



權智（國際）有限公司

Group Sense (International) Limited

（於百慕達註冊成立之有限公司）

(Incorporated in Bermuda with limited liability)



二零零五年週年報告
Annual Report 2005



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公司資料

Corporate Information

董事

執行董事：

譚偉豪 (主席)
譚偉棠 (董事總經理)
譚梅嘉慧
大谷和廣
李冠雄
霍定洋

非執行董事：

羅志聰*

獨立非執行董事：

容永祺 榮譽勳章*
何國成*
王幹文*

* 審核委員會成員

公司秘書

楊詩雅

合資格會計師

鄭耀光

核數師

德勤 • 關黃陳方會計師行

律師

萬盛國際律師事務所

主要往來銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司

註冊辦事處

Clarendon House, Church Street,
Hamilton HM11, Bermuda

DIRECTORS

Executive Directors:

TAM Wai Ho, Samson (*Chairman*)
TAM Wai Tong, Thomas (*Managing Director*)
TAM Mui Ka Wai, Vivian
Kazuhiro OTANI
LEE Koon Hung
FOK Ting Yeung, James

Non-executive Director:

LO Chi Chung, William*

Independent Non-executive Directors:

YUNG Wing Ki, Samuel MH*
HO Kwok Shing, Harris*
WONG Kon Man, Jason*

* Member of Audit Committee

COMPANY SECRETARY

YEUNG Sze Nga

QUALIFIED ACCOUNTANT

CHENG Yiu Kong

AUDITORS

Deloitte Touche Tohmatsu

SOLICITORS

Mallesons Stephen Jaques

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited

REGISTERED OFFICE

Clarendon House, Church Street,
Hamilton HM11, Bermuda

公司資料（續） Corporate Information (Cont'd)

主要辦事處

香港灣仔
皇后大道東213號
胡忠大廈27樓

百慕達主要股份過戶登記處及 轉讓登記處

The Bank of Bermuda Limited
Bank of Bermuda Building,
6 Front Street,
Hamilton HM11,
Bermuda

香港股份過戶登記分處及 轉讓登記處

秘書商業服務有限公司
香港灣仔
告士打道56號
東亞銀行港灣中心
地下

網址

<http://www.gsl.com.hk>

股份代號

601

PRINCIPAL PLACE OF BUSINESS

27th Floor, Wu Chung House,
213 Queen's Road East,
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

The Bank of Bermuda Limited
Bank of Bermuda Building,
6 Front Street,
Hamilton HM11,
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Secretaries Limited
Ground Floor,
Bank of East Asia Harbour View Centre,
56 Gloucester Road,
Wanchai, Hong Kong

WEBSITE

<http://www.gsl.com.hk>

STOCK CODE

601

主席報告書

Chairman's Statement



主席報告書 Chairman's Statement

緒言

由於在本財政年度集團的營銷總額中，毛利率相對偏低的原件設計生產業務所佔比重增加及智能手機SBU（策略性業務單位）業務仍未能轉虧為盈，致令集團上年度的盈利率有所收窄，純利相比前一年同期下降33%。

電子辭典

相比上年同期，本SBU在本財政年度營業額錄得些微跌幅，緣於期內中國內地市場表現欠佳所致。集團相信憑著繼續加強科研隊伍實力，開發具競爭力的新產品及增強市場網絡優勢，本SBU的銷售收益預計在來年將會增加。

