effect from 1 January 2001, with the introduction of SSAP 30 issued by the HKSA, the Group adopted a new accounting policy as set out in note 1(e). However, the Group has taken advantage of the transitional provisions in SSAP 30 which do not require restatement of goodwill taken to reserve prior to 1 January 2001.

11. 會計政策更改

採納香港會計師公會所頒佈適用之新訂的會計實務準則對本集團及本公司業績及財務狀況之影響如下：

(a) 會計實務準則第30號「業務合併」

在綜合賬目時所產生之商譽指投放於附屬公司及聯營公司的投資成本比集團於收購該等公司的資產淨值的公平價值高出的數額。於過往年度，在綜合賬目時所產生之商譽於商譽產生之年度計入資本儲備。由二零零一年一月一日起，隨著香港會計師公會頒佈會計實務準則第30號，集團採用了附註1(e)所載的新會計政策。然而，本集團已利用會計實務準則第30號之過渡規定，該條規定毋需就二零零一年一月一日前撥入儲備內之商譽重報。



(Expressed in Hong Kong dollars)

(以港元列值)

11. CHANGES IN ACCOUNTING POLICIES (continued)

(b) SSAP 31 “Impairment of assets”

With effect from 1 January 2001, the Group adopted the accounting policy as set out in note 1(i) in order to comply with SSAP 31 issued by the HKSA. Impairment losses should be recognised in the profit and loss account. However, any impairment arising on goodwill previously written off against reserves may be treated as a change in accounting policy in accordance with SSAP 2 “Net profit or loss for the period, fundamental errors and change in accounting policies”. As a result of this change, accumulated losses at 31 December 2000 were restated and increased by \$12.2 million representing an impairment loss on goodwill written off to the previous year’s consolidated profit and loss account.

(c) The changes in accounting policies described in (a) and (b) above had the following impact on the opening balances of “goodwill arising on consolidation” and “accumulated losses” of the Group at 1 January 2001:

11. 會計政策更改(續)

(b) 會計實務準則第31號「資產減值」

自二零零一年一月一日起，本集團採納附註1(i)所載會計政策，以符合香港會計師公會所頒佈之會計實務準則第31號。減值虧損須於損益表內確認。然而，較早前於儲備內撇銷商譽而產生之減值，可按照會計實務準則第2號「期內溢利或虧損淨額，以及重大錯誤及會計政策之更改」，視作會計政策之更改。鑑於此項變動，於二零零零年十二月三十一日之累積虧損已重報，其數額已增加12,200,000元，為以前年度綜合損益表所撇銷之商譽減值虧損。

(c) 載於上文(a)及(b)段之會計政策變動對本集團於二零零一年一月一日之「綜合賬目時產生之商譽」及「累積虧損」之期初結餘影響如下：

		Goodwill arising on consolidation	Accumulated losses
		綜合賬目時所 產生之商譽	累積虧損
		\$'000	\$'000
		千元	千元
Balance at 1 January 2001 as previously reported	於二零零一年一月一日之結餘(如前呈報)	(27,541)	(296,916)
Impact of adopting SSAP 31	採納會計實務準則第31號之影響	12,241	(12,241)
Balance at 1 January 2001 as restated	於二零零一年一月一日之結餘(重報)	<u>(15,300)</u>	<u>(309,157)</u>

(Expressed in Hong Kong dollars)

(以港元列值)

12. SEGMENTAL REPORTING

Segmental information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

Business segments

The Group comprises the following main business segments:

- (i) Sales of watches and timepieces; and
- (ii) Property investments.

12. 分類報告

本集團之分類資料是按業務類別及經營地區列報。集團為配合內部財務報告，故選擇以業務類別為主要匯報形式。

業務分類

本集團涉及下列主要業務類別：

- (i) 銷售鐘錶及時計產品及
- (ii) 物業投資。



(Expressed in Hong Kong dollars)

(以港元列值)

12. SEGMENTAL REPORTING (continued)

The segmental information for the year about these business segments is presented below:

(a) Segmental revenue and results

12. 分類報告(續)

於本年度，有關該等業務分類之分類資料呈列如下：

(a) 分類收入及業績

		* Segmental revenue * 分類收入		Segmental results 分類業績	
		2001 二零零一年	2000 二零零零年	2001 二零零一年	2000 二零零零年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Continuing operations:	持續經營業務：				
Sales of watches and timepieces	銷售鐘錶及時計產品	80,203	61,987	8,624	16,350
Property investments	物業投資	8,556	7,008	(5,147)	(3,298)
Unallocated (note)	未經分配 (附註)	19,089	20,339	318	(17,922)
		<u>107,848</u>	<u>89,334</u>	<u>3,795</u>	<u>(4,870)</u>
Discontinued operations:	已終止業務：				
Sales of goods	銷售貨品				
- computer keyboards	- 電腦鍵盤	-	155,578	-	(6,674)
- communication equipment	- 通訊設備	-	26,772	-	(4,054)
		<u>-</u>	<u>182,350</u>	<u>-</u>	<u>(10,728)</u>
		<u>107,848</u>	<u>271,684</u>	<u>3,795</u>	<u>(15,598)</u>
Finance costs	財務費用			(2,597)	(4,189)
Share of profit less losses of associates	所佔聯營公司溢利減虧損			412	1,861
Gains on disposal of subsidiaries	出售附屬公司所得收益			-	44,777
Write back of/(provision for) long term receivable	長期應收款撥回/(撥備)			4,000	(11,000)
Profit from ordinary activities before taxation	一般業務除稅前溢利			5,610	15,851
Taxation	稅項			(1,575)	(2,144)
Profit from ordinary activities after taxation	一般業務除稅後溢利			4,035	13,707
Minority interests	少數股東權益			(18)	(11)
Profit for the year	本年度溢利			<u>4,017</u>	<u>13,696</u>

(Expressed in Hong Kong dollars)

(以港元列值)

12. SEGMENTAL REPORTING (continued)

(a) Segmental revenue and results (continued)

There were no transactions among the Group's business segments during the years ended 31 December 2001 and 2000.

