

Notes:

### 1. Principal accounting policies

These interim financial statements have been prepared in accordance with Statement of Standard Accounting Practice 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants. The same principal accounting policies and methods of computation are followed in these interim financial statements as compared with the most recent published annual financial statements for the year ended 31st March 2002, except as described below:

In the current period, the Group has adopted, for the first time, a number of revised and new SSAPs as follows:

SSAP 1 (Revised)	Presentation of financial statements
SSAP 11 (Revised)	Foreign currency translation
SSAP 15 (Revised)	Cash flow statements
SSAP 34	Employee benefits

### 2. Principle activities

The Company is an investment holding company. The principle activities of the Group are investment in properties, manufacture and sale of electronic consumer products and snap off blade cutters.

### 3. Segment information

An analysis of the Group's turnover and profit from operations by business and geographical segments for the six months ended 30th September 2002 are as follows:

	Six months ended 30th September	
	2002 HK\$	(Restated) 2001 HK\$
<i>Business segments</i>		
Turnover		
– snap off blade cutters	22,567,957	26,301,381
– electronic consumer products	32,239,536	21,695,374
– rental income	1,136,610	412,340
	<u>55,944,103</u>	<u>48,409,095</u>
Results		
– snap off blade cutters	4,026,751	7,083,592
– electronic consumer products	4,864,892	(677,286)
– rental income	787,643	346,679
	<u>9,679,286</u>	<u>6,752,985</u>
Unallocated corporate income	3,008	2,603
Central administrative expenses	<u>(3,418,350)</u>	<u>(2,092,153)</u>
Profit from operations	6,263,944	4,663,435
Finance costs	(852,618)	(1,319,972)
Share of results of an associate	<u>(133,252)</u>	<u>(33,198)</u>
Profit before taxation	5,278,074	3,310,265
Taxation	<u>(232,228)</u>	<u>(603,883)</u>
Net profit for the period	<u>5,045,846</u>	<u>2,706,382</u>

*Geographical segments (by location of customers)*

	Turnover		Results	
	Six months ended		Six months ended	
	30th September		30th September	
	(Restated)		(Restated)	
	2002	2001	2002	2001
	HK\$	HK\$	HK\$	HK\$
North America	6,168,792	13,114,024	1,067,306	1,829,384
Hong Kong	33,515,979	5,894,669	5,798,837	822,296
Europe	11,739,683	19,059,694	2,031,166	2,658,794
East Asia	1,094,821	5,381,012	189,423	750,642
Others	3,424,828	4,959,696	592,554	691,869
	<u>55,944,103</u>	<u>48,409,095</u>	<u>9,679,286</u>	<u>6,752,985</u>
Unallocated corporate income			3,008	2,603
Central administrative expenses			<u>(3,418,350)</u>	<u>(2,092,153)</u>
Profit from operations			<u>6,263,944</u>	<u>4,663,435</u>

**4. Turnover**

Turnover represents the aggregate of the net amounts received and receivable for goods sold and rental income during the period.

**5. Earnings per share**

The calculation of basic earnings per share is based on the net profit for the period of HK\$5,045,846 (2001: HK\$2,706,382) and on the weighted average of 4,544,457,705 shares (2001: 4,462,987,020) in issue during the period.

**6. Investment properties**

	HK\$
As at 1st April 2002	5,420,000
Transferred from land and buildings	<u>39,450,000</u>
As at 30th September 2002	<u>44,870,000</u>

**7. Trade and other receivables**

	As at 30th September	As at 31st March
	2002	2002
	HK\$	HK\$
Trade receivables	18,906,015	6,205,219
Other receivables	<u>2,552,445</u>	<u>2,036,184</u>
	<u>21,458,460</u>	<u>8,241,403</u>

The Group allows an average credit period of 60 days. The following is an aging analysis of trade receivables at the balance sheet date:

	<b>As at 30th September</b>	As at 31st March
	2002	2002
	<i>HK\$</i>	<i>HK\$</i>
Age		
0 – 60 days	18,203,926	4,938,530
61 – 90 days	63,278	241,664
Over 90 days	638,811	1,025,025
	<u>18,906,015</u>	<u>6,205,219</u>

#### 8. Trade and other payables

	<b>As at 30th September</b>	As at 31st March
	2002	2002
	<i>HK\$</i>	<i>HK\$</i>
Trade payables	10,272,813	9,221,630
Other payables	10,926,608	7,535,565
	<u>21,199,421</u>	<u>16,757,195</u>

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

	<b>As at 30th September</b>	As at 31st March
	2002	2002
	<i>HK\$</i>	<i>HK\$</i>
Age		
0 – 60 days	6,805,724	5,172,230
61 – 90 days	901,496	636,794
Over 90 days	2,565,593	3,412,606
	<u>10,272,813</u>	<u>9,221,630</u>

#### 9. Share capital

	<b>Number of shares</b>	<b>Amount</b>
		<i>HK\$</i>
Authorised:		
At 30th September 2002, ordinary shares of HK\$0.01 each	<u>30,000,000,000</u>	<u>300,000,000</u>
Issued and fully paid:		
At 30th September 2002, ordinary shares of HK\$0.01 each	<u>4,544,457,705</u>	<u>45,444,577</u>