INTRODUCTION

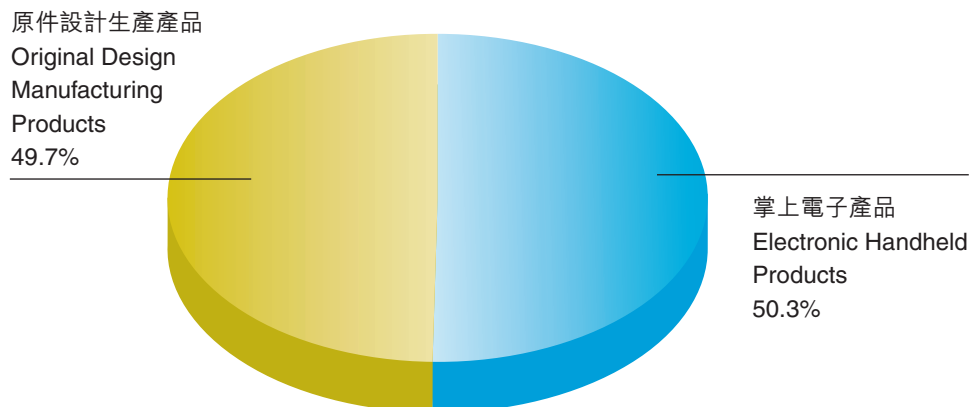
In this financial year, the operating revenue of the original design manufacturing business, which earns a comparatively lower profit margin, has grown in its contribution to the Group's overall sales income. Also, the business performance of the Smartphone SBU (strategic business unit) has not turned around yet. As a result, the Group's overall profit margin decreased and this led to a 33% decrease in the Group's total net profit.

ELECTRONIC DICTIONARY

The sales revenue of the SBU in this financial year has recorded a slight drop in comparing with the previous fiscal year. The decline in sales revenue has much to do with a weak business performance in Mainland China market. With the enhanced research and development capability, the launch of more competitive products and the strength of our market network, the Group expects that the SBU's sales revenue will grow in the coming year.

按主要業務分類之營業額分析

Analysis of Turnover by Principal Activity



主席報告書（續） Chairman's Statement (Cont'd)



智能手機

本SBU之經營仍未扭轉過來，由於仍是處於投資階段，故對集團整體盈利有一定影響。但憑藉過往多年努力，集團已經與技術供應夥伴及一眾海外網絡營運商建立緊密的夥伴關係，而且亦掌握了發展智能手機的相關技術及經驗。事實上，集團的新型號智能手機產品已逐漸得到經銷商之認同，亦獲得香港工業總會之獎項。

來年集團將會專注開拓歐洲及美國市場，而憑藉集團的新產品及逐漸成熟的銷售網絡，本SBU未來之表現應會有所改善。

SMARTPHONE

The SBU has not turned around yet. It is still at its investment stage and therefore, has had a certain impact on the Group's overall profit. In the past years of endeavour, the Group has however built up close partnership with our technology partners and also a number of network operators. Also, substantial experience and expertise in product development has been acquired, and indeed the Group's newly launched product has won the award of the Federation of Hong Kong Industry and warm reception from the distributors.

In the coming year, the Group will focus on exploring European and United States markets, and with the Group's new products and the establishing networks, the business performance of the SBU is expected to improve this year.

主席報告書（續） Chairman's Statement (Cont'd)

原件設計生產

本SBU在本財政年度的銷售額有所增長，這有賴集團與各策略合作客戶建立了深厚的夥伴關係及日本的電子產品市場有穩定增長。儘管期內盈利率有所收窄，純利相比前一財政年度仍錄得增幅。