Note: The "Unallocated" segment mainly comprises financial income and corporate expenses.

* The segmental revenue can be analysed as follows:

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Turnover	營業額	99,389	265,142
Other revenue	其他收入	8,459	6,542
		<u>107,848</u>	<u>271,684</u>

(b) Segmental assets and liabilities

12. 分類報告(續)

(a) 分類收入及業績(續)

截至二零零一年及二零零零年十二月三十一日止年度內，本集團之業務類別間並無進行任何交易。

附註：「未經分配」分類主要包括財務收入及企業開支。

* 分類收入之分析如下：

(b) 分類資產及負債

		Segmental assets 分類資產		Segmental liabilities 分類負債	
		2001 二零零一年 '000 千元	2000 二零零零年 '000 千元	2001 二零零一年 '000 千元	2000 二零零零年 '000 千元
Sales of watches and timepieces	銷售鐘錶及時計產品	92,960	185,210	20,287	117,616
Property investments	物業投資	84,500	160,673	7,208	2,881
Unallocated (note)	未經分配(附註)	381,889	305,357	15,559	15,793
		<u>559,349</u>	<u>651,240</u>	<u>43,054</u>	<u>136,290</u>

Note: The "Unallocated" segment mainly comprises financial assets, receivables in respect of the sale of Goodnice and interest in associates.

附註：「未經分配」分類主要包括財務資產、出售德麗公司之應收款項及聯營公司之權益。



(Expressed in Hong Kong dollars)

(以港元列值)

12. SEGMENTAL REPORTING (continued)

12. 分類報告(續)

(c) Other segmental information

(c) 其他分類資料

		Depreciation		Capital expenditure	
		折舊		資本開支	
		2001	2000	2001	2000
		二零零一年	二零零零年	二零零一年	二零零零年
		'000	'000	'000	'000
		千元	千元	千元	千元
Sales of watches and timepieces	銷售鐘錶及時計產品	3,203	3,048	2,281	3,133
Property investments	物業投資	1,589	1,589	-	-
Unallocated	未經分配	737	10,087	-	-
		<u>5,529</u>	<u>14,724</u>	<u>2,281</u>	<u>3,133</u>

The Group participates in two principal economic environments. Hong Kong is a major market for the Group's property investment business and the other parts of the People's Republic of China (the "PRC") is a major market for sale of watches and timepieces.

本集團現處於兩個主要營商環境。香港乃本集團物業投資業務之主要市場，而中華人民共和國（「中國」）其他地區則為銷售鐘錶及時計產品之主要市場。

In presenting information on the basis of geographical segments, segmental revenue is based on the geographical location of customers. Segmental assets and capital expenditure are based on the geographical location of the assets.

按地區分類基準呈報資料時，分類收入按客戶所處地域位置呈報。分類資產及資本開支乃按資產所在地域位置呈報。

		Hong Kong		Other parts of the PRC	
		香港		中國其他地區	
		2001	2000	2001	2000
		二零零一年	二零零零年	二零零一年	二零零零年
		'000	'000	'000	'000
		千元	千元	千元	千元
Revenue from external customers	外界客戶之收益	24,972	26,523	82,876	245,161
Segmental assets	分類資產	453,765	452,790	105,584	198,450
Capital expenditure incurred during the year	本年度產生之資本開支	-	-	2,281	3,133
		<u>-</u>	<u>-</u>	<u>2,281</u>	<u>3,133</u>

(Expressed in Hong Kong dollars)

(以港元列值)

13. FIXED ASSETS

13. 固定資產

(a) The Group

(a) 本集團

	Land and buildings 土地及樓宇	Leasehold improve- ments 租賃物業 裝修	Plant and machinery 廠房及機器	Furniture, Fixtures and office equipment 傢俱、 裝置及 辦公室設備	Motor vehicles 汽車	Sub-total 小計	Investment properties 投資物業	Total 總額
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cost or valuation:	成本值或估值:							
At 1 January 2001	於二零零一年一月一日							
	82,780	746	4,353	13,969	3,478	105,326	74,000	179,326
Exchange adjustments	匯兌調整							
	5	-	3	7	2	17	-	17
Additions	添置							
	132	66	417	1,475	191	2,281	-	2,281
Disposals	出售							
	-	-	-	(5,623)	(142)	(5,765)	(18,000)	(23,765)
Deficit on revaluation	重估虧絀							
	-	-	-	-	-	-	(1,121)	(1,121)
At 31 December 2001	於二零零一年十二月三十一日							
	82,917	812	4,773	9,828	3,529	101,859	54,879	156,738
Representing:	代表:							
At cost	成本值							
	82,917	812	4,773	9,828	3,529	101,859	-	101,859
At valuation - 2001	估值 - 二零零一年							
	-	-	-	-	-	-	54,879	54,879
	82,917	812	4,773	9,828	3,529	101,859	54,879	156,738
Aggregate depreciation:	累積折舊:							
At 1 January 2001	於二零零一年一月一日							
	47,185	486	1,106	7,530	1,976	58,283	-	58,283
Exchange adjustments	匯兌調整							
	1	-	1	4	1	7	-	7
Charge for the year	本年度折舊							
	1,964	211	407	2,547	400	5,529	-	5,529
Written back on disposal	出售時撥回							
	-	-	-	(5,066)	(123)	(5,189)	-	(5,189)
At 31 December 2001	於二零零一年十二月三十一日							
	49,150	697	1,514	5,015	2,254	58,630	-	58,630
Net book value:	賬面淨值:							
At 31 December 2001	於二零零一年十二月三十一日							
	33,767	115	3,259	4,813	1,275	43,229	54,879	98,108
At 31 December 2000	於二零零零年十二月三十一日							
	35,595	260	3,247	6,439	1,502	47,043	74,000	121,043



