

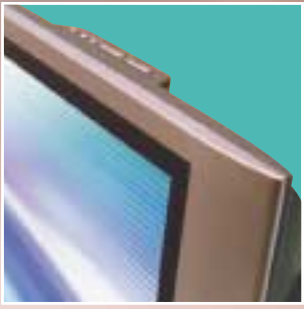
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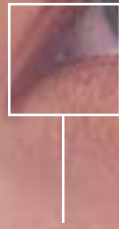
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LCD TV

LCD 電視



We See

看 真 色 彩 Real Colour

DIRECTORS

Executive Directors

Mr. LING Siu Man, Simon (*Chairman*)
Mr. LEE Ka Yue, Peter
Mr. WONG Ki Cheung
Ms. LI Fung Ching, Catherine
Mr. AU Wai Man
Mr. LIU Hoi Keung, Gary

Non-executive Directors

Mr. WONG Wai Kwong, David
Mr. HO Fook Hong, Ferdinand (*Independent*)
Mr. PANG Hon Chung (*Independent*)

REGISTERED OFFICE

Ugland House, South Church Street
P.O. Box 309, George Town, Grand Cayman
Cayman Islands, British West Indies

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit B, 10th Floor, Summit Building
30 Man Yue Street, Hung Hom, Kowloon, Hong Kong

COMPANY SECRETARY

Mr. LIU Hoi Keung, Gary, Msc. FCCA, AHKSA

LEGAL ADVISORS

Richards Butler

AUDITORS

Ernst & Young

AUDIT COMMITTEE

Mr. PANG Hon Chung (*Chairman*)
Mr. HO Fook Hong, Ferdinand
Mr. WONG Wai Kwong, David

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hong Kong and Shanghai Banking Corporation Limited
The Standard Chartered Bank Limited

SHARE REGISTRARS AND TRANSFER OFFICE

In Hong Kong
Tengis Limited
G/F., Bank of East Asia Harbour View Centre,
56 Gloucester Road,
Wanchai, Hong Kong

In Cayman Island
Bank of Butterfield International (Cayman) Ltd.
Butterfield House
PO Box 705, George Town, Grand Cayman
Cayman Islands, British West Indies

WEBSITE

www.tonic.com.hk
www.irasia.com/listco/hk/tonic

STOCK CODE

978

董事

執行董事

凌少文先生 (*主席*)
李嘉渝先生
黃其昌先生
李鳳貞女士
區偉民先生
廖開強先生

非執行董事

黃偉光先生
何福康先生 (*獨立*)
彭漢中先生 (*獨立*)

註冊辦事處

Ugland House, South Church Street
P.O. Box 309, George Town, Grand Cayman
Cayman Islands, British West Indies

總辦事處及主要營業地點

香港九龍紅磡民裕街30號
興業工商大廈10樓B室

公司秘書

廖開強先生 · Msc. FCCA, AHKSA

法律顧問

齊伯禮律師行

核數師

安永會計師事務所

審核委員會

彭漢中先生 (*主席*)
何福康先生
黃偉光先生

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司
渣打銀行有限公司

股份登記過戶處

於香港
登捷時有限公司
香港灣仔
告士打道56號
東亞銀行港灣中心地下

於開曼群島

Bank of Butterfield International (Cayman) Ltd.
Butterfield House
PO Box 705, George Town, Grand Cayman
Cayman Islands, British West Indies

網址

www.tonic.com.hk
www.irasia.com/listco/hk/tonic

股份代號

978



We Connect

聯繫世界 the World



SATELLITE RECEIVERS

衛星接收器

Dear shareholders,
On behalf of the Board of Directors (the "Board"), I am pleased to present the annual report of Tonic Industries Holdings Limited.

致各股東：
本人謹代表董事會欣然提呈東力實業控股有限公司之全年業績報告。



BUSINESS REVIEW AND OUTLOOK

For the year under review, the Group achieved a turnover of approximately HK\$2,074 million, against that of HK\$2,680 million recorded last year. EBITDA and profit attributable to shareholders were HK\$96 million and HK\$26 million respectively, as compared with HK\$132 million and HK\$43 million last year.

Sales in the first half of the year were sluggish as the result of the Iraqi war and the outbreak of SARS. Before the outcome of the events is clear, to avoid the risk of stock becoming obsolescent and price plunging, customers were conservative. Business recovered rapidly in the second half of the year and a 27% growth in turnover over the first six months was recorded. Demand continued to grow as the Group advanced into 2004 with significant sales reported for April to June 2004.

業務回顧及展望

本集團於回顧年度錄得營業額約2,074,000,000港元，去年則錄得營業額2,680,000,000港元。未計利息、稅項、折舊及攤銷前盈利及股東應佔溢利分別為96,000,000港元及26,000,000港元，去年則分別為132,000,000港元及43,000,000港元。

受到伊拉克戰事及非典型肺炎爆發之影響，本年度上半年銷售表現呆滯。在該等事件未有明確定局前，為免承受存貨過時及商品價格下跌之風險，客戶在採購方面均表現保守。然而，隨着事件明朗化後，本年度下半年業務迅速轉好，營業額較首六個月增長27%。踏入二零零四年，市場需求持續增長，於二零零四年四月至六月期間，本集團亦錄得可觀銷售額。

The prices of key components, such as flash memory and RAM (random access memory), rose quickly as demands increased in the second half of the year. Not only did component prices increase, supply was also very tight at different times. Flash memory and RAM typically accounted for 5-10% of the total material costs and the surge in prices affected the profit margin in the second half of the year. With demand stabilizing towards the end of the 2003 financial year, the prices of these components lowered and supply returned to normal.

Our main factory at Tong Xia, which accounted for 90% of the group's total production, has since 2000 been equipped with heavy oil electricity generators. These generators using heavy oil provide electricity to the plant at a much cheaper cost than power supplied by the government or by using diesel fuel generator. Currently the factory has six sets of heavy oil generator of 2200 KW each meeting adequately all the needs of the factory. The factory's operation had not been disrupted once by recent electricity halt in China.

Through continuous research and development of new digital products, the Group has strengthened its overall competence. Our product and engineering departments in Hong Kong, Shenzhen and Dongguan work very closely with solution providers and component suppliers. During the year, the Group purchased an office in Shenzhen for use as a research and development centre for new digital products. The various new products in the pipeline included digital satellite receivers, cable set top boxes, LCD TV and DVD recorders. All these new products will be launched this year and we expect them to generate significant and constant contributions to the Group in the coming years.

由於市場需求殷切，主要零件如快閃記憶體及RAM（隨機存取記憶體）等價格均於本年度下半年大幅飆升。除零件價格上漲外，有關供應量亦於不同時間出現緊絀情況。快閃記憶體及RAM一般佔總物料成本之5-10%。本年度下半年價格急升，影響邊際利潤。隨著市場需求於二零零三財政年度後期回穩，該等零件價格回落，供應亦回復正常。

佔本集團生產總額90%之塘廈主廠房，自二零零零年起已配備多部重油發電機。該發電機利用重油供電至廠房，相比由政府供電或利用柴油發電機之成本更低。目前，該廠房設有六組每組分別為2200千瓦之重油發電機，足夠應付廠房生產所需。縱然中國近期發生缺電情況，廠房之運作亦未有受到影響。

通過不斷研發新數碼產品，本集團已加強本身整體實力。本集團於香港、深圳及東莞設有產品及工程部與方案供應商及零件供應商緊密合作。年內，本集團已於深圳購入一所辦公室，作為各類新數碼產品之研發中心。多項新研發之數碼產品包括數碼衛星接收器、有線電視機頂盒、LCD電視及數碼光碟（DVD）錄影機。上述所有新產品將於今年推出，我們預期將可在未來數年為本集團帶來可觀而穩定的收益。

Shenzhen Office 深圳辦事處



Dubai free zone 杜拜自由區



Show Booth in Beijing 北京展銷櫃



Show Booth in USA 美國展銷櫃

During the year the Group has set up two marketing offices in Dubai and Shenzhen respectively to promote the sales of digital satellite receivers in the Middle East and cable set top boxes in China. The two offices have both received orders and production will start this month. Our research indicates strong demand for these products in the two regions. We have confidence that these two markets will become significant market segments of the Group in the future.

To support the launch of new products and forecasted surge in demand for digital products, the Group acquired land in Shek Pai, Dongguan for constructing new factory buildings. Construction of the new production facilities had begun in 2004 and will be completed in early 2005, boosting the Group's production capacity by at least 60%. The cost of construction, estimated at approximately HK\$60-80 million, will be financed partly internally and partly by the syndicated loan obtained in 2004.

年內，本集團分別在杜拜及深圳成立市場推廣辦事處，藉以在中東推銷數碼衛星接收器及在中國推銷有線電視機頂盒。兩個辦事處均已接獲訂單，並將於本月投產。根據本集團調查顯示，以上兩個地區對上述產品之需求強勁。因此，我們深信，這兩個市場未來將成為本集團的重要市場。

為支持推出新產品及應付預期急升之數碼產品需求，本集團於東莞石排收購土地，用作興建新廠房大樓。新生產設施之建築工程已於二零零四年動工，並將於二零零五年初竣工。屆時，本集團的生產力將可提升至少60%。建築成本估計約6,000萬至8,000萬港元，將分別由內部資源及於二零零四年取得之銀團貸款撥付。

Our continuous deployment of resources on research and development ensures that we are in pace with the latest technological developments, hence enables us to develop new products that meet the demand of the changing markets. Our strategy in exploring new markets minimizes the impact of economic fluctuation of any particular geographical segment. While the consumer market remains strong and analogue type electronics are rapidly replaced by digital products, we are confident that our business will continue to improve in the coming year.

FINAL DIVIDEND

The Board of Directors recommended the payment of a final cash dividend of HK0.5 cent (year ended 31 March 2003: HK1.5 cents) per share. Together with the interim dividend of HK1 cent per share paid on 14 January 2004, total dividend for the Year is HK1.5 cents per share.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 21 September 2004 to 23 September 2004, both days inclusive, during which period no transfer of shares will be effected. To qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m., on 20 September 2004.

APPRECIATION

On behalf of the Group, I would like to express my gratitude to our customers and business partners for their continuous co-operation and support for the Group. I would also like to thank my fellow board members for their dedication and commitment to the Company, and my colleagues for their efforts and hard work in the past year. We will strive to improve on the results of the Company and bring in better returns for our shareholders.

本集團持續調配資源於研發方面，確保本集團能緊貼最新科技發展，以便開發出與時並進之新產品，以迎合市場需要。本集團拓展新市場之策略，可將任何地域的經濟波動所帶來的影響減到最低。有見消費市場仍然強勁，加上數碼產品迅速取代模擬制式電子產品，我們相信，本集團業務將於未來一年逐步改善。

末期股息

董事會建議派發末期現金股息每股0.5港仙（截至二零零三年三月三十一日止年度：1.5港仙）。連同於二零零四年一月十四日派發之中期股息每股1港仙，本年度之股息總額為每股1.5港仙。

暫停辦理股東登記手續

本公司將於二零零四年九月二十一日至二零零四年九月二十三日（包括首尾兩日）暫停辦理股東登記手續，期間亦不會登記任何股份過戶。為確保可享有擬派之末期股息，所有過戶文件連同有關股票最遲須於二零零四年九月二十日下午四時三十分前交回本公司香港股份過戶登記處登捷時有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下。

致謝

本人謹代表本集團衷心感謝客戶及業務夥伴一直以來對本集團的合作與支持。此外，本人亦就過去一年董事會成員對本公司作出的貢獻和承擔以及同事的辛勤努力深表謝意。本集團將繼續致力改善本公司業績，為股東帶來更佳回報。

DIRECTORS

As at the date of this report, the Board of Directors comprises six executive directors – Mr. Ling Siu Man, Simon, Mr. Lee Ka Yue, Peter, Mr. Wong Ki Cheung, Ms. Li Fung Ching, Catherine, Mr. Au Wai Man and Mr. Liu Hoi Keung, Gary, non-executive director – Mr. Wong Wai Kwong, David, and independent non-executive directors – Mr. Ho Fook Hong, Ferdinand and Mr. Pang Hon Chung.

LING Siu Man, Simon

Chairman & Managing Director

Hong Kong
16 July 2004

董事

於本報告日期，董事會成員包括六名執行董事凌少文先生、李嘉渝先生、黃其昌先生、李鳳貞女士、區偉民先生及廖開強先生；非執行董事黃偉光先生，以及獨立非執行董事何福康先生及彭漢中先生。

凌少文

主席兼董事總經理

香港
二零零四年七月十六日

DVD PLAYER

DVD 播映機



We Ignite

感官享受 Senses



EXECUTIVE DIRECTORS

Mr. LING Siu Man, Simon, aged 54, is the Chairman and Managing Director of the Company. Mr. Ling founded the business of the Group in 1976 and has over 27 years experience in the electronics industry. Mr. Ling is responsible for the strategic planning, corporate policy, and marketing aspects of the Group.

Mr. LEE Ka Yue, Peter, aged 57, was appointed to the Board following the participation of EganaGoldpfeil in the Company in June 1997. He is responsible for advising on the financial and corporate policies of the Group as well as overseeing overall coordination between EganaGoldpfeil and the Group. He is also an executive director of EganaGoldpfeil and has over 32 years experience in the timepiece and jewellery businesses as well as in the consumer electronics industry.

Mr. WONG Ki Cheung, aged 54, joined the Group in 1976 and is responsible for the Group's overall management, purchasing and materials control functions.

Ms. LI Fung Ching, Catherine, aged 50, joined the Group in 1976 and is responsible for the management of the accounting, treasury and administrative functions of the Group.

Mr. AU Wai Man, aged 59, is the Group's engineering consultant. He is responsible for the research and development of the Group's new products. Prior to joining the Group in 1995, he has over 29 years experience in electronic product engineering.

Mr. LIU Hoi Keung, Gary, aged 39, joined the Group in 1997 and is responsible for the financial management and company secretarial matters of the Group. He is an associate of the Hong Kong Society of Accountants and a fellow of the Association of Chartered Certified Accountants. He also holds a master of science degree from The University of Hong Kong. Prior to joining the Group, he has over 9 years experience in accounting, auditing and taxation.

執行董事

凌少文先生，54歲，本公司主席兼董事總經理。凌先生於一九七六年創辦本集團的業務，擁有逾27年電子業經驗。凌先生負責本集團的策略計劃、公司政策及市場推廣工作。

李嘉渝先生，57歲，繼聯洲於一九九七年六月入股本公司後獲委任加入董事會，出任本集團的財務及公司政策顧問，並負責監察聯洲與本集團間的整體統籌工作。彼亦為聯洲集團的執行董事，擁有逾32年鐘錶、首飾及消費電子產品業經驗。

黃其昌先生，54歲，於一九七六年加入本集團，負責本集團整體管理、採購及物料控制工作。

李鳳貞女士，50歲，於一九七六年加入本集團，負責本集團的會計、庫務及行政管理工工作。

區偉民先生，59歲，本集團工程顧問，負責為本集團研究及開發新產品。彼於一九九五年加入本集團前，已擁有逾29年電子產品工程經驗。

廖開強先生，39歲，於一九九七年加入本集團，負責本集團財務管理及公司秘書事務。廖先生為香港會計師公會會員及英國特許公認會計師公會資深會員。彼亦持有香港大學理學碩士學位。彼於加入本集團之前，已擁有逾9年的會計、審計及稅務經驗。

NON-EXECUTIVE DIRECTORS

Mr. WONG Wai Kwong, David, aged 46, has over 22 years experience in finance, accounting, corporate and taxation affairs. He is a fellow of The Association of Chartered Certified Accountants, and an associate of the Hong Kong Society of Accountants, the Australian Association of Practising Accountants and the Australian Association of Secretaries and Managers. He is a director of International Taxation Advisory Services Limited and Incutech Investment Ltd. Mr. Wong is also a non-executive director of EganaGoldpfeil, as well as six other Hong Kong listed companies.