本SBU正致力在新技术產品上發展新業務，對於這些新業務可以帶動部門的未來業務增長，集團是抱樂觀態度的。

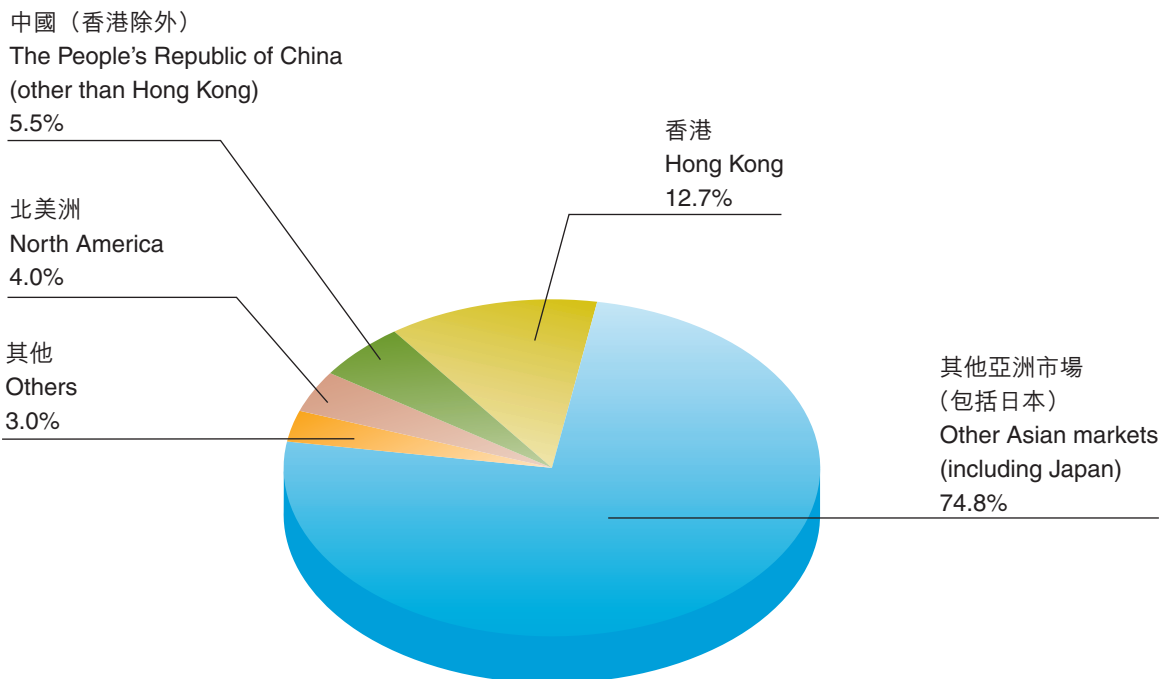
ORIGINAL DESIGN MANUFACTURING

The SBU has its sales turnover increased in this financial year, a result of a steady growth of Japanese electronic product market and a strong partnership with the Group's strategic customers. Despite a drop in the net profit margin, the net profit has recorded an increase as compared with the previous financial year.

The SBU is developing new technology products in new emerging business fields. The Group is optimistic that these new developments will have positive impact on the SBU's future business growth.

按市場地區分類之營業額分析

Analysis of Turnover by Geographical Market



主席報告書（續） Chairman's Statement (Cont'd)

總結

集團預期香港及主要亞洲市場將會持續穩步增長，而集團未來重心將會是發展海外市場，相信繼續專注投資及開發高增值產品，對集團整體的長遠發展策略是重要的。集團將開拓新的業務商機，並善用現有資源去抓緊新的發展機遇，以達致業務增長。

末期股息

董事會建議派發截至二零零五年三月三十一日止年度之末期股息每股3.0港仙（二零零四年：3.0港仙），是項末期股息約於二零零五年九月五日派發予名列於二零零五年八月十八日之股東名冊上之股東。

鳴謝

本人謹代表董事會，向各股東、客戶、供應商及銀行致謝，多謝他們多年來對集團的支持，亦感謝各員工過去之辛勤工作及為集團所作之貢獻。

承董事會命
主席
譚偉豪

香港，二零零五年七月十四日

CONCLUSION

The Group anticipates a steady growth in Hong Kong and other major Asian markets and will focus its future business developments on overseas markets. The Group believes that it is an important long term development strategy for the Group to continue focusing on developing new competitive and high value-added products. The Group will also explore new business opportunities and leverage on its existing resources to capture growth spots and sustain its business growth.

FINAL DIVIDEND

The Directors propose a final dividend of HK3.0 cents per share in respect of the year ended 31st March, 2005 (2004: HK3.0 cents), payable on or about 5th September, 2005 to shareholders whose names appear on the Register of Members on 18th August, 2005.