(Expressed in Hong Kong dollars)

(以港元列值)

13. FIXED ASSETS (continued)

13. 固定資產(續)

(b) The Company

(b) 本公司

		Furniture, fixtures and office equipment	Leasehold improvements	Motor vehicles	Total
		傢具、 裝置及 辦公室設備	租賃 物業裝修	汽車	總額
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Cost:	成本值:				
At 1 January 2001	於二零零一年一月一日	2,361	560	806	3,727
Additions	添置	147	66	-	213
Disposals	出售	-	-	(196)	(196)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2001	於二零零一年 十二月三十一日	<u>2,508</u>	<u>626</u>	<u>610</u>	<u>3,744</u>
Aggregate depreciation:	累積折舊:				
At 1 January 2001	於二零零一年一月一日	1,391	305	158	1,854
Charge for the year	本年度折舊	483	124	130	737
Written back on disposal	出售時撥回	-	-	(47)	(47)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2001	於二零零一年 十二月三十一日	<u>1,874</u>	<u>429</u>	<u>241</u>	<u>2,544</u>
Net book value:	賬面淨值:				
At 31 December 2001	於二零零一年 十二月三十一日	<u>634</u>	<u>197</u>	<u>369</u>	<u>1,200</u>
At 31 December 2000	於二零零零年 十二月三十一日	<u>970</u>	<u>255</u>	<u>648</u>	<u>1,873</u>

(Expressed in Hong Kong dollars)

(以港元列值)

13. FIXED ASSETS (continued)

(c) The analysis of net book value of properties is as follows:

In Hong Kong	香港
- long term leases	- 長期租賃
Other parts in the PRC	中國其他地區
- medium term lease	- 中期租賃

(d) Investment properties of the Group were revalued at 31 December 2001 by an independent firm of surveyors, Chung, Chan and Associates, who have among their staff Associates of the Hong Kong Institute of Surveyors, on an open market value basis calculated by reference to net rental income allowing for reversionary income potential. The revaluation deficit of \$1,121,000 (2000: \$5,000,000) has been charged to the profit and loss account.

(e) The Group leases out investment properties under operating leases. The leases typically run for an initial period of two to four years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

The gross carrying amounts of investment properties of the Group held for use in the operating leases was \$54,879,000 (2000: \$74,000,000).

13. 固定資產(續)

(c) 物業賬面淨值分析如下:

		The Group 本集團	
		2001 二零零一年	2000 二零零零年
		\$'000 千元	\$'000 千元
		64,188	85,006
		24,458	24,589
		<u>88,646</u>	<u>109,595</u>

(d) 本集團之投資物業於二零零一年十二月三十一日之估值已由獨立測量師行衡量行(其職員包括屬於香港測量師學會會員之人士),按公開市值基準並計入可收回之潛在租金收入淨額評估。重估虧絀1,121,000元(二零零零年:5,000,000元)已計入損益表。

(e) 本集團根據經營租約租出投資物業。租賃期初步為二至四年,並可選擇待所有條款經重新商討後續約。上述租賃概無任何或然租金。

本集團所持有以根據經營租約租出之投資物業之賬面總額為54,879,000元(二零零零年:74,000,000元)。



(Expressed in Hong Kong dollars)

(以港元列值)

13. FIXED ASSETS (continued)

- (f) The future lease payments under the non-cancellable operating leases are receivable as follows:

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Within 1 year	一年內	2,780	2,200
After 1 year but within 5 years	一年後但五年內	2,035	-
		<u>4,815</u>	<u>2,200</u>

14. INTEREST IN SUBSIDIARIES

Unlisted shares, at cost	非上市股份，成本值	21,374	21,374
Amounts due from subsidiaries	應收附屬公司欠款	442,777	483,526
Amounts due to subsidiaries	應付附屬公司欠款	(16)	(12,117)
		464,135	492,783
Less: Impairment losses	減：減值虧損	(276,800)	(276,800)
		<u>187,335</u>	<u>215,983</u>

Details of the Company's principal subsidiaries as at 31 December 2001 are set out in note 28. All of the Company's subsidiaries have been consolidated into the Group financial statements except as described below.

13. 固定資產(續)

- (f) 不可撤銷經營租約之應收未來租賃款項如下：

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Within 1 year	一年內	2,780	2,200
After 1 year but within 5 years	一年後但五年內	2,035	-
		<u>4,815</u>	<u>2,200</u>

14. 所佔附屬公司權益

The Company
本公司

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Unlisted shares, at cost	非上市股份，成本值	21,374	21,374
Amounts due from subsidiaries	應收附屬公司欠款	442,777	483,526
Amounts due to subsidiaries	應付附屬公司欠款	(16)	(12,117)
		464,135	492,783
Less: Impairment losses	減：減值虧損	(276,800)	(276,800)
		<u>187,335</u>	<u>215,983</u>

有關本公司主要附屬公司於二零零一年十二月三十一日之詳情載於附註28。除下文所述者外，本公司所有附屬公司業績已綜合載於本集團之財務報表內。

(Expressed in Hong Kong dollars)

(以港元列值)

14. INTEREST IN SUBSIDIARIES (continued)

The Group holds a 51% equity interest in Shunde Everbright Sunto Computer Co. Ltd., a Company which is established in the PRC through which the Group had intended to participate in the manufacturing and the sale of computer casing products with third parties. Due to the non-disclosure of certain material transactions by the subsidiary's management and its minority shareholder, the Group has reasonable doubt as to the reliability of the financial information provided by the subsidiary. The directors of the Company are of the opinion that the subsidiary is practically in a management dead-lock, and the value of the Group's investment in this subsidiary, and the collectibility of the amount due from it in a total amount of \$60.5 million, are doubtful. Accordingly, the Group's interest in this unconsolidated subsidiary has been fully provided as from the year ended 31 December 1998. The Group will not make any further investment in this subsidiary.