Mr. HO Fook Hong, Ferdinand, aged 56, holds a bachelor's degree in science and a master's degree in business administration from the University of Hong Kong and is a solicitor of the Supreme Courts of Hong Kong, England and Wales and Singapore. Mr. Ho also serves as an independent non-executive director of Winsor Industrial Corporation Limited and Winsor Properties Holdings Limited.

Mr. PANG Hon Chung, aged 53, holds a master's degree in business administration, and is a member of the Association of Chartered Certified Accountants and the Hong Kong Society of Accountants. Mr. Pang has extensive experience in business management and is a director and the general manager of Lotus International Limited. He is also a director of Graneagle Holdings Limited.

非執行董事

黃偉光先生，46歲，擁有逾22年財務、會計、公司管理及稅務各方面經驗。彼為英國特許公認會計師公會資深會員，並為香港會計師公會、澳大利亞會計師公會及澳大利亞秘書及管理人員學會的會員。彼為International Taxation Advisory Services Limited及Incutech Investment Ltd的董事，亦為聯洲集團及其他六間香港上市公司的非執行董事。

何福康先生，56歲，持有香港大學理學士學位及工商管理碩士學位，並為香港、英格蘭與威爾斯及新加坡最高法院的律師。何先生亦為南聯實業有限公司及南聯地產控股有限公司之獨立非執行董事。

彭漢中先生，53歲，持有工商管理碩士學位，亦為英國特許公認會計師公會及香港會計師公會會員。彭先生具有豐富商業管理經驗，現為安達國際有限公司董事兼總經理。彼亦為鷹馳實業有限公司之董事。

WORKING CAPITAL MANAGEMENT

Sales for March to May 2004 were approximately HK\$730 million as compared to approximately HK\$380 million of the corresponding period last year. Traditionally this period is a low season but the strong sales in the second half of the year have carried on after the year end. As a result the accounts receivable and inventory as at 31 March 2004 increased substantially from last year's. The percentage of accounts payable and trust receipt loans did not increase as much as the accounts receivable mainly due to more cash purchase on the flash memory and RAM. Factoring into consideration the substantial increase in sales for this period, the turnover day for working capital is in line with the normal term of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

As of 31 March 2004, the Group had total borrowings of approximately HK\$535 million as compared with that of HK\$390 million last year, of this HK\$525 million was in bank borrowings and HK\$10 million was for obligations under finance leases. The Group's borrowings were denominated in Hong Kong dollars and bear interest mainly at floating rates. Bank balances and cash amounted to 194 million and were mainly denominated in Hong Kong dollars. Gearing ratio was 86%, from calculation based on net borrowings over shareholders funds.

The Group is not exposed to material currency fluctuation risks, as most of its receivables are in US dollars and payable in Hong Kong and US dollars. Except for a few customers whom we offer credit on an open account basis, we transact business with all other customers on letter of credit basis.

營運資金管理

二零零四年三至五月之銷售額約730,000,000港元，去年同期則約380,000,000港元。傳統上，該段時間為銷售淡季，但本年度下半年銷售暢旺，強勁勢頭一直持續至年底。因此，截至二零零四年三月三十一日止，應收賬款及存貨較去年大幅增加。應付賬款及信託收據貸款之升幅則不及應收賬款，主要由於本集團動用更多現金採購快閃記憶體及RAM。計算及本期間之可觀銷售額增長後，營運資金週轉日數與本公司之一般條款相若。

流動資金及財務資源

於二零零四年三月三十一日，本集團借款總額約為535,000,000港元，而去年則為390,000,000港元，當中525,000,000港元及10,000,000港元分別為銀行借款及融資租約承擔。本集團之借款主要以港元結算及以浮動利率計息。銀行結存及現金達194,000,000元，主要以港元結算。資產負債比率為86%，乃按借款淨額除以股東資金計算。

由於本集團大部分應收款項以美元結算，而應付款項以港元及美元結算，故所面對外匯波動風險不大。除向數名客戶以記賬方式提供信貸外，本集團與所有其他客戶均以信用證進行交易。

TAXATION

The Group's filing of tax returns on a consolidated basis, instead of on an individual company basis had been challenged by the Hong Kong Inland Revenue Department ("IRD") starting from the years of assessment 1998/99 (the "Prior Years"). The IRD has now agreed the assessments with the Company. Approximately HK\$2 million tax refund was received from the IRD and there was no underprovision on income tax on prior years.

EMPLOYEES RELATION

As at 31 March 2004, the Group had 130 staff stationed in Hong Kong and overseas offices and 12,000 staff and workers working in its two PRC factories. Total salaries and wages amounted to approximately HK\$134 million for the year. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and market conditions. The Group provides staff with year-end double pay, discretionary bonuses, a provident fund, medical insurance and training.

稅項

香港稅務局（「稅務局」）質疑本集團自一九九八／九九課稅年度（「過往年度」）起按綜合基準而非按個別公司基準填報報稅表是否恰當。稅務局現已就評稅與本公司達成協議。本集團已收回香港稅務局約2,000,000港元之退稅，而過往年度就所得稅並無不足撥備。

僱員關係

於二零零四年三月三十一日，本集團香港及海外辦事處僱有130名員工，而中國兩間廠房則僱有12,000名員工及工人。本年度之薪金及工資總額約為134,000,000港元。薪金及工資一般每年根據工作表現評核及市場狀況進行檢討。本集團為員工提供年終雙糧、酌情花紅、公積金、醫療保險及培訓。

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The subsidiaries are engaged in the design, manufacture and trading of consumer electronic products and components and home appliance products. There were no changes in the nature of the Group's principal activities during the year.

Details of the principal activities of the Company's subsidiaries are set out in note 17 to the financial statements.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 March 2004 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 27 to 86.

An interim dividend of HK1 cent per share was paid to shareholders on 14 January 2004. The directors recommend the payment of a final dividend of HK0.5 cent per share in cash to shareholders whose names appear on the register of members on 23 September 2004. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the capital and reserves section of the balance sheet.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 29 to the financial statements and in the consolidated statement of changes in equity, respectively.

董事會謹此提呈截至二零零四年三月三十一日止年度董事會報告及本公司與本集團的經審核財務報表。

主要業務

本公司的主要業務為投資控股。附屬公司從事消費電子產品與零件及家庭電器產品設計、製造及銷售業務。本集團的主要業務性質於年內並無變動。

本公司各附屬公司的主要業務詳情載於財務報表附註17。

業績及股息

本集團截至二零零四年三月三十一日止年度的溢利及本公司與本集團於該日的財務狀況載於第27至86頁財務報表內。

本公司於二零零四年一月十四日向股東派發中期股息每股1港仙。董事會建議向於二零零四年九月二十三日名列股東名冊的股東派發末期現金股息每股0.5港仙。該建議已載入財務報表內資產負債表下的資本及儲備部分，列作保留溢利分配。

儲備

本公司及本集團於年內的儲備變動詳情分別載於財務報表附註29及綜合權益變動表。

DISTRIBUTABLE RESERVES

At 31 March 2004, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK\$92,828,000, including the share premium account, of which HK\$3,176,000 has been proposed as a final dividend for the year. Under the Companies Law (2000 Revision) of the Cayman Islands, the share premium account of the Company, in the amount of HK\$28,735,000, is available for paying distributions or dividends to shareholders subject to the provisions of its memorandum or articles of association and, provided that immediately following the distribution of dividends, the Company is able to pay its debts as and when they fall due in the ordinary course of business. In the opinion of the directors, the Company's reserves available for distribution represent the share premium account, contributed surplus and retained profits.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers in aggregate accounted for approximately 53% of the total turnover of the Group and the largest customer accounted for approximately 15% of the total turnover of the Group.

During the year, the five largest suppliers in aggregate accounted for approximately 43% of the total purchases of the Group and the largest supplier accounted for approximately 14% of the total purchases of the Group.

As far as the directors are aware, neither the directors, their associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")), nor any shareholders which, to the knowledge of the directors, own more than 5% of the Company's issued share capital, had any interest in the five largest customers or suppliers.

可供分派儲備

於二零零四年三月三十一日，本公司可作現金及／或實物分派用途的儲備為92,828,000港元（包括股份溢價賬），其中3,176,000港元已建議用作派付本年度末期股息。根據開曼群島公司法（二零零零年修訂本），除公司組織章程大綱或細則條文另有規定者外，本公司可將股份溢價賬28,735,000港元分派予股東或以股息的形式向股東派發，惟在緊隨派發股息後，本公司須有能力償還其在日常業務中到期的債項。董事會認為，本公司可供分派的儲備指股份溢價賬、繳入盈餘及保留溢利。

主要客戶及供應商

年內，五大客戶合共佔本集團總營業額約53%，而最大客戶則佔本集團總營業額約15%。

年內，五大供應商合共佔本集團總採購額約43%，而最大供應商則佔本集團總採購額約14%。

據董事會所知，各董事、彼等的聯繫人士（定義見香港聯合交易所有限公司證券上市規則（「上市規則」））以及據董事所知擁有本公司已發行股本5%以上的任何股東，概無於五大客戶或供應商中擁有任何權益。

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and reclassified and restated as appropriate, is set out on page 87. This summary does not form part of the audited financial statements.

FIXED ASSETS

Details of movements in the fixed assets of the Group during the year are set out in note 14 to the financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of the share capital and share options of the Company are set out in notes 27 and 28 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Ling Siu Man, Simon (*Chairman and Managing Director*)
Lee Ka Yue, Peter
Wong Ki Cheung
Li Fung Ching, Catherine
Au Wai Man
Liu Hoi Keung, Gary

五年財務資料概要

本集團於過往五個財政年度的已刊發業績及資產與負債概要（摘錄自經審核財務報表，並在適當情況下重新分類及重列）載於第87頁。該概要並非經審核財務報表的任何部分。

固定資產

本集團於年內的固定資產變動詳情載於財務報表附註14。

股本及購股權

本公司的股本及購股權詳情分別載於財務報表附註27及28。

優先購買權

本公司的組織章程細則或開曼群島法例並無有關本公司須向現有股東按比例發售新股的優先購買權規定。

董事

於本年度及截至本報告日期止，本公司之董事如下：

執行董事：

凌少文（主席兼董事總經理）
李嘉渝
黃其昌
李鳳貞
區偉民
廖開強

DIRECTORS (Continued)

Non-executive directors:

Wong Wai Kwong, David
Ho Fook Hong, Ferdinand *
Pang Hon Chung *

* Independent non-executive directors

In accordance with article 116 of the Company's articles of association, Mr. Lee Ka Yue, Peter and Mr. Wong Wai Kwong, David will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The terms in office of the non-executive directors are the periods from their dates of appointment up to their retirement by rotation in accordance with the Company's articles of association.

DIRECTORS' BIOGRAPHIES

Biographical details of the directors of the Group are set out on pages 11 to 12 of the annual report.

DIRECTORS' SERVICE CONTRACTS

All the executive directors, other than Lee Ka Yue, Peter, have entered into service contracts with the Company for terms of three years commencing from 1 October 2003.

Save as disclosed above, none of the directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事 (續)

非執行董事：

黃偉光
何福康*
彭漢中*

* 獨立非執行董事

根據本公司的組織章程細則第116條，李嘉渝先生及黃偉光先生均將於應屆股東週年大會上退任，惟彼等符合重選資格，並願意膺選連任。

根據本公司的組織章程細則，非執行董事的任期由彼等獲委任之日起至輪值告退之日止。

董事履歷

本集團董事之履歷詳情載於年報第11至12頁。

董事服務合約

除李嘉渝外，所有執行董事均與本公司訂有服務合約，由二零零三年十月一日起計，為期三年。

除上文披露者外，擬於應屆股東週年大會膺選連任的董事，概無與本公司或其任何附屬公司訂有本集團如不作出賠償（法定賠償除外）則不能於一年內終止的服務合約。

DIRECTORS' INTERESTS IN SHARES

At 31 March 2004, the interests of the directors in the share capital of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

董事擁有之股份權益

於二零零四年三月三十一日，董事於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股本中，擁有須記錄於本公司根據證券及期貨條例第352條規定存置之登記冊，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益如下：

(a) Long positions in ordinary shares of the Company

(a) 本公司普通股之好倉

Name of director	董事姓名	Nature of interest 權益性質	Number of Ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
Ling Siu Man, Simon	凌少文	Corporate (Note) 公司 (附註)	317,886,782	50.04
Wong Ki Cheung	黃其昌	Personal 個人	938,000	0.15
Li Fung Ching, Catherine	李鳳貞	Personal 個人	1,200,000	0.19
Liu Hoi Keung, Gary	廖開強	Personal 個人	3,920	-
			320,028,702	50.38

Note: These shares were held by Success Forever Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Ling Siu Man, Simon.

附註：該等股份由於英屬處女群島註冊成立之公司 Success Forever Limited 持有。該公司的全部已發行股本由凌少文實益擁有。

DIRECTORS' INTERESTS IN SHARES (Continued)**(b) Associated corporation**

At 31 March 2004, Ling Siu Man, Simon personally held 2,850 non-voting deferred shares of HK\$100 each of Tonic Electronics Limited, a subsidiary of the Company.

The interests of the directors in the share options of the Company are separately disclosed in note 28 to the financial statements.

Save as disclose above, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the heading "Directors' interests in shares" above and in the share option scheme disclosures in note 28 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事擁有之股份權益 (續)**(b) 相聯法團**

於二零零四年三月三十一日，凌少文個人持有本公司附屬公司東力電子有限公司每股面值100港元之無投票權遞延股份共2,850股。

董事於本公司購股權的權益於財務報表附註28另作披露。

除上文披露者外，各董事概無於本公司或其任何相聯法團之股份、相關股份或債券中，擁有須根據證券及期貨條例第352條規定記錄，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

董事購買股份或債券之權利

除上文「董事擁有之股份權益」及財務報表附註28購股權計劃披露事項所披露者外，於年內任何時間概無向任何董事或彼等各自之配偶或18歲以下子女賦予權力，以藉購入本公司股份或債券而獲益，亦無任何該等權力獲行使；而本公司、其控股公司或其任何附屬公司亦無涉及任何安排，致使董事可於任何其他法人團體獲得該等權利。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 34 to the financial statements, no contract of significance to which the Company or any of its subsidiaries was a party in which any director had a material interest, whether directly or indirectly, subsisted at the end of the year or any time during the year.

SHARE OPTION SCHEME

Concerning the share options granted to the directors and employees, as detailed in note 28, the directors do not consider it appropriate to disclose a theoretical value of the options granted because in the absence of a readily market value of the share options on the shares of the Company, the directors were unable to arrive at an assessment of the value of these share options.