APPRECIATION

On behalf of the Board of Directors, I wish to thank all our shareholders, customers, suppliers and bankers for their continual support. I would also like to extend my appreciation to all the staff for their dedicated work and their contribution throughout the year.

By order of the Board
Tam Wai Ho, Samson
Chairman

Hong Kong, 14th July, 2005

管理層研究及分析

Management
Discussion & Analysis



管理層研究及分析

Management Discussion & Analysis

營商環境

延續二零零三年的經濟復甦，香港經濟的增長步伐在二零零四／二零零五年度亦見不俗，但隨之而來的經營成本上升亦值得關注。珠三角是香港的生產基地，內地的成本上升勢頭明顯，這在租金、物料及工資等方面皆可見到，而工人短缺及電力不足，更是廠商經常遇到的情況。集團對此亦有所關注，並會採取適當的應變策略。

作為一間科技型企業，集團未來的發展，有賴一支龐大而高質素之科研隊伍，為集團生產更創新、更具競爭力的產品。而隨著香港經濟轉型，知識型經濟專才及科研人材需求越來越大，相信政府亦會檢討人材政策，為香港輸入海外及內地專才，以創造更佳的營商環境，這有助香港提升競爭力，亦能帶動集團的業務增長。

財務檢討

集團全年營業額錄得約1,310,000,000港元，相對去年同期的約1,356,000,000港元減少了3%。年度內掌上電子產品及原件設計生產業務的營業額分別為約659,000,000港元及約651,000,000港元。

BUSINESS ENVIRONMENT

In continuing the economic recovery since 2003, Hong Kong economy has been growing quite well in the past year. However, the elevated business running cost that comes along with the recovery is also noteworthy. The Pearl River Delta is the production base of Hong Kong. The escalating trend of operation costs is conspicuous as can be seen in the rental, raw materials and wages fronts. Moreover, the shortages of skilled labour and electricity supply are frequent occurrences to most factory operators. The Group is well aware of and closely monitoring the situation so as to formulate the appropriate response strategies.

Being a technology based enterprise, the Group's future development hinges on a strong and quality research and development team which can bring in for the Group more innovative and competitive products. As Hong Kong is gradually changing to become a knowledge-based society, the need for talents excel at knowledge-based economy and research and development is increasing. It is believed that the Government will work on reviewing its policies on attracting and keeping talents and expertise in Hong Kong, and to help bring in talents from overseas countries or the mainland. This will improve Hong Kong's business running environment and enhance our competitiveness. This will also promote the Group's business growth.

FINANCIAL REVIEW

Turnover of the financial year is approximately HK\$1,310 million, which is 3% lower than approximately HK\$1,356 million of the previous year. During the year under review, electronic handheld products business and original design manufacturing business recorded turnovers of approximately HK\$659 million and approximately HK\$651 million respectively.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

財務檢討（續）

集團全年經營溢利合共約69,000,000港元，較去年下降約34,000,000港元，或33%。在計算稅前溢利前有兩個項目開支：融資成本主要為利息開支約1,000,000港元（二零零四年：約2,000,000港元）及出售一附屬公司之非經常性虧損約5,000,000港元。稅前溢利為約63,000,000港元。計算少數股東權益及所得稅撥回後，本年度溢利較去年減少約100,000,000港元，至約62,000,000港元。二零零三／二零零四年財政年度錄得有兩項總數為約62,000,000港元之非經常性收益項目，來自回購早前向一附屬公司之少數股東發行之可兌換及可贖回優先股之回購溢利及其溢利反回。扣除是年度的非經常性虧損項目及上年度的非經常性收益項目，本年度溢利較去年財政年度實質減少約33,000,000港元。