15. INTEREST IN ASSOCIATES

(a)

Unlisted shares, at cost 非上市股份·成本值
Share of net assets 應估資產淨值
Amount due from associate 應收聯營公司欠款
Less: Impairment losses 減: 減值虧損

Amount due to associate

非上市股份·成本值
應估資產淨值
應收聯營公司欠款
減: 減值虧損
應付聯營公司欠款

14. 所佔附屬公司權益(續)

本集團持有於中國成立之順德市光大順通電腦有限公司51%股本權益。本集團原擬透過該公司聯同第三方參與製造及銷售電腦機箱產品。由於該附屬公司之管理層及其少數股東對若干重大交易未有披露，本集團對該附屬公司所提供之財務資料之可靠性存有疑問。本公司董事會認為該附屬公司實際上已陷入僵局，所以本集團於該附屬公司之投資及能否收回附屬公司之欠款(合共60,500,000元)均成疑問。因此，本集團所佔該未綜合計入賬目之附屬公司權益已由截至一九九八年十二月三十一日止年度起作出全面撥備。本集團亦不會對該附屬公司作出任何進一步投資。

15. 所佔聯營公司權益

(a)

		The Group 本集團		The Company 本公司	
		2001 二零零一年	2000 二零零零年	2001 二零零一年	2000 二零零零年
		'000 千元	'000 千元	'000 千元	'000 千元
Unlisted shares, at cost	非上市股份·成本值	-	-	39,301	93,124
Share of net assets	應估資產淨值	-	40,422	-	-
Amount due from associate	應收聯營公司欠款	-	-	-	815
Less: Impairment losses	減: 減值虧損	-	-	(35,652)	(49,850)
		-	40,422	3,649	44,089
Amount due to associate	應付聯營公司欠款	(3,649)	(3,649)	(3,649)	(3,649)
		(3,649)	36,773	-	40,440



(Expressed in Hong Kong dollars)

(以港元列值)

15. INTEREST IN ASSOCIATES (continued)

(a) (continued)

The Group has no associate which has significant effect over the results or assets of the Group for the year ended 31 December 2001. Particulars of a principal associate affecting the results or assets of the Group for the year ended 31 December 2000 are as follows:

Name of associate 聯營公司名稱	Particulars of issued and paid up capital 已發行及繳足 股本詳情	Percentage of equity 股份百分比		Principal activity 主要業務
		held by the Company 由本公司持有	attributable to the Group 本集團應佔	
Cokin Limited (<i>note</i>)	1,658,680 shares of US\$0.01 each 1,658,680股每股面值 0.01美元之股份	49.4%	49.4%	Investment holding 投資控股

15. 所佔聯營公司權益(續)

(a) (續)

本集團於二零零一年十二月三十一日止年度並無對本集團業績或資產構成主要影響之聯營公司。以下僅列出於二零零零年十二月三十一日止年度對本集團業績或資產構成影響之聯營公司資料：

(Expressed in Hong Kong dollars)

(以港元列值)

15. INTEREST IN ASSOCIATES (continued)

(a) (continued)

Note: Cokin Limited, a company incorporated in the British Virgin Islands, held approximately 20% interest in Chevalier iTech Holdings Limited (“Chevalier”). Apart from the investment in Chevalier, Cokin Limited had no other business activities. Chevalier is a company listed on the HKSE which is engaged in the supply, installation and servicing of computer equipment, telecommunication systems and office automation system. Cokin Limited was voluntarily wound up in March 2001 and the Group’s attributable interest in Chevalier was transferred to Everbright Creation International Limited, a wholly owned subsidiary of the Group. Following the transaction, the Group was unable to exercise significant influence over the financial and operating decision of Chevalier. Accordingly, the Group ceased to equity account for the results of Chevalier and classified its interest in Chevalier as investment securities intended to be held on a continuing basis. The Group’s share of net assets of Chevalier as at 31 March 2001 was considered as the deemed cost of the investment securities on that date.

(b) Associate – not equity accounted for

In July 1999, the Group acquired a 38% equity interest in Wuxi Taide I.T.-Land Development Company Limited (“Wuxi Taide”). The principal activity of Wuxi Taide is property development in Wuxi, Jiangsu Province of the PRC.

The equity method of accounting for the results of the associate, Wuxi Taide, is not adopted as no audited financial statements of Wuxi Taide are available and the Group is unable to exercise significant influence on it. The operations of Wuxi Taide have ceased as the Company faced severe financial difficulties and litigations were made by a number of creditors against the Company for repayment of debts.

15. 所佔聯營公司權益(續)

(a) (續)

附註: Cokin Limited為一間於英屬處女群島註冊成立之公司，持有其士科技控股有限公司(「其士」)約20%權益。除於其士之投資外，Cokin Limited概無經營其他業務。其士為於聯交所上市的公司，從事電腦設備、電訊系統及辦公室自動化系統之供應、安裝及維修服務。Cokin Limited於二零零一年三月作出自願清盤，而本集團於其士之所佔權益則轉予本集團之全資附屬公司Everbright Creation International Limited。交易完成後，本集團不能於其士就財務及經營決策權上行使重大影響力。因此，本集團未按權益會計法將其士業績入賬，並將其士權益列為持續持有之投資證券。本集團於二零零一年三月三十一日於其士之所佔資產淨值被視為於該日之投資證券成本。

(b) 未按權益會計法入賬之聯營公司

本集團於一九九九年七月購入無錫泰德科教發展有限公司(「無錫泰德」)38%股本權益。無錫泰德之主要業務為在中國江蘇省無錫從事物業發展。

由於無錫泰德並無任何經審核財務報表，且本集團未能對其行使重大影響力，故不採用權益會計法處理聯營公司無錫泰德之業績。由於無錫泰德現正面臨嚴重財政困難，且遭多名債權人興訟追討債項，導致該公司業務停頓。



(Expressed in Hong Kong dollars)

(以港元列值)

15. INTEREST IN ASSOCIATES (continued)

(b) Associate – not equity accounted for (continued)

The directors consider that it is more appropriate to fully write off the Group's interest in Wuxi Taide of approximately \$85 million in the financial statements for the year ended 31 December 1999 in view of the uncertainties on the recoverable amount of the investment. The Group does not have further commitments in this associate other than the investment cost already made.