SUBSTANTIAL SHAREHOLDERS

At 31 March 2004, the following parties having the interests of 5% or more of the issued share capital of the Company were recorded in the register of interests kept by the Company pursuant to Section 336 of the SFO:

董事於重大合約中之權益

除財務報表附註34披露者外，於年終或年內任何時間，本公司或其任何附屬公司概無訂有任何董事於當中擁有直接或間接重大權益的重大合約。

購股權計劃

就向董事或僱員授出購股權事項上(詳情載於附註28)，董事認為在並無本公司股份購股權市場價值的情況下，披露所授出購股權之理論價值並不恰當，因此董事未能評估該等購股權的價值。

主要股東

於二零零四年三月三十一日，根據本公司按證券及期貨條例第336條而存置之權益登記冊所記錄，擁有本公司已發行股本5%或以上權益之人士如下：

Name 名稱	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital (%) 佔本公司已發行 股本百分比 (%)
Success Forever Limited (Note 1) (附註1)	Beneficially owned 實質擁有	317,886,782	50.04
Eco-Haru Mfr. Holdings Limited ("Eco-Haru") (Note 2) (附註2)	Beneficially owned 實質擁有	121,100,869	19.06
Glorious Concept Limited ("Glorious Concept") (Note 2) (附註2)	Beneficially owned 實質擁有	8,502,000	1.34
EganaGoldpfeil (Holdings) Limited ("EganaGoldpfeil") (Note 2) 聯洲國際集團有限公司(「聯洲」) (附註2)	Interest held by controlled corporation 受控法團所持權益	129,602,869	20.40
Peninsula International Limited ("Peninsula") (Note 3) (附註3)	Interest held by controlled corporation 受控法團所持權益	129,602,869	20.40

SUBSTANTIAL SHAREHOLDERS (Continued)

Notes:

- (1) The entire issued share capital of Success Forever Limited is beneficially owned by Ling Siu Man, Simon as disclosed in the section "Directors' interests in shares" above.
- (2) The entire issued share capital of Eco-Haru and Glorious Concept is beneficially owned by EganaGoldpfeil.
- (3) The issued share capital of EganaGoldpfeil is held as to 39.18% by Peninsula.

Save as disclosed above, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests in shares" above, had registered an interest or short positions in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

CONNECTED TRANSACTIONS

Details of the connected transactions of the Company are set out in note 34 to the financial statements.

The independent non-executive directors of the Company have reviewed and confirmed that the connected transactions were conducted in the ordinary and usual course of the Group's business and are fair and reasonable so far as the Company's shareholders are concerned, or in accordance with the terms of the agreements governing the transactions.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

主要股東 (續)

附註:

- (1) 按上文「董事擁有之股份權益」一節所披露，Success Forever Limited全部已發行股本由凌少文實益擁有。
- (2) Eco-Haru及Glorious Concept全部已發行股本由聯洲實益擁有。
- (3) Peninsula持有聯洲已發行股本之39.18%。

除上文披露者及上文「董事擁有之股份權益」一節所載本公司董事之權益外，並無任何人士於本公司之股份或相關股份中擁有根據證券及期貨條例第336條須予登記之權益或淡倉。

關連交易

本公司的關連交易詳情載於財務報表附註34。

本公司的獨立非執行董事已審閱及確認，關連交易乃在本集團的一般及日常業務中訂立，對本公司股東而言屬公平合理，且符合有關交易協議條款的規定。

買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司並無買賣或贖回任何本公司的上市證券。

CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules of the Hong Kong Stock Exchange, throughout the accounting period covered by the annual report, except that the non-executive directors of the Company are not appointed for specific terms as required by paragraph 7 of the Code, but are subject to retirement by rotation in accordance with the Company's articles of association.

AUDIT COMMITTEE

Pursuant to the requirements of the Listing Rules, the Company has established an audit committee which comprises all of the Company's non-executive directors. Except for Wong Wai Kwong, David, all members of the audit committee are independent non-executive directors. There are written terms of reference describing the authority and duties of the audit committee. The audit committee's principal duties include the review and supervision of the Group's financial reporting process and internal controls.

COMPLIANCE WITH THE CONTINUING DISCLOSURE REQUIREMENT UNDER CHAPTER 13 OF THE LISTING RULES

In compliance with the continuing disclosure requirements under Rule 13.21 of Chapter 13 of the Listing Rules (as amended on 31 March 2004), the directors of the Company reported below details of the loan agreement which included conditions relating to the specific performance of the controlling shareholder of the Company.

During the year, the Group signed a term loan facility agreement for a syndicated loan of HK\$245 million for a period of 3½ years. Under the terms of the agreement, the chairman of the Company, Mr. Ling Siu Man, Simon, being the single largest shareholder and is actively involved in the management and business of the Group, is required to maintain at least 40% of the beneficial interests in shareholdings in the Company.

最佳應用守則

董事會認為，除本公司並無根據香港聯交所上市規則附錄14所載之最佳應用守則（「守則」）第7段之規定以固定任期委任非執行董事，而須根據本公司之組織章程細則輪值告退外，本公司於年報所涵蓋會計期間一直符合守則。

審核委員會

根據上市規則規定，本公司已成立審核委員會，成員包括本公司全體非執行董事。除黃偉光外，審核委員會所有成員均為獨立非執行董事。董事會已制訂職權範圍書，列明審核委員會的職權及職務。審核委員會的主要職務包括檢討及監察本集團的財務申報程序及內部監控事務。

遵守上市規則第13章之持續披露規定

為遵守上市規則第13章第13.21條之持續披露規定（於二零零四年三月三十一日修訂），本公司董事於下文申報有關本公司控股股東須履行特定責任作為條件之貸款協議詳情。

年內，本公司就一筆為期三年半之245,000,000港元銀團貸款訂立一份有期貨款信貸協議。根據該協議之條款，作為單一最大股東以及積極參與本集團管理及業務之本公司主席凌少文先生須維持實益擁有本公司股權最少40%。

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Chairman

LING Siu Man, Simon

Hong Kong
16 July 2004

核數師

安永會計師事務所任滿告退，於應屆股東週年大會將提呈一項決議案，續聘其為本公司核數師。

代表董事會

主席

凌少文

香港
二零零四年七月十六日



To the members

Tonic Industries Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 27 to 86 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

致：東力實業控股有限公司

(於開曼群島註冊成立之有限公司)

列位股東

本核數師(以下簡稱「我們」)已完成審核載於第27至86頁按照香港公認會計原則編撰之財務報表。

董事及核數師之個別責任

貴公司之董事須負責編撰真實與公平之財務報表。在編撰該等真實與公平之財務報表時，董事必須貫徹採用合適之會計政策。我們之責任是根據我們審核工作之結果，對該等財務報表作出獨立意見，並僅向整體股東報告。除此以外本報告不作其他用途。我們概不會就本報告之內容向任何其他人士負上或承擔任何責任。

意見之基礎

我們按照香港會計師公會頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評估董事於編撰該等財務報表時所作之重大估計和判斷、所釐定之會計政策是否適合貴公司及貴集團之具體情況以及有否貫徹應用並充份披露該等會計政策。

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2004 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

Hong Kong
16 July 2004

我們在策劃及進行審核工作時，均以取得一切我們認為必需之資料及解釋為目標，使我們能獲得充份之憑證，就該等財務報表是否存有重要錯誤陳述，作出合理之確定。在作出意見時，我們亦已衡量該等財務報表所載資料在整體上是否足夠。我們相信，我們之審核工作已為下列意見建立了合理之基礎。

意見

我們認為，財務報表均真實與公平地反映 貴公司及 貴集團於二零零四年三月三十一日之財政狀況及 貴集團截至該日止年度之溢利和現金流量狀況，並已按照香港公司條例之披露規定妥善編撰。

安永會計師事務所

執業會計師

香港
二零零四年七月十六日

Consolidated Profit and Loss Account

綜合損益賬

Year ended 31 March 2004 截至二零零四年三月三十一日止年度

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		Notes 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元 (Restated) (重列)
TURNOVER	營業額	5	2,074,140	2,680,277
Cost of sales	銷售成本		(1,969,624)	(2,531,652)
Gross profit	毛利		104,516	148,625
Other revenue	其他收入	5	10,025	10,721
Selling and distribution costs	銷售及分銷成本		(11,899)	(7,491)
Administrative expenses	行政支出		(73,215)	(71,221)
Other operating expenses	其他經營支出	6	(318)	(14,437)
PROFIT FROM OPERATING ACTIVITIES	經營溢利	6	29,109	66,197
Finance costs	融資成本	9	(9,144)	(12,679)
Share of loss of an associate	應佔一間聯營公司 虧損		–	(23)
PROFIT BEFORE TAX	除稅前溢利		19,965	53,495
Tax	稅項	10	5,634	(10,194)
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS	股東應佔溢利淨額	11	25,599	43,301
DIVIDENDS	股息	12		
Interim	中期股息		6,353	6,353
Proposed final	擬派末期股息		3,176	9,529
			9,529	15,882
EARNINGS PER SHARE	每股盈利	13		
– Basic	– 基本		4.0 cents 仙	6.8 cents 仙
– Diluted	– 攤薄		N/A 不適用	N/A 不適用

Consolidated Balance Sheet

綜合資產負債表

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31 March 2004 二零零四年三月三十一日

		Notes 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元 (Restated) (重列)
NON-CURRENT ASSETS	非流動資產			
Fixed assets	固定資產	14	529,031	465,426
Intangible assets	無形資產	15	10,264	7,358
Interest in an associate	於一間聯營公司權益	18	74	192
Long term investments	長期投資	19	18,592	19,447
Non-current portion of loans receivable	應收貸款非即期部分	20	656	844
Deposits for acquisition of fixed assets	購買固定資產按金		34,343	21,338
			592,960	514,605
CURRENT ASSETS	流動資產			
Inventories	存貨	21	400,843	273,888
Accounts receivable	應收賬款	22	256,270	116,555
Current portion of loans receivable	應收貸款即期部分	20	188	188
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		17,744	5,659
Tax recoverable	可收回稅項		750	5,654
Cash and bank balances	現金及銀行結存		194,161	207,226
			869,956	609,170
CURRENT LIABILITIES	流動負債			
Trust receipt loans	信託票據貸款	23	178,509	264,289
Accounts payable	應付賬款	24	448,061	259,253
Accrued liabilities and other payables	應計負債及其他應付款項		51,577	46,635
Current portion of finance lease payables	融資租約應付款項即期部分	25	8,333	8,592
Current portion of long term bank loans	長期銀行貸款即期部分	23	110,261	58,920
Tax payable	應繳稅項		2,758	12,161
			799,499	649,850

Consolidated Balance Sheet

綜合資產負債表

31 March 2004 二零零四年三月三十一日

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		Notes 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元 (Restated) (重列)
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債) 淨額		70,457	(40,680)
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		663,417	473,925
NON-CURRENT LIABILITIES	非流動負債			
Non-current portion of finance lease payables	融資租約應付 款項非即期部分	25	2,148	7,841
Non-current portion of long term bank loans	長期銀行貸款 非即期部分	23	235,830	50,427
Deferred tax	遞延稅項	26	28,900	28,976
			266,878	87,244
			396,539	386,681
CAPITAL AND RESERVES	資本及儲備			
Issued capital	已發行股本	27	63,526	63,526
Reserves	儲備	29(a)	329,837	313,626
Proposed final dividend	擬派末期股息	12	3,176	9,529
			396,539	386,681

LING Siu Man, Simon

凌少文

Director

董事

LIU Hoi Keung, Gary

廖開強

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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Year ended 31 March 2004 截至二零零四年三月三十一日止年度

		Issued share capital 已發行股本	Share premium account 股份溢價賬	Contributed surplus 繳入盈餘	Exchange fluctuation reserve 外匯波動 儲備	Asset revaluation reserve 資產 重估儲備	Retained profits 保留溢利	Proposed final dividend 擬派 末期股息	Total 總計
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2002	於二零零二年四月一日								
As previously reported	原先呈列	63,526	28,735	280	(9,308)	109,103	185,133	3,176	380,645
Prior year adjustment:	往年調整:								
SSAP 12 – restatement of deferred tax	會計實務準則第12號 — 重列遞延稅項	26	-	-	-	(12,625)	(7,276)	-	(19,901)
As restated	重列	63,526	28,735	280	(9,308)	96,478	177,857	3,176	360,744
Final 2002 dividend declared	已宣派二零零二年 末期股息	-	-	-	-	-	-	(3,176)	(3,176)
Deferred tax credited to equity	計入股本之 遞延稅項	26	-	-	-	1,100	-	-	1,100
Revaluation deficit on fixed assets	固定資產重估虧絀	14	-	-	-	(11,345)	-	-	(11,345)
Exchange realignment	匯兌調整	-	-	-	2,410	-	-	-	2,410
Net gains and losses not recognised in the profit and loss account	並未在損益賬中確認之 收益及虧損淨額	-	-	-	2,410	(10,245)	-	-	(7,835)
Net profit for the year (restated)	年內溢利淨額 (重列)	-	-	-	-	-	43,301	-	43,301
Interim 2003 dividend	二零零三年中期股息	12	-	-	-	-	(6,353)	-	(6,353)
Final 2003 dividend proposed	擬派二零零三年末期股息	12	-	-	-	-	(9,529)	9,529	-
Balance at 31 March 2003	於二零零三年 三月三十一日結存	63,526	28,735*	280*	(6,898)*	86,233*	205,276*	9,529	386,681

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2004 截至二零零四年三月三十一日止年度

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		Issued share capital 已發行股本	Share premium account 股份溢價賬	Contributed surplus 繳入盈餘	Exchange fluctuation reserve 外匯波動 儲備	Asset revaluation reserve 資產 重估儲備	Retained profits 保留溢利	Proposed final dividend 擬派 末期股息	Total 總計
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2003	於二零零三年四月一日								
As previously reported	原先呈列	63,526	28,735	280	(6,898)	97,758	213,119	9,529	406,049
Prior year adjustment:	往年調整:								
SSAP 12 – restatement of deferred tax	會計實務準則第12號 — 重列遞延稅項	26	-	-	-	(11,525)	(7,843)	-	(19,368)
As restated	重列	63,526	28,735	280	(6,898)	86,233	205,276	9,529	386,681
Final 2003 dividend declared	已宣派二零零三年 末期股息	-	-	-	-	-	-	(9,529)	(9,529)
Deferred tax credited to equity	計入股本之 遞延稅項	26	-	-	-	87	-	-	87
Exchange realignment	匯兌調整	-	-	-	54	-	-	-	54
Net gains and losses not recognised in the profit and loss account	並未在損益賬中確認之 收益及虧損淨額	-	-	-	54	87	-	-	141
Net profit for the year	年內溢利淨額	-	-	-	-	-	25,599	-	25,599
Interim 2004 dividend	二零零四年中期股息	12	-	-	-	-	(6,353)	-	(6,353)
Final 2004 dividend proposed	擬派二零零四年末期股息	12	-	-	-	-	(3,176)	3,176	-
Balance at 31 March 2004	於二零零四年 三月三十一日結存	63,526	28,735*	280*	(6,844)*	86,320*	221,346*	3,176	396,539

* These reserve accounts comprise the consolidated reserves of HK\$329,837,000 (2003: HK\$313,626,000) in the consolidated balance sheet.