資產負債表方面，存貨及應收貿易賬款分別增加及減少約29,000,000港元及約101,000,000港元，至約189,000,000港元及約86,000,000港元。此乃反映各SBU業務於是財政年度內有不同的業務增長所致。

銀行結餘及現金（包括銀行存款）約282,000,000港元，淨現金結餘（即銀行存款餘額扣除銀行借貸）為約246,000,000港元，較去年的約154,000,000港元增加60%。穩固之現金結餘乃由於年內充裕的現金流入所致。經營業務所產生之淨現金為約160,000,000港元（二零零四年：約110,000,000港元），主要來自持續經營業務的盈利及應收貿易賬款之減少。

FINANCIAL REVIEW (Continued)

Operating profit for the year is approximately HK\$69 million, representing a decrease of approximately HK\$34 million or 33%. There are two charging items in deriving the profit before taxation. Finance costs mainly represent the interest expense of approximately HK\$1 million (2004: approximately HK\$2 million) and the exceptional loss on disposal of a subsidiary of approximately HK\$5 million. Profit before taxation is approximately HK\$63 million. After taking into account the income tax credit and minority interests, profit for the year is approximately HK\$62 million, representing a decrease of approximately HK\$100 million. In 2003-2004 financial year, there were exceptional gain items of approximately HK\$62 million in total on repurchase of convertible redeemable preferred shares issued to minority shareholders of a subsidiary and on reversal of premium on the convertible redeemable preferred shares issued to minority shareholders of a subsidiary. Excluding the exceptional loss item of the year and the exceptional gain item of the previous year, the profit for the year represents a decrease of approximately HK\$33 million as compared with the previous financial year.

On the balance sheet side, inventories have increased by approximately HK\$29 million to become approximately HK\$189 million and trade receivables decreased by approximately HK\$101 million to approximately HK\$86 million. The changes are due to the differential growth in different SBU businesses in the fiscal year.

Bank balances and cash (including bank deposits) amount to approximately HK\$282 million. Net cash (i.e. after deducting bank borrowings from balances of bank deposits) is approximately HK\$246 million that is 60% higher than approximately HK\$154 million of the previous year. The solid cash position is the result of a very strong cash inflow during the year. Net cash generated from operating activities is approximately HK\$160 million (2004: HK\$110 million). This is attributable to the profits generated in the continuing businesses and a decrease in trade receivables.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

財務檢討（續）

總銀行借貸為約37,000,000港元。銀行借貸中，約73%或約27,000,000港元為短期借貸，如出入口票據等，將於一年內到期，其餘約10,000,000港元的長期借貸則於一年後到期，銀行借貸的償還年期及抵押資料刊載於財務報表附註25，所有銀行借貸利息均按浮動利率計算。管理層將繼續致力與往來銀行維持密切關係，以確保其對集團的長期支持。

集團的資產負債表較去年更為穩健，為集團的長遠發展定下強而穩固的基礎。

流動資金及財務資源

集團於二零零五年三月三十一日的銀行結餘及現金（包括銀行存款）總額約282,000,000港元，相比十二個月前增加了約39,000,000港元，亦即16%。同期的總銀行借貸則由約89,000,000港元下跌至約37,000,000港元。

期間現金淨流入增加，是得益於經營業務的淨現金流入所致。

集團大部份的銀行借貸是於一年內到期的短期借貸，約有27,000,000港元，佔總額的73%，其餘約10,000,000港元之銀行借貸則屬於一年期以上才到期的長期借貸。

截至二零零五年三月三十一日止，集團的負債比率，即總銀行借貸除以股東權益總數，由十二個月前的15%減少至6%，相應地，期內的利息支出亦由十二個月前的約2,000,000港元減至約1,000,000港元。

FINANCIAL REVIEW (Continued)

Total bank borrowings amount to approximately HK\$37 million. Among them, about 73% or approximately HK\$27 million, are short term borrowings such as trade bills that are to be due within a year. The remaining approximately HK\$10 million are long term financing that are to be due beyond one year. Maturity and security profiles of bank borrowings are contained in note 25 of the financial statements. All bank borrowings are on floating rate basis. The management continues to maintain a very close working relationship with the Group's bankers to secure their continual support.