15. 所佔聯營公司權益(續)

(b) 未按權益會計法入賬之聯營公司(續)

鑑於未能確定能否收回投資金額，故董事認為悉數撇棄本集團截至一九九九年十二月三十一日止年度於無錫泰德之全部權益約85,000,000元乃較為恰當之處理方法。除已付投資成本外，本集團對該聯營公司並無作出任何承擔。

16. INVESTMENT SECURITIES

16. 投資證券

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Equity securities listed in Hong Kong	於香港上市之股本證券	39,487	-
Market value	市值	21,523	-

17. LONG TERM RECEIVABLE

17. 長期應收賬款

		The Group and the Company 本集團及本公司	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Amount receivable in respect of the sale of Goodnice, gross	有關出售德麗公司 應收款，總額	79,185	139,718
Less: Provision	減：撥備	(7,000)	(11,000)
Amount receivable in respect of the sale of Goodnice, net	有關出售德麗公司 應收款，淨額	72,185	128,718
Less: Amount receivable within one year and included in other receivables (note 20)	減：應於一年內收取之款項 並已計入其他應收款 (附註20)	(72,185)	(75,692)
Amount receivable after one year	應於一年後收取之款項	-	53,026

The amount is expected to be fully settled by the end of 2002.

預期上述款項料將於二零零二年底前全數收取。

(Expressed in Hong Kong dollars)

(以港元列值)

18. OTHER INVESTMENTS

18. 其他投資

	The Group 本集團		The Company 本公司			
	2001 二零零一年	2000 二零零零年	2001 二零零一年	2000 二零零零年		
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元		
At market value	按市值					
Debt securities listed outside Hong Kong		於香港以外地區 上市之債務證券	-	92,563	-	-
Equity securities listed outside Hong Kong		於香港以外地區 上市之股本證券	720	829	720	829
	720	93,392	720	829		

19. INVENTORIES

19. 存貨

		The Group 本集團	
		2001 二零零一年	2000 二零零零年
		\$'000 千元	\$'000 千元
Raw materials	原材料	6,211	4,750
Work in progress	在製品	1,951	3,200
Finished goods	製成品	28,829	28,006
		36,991	35,956

Included in raw materials and finished goods are inventories of \$Nil and \$28,829,000 (2000: \$4,750,000 and \$28,006,000), stated net of a general provision, made in order to state those inventories at the lower of their cost and estimated net realisable value.

原材料及製成品包括價值分別為零元和 28,829,000 元 (二零零零年: 4,750,000 元和 28,006,000 元) 之存貨, 因已扣除一般撥備, 故存貨可按成本值或估計可變現淨值兩者中之較低者列賬。



(Expressed in Hong Kong dollars)

(以港元列值)

20. TRADE AND OTHER RECEIVABLES

20. 應收賬款及其他應收款

(i)

(i)

		The Group 本集團		The Company 本公司	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元	2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Trade debtors	應收賬款	7,391	5,538	-	-
Amount receivable in respect of the sale of Goodnice (note 17)	有關出售德麗公司之應收款 (附註17)	72,185	75,692	72,185	75,692
Prepayments and deposits paid	已付預付款項及按金	6,537	11,356	2,512	5,557
Other receivables	其他應收款	3,930	2,599	672	946
		<u>90,043</u>	<u>95,185</u>	<u>75,369</u>	<u>82,195</u>

All of the trade and other receivables are expected to be recovered within one year.

預期所有應收賬款及其他應收款將於一年內收回。

(ii) Ageing analysis of trade debtors are as follows:

(ii) 應收賬款賬齡分析如下:

		The Group 本集團		The Company 本公司	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元	2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Current	現期	6,327	4,458	-	-
1 to 6 months overdue	逾期1至6個月	259	138	-	-
More than 6 months overdue but less than 12 months overdue	逾期6個月以上但少於12個月	805	942	-	-
		<u>7,391</u>	<u>5,538</u>	<u>-</u>	<u>-</u>

Debts are due after 1 month from the date of billings. Debtors with balances that are more than 3 months overdue are requested to settle all outstanding balances before any further credit is granted.

財務報表於賬單日期起計一個月後到期。倘賬款結餘逾期三個月以上，須先償還所有欠款後才再給予任何進一步信貸。

(Expressed in Hong Kong dollars)

(以港元列值)

21. PLEDGED DEPOSIT

A fixed deposit with a carrying value of \$2,652,000 (2000: \$Nil) was pledged as security against a banking facility amounting to \$2,652,000 (2000: \$Nil) extended to the Group. At the balance sheet date, the facility was utilised to the extent of \$1,420,000 (2000: \$Nil).

22. CASH AND CASH EQUIVALENTS**21. 已抵押銀行存款**

本集團獲銀行給予2,652,000元的信用額度並以賬面淨值2,652,000元(二零零零年:零元)之定期存款作為抵押。於結算日已動用之信用額度為1,420,000元(二零零零年:零元)。

22. 現金及現金等價物

	The Group		The Company	
	2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元	2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Deposits with banks and other financial institutions	263,108	193,106	259,935	121,229
Cash at banks and in hand	28,240	19,110	3,558	11,244
	<u>291,348</u>	<u>212,216</u>	<u>263,493</u>	<u>132,473</u>

23. BANK LOANS – UNSECURED**23. 銀行貸款 – 無抵押**

	The Group 本集團	
	2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Bank loans repayable within one year	-	103,587



(Expressed in Hong Kong dollars)

(以港元列值)

24. TRADE AND OTHER PAYABLES

24. 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2001 二零零一年	2000 二零零零年	2001 二零零一年	2000 二零零零年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Trade creditors	應付賬款	10,884	6,195	-	-
Bills payable - secured	應付票據－有抵押	1,420	-	-	-
Accrued expenses	應計費用	4,150	2,812	1,062	1,026
Deposits received	已收按金	5,916	5,919	-	-
Other payables	其他應付款	11,605	10,845	10,845	10,845
		<u>33,975</u>	<u>25,771</u>	<u>11,907</u>	<u>11,871</u>

All trade creditors and bills payable are due within 3 to 6 months.