* 此等儲備賬目包括綜合資產負債表之329,837,000港元(二零零三年: 313,626,000港元)綜合儲備。

Consolidated Cash Flow Statement

綜合現金流量表

Year ended 31 March 2004 截至二零零四年三月三十一日止年度

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		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Net cash inflow/(outflow) from operating activities	經營業務產生之現金 流入／(流出)淨額	<u>(83,709)</u>	<u>182,170</u>
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生之現金流量		
Purchases of fixed assets	購買固定資產	(117,716)	(70,319)
Proceeds from disposal of fixed assets	出售固定資產所得款項	3,295	8,238
Proceeds from disposal of investments	出售投資所得款項	855	-
Dividends received	已收股息	911	107
Additions of intangible assets	無形資產增加	(6,388)	(4,599)
Decrease in loans receivable	應收貸款減少	188	4,129
Deposits paid for fixed assets	固定資產已付按金	<u>(21,812)</u>	<u>(10,087)</u>
Net cash outflow from investing activities	投資活動產生之現金 流出淨額	<u>(140,667)</u>	<u>(72,531)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動產生之現金流量		
New bank loans	新借銀行貸款	300,000	42,000
Repayment of bank loans	償還銀行貸款	(63,256)	(46,320)
Capital element of finance lease rental payments	融資租約租金本金部分	(9,518)	(9,752)
Dividends paid	已付股息	<u>(15,882)</u>	<u>(9,529)</u>
Net cash inflow/(outflow) from financing activities	融資活動產生之現金 流入／(流出)淨額	<u>211,344</u>	<u>(23,601)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及等同現金項目 增加／(減少)淨額	(13,032)	86,038
Cash and cash equivalents at beginning of year	年初現金及等同現金項目	207,226	121,122
Effect of foreign exchange rate changes, net	匯率變動影響淨額	<u>(33)</u>	<u>66</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及等同現金項目	<u>194,161</u>	<u>207,226</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及等同現金項目 結存分析		
Cash and bank balances	現金及銀行結存	<u>194,161</u>	<u>207,226</u>

Balance Sheet

資產負債表

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31 March 2004 二零零四年三月三十一日

		Notes 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Interests in subsidiaries	於附屬公司權益	17	156,224	172,230
CURRENT ASSETS	流動資產			
Cash and bank balances	現金及銀行結存		136	135
Prepayments and other receivables	預付款項及其他 應收款項		–	157
			136	292
CURRENT LIABILITIES	流動負債			
Accrued liabilities and other payables	應計負債及其他 應付款項		6	169
NET CURRENT ASSETS	流動資產淨值		130	123
			156,354	172,353
CAPITAL AND RESERVES	資本及儲備			
Issued capital	已發行股本	27	63,526	63,526
Reserves	儲備	29(b)	89,652	99,298
Proposed final dividend	擬派末期股息	12	3,176	9,529
			156,354	172,353

LING Siu Man, Simon

凌少文

Director

董事

LIU Hoi Keung, Gary

廖開強

Director

董事

1. CORPORATION INFORMATION

The principal activity of the Company is investment holding. The subsidiaries are engaged in the design, manufacture and trading of consumer electronic products and components and home appliance products. There were no changes in the nature of the Group's principal operations during the year.

In the opinion of the directors, the ultimate holding company is Success Forever Limited, a company incorporated in the British Virgin Islands.

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE ("SSAPs")

The following new and revised SSAPs are effective for the first time for the current year's financial statements:

- SSAP 12 (Revised) : "Income taxes"
- SSAP 35 : "Accounting for government grants and disclosure of government assistance"

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group's accounting policies and on the amounts disclosed in these financial statements of adopting these SSAPs are summarised as follows:

SSAP 12 (Revised) prescribes the accounting for income taxes payable or recoverable, arising from the taxable profit or loss for the current period (current tax); and income taxes payable or recoverable in future periods, principally arising from taxable and deductible temporary differences and the carryforward of unused tax losses (deferred tax).

1. 公司資料

本公司主要業務為投資控股。附屬公司從事設計、製造及買賣消費電子產品與零件及家庭電器產品。年內，本集團主要業務性質並無變動。

董事認為最終控股公司為於英屬處女群島註冊成立的Success Forever Limited。

2. 新訂及經修訂香港會計實務準則（「會計實務準則」）的影響

首次於本年度財務報表生效之新訂及經修訂會計實務準則如下：

- 會計實務準則第12號（經修訂）：「所得稅」
- 會計實務準則第35號：「政府補貼會計方法及政府贊助之披露」

上述會計實務準則訂明新會計處理方法及披露慣例。採納該等會計實務準則對本集團的會計政策及此等財務報表所披露數額的主要影響概述如下：

會計實務準則第12號（經修訂）訂明就本期間應課稅溢利或虧損產生應繳或可退回所得稅（即期稅項），以及主要因應課稅及可扣減暫時差額與結轉未運用稅項虧損而產生之未來應繳或可退回所得稅（遞延稅項）之會計方法。

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”) (Continued)

The principal impact of the revision of this SSAP on these financial statements is described below:

Measurement and recognition:

- deferred tax assets and liabilities relating to the differences between capital allowances for tax purposes and depreciation for financial reporting purposes and other taxable and deductible temporary differences are generally fully provided for, whereas previously the deferred tax was recognised for timing differences only to the extent that it was probable that the deferred tax asset or liability would crystallise in the foreseeable future;
- a deferred tax liability has been recognised for the deferred development costs; and
- a deferred tax liability has been recognised for the asset revaluation reserve.

Disclosures:

- deferred tax assets and liabilities are presented separately on the balance sheet, whereas previously they were presented on a net basis; and
- the related note disclosures are now more extensive than previously required. These disclosures are presented in notes 10 and 26 to the financial statements and include a reconciliation between the accounting profit and the tax expense for the year.

Further details of these changes and the prior year adjustments arising from them are included in the accounting policy for deferred tax in notes 3 and 26 to the financial statements.

SSAP 35 prescribes the accounting for government grants and other forms of government assistance. The adoption of this SSAP has had no significant impact for these financial statements on the amounts recorded for government grants, however, additional disclosures are now required and are detailed in notes 3 and 6 to the financial statements.

2. 新訂及經修訂香港會計實務準則（「會計實務準則」）的影響（續）

修訂此項會計實務準則對此等財務報表之主要影響載述如下：

計量及確認

- 就稅項之折舊免稅額與財務申報所用折舊間之差額，以及其他應課稅及可扣稅暫時差額涉及之遞延稅項資產及負債，一般作出全數撥備，而過往之遞延稅項則於可見將來可能實現遞延稅項資產或負債時方按時差確認入賬；
- 已就遞延開發成本確認一項遞延稅項負債；及
- 已就資產重估儲備確認一項遞延稅項負債。

披露：

- 遞延稅項資產及負債於資產負債表分開呈列，先前則按淨額基準呈列；及
- 有關附註披露較早前規定者更為全面。該等披露呈列於財務報表附註10及26，並載有年內會計溢利與稅支出之對賬。

該等變動之進一步詳情及由此產生之過往年度調整，載於財務報表附註3及26遞延稅項之會計政策內。

會計實務準則第35號訂明就政府補貼及其他形式政府贊助之會計方法。採納此項會計實務準則對此等財務報表內有關政府補貼之金額並無重大影響，惟現時須於財務報表作出額外披露，詳情載於財務報表附註3及6。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation**

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the revaluation of fixed assets as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2004. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is a company, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of an associate is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interest in its associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

3. 主要會計政策概要**編製基準**

此等財務報表乃根據香港會計實務準則、香港公認會計原則及香港公司條例的披露規定，並按歷史成本方法編撰，惟重估固定資產除外，詳情見下文。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至二零零四年三月三十一日止年度的財務報表。年內購入或出售的附屬公司業績已分別由有關公司的實際購入日期起計或截至實際出售日期止綜合入賬。集團內公司間的一切重大交易及結餘均於綜合賬目時對銷。

附屬公司

附屬公司為本公司可直接或間接控制其財務及營運政策以從其業務中取得利益的公司。

附屬公司業績按已收及應收股息計入本公司損益賬。本公司於附屬公司的權益按成本減任何減值虧損入賬。

聯營公司

聯營公司為本集團擁有其不少於20%股本投票權的長期權益，並可對其發揮重大影響力，且並非本集團附屬公司或共同控制實體的公司。

本集團所佔聯營公司的收購後業績及儲備分別計入綜合損益賬及綜合儲備內。本集團於其聯營公司的權益乃根據權益會計法按本集團應佔聯營公司資產淨值，減任何減值虧損後，在綜合資產負債表列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Goodwill**

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life.

Prior to the adoption of SSAP 30 "Business combinations" in 2001, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 goodwill accounting policy above.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

3. 主要會計政策概要 (續)**商譽**

收購附屬公司所產生的商譽指截至收購日期收購成本超逾本集團所佔已收購可辨別資產及負債公平價值的差額。

收購所產生的商譽在綜合資產負債表確認為資產，並於其估計可使用年期以直線法攤銷。

於二零零一年採納會計實務準則第30號「業務合併」前，收購產生之商譽乃於收購年度與綜合儲備對銷。採納會計實務準則第30號時，本集團已應用該會計實務準則之過渡條文，該條文容許該等商譽繼續與綜合儲備對銷。採納該會計實務準則後，收購產生之商譽乃根據上述會計實務準則第30號之商譽會計政策處理。

在出售附屬公司時，出售的盈虧乃按出售日期的資產淨值計算，包括應佔尚未攤銷商譽的金額及任何有關儲備（視適用情況而定）。於收購時，先前在儲備中對銷的任何應佔商譽將予撥回，並計入出售的盈虧。

商譽的賬面值，包括仍與綜合儲備對銷的商譽，會每年檢討，並於認為有需要時撇減減值。先前已確認的商譽減值虧損不會予以撥回，除非減值虧損乃由於預期不會再發生的特殊外在事件而產生，且其後發生扭轉有關事件影響的外在事件。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Impairment of assets**

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Fixed assets and depreciation

Fixed assets, other than construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

3. 主要會計政策概要 (續)**資產減值**

於各個結算日均會評估是否有任何跡象顯示出現任何資產減值，或是否有任何跡象顯示於過往年度就資產確認的減值虧損可能不再存在或可能減少。倘出現任何該等跡象，則會估計資產的可收回數額。資產的可收回數額乃按資產使用價值或其淨售價兩者之較高者計算。

僅在資產賬面值高於其可收回數額的情況下，方會確認減值虧損。減值虧損於其產生期間內自損益賬扣除，除非有關資產按重估價值列賬則作別論，減值虧損會按該重估資產的有關會計政策入賬。

先前確認的減值虧損僅在用以釐定資產可收回數額的估計數字出現變動時方會撥回。然而，有關數額將不會高於倘過往年度並無就該資產確認減值虧損而應釐定的賬面值（扣除任何折舊／攤銷）。撥回的減值虧損於其產生期間計入損益賬，除非有關資產按重估價值列賬，則撥回的減值虧損會按該重估資產的有關會計政策入賬。

固定資產及折舊

在建工程以外之固定資產乃按成本或估值減累計折舊及任何減值虧損入賬。資產成本包括其購買價及令該項資產達至運作狀況及地點作擬定用途的任何直接應佔成本。固定資產投產後所產生的開支，例如維修及保養費用，一般於該等支出產生的期間計入損益賬。倘能清楚證明該項支出使運用有關固定資產預期將來可得經濟利益有所增加，則將該項支出撥作有關資產的額外成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Fixed assets and depreciation** *(Continued)*

Depreciation is calculated to write off the cost or valuation of each asset over its estimated useful life at the following rates per annum:

Leasehold land	Over the remaining lease terms on the straight-line basis
Buildings	4% on the straight-line basis
Leasehold improvements	25% on the reducing balance basis
Furniture and fixtures	25% on the reducing balance basis
Equipment and tools	10% – 25% on the reducing balance basis
Motor vehicles	30% on the reducing balance basis
Moulds	25% on the straight-line basis

Construction in progress represents the cost of buildings under construction in Mainland China not yet ready for their intended use. Construction in progress is stated at cost less any impairment losses. Depreciation is provided upon its transfer to other fixed assets accounts, when it is ready for its intended use.

Changes in the values of fixed assets are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. A subsequent revaluation increase is recognised as income to the extent that it reverses a revaluation deficit of the same asset previously charged to the profit and loss account.

Upon the disposal of revalued fixed assets, the relevant portion of the revaluation reserve realised in respect of the previous valuation is credited directly to the retained profits account.

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the net sales proceeds and the carrying amount of the relevant asset.

3. 主要會計政策概要 (續)**固定資產及折舊 (續)**

折舊乃按下列年率於其估計可使用年期撇銷各項資產成本或估值計算：

租約土地	以直線法於所餘租約年期折舊
樓宇	以直線法按4%折舊
租約物業裝修	以遞減餘額法按25%折舊
傢俬及裝置	以遞減餘額法按25%折舊
設備及工具	以遞減餘額法按10%–25%折舊
汽車	以遞減餘額法按30%折舊
模具	以直線法按25%折舊

在建工程指在中國內地仍未可作計劃用途的興建中樓宇之成本。在建工程按成本減任何減值虧損入賬，當該等固定資產可作計劃用途時轉往其他固定資產賬目後開始計算折舊。

固定資產價值變動列作資產重估儲備變動處理。按個別資產計算，倘此儲備總額不足以彌補虧絀，則於損益賬扣除超出的虧絀。倘其後重估可導致該項資產早前計入損益賬之重估虧絀撥回，則其後之重估增值確認為收入。

出售重估固定資產時，過往重估而變現的有關重估儲備部分將直接撥入保留溢利賬。

於損益賬確認的出售或棄用固定資產收益或虧損，乃有關資產銷售所得款項淨額與其賬面值的差額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Research and development costs**

All research costs are charged to the profit and loss account as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the projects are clearly defined; the expenditure is separately identifiable and can be measured reliably; there is reasonable certainty that the projects are technically feasible; and the products have commercial value. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred product development costs are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the products are put into commercial production.

Leased assets

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum contract payments and recorded together with the obligation, excluding the interest element, to reflect the costs of purchase and financing. Assets held under capitalised finance leases are included in fixed assets and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to produce a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

3. 主要會計政策概要 (續)**研究及開發成本**

所有研究成本於產生時計入損益賬。

開發新產品的計劃所產生的支出，於下列情況方撥作資本及作遞延處理：計劃獲清晰界定；支出可獨立地辨別並能可靠計算；有理由肯定計劃屬技術上可行；以及產品具有商業價值。未能符合此等要求的產品開發支出將於產生時列為支出。

遞延產品開發成本按自產品商業投產之日起計不超過五年之商業可用期內以直線法攤銷。

租賃資產

除法定所有權外，凡資產擁有權之絕大部分回報及風險歸本集團擁有之租賃，均列為融資租約。在訂立融資租約時，租賃資產成本按最低合約款項的現值撥作資本，並連同有關承擔扣除利息部分入賬，以反映購買及融資成本。按資本化融資租約持有的資產均列為固定資產，並按資產的租賃年期及估計可使用年期兩者之較短者計算折舊。該等租賃的融資成本於損益賬內扣除，以便可在租賃年期內按固定周期扣減比率計算。

透過融資租購合約收購的資產入賬列作融資租約，惟僅於其估計可使用年期折舊。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Leased assets** *(Continued)*

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under operating leases are credited to the profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Trademarks

Trademarks are stated at cost less accumulated amortisation and any impairment losses. They are amortised using the straight-line basis over their estimated useful lives but not exceeding ten years.

Long term investments

Long term investments in listed and unlisted equity securities, intended to be held for a continuing strategic or long term purpose, are stated at cost less any impairment losses, on an individual investment basis.

When a decline in the fair value of a security below its carrying amount has occurred, unless there is evidence that the decline is temporary, the carrying amount of the security is reduced to its fair value, as estimated by the directors. The amount of the impairment is charged to the profit and loss account for the period in which it arises. When the circumstances and events which led to the impairments in values cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amount of the impairment previously charged is credited to the profit and loss account to the extent of the amount previously charged.