It is noted that the balance sheet of the Group is getting healthier than previous year and is setting a strong and solid foundation for future growth.

Liquidity and Financial Resources

On 31st March, 2005, the bank balances and cash (including bank deposits) were approximately HK\$282 million in total, which was approximately HK\$39 million or 16% higher than that at 31st March, 2004. Total bank borrowings have decreased from approximately HK\$89 million to approximately HK\$37 million in the twelve months' period.

Continuous positive operating cash inflow has resulted from net cash generated from operating activities.

Most of the bank borrowings are short term in nature, around HK\$27 million or 73% of total, which would be due within one year. The remaining bank borrowings of around HK\$10 million are long term borrowings which are to be due in more than one year.

As at 31st March, 2005, the gearing ratio, defined as total bank borrowings divided by shareholders' equities, has decreased from 15% to 6% in the twelve months' period. As a result, the interest expenses for the twelve months' period have reduced from approximately HK\$2 million to approximately HK\$1 million.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

財務檢討（續）

出售一附屬公司

在二零零四年九月，集團出售其新加坡科研附屬公司予一新加坡上市公司，作價為10,000,000港元，是次交易為集團帶來約5,000,000港元虧損，已於截至二零零五年三月三十一日的綜合損益表內反映。

物業及資產抵押

集團於是年內並無購置或出售任何物業。

於二零零五年三月三十一日止，集團把賬面總值約87,000,000港元的資產抵押予銀行，作為一般的融資擔保，這相對十二個月前的數額減少了約13,000,000港元。

或然負債

於二零零五年三月三十一日止，集團的有追索權銀行貼現票據為數約95,000,000港元，對比十二個月前上升了約73,000,000港元。

外匯及財務管理政策

集團的大部份商業交易、資產及負債，皆以港元、美元或人民幣結算，只有一小部份採購交易是以日元結算。集團一向奉行謹慎的財務管理政策，小心控制外匯風險，亦沒有進行任何利率或外匯的投機活動。

FINANCIAL REVIEW (Continued)

Disposal of a Subsidiary

In September 2004, the Group sold its Singapore based research and development subsidiary to a Singapore listed company at a consideration of HK\$10 million. The transaction has incurred a loss of approximately HK\$5 million, which has been reflected in the consolidated income statement for the year ended 31st March, 2005.

Properties and Charges on Assets

There is no addition or disposal of properties during the year.

In securing general banking facilities, certain assets were pledged to banks as collaterals, of which the carrying value amounted to approximately HK\$87 million as at the end of 31st March, 2005. This is approximately HK\$13 million lower than that of the previous twelve months' period.

Contingent Liabilities

As at 31st March, 2005, the trade bills discounted to banks with recourse amounted to approximately HK\$95 million which were approximately HK\$73 million higher than those of twelve months ago.

Foreign Currencies and Treasury Policy

Most of the Group's business transactions, assets and liabilities are denominated in Hong Kong dollars, United States dollars or China Reminbi. A small portion of the Group's raw material purchase is denominated in Japanese Yen. The usual treasury policy of the Group is to manage significant currency exposure and minimize currency risk whenever it may have material impact to the Group. The Group does not engage in any interest rate or currencies speculations.