所有應付賬款及應付票據將於三至六個月內到期。

25. SHARE CAPITAL

25. 股本

		2001 二零零一年		2000 二零零零年	
		No. of shares 股份數目	Amount 金額	No. of shares 股份數目	Amount 金額
		'000 千股	\$'000 千元	'000 千股	\$'000 千元
<i>Authorised:</i>	法定:				
Ordinary shares of \$0.10 each	每股面值0.10元之 普通股	<u>2,000,000</u>	<u>200,000</u>	<u>2,000,000</u>	<u>200,000</u>
<i>Issued and fully paid:</i>	已發行及悉數繳足:				
At 1 January	於一月一日	1,560,221	156,022	1,486,221	148,622
Shares (repurchased)/issued	(贖回) / 發行股份	(6,872)	(687)	74,000	7,400
At 31 December	於十二月三十一日	<u>1,553,349</u>	<u>155,335</u>	<u>1,560,221</u>	<u>156,022</u>

(Expressed in Hong Kong dollars)

(以港元列值)

25. SHARE CAPITAL (continued)

During the year, the Company repurchased its own shares on the HKSE as follows:

Month/year 年份/月份		Number of shares repurchased 購回之股份 數目	Highest price paid per share 支付之每股 最高股價 \$ 元	Lowest price paid per share 支付之每股 最低股價 \$ 元	Aggregate price paid 支付之 價格總額 \$'000 千元
January 2001	二零零一年一月	3,100,000	0.40	0.39	1,237
March 2001	二零零一年三月	1,990,000	0.40	0.40	796
August 2001	二零零一年八月	1,782,000	0.40	0.39	705
		<u>6,872,000</u>			<u>2,738</u>

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. Pursuant to section 37 of the Companies Law (2001 Second Revision) of the Cayman Islands, the premium paid on the repurchase of the shares of \$2,051,000 was charged to the share premium account (note 26).

During the year, there were no share options granted or exercised.

25. 股本(續)

本年度內，本公司於聯交所購回本身股份如下：

由於購回股份經被註銷，本公司已發行股本因此按此等股份之面值相應減低。根據開曼群島公司法(二零零一年第二修訂版)第37條，購回股份所付溢價2,051,000元已計入股份溢價賬(附註26)。

於本年度內並無授予或行使優先認購股份權。



(Expressed in Hong Kong dollars)

(以港元列值)

26. RESERVES

26. 儲備

		Share premium (note (iii)) 股份溢價 (附註(iii)) \$'000 千元	Goodwill arising on consolidation 綜合賬目時 所產生之商譽 \$'000 千元	Statutory reserves 法定 儲備基金 \$'000 千元	Exchange reserve (note (iv)) 匯兌儲備 (附註(iv)) \$'000 千元	Accumulated losses (note (ii)) 累積虧損 (附註(ii)) \$'000 千元	Total 總額 \$'000 千元
The Group	本集團						
2000	二零零零年						
At 1 January 2000	於二零零零年一月一日						
- as originally stated	一如前呈報	580,370	(134,448)	1,087	(385)	(309,914)	136,710
- prior period adjustment in respect of goodwill arising on consolidation (note 11)	一就綜合賬目時所產生之商譽作出前期調整(附註11)	-	12,241	-	-	(12,241)	-
- as restated	一重報	580,370	(122,207)	1,087	(385)	(322,155)	136,710
Premium arising from issue of new shares, net of expenses	發行新股時產生之溢價(已扣除費用)	101,273	-	-	-	-	101,273
Exchange differences on translation of financial statements of PRC subsidiaries	換算中國境內附屬公司財務報表之匯兌差額	-	-	-	125	-	125
Share of exchange reserve of an associate	所佔聯營公司匯兌儲備	-	-	-	(108)	-	(108)
Written back on disposal of subsidiaries	出售附屬公司時撥回	-	106,907	-	100	-	107,007
Transfer to statutory reserve (note (i))	轉撥法定儲備基金(附註(i))	-	-	698	-	(698)	-
Profit for the year	該年度溢利	-	-	-	-	13,696	13,696
At 31 December 2000	於二零零零年十二月三十一日	681,643	(15,300)	1,785	(268)	(309,157)	358,703

(Expressed in Hong Kong dollars)

(以港元列值)

26. RESERVES (continued)

26. 儲備(續)

		Share premium (note (iii)) 股份溢價 (附註(iii)) \$'000 千元	Goodwill arising on consolidation 綜合賬目時 所產生之商譽 \$'000 千元	Statutory reserves 法定 儲備基金 \$'000 千元	Exchange reserve (note (iv)) 匯兌儲備 (附註(iv)) \$'000 千元	Accumulated losses (note (ii)) 累積虧損 (附註(ii)) \$'000 千元	Total 總額 \$'000 千元
2001	二零零一年						
At 1 January 2001	於二零零一年一月一日						
- as originally stated	一如呈報	681,643	(27,541)	1,785	(268)	(296,916)	358,703
- prior period adjustment in respect of goodwill arising on consolidation (note 11)	一就綜合賬目時產生之商譽作出前期調整(附註11)	-	12,241	-	-	(12,241)	-
- as restated	一重報	681,643	(15,300)	1,785	(268)	(309,157)	358,703
Purchase of own shares - premium paid	贖回本身股份一已付溢價	(2,051)	-	-	-	-	(2,051)
Exchange differences on translation of financial statements of PRC subsidiaries	換算中國境內附屬公司財務報表之匯兌差額	-	-	-	32	-	32
Share of exchange reserve of an associate	所佔聯營公司匯兌儲備	-	-	-	16	-	16
Transfer to statutory reserve (note (i))	轉撥至法定儲備基金(附註(i))	-	-	975	-	(975)	-
Profit for the year	本年度溢利	-	-	-	-	4,017	4,017
At 31 December 2001	於二零零一年十二月三十一日	679,592	(15,300)	2,760	(220)	(306,115)	360,717

(i) These are statutory reserves of PRC subsidiaries which are non-distributable.