3. 主要會計政策概要 (續)**租賃資產 (續)**

凡將資產擁有權絕大部分回報及風險撥歸出租人之租約均列作經營租約。倘本集團為出租人，則本集團根據經營租約租出之資產納入非流動資產，而根據經營租約應收之租金乃按租賃年期以直線法計入損益賬。倘本集團為承租人，則根據經營租約應付之租金乃按租賃年期以直線法自損益賬扣除。

商標

商標乃按成本減累計攤銷及任何減值虧損入賬，並按不超過十年的估計可使用年期以直線法攤銷。

長期投資

就有關上市或非上市股本證券的長期投資而言，倘其計劃持作持續策略性或長期用途，將按個別投資基準以成本減任何減值虧損入賬。

倘證券公平價值降至低於賬面值，除非有證據顯示減值屬暫時性，否則證券賬面值將調低至董事估計的公平價值，而減值數額會於減值出現的期間從損益賬扣除。倘若引致減值的狀況及事件不再存在，並有有力證據顯示新狀況及事件將於可見未來持續，則先前已扣除的減值數額將計入損益賬，惟以先前已扣除的數額為限。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Inventories**

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

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. 主要會計政策概要 (續)**存貨**

存貨按成本及可變現淨值兩者的較低者入賬。成本以加權平均基準計算，倘為在製品及製成品，則包括直接材料、直接勞工及適當部分的其他經常成本。可變現淨值乃根據估計售價減完成及出售所需的估計成本計算。

所得稅

所得稅包括即期及遞延稅項。所得稅於損益賬確認，或倘有關稅項與相同或不同期間直接於股本確認之項目相關，則於股本確認。

遞延稅項須按負債法，就資產及負債之稅基與用於財務申報之賬面值產生之所有暫時差額，於結算日作出撥備。

遞延稅項負債就所有應課稅暫時差額確認：

- 惟產生自最初確認交易資產或負債，以及於進行交易時不影響會計溢利或應課稅溢利或虧損的遞延稅項負債則除外；及
- 與於附屬公司及聯營公司之投資相關之應課稅暫時差額，惟假若可控制暫時差額之撥回時間，並有可能在可預見未來不會撥回暫時差額則除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Income tax** *(Continued)*

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

3. 主要會計政策概要 (續)**所得稅 (續)**

遞延稅項資產乃於有可能將應課稅溢利抵銷可扣減暫時差額與未運用稅項資產及未運用稅項虧損結轉時，就所有可扣減暫時差額、未運用稅項資產及未運用稅項虧損結轉確認：

- 產生自最初確認交易資產或負債，以及於進行交易時不影響會計溢利或應課稅溢利或虧損的遞延稅項資產除外；及
- 與於附屬公司及聯營公司之投資相關之可扣減暫時差額，於暫時差額可能在可預見未來將會撥回及應課稅溢利將可抵銷暫時差額時，遞延稅項資產方予確認。

遞延稅項資產賬面值於每個結算日審閱，並於可能並無足夠應課稅溢利抵銷所有或部分遞延稅項資產時減少。相反，先前尚未確認之遞延稅項資產於有足夠應課稅溢利抵銷所有或部分遞延稅項資產時確認。

遞延稅項資產及負債乃按於結算日頒布或實質頒布之稅率（及稅法）計算，而有關稅率則為預期於變現資產或清償債務期間適用之稅率。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of subcontracting and handling fee services, when the services are rendered;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable; and
- (e) dividend income, when the shareholders' right to receive payment has been established.

3. 主要會計政策概要 (續)**政府補貼**

政府補貼乃於可合理確認將可獲得補貼及所有附帶條件將獲遵守時，按其公平價值確認。如補貼乃關於開支項目，則就以補貼配對其擬定補償成本之所需期間有系統地確認為收入。

收益確認

收益將於本集團可能獲得有關經濟利益及有關收益能夠可靠計算時，按下列基準入賬：

- (a) 銷售貨品的收益於擁有權大部分風險及回報已轉歸買方，惟本集團不再參與通常與所售出貨品的擁有權或實際控制權有關的管理時入賬；
- (b) 提供承包服務的收益於提供服務時入賬；
- (c) 租金收入，於租賃年期按時間比例入賬；
- (d) 利息收入根據尚未償還的本金及適用實際利率按時間比例入賬；及
- (e) 股息收入，於確定股東可獲取派息的權利時入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Dividends**

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are dealt with in the exchange fluctuation reserve.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. 主要會計政策概要 (續)**股息**

董事建議的末期股息列於資產負債表之資本及儲備下，獨立列作保留溢利分配，直至股息於股東大會獲股東批准為止。在此等股息獲股東批准及宣派後，即確認為負債。

中期股息可同時建議及宣派，原因為本公司的組織章程大綱及細則授予董事宣派中期股息的權力。因此，中期股息於建議及宣派時即時確認為負債。

外幣

外幣交易按交易日期適用的匯率換算入賬。於結算日以外幣為單位的貨幣資產及負債按當日的適用匯率換算入賬。匯兌差額於損益賬處理。

於綜合賬目時，海外附屬公司之財務報表按淨投資法換算為港元。海外附屬公司之損益賬按年內加權平均匯率換算為港元，其資產負債表則按結算日之匯率換算為港元，所產生之換算差額於外匯波動儲備處理。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期之匯率換算為港元。海外附屬公司年內產生之經常現金流量按年內之加權平均匯率換算為港元。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

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.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and bank balances comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

3. 主要會計政策概要 (續)**借貸成本**

收購、建設或生產合資格資產(必須以一段長時間準備以作計劃用途或銷售)的直接應佔借貸成本,乃撥充該等資產的部分成本。當資產可作計劃用途或銷售時,該等借貸成本將停止撥充資本。

關連人士

倘一方有權直接或間接控制另一方或可對另一方的財務及經營決策發揮重大影響力,或受制於共同控制權或共同重大影響力者,則被視為關連人士。關連人士可以是個人或公司實體。

現金及等同現金項目

就綜合現金流量表而言,現金及等同現金項目包括手頭現金及活期存款,以及短期流通性高且可隨時兌換成變值風險極微的可知數額現金及於購入時起計三個月內到期的投資,減須按要求償還的銀行透支,為本集團現金管理的不可或缺部分。

資產負債表內之現金及銀行結存指手頭及銀行現金,包括無使用限制之定期存款及性質與現金類似的資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Employee benefits***Employment Ordinance long service payments*

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a percentage of their payroll costs to the central pension scheme. The contributions are charged to the profit and loss account as they become payable in accordance with the rules of the central pension scheme.

3. 主要會計政策概要 (續)**僱員福利 (續)***僱傭條例長期服務金*

本集團若干僱員服務本集團之年期，已屆香港僱傭條例規定合資格於離職時獲取長期服務金之指定服務年期。倘僱員於符合香港僱傭條例指明情況下離職，本集團必須支付有關款項。

已就預期日後可能須支付之長期服務金作出撥備。撥備金額乃截至結算日僱員向本集團提供服務所賺取而本集團日後可能須支付之金額之最佳估計。

退休金計劃

本集團根據強制性公積金計劃條例，為合資格參與計劃之僱員設立一項定額供款強制性公積金退休福利計劃（「強積金計劃」）。按照強積金計劃之規則，供款乃按僱員基本薪金之百分比作出，並於應付時自損益賬扣除。強積金計劃的資產由獨立管理之基金與本集團之資產分開持有。本集團對強積金計劃作出之僱主供款繳入計劃後即全數歸屬僱員。

本集團旗下於中國內地經營業務之附屬公司之僱員必須參與由當地市政府設立之中央退休金計劃。該等附屬公司須按其涉及工資總額若干百分比向中央退休金計劃作出供款。根據中央退休金計劃規則，供款於應付時自損益賬扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Employee benefits** *(Continued)**Share option scheme*

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

3. 主要會計政策概要 (續)**僱員福利 (續)***購股權計劃*

本公司設有購股權計劃，旨在向對本集團業務成就有所貢獻之合資格參與人士提供獎勵及獎賞。根據購股權計劃所授出購股權之財務影響於購股權獲行使時，方列入本公司或本集團之資產負債表，亦不會就有關成本於損益賬或資產負債表列賬。購股權獲行使時，本公司將因而發行之股份按股份面值列為本公司額外股本，而每股行使價超出股份面值之差額則列入本公司股份溢價賬。於行使日期前註銷或失效之購股權自尚未行使購股權登記冊刪除。

4. 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 operating businesses are structured and managed separately, according to the nature of their operations and the products provided. Each of the Group's business segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the electronic products and components segment consists of the design, manufacture and sale and of audio and video products and components;
- (b) the home appliance products segment consists of the design, manufacture and sale of home appliance products;
- (c) the corporate segment comprises corporate income and expense items; and
- (d) the "others" segment consists of the subcontracting of audio products and sale of other products.

To accord with the presentation adopted in the current year, which in the opinion of the directors, better reflects the business segment information, audio products segment and video products segment in the prior year have been grouped under electronic products and components 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.

4. 分部資料

本公司按兩種分類形式呈報分部資料：(i)以業務分類為主要分部報告基準；及(ii)以地區分類為次要分部報告基準。

本集團的經營業務根據業務性質及所提供的產品，獨立組織及管理。本集團各個業務類別代表一個策略性業務單位，所提供產品承受的風險及取得的回報與其他業務分部不同。業務分部之詳情概述如下：

- (a) 電子產品及零件分部包括設計、製造及銷售影音產品與零件；
- (b) 家庭電器產品分部包括設計、製造及銷售家庭電器產品；
- (c) 公司分部包括公司收入及開支項目；及
- (d) 「其他」分部包括分判承包音響產品及銷售其他產品。

為符合本年度所採納董事認為更能反映業務分部資料之呈報方式，去年之音響產品分部及視像產品分部已重新歸類至電子產品及零件分部。

在釐定本集團的地區分部時，分部應佔收入及業績按客戶所在地計算，而分部應佔資產則按資產所在地計算。

4. SEGMENT INFORMATION (Continued)

There were no intersegment sales and transfer during the year (2003: Nil).

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information of the Group's business segments.

Group

		Electronic products and components 電子產品及零件		Home appliance products 家庭電器產品		Corporate 公司		Others 其他		Consolidated 綜合	
		2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue	分部收入										
Sales to external customers	銷售予外界 客戶	1,860,003	2,453,001	214,137	153,956	-	-	-	73,320	2,074,140	2,680,277
Other segment revenue	其他分部收入	7,953	9,181	531	109	-	-	-	3	8,484	9,293
Total	總計	1,867,956	2,462,182	214,668	154,065	-	-	-	73,323	2,082,624	2,689,570
Segment results	分部業績	32,003	67,552	3,301	3,373	(125)	(298)	-	1,079	35,179	71,706
Interest income and unallocated income	利息收入及 未分配收入									1,541	1,428
Unallocated expenses	未分配支出									(7,611)	(6,937)
Profit from operating activities	經營溢利									29,109	66,197
Finance costs	融資成本									(9,144)	(12,679)
Share of loss of an associate	應佔一間聯營 公司虧損									-	(23)
Profit before tax	除稅前溢利									19,965	53,495
Tax	稅項									5,634	(10,194)
Net profit attributable to shareholders	股東應佔溢利 淨額									25,599	43,301

本集團**4. 分部資料**

年內並無分部間銷售及轉撥(二零零三年:無)。

(a) 按業務劃分

下表呈列本集團按業務劃分的收入、溢利/(虧損)及若干資產、負債及開支的資料。

4. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

4. 分部資料 (續)

(a) 按業務劃分 (續)

Group		本集團									
		Electronic products and components 電子產品及零件		Home appliance products 家庭電器產品		Corporate 公司		Others 其他		Consolidated 綜合	
		2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
Segment asset	分部資產	1,313,648	996,245	111,156	73,472	124	279	-	24,710	1,424,928	1,094,706
Interest in an associate	於一間聯營公司 權益	-	-	-	-	-	-	74	192	74	192
Unallocated assets	未分配資產	-	-	-	-	-	-	-	-	37,914	28,877
Total assets	總資產	1,313,648	996,245	111,156	73,472	124	279	74	24,902	1,462,916	1,123,775
Segment liabilities	分部負債	457,609	277,406	41,263	22,807	-	168	-	4,909	498,872	305,290
Unallocated liabilities	未分配負債	-	-	-	-	-	-	-	-	567,505	431,804
Total liabilities	總負債	457,609	277,406	41,263	22,807	-	168	-	4,909	1,066,377	737,094
Other segment information:	其他分部資料:										
Capital expenditure	資本開支	128,001	69,784	16,426	17,194	-	-	5,055	1,301	149,482	88,279
Depreciation and amortisation	折舊及攤銷	57,124	58,351	9,442	5,791	-	-	523	1,855	67,089	65,997
Provision/(write-back of provision) for inventories	存貨撥備/ (撥備撥回)	(955)	4,173	79	-	-	-	-	-	(876)	4,173
Provision for doubtful debts	呆賬撥備	-	9,198	-	-	-	-	-	2,152	-	11,350
Provision for amount due from an associate	一間聯營公司 欠款撥備	-	-	-	-	-	-	318	458	318	458
Impairment of long term investments	長期投資減值	-	-	-	-	-	-	-	2,629	-	2,629

4. SEGMENT INFORMATION (Continued)

(b) Geographical segments

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

Group

4. 分部資料 (續)

(b) 按地區劃分

下表呈列本集團按地區劃分的收入及若干資產及開支的資料。

本集團

	United States of America 美國		Europe 歐洲		Asia-Pacific countries 亞太區國家		Others 其他		Consolidated 綜合	
	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Segment revenue	分部收入									
Sales to external customers	銷售予外界客戶									
	469,956	867,142	1,252,280	1,337,610	314,235	456,400	37,669	19,125	2,074,140	2,680,277
Other segment information:	其他分部資料:									
Segment assets	分部資產									
- Hong Kong	- 香港									
- Mainland China	- 中國									
Total	總計									
									1,462,916	1,123,775
Capital expenditure	資本開支									
- Hong Kong	- 香港									
- Mainland China	- 中國									
Total	總計									
									149,482	88,279

5. TURNOVER AND REVENUE

Turnover represents the invoiced value of goods sold, net of discounts and returns, after elimination of all significant intra-group transactions.