電子辭典

Electronic Dictionary



管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

電子辭典

業務回顧

相比上年同期，本SBU在二零零四／二零零五年財政年度營業額錄得些微跌幅，這是因期內中國內地市場表現欠佳所致。面對內地的激烈競爭，集團以謹慎的策略，小心觀察市場環境，在資本投放與市場推廣計劃上採取保守態度，與此同時，集團致力簡化工作流程，增進效率，進一步降低分發及經銷方面的成本。

香港及其他主要海外市場在上年度仍有穩定增長，這些地區的業務增長，實有賴集團過往集中資源及致力於中及高檔產品的科技投資之策略。

集團的新產品具備更廣泛的學習內容及更多娛樂功能，甫推出市場便得到頗佳之回應，集團最新推出的中英及英中雙向全句翻譯辭典，亦為集團提高了市場的佔有率。

展望

儘管電子辭典市場競爭激烈，集團相信憑藉優良的品牌及在亞洲所建立之完善銷售渠道，未來之營商前景仍然良好。

集團會繼續集中發展中及高檔產品，灌注更創新的設計、更多更佳的功能、更豐富的學習內容及領先的翻譯科技。互動學習概念將會是新產品的主要元素之一，集團相信新產品將會在來年為集團帶來良好的銷售表現。集團亦預計香港及亞洲市場未來會有穩定增長，而產品的合理盈利率仍能保持。至於內地市場，集團將繼續投入適當資源以配合集團之發展策略。

ELECTRONIC DICTIONARY

Review

The sales revenue of the SBU in the financial year 2004-2005 has recorded a slight drop in comparing with the previous fiscal year. The decline in sales revenue has much to do with a weak business performance in Mainland China market. Faced with the highly competitive environment on Mainland China, the Group has taken a close and cautious watch at the market and adopted a conservative strategy in our investment and promotion plans. At the same time, the Group has strived to simplify our operations so as to enhance the efficiency and better control the costs in distribution and sales areas.

The sales in Hong Kong and major overseas markets have been growing steadily in the past year. This is the result of the Group's strategy in focusing our resources and technology investment in developing medium and high range products.

The Group's new products which are equipped with wide-ranged learning contents as well as entertainment functions have received positive feedback from the markets. The recently launched English-Chinese and Chinese-English bi-directional full-sentence translation dictionary has contributed in increasing our market share.

Outlook

Despite the competition in the electronic dictionary market getting more intensified, the Group is of the belief that with the Group's well-established brand name and distribution networks in Asian markets, the Group may still command a good business prospect in the future.

The Group continues to focus on developing medium and high end products with more innovative designs, better functional features, rich learning contents and leading translation technology. The interactive learning concept will be one of the key elements in new product design. The Group believes that these new products will support the Group to achieve good sales performance in next fiscal year. The Group anticipates a stable growth in Hong Kong and Asian markets. Reasonable profit margin will also be maintained. The Mainland China market is important for the SBU in the long term and the Group will continue to invest the appropriate resources in the market in line with the Group's strategy.

智能手機

Smartphone



管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

智能手機

業務回顧

上年度本SBU之業務未能達到預期之成績，中國手機製造廠商仍集中開發中、低價產品，對推廣中、高價的智能手機及服務方面仍屬起步階段，因而影響了本SBU在中國的營銷計劃。而與海外網絡營運商的合作方面，由於產品的開發及測試都較預期需要更長時間，令產品的推出進程有所延遲。

過去一年，本SBU推出了新一代M系列智能手機，該產品應用了更先進的中央處理器、通訊元件及操作系統，加上得到技術夥伴的大力支持，使產品在數據通訊及多媒體功能上比上一代G系列產品大為優化，其中M28型號更獲香港工業總會頒發之2004香港工業獎：消費產品設計優異證書。與網絡營運商緊密之合作，令本SBU的產品能配合營運商推出的服務，相輔相成。



儘管去年業績未如理想，但在產品設計方面獲得的經驗及技術，與技術夥伴建立之網絡及與網絡營運商所締造的合作關係，都會是SBU未來發展及成功的要素。

SMARTPHONE

Review

Last year, business performance of the SBU did not match up to expectation. The mainland mobile phone manufacturers and operators are still fixating on medium to low priced products and are mostly at the beginning stage in developing medium to high priced smartphone market and the related services. This has an impact on the SBU's mainland marketing strategy. As for collaboration with foreign telecom network services providers, it takes the SBU a longer time in developing and testing new products and as a result, the marketing of new products has been delayed.