(i) 此為中國附屬公司不可作分派之法定儲備基金。

(ii) Included in the figure for the accumulated losses is an amount of \$27,337,000 (2000: \$27,375,000) attributable to associates.

(ii) 於累積虧損中包括一項應佔聯營公司27,337,000元之款項(二零零零年:27,375,000元)。

(iii) The application of the share premium account is governed by the Companies Law (2001 Second Revision) of Cayman Islands.

(iii) 股份溢價賬之應用乃受開曼群島公司法(二零零一年第二修訂版)所規限。



(Expressed in Hong Kong dollars)

(以港元列值)

26. RESERVES (continued)

- (iv) The exchange reserves have been set up and will be dealt with in accordance with the accounting policies adopted for foreign currency translation.

26. 儲備(續)

- (iv) 滙兌儲備已經設立，並將根據外幣換算所採用之會計政策處理。

		Share premium	Accumulated losses	Total
		股份溢價	累積虧損	總額
		\$'000	\$'000	\$'000
		千元	千元	千元
The Company	本公司			
2000	二零零零年			
At 1 January 2000	於二零零零年一月一日	580,370	(443,740)	136,630
Premium arising from issue of new shares, net of expenses	發行新股時產生之溢價 (已扣除費用)	101,273	-	101,273
Profit for the year	本年度溢利	-	120,516	120,516
		<u>681,643</u>	<u>(323,224)</u>	<u>358,419</u>
At 31 December 2000	於二零零零年 十二月三十一日			
2001	二零零一年			
At 1 January 2001	於二零零一年一月一日	681,643	(323,224)	358,419
Purchase of own shares - premium paid	購入本身股份 - 已付溢價	(2,051)	-	(2,051)
Profit for the year	本年度溢利	-	4,487	4,487
		<u>679,592</u>	<u>(318,737)</u>	<u>360,855</u>
At 31 December 2001	於二零零一年 十二月三十一日			

(Expressed in Hong Kong dollars)

(以港元列值)

27. OPERATING LEASE COMMITMENTS

At 31 December 2001, the total future lease payments under non-cancellable operating leases are payable as follows:

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Within one year	一年內	273	178
After one year but within five years	一年後但五年內	55	74
		<u>328</u>	<u>252</u>

28. PARTICULARS OF SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results or assets of the Group. The class of shares held is ordinary shares unless otherwise stated.

27. 經營租賃承擔

於二零零一年十二月三十一日，不可撤銷經營租約之應付未來租賃總額年期如下：

28. 附屬公司詳情

以下僅列出對本集團之業績或資產構成主要影響之附屬公司資料。除另有註明外，所持股份之類別均為普通股。

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Nominal value of issued and fully paid ordinary capital 已發行及 悉數繳足 普通股本面值	Principal activities 主要業務	Attributable interest 應佔權益
Qingapen Limited 晴嘉投資有限公司	Hong Kong/PRC 香港／中國	\$2 2元	Property investment 物業投資	100%
Wisdom Power Property Limited 智力物業有限公司	Hong Kong 香港	\$2 2元	Property investment 物業投資	100%
Everbright Watch and Clock (Shenzhen) Co., Limited 光大依波鐘錶(深圳)有限公司	# PRC #中國	\$30,000,000 30,000,000元	Manufacture and sale of watches and clocks 鐘錶 製造及銷售	100%



(Expressed in Hong Kong dollars)

(以港元列值)

28. PARTICULARS OF SUBSIDIARIES (continued)

28. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Nominal value of issued and fully paid ordinary capital 已發行及 悉數繳足 普通股本面值	Principal activities 主要業務	Attributable interest 應佔權益
Sealgold Precision Manufacturing (Shenzhen) Co., Limited 翔利高精密製造(深圳) 有限公司	# PRC #中國	\$3,000,000 3,000,000元	Sale of watches and clocks 鐘錶銷售	100%
Shenzhen Everbright Southern Trading Co., Limited 深圳依波南方貿易有限公司	@ PRC @中國	RMB500,000 人民幣500,000元	Sale of watches and clocks 鐘錶銷售	60%

Registered as a foreign investment enterprise

註冊為外資企業

@ Registered as a limited liability company

@ 註冊為有限責任公司

(Expressed in Hong Kong dollars)

(以港元列值)

29. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

29. 綜合現金流量表附註

(a) Reconciliation of operating profit/(loss) to net cash inflow from operating activities:

(a) 經營溢利／(虧損)與經營業務所得現金流入淨額之調節

		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Operating profit/(loss)	經營溢利／(虧損)	3,795	(15,598)
Loss on disposal of fixed assets	出售固定資產虧損	3,432	18
Dividend income from listed securities	上市證券股息收入	(1,656)	-
Depreciation	折舊	5,529	14,724
Interest income	利息收入	(19,923)	(21,031)
Deficit on revaluation of investment properties	投資物業重估虧絀	1,121	5,000
Net realised and unrealised (gain)/losses on investment in securities	證券投資已變現及未變現(收益)／虧損淨額	(2,767)	15,585
Increase in inventories	存貨增加	(1,035)	(3,297)
Decrease/(increase) in trade and other receivables	應收賬款及其他應收款減少／(增加)	62,996	(48,735)
Increase in amount due to associate	應付聯營公司欠款增加	-	3,649
Increase in amount due from a shareholder	應收一位股東欠款增加	-	(2,896)
Increase in trade and other payables	應付賬款及其他應付款增加	10,213	70,089
Decrease in amount due to a shareholder	應付一位股東欠款減少	(486)	-
Foreign exchange	滙兌調整	183	(755)
Net cash inflow from operating activities	經營業務所得現金流入淨額	<u>61,402</u>	<u>16,753</u>



(Expressed in Hong Kong dollars)

(以港元列值)

29. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued) 29. 綜合現金流量表附註(續)

(b) Sale of subsidiaries in 2000

(b) 於二零零零年出售之附屬公司

(i) Net assets disposed of:

(i) 出售資產淨值:

		\$'000 千元
Fixed assets	固定資產	52,386
Inventories	存貨	54,550
Trade and other receivables	應收賬款及其他應收款	226,117
Cash at banks and in hand	銀行結存及現金	18,710
Trade and other payables	應付賬款及其他應付款	(255,598)
Bank and other loans	銀行及其他貸款	(35,877)
Goodwill released on disposal	因出售而變現之商譽	106,907
Exchange reserve released on disposal	因出售而變現之滙兌儲備	100
		<u>167,295</u>
Satisfied by:	付款方式:	
Cash consideration	現金代價	194,719
Equity securities in other investments	其他投資之股本證券	17,353
		<u>212,072</u>
Gains on disposal (note 5)	出售收益(附註5)	<u>44,777</u>

The subsidiaries disposed of during 2000 accounted for \$39,096,000 net operating cash outflow to the Group's net operating cash flows and paid \$6,571,000 for financing activities.

於二零零零年出售之附屬公司在本集團之經營現金流量淨額中佔經營業務之現金流出淨額39,096,000元及就融資業務支付6,571,000元。

(Expressed in Hong Kong dollars)

(以港元列值)

29. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

29. 綜合現金流量表附註(續)

(b) Sale of subsidiaries in 2000 (continued)

(b) 二零零零年出售附屬公司(續)

(ii) Analysis of the net inflow of cash and cash equivalents in respect of the sale of subsidiaries:

(ii) 有關出售附屬公司之現金及現金等價物流入淨額分析:

		\$'000 千元
Cash consideration	現金代價	194,718
Cash at banks and in hand disposed of	出售之銀行結存及現金	<u>(18,710)</u>
		176,008
<i>Less:</i> Amount receivable within one year (included in trade and other receivables (note 20))	減: 於一年內應收之款項 (已包括在應收賬款及其他應收款(附註20))	75,692
Amount receivable after one year (included in long term receivable (note 17))	於一年後應收之款項 (已包括在長期應收賬款(附註17))	<u>64,026</u>
Net inflow of cash and cash equivalents in respect of the sale of subsidiaries	出售附屬公司所得現金及現金等價物流入淨額	<u><u>36,290</u></u>



(Expressed in Hong Kong dollars)

(以港元列值)

29. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued) 29. 綜合現金流量表附註(續)

(c) Analysis of changes in financing during the year

(c) 本年度融資變動分析

		Share capital and premium 股本及溢價 \$'000 千元	Bank loans, overdrafts and other loans 銀行貸款、透支 及其他貸款 \$'000 千元
At 1 January 2000	於二零零零年一月一日	728,992	73,045
New shares issued	已發行新股	108,673	-
New bank loans	新造銀行貸款	-	103,587
Disposal of subsidiaries (note (b))	出售附屬公司(附註(b))	-	(35,877)
Repayment of bank loans	償還銀行貸款	-	(37,168)
		<u>837,665</u>	<u>103,587</u>
At 31 December 2000	於二零零零年 十二月三十一日	<u>837,665</u>	<u>103,587</u>
At 1 January 2001	於二零零一年一月一日	837,665	103,587
Nominal value of share repurchased	贖回股份之面值	(687)	-
Premium paid on repurchase of shares	贖回股份已付溢價	(2,051)	-
Repayment of bank loans	償還銀行貸款	-	(103,587)
		<u>834,927</u>	<u>-</u>
At 31 December 2001	於二零零一年 十二月三十一日	<u>834,927</u>	<u>-</u>

(Expressed in Hong Kong dollars)

(以港元列值)

29. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
(continued)

29. 綜合現金流量表附註(續)

(d) Analysis of the balances of cash and cash equivalents

(d) 現金及現金等價物結餘分析

		The Group 本集團	
		2001 二零零一年	2000 二零零零年
		\$'000 千元	\$'000 千元
Cash at banks and in hand	銀行結存及現金	28,240	19,110
Deposits with banks and other financial institutions maturing within three months	於三個月內到期之銀行及其他金融機構存款	263,108	193,106
		<u>291,348</u>	<u>212,216</u>

30. MATERIAL RELATED PARTY TRANSACTIONS

30. 與有關連人士之重大交易

Transactions with and amounts paid to or received from a controlling shareholder and its subsidiaries:

與控權股東及其附屬公司進行之交易及應付或應收款項：

		2001 二零零一年	2000 二零零零年
		\$'000 千元	\$'000 千元
Rental paid for staff quarter	支付員工宿舍租金	267	642
Rental income on properties	物業租金收入	<u>(2,409)</u>	<u>(2,180)</u>

31. COMPARATIVE FIGURES

31. 比較數字

Certain comparative figures have been reclassified to conform with the current year's presentation as the directors considered that it is more appropriate to classify interest income as part of the Group's turnover.

由於董事認為將利息收入列作本集團營業額之一部分將比較合適，因此若干比較數字已重新分類，以符合本年度之呈報方式。