An analysis of turnover and other revenue is as follows:

5. 營業額及收益

營業額乃指對銷所有集團內公司間的重大交易後，扣除折扣及退貨的售出貨品發票值。

營業額及其他收益分析如下：

		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		千港元	千港元
Turnover	營業額		
Manufacture and sale of electronic products and components	製造及銷售電子產品及零件	1,860,003	2,453,001
Manufacture and sale of home appliance products	製造及銷售家庭電器產品	214,137	153,956
Others	其他	-	73,320
		2,074,140	2,680,277
Other revenue	其他收益		
Handling fee income	手續費收入	5,293	6,443
Interest income	利息收入	291	1,234
Others	其他	4,441	3,044
		10,025	10,721

6. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

6. 經營溢利

本集團的經營溢利已扣除／(計入)下列各項：

			2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
	Notes 附註			
Depreciation	折舊	14	63,607	62,522
Minimum lease payments under operating leases on land and buildings	土地及樓宇經營租約之最低租金		3,014	2,592
Auditors' remuneration	核數師酬金		720	670
Amortisation of trademarks*	商標攤銷*	15	258	251
Research and development costs:	研究及開發成本：			
Deferred development costs amortised*	遞延發展成本攤銷*	15	3,224	3,224
Current year expenditure	本年度開支		567	1,599
Provision/(write-back of provision) for inventories	存貨撥備／(撥備撥回)		(876)	4,173
Staff costs (including directors' remuneration – note 7):	員工成本(包括董事酬金 – 附註7)：			
Wages and salaries	工資及薪金		133,557	131,587
Pension scheme contributions	退休金計劃供款		2,461	2,083
Less: Forfeited contributions**	減：已沒收供款**		(45)	(120)
Net pension contributions	退休金供款淨額		2,416	1,963
			135,973	133,550
Other operating expenses:	其他經營開支：			
Provision for doubtful debts	呆賬撥備		–	11,350
Impairment of long term investments (note 19)	長期投資減值(附註19)		–	2,629
Provision for amount due from an associate (note 18)	一間聯營公司欠款撥備(附註18)		318	458
			318	14,437
Gain on disposal of fixed assets	出售固定資產收益		(331)	(87)
Exchange (gains)/losses, net	匯兌(收益)／虧損淨額		(1,830)	1,182
Interest income	利息收入		(291)	(1,234)
Gross and net rental income from land and buildings	土地及樓宇租金收入毛額及淨額		(84)	(102)
Dividend income from listed investments	上市投資股息收入		(911)	(107)
Government grant***	政府補貼***		(458)	–

6. PROFIT FROM OPERATING ACTIVITIES (Continued)

Notes:

- * The amortisation of trademarks and deferred development costs for the year are included in "Selling and distribution costs" and "Cost of sales", respectively, on the face of the consolidated profit and loss account.
- ** As at 31 March 2004, the Group had no forfeited contributions available to offset its future employers' contributions (2003: Nil).
- *** Government grants have been received for employment of qualified employees in Japan. There are no unfulfilled conditions or contingencies relating to these grants.

7. DIRECTORS' REMUNERATION**6. 經營溢利 (續)**

附註:

- * 本年度的商標及遞延發展成本攤銷分別計入綜合損益賬之「銷售及分銷成本」及「銷售成本」。
- ** 於二零零四年三月三十一日，本集團並無已沒收的供款（二零零三年：零）可供日後抵銷本集團的僱主供款。
- *** 已獲得政府補貼用作於日本聘請合資格僱員。有關該等補貼並無未達成之條件或任何或然事項。

7. 董事酬金

		2004 二零零四年 <i>HK\$'000</i> 千港元	2003 二零零三年 <i>HK\$'000</i> 千港元
Fees – non-executive directors	袍金 – 非執行董事	195	195
Other emoluments – executive directors:	其他酬金 – 執行董事：		
Salaries and allowances	薪金及津貼	14,166	14,166
Pension scheme contributions	退休金計劃供款	535	534
		14,896	14,895

7. DIRECTORS' REMUNERATION (Continued)

The number of directors whose remuneration fell within the following bands is set out below.

Nil – HK\$1,000,000	零至1,000,000港元
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元
HK\$4,500,001 – HK\$5,000,000	4,500,001港元至5,000,000港元

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2003: Nil).

8. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year comprised five (2003: five) directors, details of whose remuneration are set out in note 7 above.

9. FINANCE COSTS

Interest on:
Bank loans and facilities wholly repayable within five years
Finance leases
Total interest

利息：
須於五年內全數償還的 銀行貸款及信貸
融資租約
利息總額

7. 董事酬金 (續)

屬於以下酬金範圍的董事人數如下。

Number of directors 董事人數	
2004 二零零四年	2003 二零零三年
4	4
-	-
4	4
1	1

年內，各董事並無作出放棄或同意放棄任何酬金的安排（二零零三年：無）。

8. 五位最高薪僱員

年內，五位最高薪僱員包括五位（二零零三年：五位）董事，有關彼等酬金詳情載於上文附註7。

9. 融資成本

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
8,933	12,280
211	399
9,144	12,679

10. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 16%) on the estimated assessable profits arising in Hong Kong during the year. The increased Hong Kong profits tax rate became effective from the year of assessment 2003/2004, and so is applicable to the assessable profits arising in Hong Kong for the whole of the year ended 31 March 2004. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

10. 稅項

香港利得稅撥備乃按本年度於香港賺取之估計應課稅溢利以稅率17.5% (二零零三年: 16%) 計算。香港利得稅稅率已上調, 並於二零零三/二零零四課稅年度生效, 故適用於截至二零零四年三月三十一日止整個年度在香港賺取之應課稅溢利。其他地區之應課稅溢利稅項乃根據本集團經營業務所在國家之現有法例、詮釋及慣例按當地適用稅率計算。

		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
Group:	本集團:		
Current – Hong Kong	即期 – 香港		
Charge for the year	本年度支出	2,462	9,627
Overprovision in prior years	過往年度超額撥備	(8,543)	–
Current – Elsewhere	即期 – 其他地區		
Charge for the year	本年度支出	436	–
Deferred (note 26)	遞延 (附註26)	11	567
		<hr/>	<hr/>
Tax charge/(credit) for the year	本年度稅項 支出/(稅收抵免)	(5,634)	10,194
		<hr/>	<hr/>

10. TAX (Continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company, its subsidiaries and associates are domiciled to the tax charge/(credit) at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rates) to the effective tax rate, are as follows:

10. 稅項 (續)

適用於除稅前溢利採用本公司、其附屬公司及聯營公司所在國家之法定稅率計算之稅項支出與按實際稅率計算之稅項支出／(稅收抵免)之對賬，以及適用稅率(即法定稅率)與實際稅率之對賬如下：

Group**本集團**

		2004 二零零四年		2003 二零零三年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	除稅前溢利	<u>19,965</u>		<u>53,495</u>	
Tax at the statutory tax rate	按法定稅率 計算之稅項	3,494	17.5	8,559	16.0
Higher tax rate for other countries	其他國家之 較高稅率	236	1.2	62	0.1
Effect on deferred tax of increase in rates	稅率上調對遞延 稅項之影響	-	-	2,466	4.6
Profit not subject to tax, due to concession	因稅務優惠而 毋須課稅之溢利	(1,396)	(7.0)	(578)	(1.1)
Adjustments in respect of current tax of previous periods	就過往期間即期 稅項作出調整	(8,543)	(42.8)	-	-
Income not subject to tax	毋須課稅收入	(386)	(1.9)	(235)	(0.4)
Expenses not deductible for tax	不可扣稅支出	922	4.6	939	1.8
Adjustment in respect of deferred tax of previous periods	就過往期間遞延 稅項作出調整	1,610	8.1	-	-
Tax loss agreed and utilised in current year	本年度所同意及已 動用之稅項虧損	(2,017)	(10.1)	-	-
Tax loss not recognised	未確認之稅項虧損	145	0.7	46	0.1
Deferred tax not recognised, due to concession	因稅項減免而未 確認之遞延稅項	41	0.2	(2,303)	(4.3)
Others	其他	260	1.3	1,238	2.3
Tax charge/(credit) at the Group's effective rate	按本集團實際稅率 計算之稅項支出 ／(稅收抵免)	<u>(5,634)</u>	<u>(28.2)</u>	<u>10,194</u>	<u>19.1</u>

11. NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The net loss attributable to shareholders dealt with in the financial statements of the Company for the year ended 31 March 2004 was HK\$117,000 (2003: HK\$152,000 note 29(b)).

12. DIVIDENDS

Interim – HK1 cent (2003: HK1 cent)
per ordinary share

Proposed final – HK0.5 cent
(2003: HK1.5 cents) per ordinary share

中期股息 – 每股
普通股1港仙
(二零零三年: 1港仙)

擬派末期股息 – 每股
普通股0.5港仙
(二零零三年: 1.5港仙)

11. 股東應佔溢利淨額

本公司於截至二零零四年三月三十一日止年度財務報表處理的股東應佔虧損淨額為117,000港元(二零零三年: 152,000港元, 附註29(b))。

12. 股息

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
6,353	6,353
3,176	9,529
9,529	15,882

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

本年度擬派末期股息須待本公司股東在應屆股東週年大會批准後方可作實。

13. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit attributable to shareholders for the year of HK\$25,599,000 (2003 (restated): HK\$43,301,000) and the weighted average of 635,259,975 (2003: 635,259,975) ordinary shares in issue during the year.

Diluted earnings per share amounts for both the current and prior years have not been shown because the effects arising from the exercise of the potential ordinary shares would have been anti-dilutive.

13. 每股盈利

每股基本盈利乃按本年度股東應佔溢利淨額25,599,000港元(二零零三年(重列): 43,301,000港元)及本年度已發行普通股之加權平均股數635,259,975股(二零零三年: 635,259,975股)計算。

由於行使潛在普通股並沒有攤薄的作用, 故並無呈列本年度及過往年度之每股攤薄盈利。

14. FIXED ASSETS
Group
14. 固定資產
本集團

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Con- struction in progress 在建工程 HK\$'000 千港元	Leasehold improve- ments 租賃 物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬 及裝置 HK\$'000 千港元	Equipment and tools 設備 及工具 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Moulds 模具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost or valuation:	成本或估值:								
At beginning of year	年初	225,130	-	55,397	25,098	315,189	11,831	113,043	745,688
Additions	添置	5,006	72,696	1,456	2,510	12,429	1,022	34,970	130,089
Disposals	出售	(1,220)	-	-	(121)	(5,401)	-	(39)	(6,781)
Exchange realignment	匯兌調整	-	-	50	36	24	-	-	110
At 31 March 2004	二零零四年 三月三十一日	228,916	72,696	56,903	27,523	322,241	12,853	147,974	869,106
Analysis of cost or valuation:	成本或估值分析:								
At cost	按成本	5,006	72,696	56,903	27,523	322,241	12,853	147,974	645,196
At 31 March 2003 valuation	二零零三年三月 三十一日估值	223,910	-	-	-	-	-	-	223,910
		228,916	72,696	56,903	27,523	322,241	12,853	147,974	869,106
Accumulated depreciation:	累計折舊:								
At beginning of year	年初	-	-	25,577	18,970	150,912	9,070	75,733	280,262
Provided during the year	年內撥備	7,743	-	6,283	1,712	27,246	942	19,681	63,607
Disposals	出售	(29)	-	-	(105)	(3,678)	-	(5)	(3,817)
Exchange realignment	匯兌調整	-	-	10	8	5	-	-	23
At 31 March 2004	二零零四年 三月三十一日	7,714	-	31,870	20,585	174,485	10,012	95,409	340,075
Net book value:	賬面淨值:								
At 31 March 2004	二零零四年 三月三十一日	221,202	72,696	25,033	6,938	147,756	2,841	52,565	529,031
At 31 March 2003	二零零三年 三月三十一日	225,130	-	29,820	6,128	164,277	2,761	37,310	465,426

14. FIXED ASSETS (Continued)

The Group is applying for land use right certificates in respect of certain of the Group's leasehold land and construction in progress in Mainland China. These pieces of land had an aggregate net book value of approximately HK\$16,969,000 at 31 March 2004 (2003: HK\$2,849,000).

Included in the total amount of equipment and tools at 31 March 2004 are assets held under finance leases with a net book value of HK\$17,027,000 (2003: HK\$23,376,000).

14. 固定資產 (續)

本集團正就其於中國若干租賃土地及在建工程申請土地使用權證。該等土地於二零零四年三月三十一日之賬面淨值合共約16,969,000港元(二零零三年:2,849,000港元)。

於二零零四年三月三十一日的設備及工具總額包括賬面淨值為17,027,000港元(二零零三年:23,376,000港元)的融資租賃資產。

15. INTANGIBLE ASSETS**Group****15. 無形資產****本集團**

		Deferred development cost		
		Trademarks	遞延發展成本	Total
		商標	成本	總計
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元	千港元
Cost:	成本:			
At beginning of year	年初	2,508	9,672	12,180
Additions	添置	111	6,277	6,388
At 31 March 2004	二零零四年三月三十一日	2,619	15,949	18,568
Accumulated amortisation:	累計攤銷:			
At beginning of year	年初	753	4,069	4,822
Provided during the year	本年度撥備	258	3,224	3,482
At 31 March 2004	二零零四年三月三十一日	1,011	7,293	8,304
Net book value:	賬面淨值:			
At 31 March 2004	二零零四年三月三十一日	1,608	8,656	10,264
At 31 March 2003	二零零三年三月三十一日	1,755	5,603	7,358

16. GOODWILL

As detailed in note 3 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted goodwill in respect of acquisitions which occurred prior to the adoption of the SSAP, to remain eliminated against consolidated reserves.

The amount of goodwill remaining eliminated against consolidated retained profits, arising from the acquisition of a subsidiary prior to 1 April 2001, was HK\$2,000 as at 31 March 2004 (2003: HK\$2,000).

17. INTERESTS IN SUBSIDIARIES

Unlisted shares, at cost
Due from subsidiaries

非上市股份的成本值
附屬公司欠款

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

16. 商譽

誠如財務報表附註3所詳述，於二零零一年採納會計實務準則第30號時，本集團應用會計實務準則第30號的過渡性條文，容許於採納會計實務準則之前的收購所產生的商譽繼續與綜合儲備對銷。

於二零零四年三月三十一日，於二零零一年四月一日之前因收購一間附屬公司所產生並繼續與綜合保留溢利對銷的商譽數額為2,000港元（二零零三年：2,000港元）。

17. 於附屬公司權益

Company
本公司

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
58,812	58,812
97,412	113,418
156,224	172,230

附屬公司欠款結餘乃無抵押、免息，且無固定還款期。

17. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries are as follows:

17. 於附屬公司權益 (續)

附屬公司詳情如下:

Company 公司	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued/ registered paid-up capital 已發行/註冊 繳足股本面值	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Agility Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	-	Investment holding 投資控股
Dongguan Gold Beam Electronics Co., Ltd.# 東莞金萊電子有限公司#	Mainland China 中國	HK\$22,220,000* 22,220,000港元*	-	100	Manufacture of electronic components and home appliance products 製造電子零件及 家庭電器產品
Dongguan Tonic Electronics Co., Ltd. # 東莞東力電子有限公司#	Mainland China 中國	HK\$22,200,000 22,200,000港元	-	100	Manufacture of electronic products 製造電子產品
Gold Beam Developments Limited 金萊發展有限公司	Hong Kong 香港	HK\$2 2港元	100	-	Trading and manufacture of components 買賣及製造零件
Tonic Appliances Limited 東力家用電器有限公司	Hong Kong 香港	HK\$2 2港元	100	-	Trading of home appliance products 買賣家庭電器產品
Tonic Electronics (B.V.I.) Limited	British Virgin Islands 英屬處女群島	HK\$1 1港元	100	-	Investment holding 投資控股
Tonic Electronics Limited 東力電子有限公司	Hong Kong 香港	Ordinary HK\$200 Non-voting deferred ## HK\$300,000 普通股200港元 無投票權 遞延股份## 300,000港元	-	100	Trading and manufacture of electronic products 買賣及製造 電子產品

17. INTERESTS IN SUBSIDIARIES (Continued)

17. 於附屬公司權益 (續)

Company 公司	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued/ registered paid-up capital 已發行/註冊 繳足股本面值	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Tonic Digital Products Limited ** 東力數碼產品有限公司**	Hong Kong 香港	HK\$100 100港元	-	100	Trading of digital products 買賣數碼產品
Tonic Enterprises Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Dormant 暫無營業
Tonic International Limited	British Virgin Islands/ Mainland China 英屬處女群島/ 中國	HK\$0.01 0.01港元	-	100	Provision of quality control services 提供品質控制服務
Tonic Investment (B.V.I.) Limited	British Virgin Islands 英屬處女群島	HK\$0.01 0.01港元	-	100	Investment holding 投資控股
Tonic Marketing Limited	British Virgin Islands 英屬處女群島	US\$0.01 0.01美元	-	100	Investment holding 投資控股
Tonic Plastic Limited	British Virgin Islands/ Mainland China 英屬處女群島/ 中國	US\$0.01 0.01美元	-	100	Provision of quality control services 提供品質控制服務
Tonic Trading Development Limited 東力商貿發展有限公司	Hong Kong 香港	HK\$100 100港元	-	100	Trading of electronic products and components 買賣電子產品及 零件
Tonic Technology Limited 東力科技有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	-	Investment holding 投資控股
Panatone Licensing Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Holding of patents 持有商標

17. INTERESTS IN SUBSIDIARIES (Continued)

17. 於附屬公司權益 (續)

Company 公司	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued/ registered paid-up capital 已發行/註冊 繳足股本面值	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Tonic Appliances Ltd. (USA) LLC	United States of America 美國	-	-	100	Marketing 市場推廣
DeviceSTYLE Corporation	Japan 日本	Yen40,000,000 40,000,000日圓	-	100	Marketing 市場推廣
Tonic Technology (Shenzhen) Ltd# ***	Mainland China 中國	RMB10,500,000* 10,500,000人民幣*	-	100	Research and development 研究及開發

* The registered capital of Dongguan Gold Beam Electronics Co., Ltd. and Tonic Technology (Shenzhen) Ltd. are HK\$22,220,000 and RMB10,500,000 (equivalent to HK\$9,905,660), out of which the Group had paid up HK\$20,864,540 and HK\$4,750,000 of the capital at 31 March 2004. The unpaid capital of HK\$1,355,460 and HK\$5,155,660 have been disclosed as the Company's commitment in note 33 to the financial statements.

** Not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

*** Incorporated during the year.

Wholly foreign-owned enterprise.

The non-voting deferred shares carry the right to one-half of the profits after the holders of the ordinary shares have received a dividend of HK\$1,000,000,000,000, have no right to vote at general meetings and carry the right to receive one-half of the balance of any surplus in a return of capital in a winding-up after the holders of the ordinary shares have received a total return of the HK\$500,000,000,000,000. None of the non-voting deferred shares was held by members of the Group at the balance sheet date.

* 東莞金萊電子有限公司及 Tonic Technology (Shenzhen) Ltd. 的註冊股本分別為 22,220,000 港元及 10,500,000 人民幣 (相當於 9,905,660 港元)。於二零零四年三月三十一日，本集團已分別支付其中 20,864,540 港元及 4,750,000 港元股本。未支付的 1,355,460 港元及 5,155,660 港元股本已於財務報表附註 33 披露為本公司的承擔。

** 並非由安永會計師事務所 (香港) 或安永會計師事務所 (國際) 其他成員公司審核。

*** 年內註冊成立。

全外資企業。

無投票權遞延股份持有人可在普通股持有人收取 1,000,000,000,000 港元股息後獲得所餘一半溢利，但無權於股東大會投票，清盤時則可在普通股持有人收取退回資本總額 500,000,000,000,000 港元後收取任何盈餘的一半餘額作為退回股本。本集團成員公司於結算日概無持有無投票權遞延股份。

18. INTEREST IN AN ASSOCIATE

18. 於一間聯營公司權益

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Share of net assets	應佔資產淨值	-	-
Due from an associate	一間聯營公司欠款	850	650
		850	650
Provision for amount due from an associate	一間聯營公司欠款撥備	(776)	(458)
		74	192

The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment.

一間聯營公司欠款為無抵押、免息，且無固定還款期。

Particulars of the associate are as follows:

聯營公司詳情如下：

Name 公司名稱	Business structure 業務架構	Place of incorporation/ and operations 註冊成立/ 及營業地點	Percentage of ownership interest attributable to the Group 本集團所佔 擁有權益 百分比	Principal activities 主要業務
E-Global Electronics Trading Platform Limited	Corporate 公司	Hong Kong 香港	25	Provision of electronics procurement services 提供電子採購服務

The Group's share of accumulated losses of the associate at 31 March 2004 was HK\$850,000 (2003: HK\$850,000).

於二零零四年三月三十一日，本集團應佔一間聯營公司累計虧損850,000港元（二零零三年：850,000港元）。

19. LONG TERM INVESTMENTS

19. 長期投資

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
At cost:	按成本:		
Hong Kong listed equity investments	香港上市股本投資	21,221	21,221
Overseas unlisted equity investments	海外非上市股本投資	-	855
		21,221	22,076
Provision for impairment	減值撥備	(2,629)	(2,629)
		18,592	19,447
Market value of listed equity investments at balance sheet date	上市股本投資於結算日的市值	24,080	20,020

20. LOANS RECEIVABLE

20. 應收貸款

The loans receivable represents unsecured and interest-free advances to certain staff members of the Group.

應收貸款指授予本集團若干員工的無抵押免息貸款。

The terms of the loans receivable are analysed as follows:

應收貸款的還款期分析如下:

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Repayable within one year	一年內償還	188	188
Repayable by equal monthly instalments over five years (2003: six years)	五年(二零零三年:六年)內每月定額償還	656	844
		844	1,032
Portion classified as current assets	列作流動資產部分	(188)	(188)
Non-current portion	非即期部分	656	844

21. INVENTORIES

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

The carrying amount of inventories carried at net realisable value included in the above balance was HK\$25,259,000 (2003: HK\$3,115,000) as at the balance sheet date.

22. ACCOUNTS RECEIVABLE

An aged analysis of the Group's accounts receivable, as at the balance sheet date, based on invoice date, is as follows:

0 – 30 days	零至三十日
31 – 60 days	三十一至六十日
61 – 90 days	六十一至九十日
Over 90 days	超過九十日

The normal credit terms granted by the Group to customers range from 7 to 35 days.

21. 存貨

Group
本集團

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
197,830	114,474
126,085	83,386
76,928	76,028
400,843	273,888

於結算日，上表所列按可變現淨值入賬存貨的賬面值為25,259,000港元（二零零三年：3,115,000港元）。

22. 應收賬款

本集團於結算日按發單日期計算的應收賬款賬齡分析如下：

2004 二零零四年		2003 二零零三年	
HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比
212,944	83	41,383	36
28,617	11	11,143	10
3,246	1	62,262	53
11,463	5	1,767	1
256,270	100	116,555	100

本集團給予客戶的一般信貸期介乎七至三十五日。

23. BANK BORROWINGS

23. 銀行借貸

		Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Long term bank loans repayable:	須於下列年期償還的 長期銀行貸款：		
Within one year	一年內	110,261	58,920
In the second year	第二年	109,997	43,760
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	125,833	6,667
		346,091	109,347
Portion classified as current liabilities	列作流動負債部分	(110,261)	(58,920)
Non-current portion	非即期部分	235,830	50,427

The Group's trust receipt loans are repayable within one year.

As at 31 March 2004, all the Group's bank borrowings were secured by a corporate guarantee granted by the Company and cross corporate guarantees among certain subsidiaries and the Company. As disclosed in note 34(c) to the financial statements, under the terms of the syndicated loan agreement, the chairman of the Company, Mr. Ling Siu Man, Simon, being the single largest shareholder and is actively involved in the management and business of the Group, is required to maintain at least 40% of the beneficial interests in shareholdings in the Company.

本集團的信託票據貸款須於一年內償還。

於二零零四年三月三十一日，所有本集團的銀行借貸均由本公司授出的企業擔保及若干附屬公司與本公司互相作出的企業擔保作抵押。誠如財務報表附註34(c)所披露，根據銀團貸款協議條款，本公司主席凌少文先生作為單一最大股東，並積極參與本集團的管理及業務，須維持於本公司持股量之實益權益最少40%。

24. ACCOUNTS PAYABLE

An aged analysis of the Group's accounts payable as at the balance sheet date, based on invoice date, is as follows:

24. 應付賬款

本集團於結算日按發單日期計算的應付賬款賬齡分析如下：

		2004 二零零四年		2003 二零零三年	
		<i>HK\$'000</i> 千港元	<i>Percentage</i> 百分比	<i>HK\$'000</i> 千港元	<i>Percentage</i> 百分比
0 – 30 days	零至三十日	205,743	46	73,618	28
31 – 60 days	三十一至六十日	134,891	30	68,416	27
61 – 90 days	六十一至九十日	43,472	10	38,730	15
Over 90 days	超過九十日	63,955	14	78,489	30
		448,061	100	259,253	100

25. FINANCE LEASE PAYABLES

The Group leases certain of its fixed assets for its business. These leases are classified as finance leases and have remaining lease terms ranging from one to three years. At 31 March 2004, the total future minimum lease payments under finance leases and their present values were as follows:

Group		Minimum lease payments 2004 最低租金 二零零四年 HK\$'000 千港元	Minimum lease payments 2003 最低租金 二零零三年 HK\$'000 千港元	Present value of minimum lease payments 2004 最低租金現值 二零零四年 HK\$'000 千港元	Present value of minimum lease payments 2003 最低租金現值 二零零三年 HK\$'000 千港元
Amounts payable:	須於下列年期償還：				
Within one year	一年內	8,494	9,043	8,333	8,592
In the second year	第二年	1,924	7,309	1,896	7,157
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	253	687	252	684
Total minimum finance lease payments	融資租約最低租金總額	10,671	17,039	10,481	16,433
Future finance charges	未來融資費用	(190)	(606)		
Total net finance lease payables	融資租約應付款項總承擔淨額	10,481	16,433		
Portion classified as current liabilities	列作流動負債部分	(8,333)	(8,592)		
Non-current portion	非即期部分	2,148	7,841		

25. 融資租約應付款項

本集團租用其若干固定資產作業務運作之用。該等租約列為融資租約，餘下租期介乎一至三年不等。於二零零四年三月三十一日，按融資租約須付未來最低租金總額及其現值如下：

26. DEFERRED TAX (Continued)**Deferred tax liabilities (Continued)**Group
本集團

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Development costs 開發成本 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Losses available for offset against future taxable profit 可供抵銷 日後應課稅 溢利的虧損 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2002	於二零零二年 四月一日						
As previously reported	如前申報	9,608	-	-	-	-	9,608
Prior year adjustment:	過往年度調整:						
SSAP 12 - restatement of deferred tax	會計實務準則 第12號 - 重列 遞延稅項	7,722	440	12,625	(886)	-	19,901
As restated	重列	17,330	440	12,625	(886)	-	29,509
Deferred tax charged/ (credited) to the profit and loss account during the year (note 10)	年內扣除/(計入) 損益賬的 遞延稅項 (附註10)	4,180	198	-	(2,201)	(1,610)	567
Deferred tax debited to equity during the year	年內扣除自 股本的遞延稅項	-	-	(1,100)	-	-	(1,100)
Deferred tax liabilities at 31 March 2003	於二零零三年 三月三十一日的 遞延稅項負債	21,510	638	11,525	(3,087)	(1,610)	28,976

At 31 March 2004, there was no significant unrecognised deferred tax liability (2003: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries or associates as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

26. 遞延稅項 (續)**遞延稅項負債 (續)**2003
二零零三年Losses available
for offset
against future
taxable profit

可供抵銷

日後應課稅

溢利的虧損

HK\$'000

千港元

Others

其他

HK\$'000

千港元

Total

總計

HK\$'000

千港元

於二零零四年三月三十一日，由於本集團於匯出金額時毋須就額外稅項承擔責任，故本集團若干附屬公司或聯營公司的未匯出盈利應付稅項並無重大未確認遞延稅項負債（二零零三年：零）。

本公司向其股東派付的股息並無附有所得稅後果。

26. DEFERRED TAX (Continued)

SSAP 12 (revised) was adopted during the year, as further explained in note 2 to the financial statements. This change in accounting policy has resulted in an increase in the Group's deferred tax liabilities as at 31 March 2004 and 2003 by HK\$19,292,000 and HK\$19,368,000. As a consequence, the net profits attributable to shareholders for the years ended 31 March 2004 and 2003 have been decreased by HK\$11,000 and HK\$567,000 respectively. As detailed in the consolidated statement of changes in equity, the consolidated retained profits at 1 April 2002 and 2003 have been decreased by HK\$7,276,000 and HK\$7,843,000, respectively and the asset revaluation reserve at 1 April 2002 and 2003 have been decreased by HK\$12,625,000 and HK\$11,525,000, respectively.

27. SHARE CAPITAL

Authorised:
1,200,000,000 ordinary shares
of HK\$0.10 each

Issued and fully paid:
635,259,975 ordinary shares
of HK\$0.10 each

法定：
1,200,000,000股每股面值
0.10港元的普通股

已發行及繳足：
635,259,975股每股面值
0.10港元的普通股

26. 遞延稅項 (續)

誠如財務報表附註2進一步詳述，年內採納會計實務準則第12號（經修訂）。是項會計政策變動導致本集團於二零零四年及二零零三年三月三十一日的遞延稅項負債分別增加19,292,000港元及19,368,000港元。因此，截至二零零四年及二零零三年三月三十一日止年度，股東應佔溢利淨額分別減少11,000港元及567,000港元。誠如綜合權益變動表所詳述，於二零零二年及二零零三年四月一日的綜合保留溢利分別減少7,276,000港元及7,843,000港元，而於二零零二年及二零零三年四月一日的資產重估儲備則分別減少12,625,000港元及11,525,000港元。

27. 股本**Company****本公司**

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
120,000	120,000
63,526	63,526

28. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Option Scheme include the Company's executive directors or employees of the Group. The Option Scheme became effective upon the listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 October 1997 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue from time to time. No option may be granted to any one employee which, if exercised in full, would result in the total number of shares already issued and issuable to him under the Option Scheme exceeding 25% of the maximum aggregate number of shares subject to the Option Scheme at the time it is proposed to grant the relevant option to such employee.

The exercise price of the share options is determined by the directors and is equal to the higher of: (i) the nominal value of the shares; or (ii) a price, which is not less than 85% of the average closing price of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of grant of such options.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

28. 購股權計劃

本公司設有購股權計劃（「購股權計劃」），旨在向該等對本集團業務成就有所貢獻的合資格參與人士提供獎勵及獎賞。購股權計劃合資格參與人士包括本公司執行董事或本集團僱員。購股權計劃於本公司股份於一九九七年十月十六日在香港聯合交易所有限公司（「聯交所」）上市後生效。除經取消或修訂外，該計劃將自上述日期起生效，為期10年。

根據購股權計劃目前可予授出的尚未行使購股權數目上限，相等於在購股權獲行使時本公司不時已發行股份的10%。倘向任何一名僱員授出購股權，而全面行使有關購股權將導致根據購股權計劃已發行及可發行予該名僱員的股份總數，超過在建議授出有關購股權予該名僱員之時購股權計劃所涉及股份總數上限25%，則不得向該名僱員授出購股權。

購股權行使價由董事釐定，相等於下列較高者：(i) 股份面值；或(ii) 不低於本公司股份在緊接授出有關購股權當日前五個交易日在聯交所的平均收市價85%的價格。

購股權並不賦予持有人享有股息或可於股東大會投票之權利。

28. SHARE OPTION SCHEME *(Continued)*

An option may be exercised in accordance with the terms of the Option Scheme at any time from the date of acceptance of the option by the employee or such later date as may be fixed by the directors, to any date prior to the tenth anniversary of such date provided that the employee can only exercise a maximum of 20% of the options granted to him in each 12-month period following the commencement of the relevant option period. The consideration to be paid by the employee upon acceptance of a grant of options is HK\$1.00.

With effect from 1 September 2001, the Stock Exchange requires that the exercise price of options is at least the higher of the closing price of the shares on the Stock Exchange on the date of grant and the average of the closing prices of the shares on the Stock Exchange for the five trading days immediately preceding the date of grant. Up to the date of this report, the Company has not granted any options on or after 1 September 2001.

28. 購股權計劃 (續)

有關僱員可自接納購股權之日或董事可能訂定的較後日期起至該日期後十年屆滿當日止期間，隨時按照購股權計劃的條款行使購股權，惟有關僱員在有關購股權期間開始後各個12個月期間僅可行使最多達其獲授購股權的20%。僱員在接納授出之購股權時須支付的代價為1.00港元。

自二零零一年九月一日起，聯交所規定購股權最低行使價須為下列較高者：股份於授出日期在聯交所的收市價或股份在緊接授出日期前五個交易日在聯交所的平均收市價。截至本報告日期，本公司於二零零一年九月一日或之後並無授出任何購股權。

28. SHARE OPTION SCHEME (Continued)

The following share options were outstanding under the Option Scheme during the year:

28. 購股權計劃 (續)

年內，在購股權計劃下尚未行使的購股權如下：

	At 1 April 2003 and 31 March 2004	Date of grant of share options	Exercise period of share options	Exercise price of share options
	於二零零三年 四月一日及 二零零四年 三月三十一日	購股權 授出日期	購股權 行使期	購股權 行使價 HK\$ 港元
Directors:				
董事：				
Ling Siu Man, Simon 凌少文	10,000,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
Lee Ka Yue, Peter 李嘉渝	1,810,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
Wong Ki Cheung 黃其昌	1,810,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
Li Fung Ching, Catherine 李鳳貞	1,810,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
Au Wai Man 區偉民	1,810,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
Liu Hoi Keung, Gary 廖開強	1,810,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
	<hr/> 19,050,000 <hr/>			
Other employees:				
其他僱員：				
In aggregate 總計	29,200,000	07-04-00 二零零零年 四月七日	10-04-00 to 09-04-10 二零零零年四月十日 至 二零一零年四月九日	0.70
	<hr/> 48,250,000 <hr/>			

29. RESERVES**(a) Group**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 30 to 31 the financial statements.

The contributed surplus of the Group represents the difference between the nominal value of the share capital of the former holding company of the Group acquired pursuant to the Group reorganisation to rationalise the Group structure in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited, over the nominal value of the share capital of the Company issued in exchange therefor.

(b) Company**29. 儲備****(a) 本集團**

本集團於本年度及過往年度之儲備及有關變動數額於財務報表第30至31頁之綜合權益變動表呈列。

本集團的繳入盈餘指本集團因籌備本公司股份在香港聯合交易所有限公司上市而重整本集團架構所進行的集團重組而收購的本集團前控股公司股本面值，超出本公司就此交換而發行股本面值的差額。

(b) 本公司

		Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2002	二零零二年 四月一日	28,735	58,794	27,803	115,332
Net loss for the year	本年度虧損淨額	-	-	(152)	(152)
Interim 2003 dividend	二零零三年 中期股息	-	-	(6,353)	(6,353)
Proposed final 2003 dividend	擬派二零零三年 末期股息	-	-	(9,529)	(9,529)
At 1 April 2003	二零零三年 四月一日	28,735	58,794	11,769	99,298
Net loss for the year	本年度虧損淨額	-	-	(117)	(117)
Interim 2004 dividend	二零零四年 中期股息	-	-	(6,353)	(6,353)
Proposed final 2004 dividend	擬派二零零四年 末期股息	-	-	(3,176)	(3,176)
At 31 March 2004	二零零四年 三月三十一日	28,735	58,794	2,123	89,652

29. RESERVES (Continued)**(b) Company** (Continued)

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the reorganisation referred to in note 29(a), over the nominal value of the Company's shares issued in exchange therefor.

Under the Companies Law (2000 Revision) of the Cayman Islands, the share premium account of the Company is available for paying distributions or dividends to shareholders subject to the provisions of the Company's memorandum or articles of association, and provided that immediately following the distribution of dividends, the Company is able to pay its debts as and when they fall due in the ordinary course of business. In the opinion of the directors, the Company's reserves available for distribution represent the share premium account, contributed surplus and retained profits.

30. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**(a) Major non-cash transactions**

- (i) During the year, the Group entered into finance lease arrangements in respect of fixed assets with a total capital value at the inception of the leases of HK\$3,566,000 (2003: HK\$3,274,000).
- (ii) During the year, deposits for the acquisition of fixed assets of HK\$8,807,000 (2003: HK\$3,784,000) was utilised as part of the considerations paid for the purchases of the fixed assets.

29. 儲備 (續)**(b) 本公司** (續)

本公司的繳入盈餘指根據附註29(a)所述重組所收購附屬公司之股份公平值，超出本公司就此交換而發行股份面值的差額。

根據開曼群島公司法(二零零零年修訂本)，除本公司組織章程大綱或細則另有規定者外，本公司可將股份溢價賬用作分派或派發股息予股東，惟條件為本公司須於緊隨派發股息後可償還其在日常業務中到期的債項。董事認為，本公司可供分派的儲備為股份溢價賬、繳入盈餘及保留溢利。

30. 綜合現金流量表附註**(a) 主要非現金交易**

- (i) 年內，本集團就固定資產訂立融資租賃安排。於訂立該等租約時，該等固定資產的資本總值為3,566,000港元(二零零三年：3,274,000港元)。
- (ii) 年內，購買固定資產的訂金8,807,000港元(二零零三年：3,784,000港元)已經動用，作為購買固定資產的部分代價。

31. CONTINGENT LIABILITIES

- (a) At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

31. 或然負債

- (a) 於結算日，未於財務報表中撥備的或然負債如下：

		Group 本集團		Company 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Bills discounted with recourse	有追索權貼現票據	1,079	7,478	-	-
Guarantees for general banking facilities of subsidiaries*	為附屬公司的一般銀行信貸提供擔保*	-	-	1,142,125	830,000
Shipping guarantees	船務擔保	2,744	-	-	-
		3,823	7,478	1,142,125	830,000

* At 31 March 2004, HK\$530,763,000 (2003: HK\$373,636,000) of the general banking facilities were utilised by the subsidiaries.

* 於二零零四年三月三十一日，附屬公司已動用的一般銀行信貸為530,763,000港元（二零零三年：373,636,000港元）。

32. OPERATING LEASE ARRANGEMENTS

The Group's leases certain of its properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five years.

At 31 March 2004, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)

At balance sheet date, the Company had no operating lease arrangements (2003: Nil).

32. 經營租賃安排

本集團根據經營租賃安排租賃其若干物業。物業租約的議訂年期介乎一至五年。

於二零零四年三月三十一日，本集團在不可撤銷經營租約下須於下列期間支付的未來最低租金總額為：

Group	
本集團	
2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
千港元	千港元
1,959	2,344
3,093	4,321
5,052	6,665

於結算日，本公司並無任何經營租賃安排（二零零三年：無）。

33. COMMITMENTS

In addition to the operating lease commitments detailed in note 32 above, the Group had the following commitments at the balance sheet date:

(a) Capital commitments

Contracted, but not provided for:	已訂約但未撥備：
Equipment and tools	設備及工具
Moulds	模具
Construction in progress in Mainland China	在中國的在建工程
Leasehold improvements	租賃物業裝修

33. 承擔

除上文附註32所詳述經營租賃承擔外，本集團於結算日有以下承擔：

(a) 資本承擔

Group 本集團	
2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
28,532	7,116
67	5,058
24,238	-
14	-
52,851	12,174

(b) Commitments under forward foreign exchange contracts

Commitments to purchase foreign currencies	購買外幣的承擔
Commitments to sell foreign currencies	出售外幣的承擔

(b) 遠期外匯合約的承擔

Group 本集團	
2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
46,302	-
-	39,038

At balance sheet date, the Company capital commitment of approximately HK\$6,511,000 in respect of investment in a subsidiary as detailed in note 17 to the financial statements.

於結算日，本公司就於一間附屬公司的投資有資本承擔約6,511,000港元，詳情載於財務報表附註17。

34. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, during the year, the Group had the following related party and connected transactions:

- (a) The Group sold audio and video products and related components amounting to HK\$24,649,000 (2003: HK\$19,001,000) to Pioneer Ventures Limited ("PVL"), a wholly-owned subsidiary of EganaGoldpfeil (Holdings) Limited ("EG"), which is a substantial shareholder of the Company.

The sales to PVL were made according to the published prices and conditions offered to the other major customers of the Group.

- (b) The Group paid HK\$397,000 (2003: HK\$598,300) to International Taxation Advisory Services Limited, of which Mr. Wong Wai Kwong, David, a non-executive director of the Company, is a director, for corporate advisory services rendered to the Group.

The directors consider that the above corporate advisory services charge was paid according to the prices and conditions similar to those offered by other external consultants of the Group.

- (c) During the year, the Group signed a term loan facility agreement for a syndicated loan. Under the terms of the agreement, the chairman of the Company, Mr. Ling Siu Man, Simon, being the single largest shareholder and is actively involved in the management and business of the Group, is required to maintain at least 40% of the beneficial interests in shareholdings in the Company.

34. 關連人士交易及關連交易

除財務報表其他部分所載交易及結餘外，本集團於年內有下列關連人士及關連交易：

- (a) 本集團向本公司主要股東聯洲國際集團有限公司（「聯洲國際」）的全資附屬公司Pioneer Ventures Limited（「PVL」）出售價值24,649,000港元（二零零三年：19,001,000港元）的音響與視像產品及有關零件。

向PVL銷售貨品乃根據公價及按本集團其他主要客戶所獲條件進行。

- (b) 本集團就International Taxation Advisory Services Limited（本公司非執行董事黃偉光先生乃該公司的董事）向本集團提供的企業顧問服務而支付397,000港元（二零零三年：598,300港元）。

董事認為，上述企業顧問服務費用乃按本集團其他外界顧問所提供的相近價格及條件支付。

- (c) 年內，本集團就銀團貸款簽訂定期貸款融資協議。根據協議條款，本公司主席凌少文先生（彼為本集團唯一最大股東及積極參與本集團的管理及業務）須擁有本公司持股量之實益權益最少40%。

34. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS *(Continued)*

- (d) In the prior year, Tonic Electronics Limited, a wholly-owned subsidiary of the Company, purchased parts and movements amounting to HK\$70,838,000 from Junghans Uhren GmbH and its subsidiaries (collectively as "Junghans"). Junghans is wholly-owned by EG. No such purchase was made in the current year.

The above transactions are related party transactions, of which items (a) and (d) also constitute connected transactions under the Listing Rules.

35. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial statements, due to the adoption of two new/revised SSAPs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made and certain comparative amounts have been restated to conform with the current year's presentation.

36. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 16 July 2004.

34. 關連人士交易及關連交易 (續)

- (b) 於上個年度，本公司全資附屬公司東力電子有限公司向 Junghans Uhren GmbH及其附屬公司（統稱「Junghans」）購買價值合共 70,838,000 港元的部件及零件。Junghans 由聯洲國際全資擁有。本年度並無進行任何購買。

以上交易乃關連人士交易，而按照上市規則之規定，(a)及(d)項亦構成關連交易。

35. 比較數字

誠如財務報表附註2進一步闡述，由於在本年度採納兩項新訂／經修訂會計實務準則，故財務報表內若干項目及結餘的會計處理方法及呈報方式已作修訂，以符合新規定。因此，已作出若干過往年度調整，而若干比較數字亦已重列，以符合本年度的呈報方式。

36. 財務報表的批准

財務報表已於二零零四年七月十六日獲董事會批准，並獲授權刊發。

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified as appropriate, is set out below.

以下為本集團過去五個財政年度之業績、資產及負債概要，此等資料乃摘錄自已刊發經審核財務報表，並已作出適當重新分類。

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元 (Restated) (重列)	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)	2001 二零零一年 HK\$'000 千港元 (Restated) (重列)	2000 二零零零年 HK\$'000 千港元 (Restated) (重列)
TURNOVER	營業額	2,074,140	2,680,277	2,013,623	2,625,533	2,038,700
PROFIT BEFORE TAX	除稅前溢利	19,965	53,495	10,762	14,513	77,961
Tax	稅項	5,634	(10,194)	(2,499)	(7,898)	(3,731)
PROFIT BEFORE MINORITY INTERESTS	未計少數股東權益前溢利	25,599	43,301	8,263	6,615	74,230
Minority interests	少數股東權益	-	-	-	-	2
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務溢利淨額	25,599	43,301	8,263	6,615	74,232

ASSETS AND LIABILITIES

資產及負債

		At 31 March 於三月三十一日				
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元 (Restated) (重列)	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)	2001 二零零一年 HK\$'000 千港元 (Restated) (重列)	2000 二零零零年 HK\$'000 千港元 (Restated) (重列)
TOTAL ASSETS	資產總額	1,462,916	1,123,775	912,573	880,575	801,271
TOTAL LIABILITIES	負債總額	(1,066,377)	(737,094)	(551,830)	(521,886)	(452,400)
		396,539	386,681	360,743	358,689	348,871

Particulars of properties held by the Group as at 31 March 2004 are as follows:

本集團於二零零四年三月三十一日持有之物業詳情如下：

PROPERTY INTERESTS HELD BY THE GROUP IN HONG KONG

本集團在香港持有之物業權益

	Type 種類	Lease term 租約
1. Units D, G and H on 4th Floor, Summit Building, 30 Man Yue Street and 21-23 Tai Wan Road, Hung Hom, Kowloon 九龍 紅磡 民裕街30號及 大環道21至23號 興業大廈 4樓D、G及H單位	Industrial	Medium
2. Unit B on 10th Floor, Summit Building, 30 Man Yue Street and 21-23 Tai Wan Road, Hung Hom, Kowloon 九龍 紅磡 民裕街30號及 大環道21至23號 興業大廈 10樓B單位	Industrial	Medium

PROPERTY INTERESTS HELD BY THE GROUP IN HONG KONG 本集團在香港持有之物業權益 (續)
KONG (Continued)

7.	Private Car Parking Spaces Nos. 10, 14, 21 and 22 on Basement Summit Building, 30 Man Yue Street and 21-23 Tai Wan Road, Hung Hom, Kowloon	Car park	Medium
	九龍 紅磡 民裕街30號及 大環道21至23號 興業大廈 地庫第10、14、21及22號 私家車泊車位	車位	中期

PROPERTY INTERESTS HELD BY THE GROUP IN THE PRC 本集團在中國持有之物業權益

	Type 種類	Lease term 租約
8. A factory complex in Shitanbu Administrative Zone Tangxia Town, Dongguan, Guangdong Province	Industrial	Medium
廣東省 東莞市 塘廈鎮 石潭埔管理區之 工廠綜合大樓	工業	中期
9. A factory complex in Zhenhua Industrial District Qishi Town, Dongguan, Guangdong Province	Industrial	Medium
廣東省 東莞市 企石鎮 振華工業區之 工廠綜合大樓	工業	中期
10. Room 805 Tower A High-Tech Plaza Tian'an Syber Park Shenzhen China	Industrial	Medium
中國 深圳市 天安數碼城 創新科技廣場 A座805室	工業	中期