In the previous year, the SBU has launched a new generation of smartphone – the M series, which have adopted more advanced CPU, communication technology and operational system. Together with the staunch support from our technology partners, the new products have greatly enhanced in their data communication and multi-media functions as compared with the previous G series. Among them, the M28 model has won the 2004 Hong Kong Awards for Industry: Consumer Product Design Certificate of Merit, awarded by the Federation of Hong Kong Industries. Through working closely with telecom network services providers, the SBU may match up with network providers' services so that our products may cater well for the customers' needs.

Despite that last year's performance has not been that satisfactory, the SBU has acquired and accumulated substantial experience and expertise in product development. And together with the building up of strong partnership with our technology partners and with the network operators, the SBU has laid down a good foundation for the SBU's future development and success.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

智能手機（續）

展望

開發具備多功能及多用途的手機將會是手機市場的大趨勢，在成熟的市場例如歐洲及美國，智能手機的市場增長更為顯著。但產品變化大、週期短及價格不斷下降，都是行業要面對的主要挑戰。激烈競爭加速廠商外判產品開發及製造工序，加上網絡營運商已有能力為自有客戶群訂製產品，令手機原件生產設計業務得以快速增長，亦有利本SBU的業務增長。

本SBU將重點開發原件生產設計業務，特別是針對歐美的網絡營運商客戶，直接與網絡營運商合作的好處在於能減省用於中間者的開支，並可享有穩定的客戶群及更具競爭力的銷售價格。產品方面，今年將有兩個主要目標：其一是降低成本，令智能手機價格更吸引、更為顧客所接受；其二是增加應用功能，特別是能配合營運商服務的應用功能，如無線電郵、歌曲及短片下載等。要快速推出具競爭力的產品，需要有良好的技術夥伴，本SBU今年將會繼續鞏固並加強技術夥伴網絡，以爭取更佳的技术支援，例如在Edge及3G等通訊技術方面。

未來一年，本SBU的業務充滿挑戰和機遇，憑藉豐富的產品開發經驗及與重要客戶和技術夥伴所建立的良好關係，再配合今年更具競爭力的產品，相信今年的業務可以有所改善。

SMARTPHONE (Continued)

Outlook

Developing mobile phones with multiple functions and applications will be the future trend of mobile phone market. In developed countries like Europe or the United States, smartphone market has been growing substantially. However, the products' diverse variation, their short life-cycles and the downward price trend are the major challenges to the industry. Faced with intense competition, manufacturers in developed countries are speeding up in outsourcing their work on product development and manufacturing. Also, most network services providers are capable of providing their customers with tailor-made mobile phones. As a result, the mobile phone original design manufacturing business has been growing rapidly, and this lays ground for the SBU's business growth.

The SBU will focus on developing its original design manufacturing business, especially targeting at network services provider customers from Europe or the United States. The advantages of directly collaborating with network services providers are that expenses on middlemen can be saved, and that a more stable customer base and more competitive pricings may be secured. As for the SBU's products, the SBU is to target on two fronts this year - the first is to cut cost so as to make the SBU's products more price competitive and more affordable to the customers, and the second is to enhance their application functions especially those functions which can match well with the services provided by network operators like push email and download of songs and video, etc. To develop more competitive products swiftly, the SBU needs good support from our technology partners. The SBU will continue to strengthen and consolidate its relationship with the technology partners so as to secure better technology support in areas like Edge or 3G telecommunication technology.

The next year will come with both challenges and opportunities. With the Group's rich experience in product development and the sound and solid relationship with the Group's important customers and technology partners, and also with more competitive products to be launched, the Group believes that the SBU's business will have improvement this year.

原件設計生産

Original Design
Manufacturing



管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

原件設計生產(ODM)

業務回顧

本SBU的營業額於是年內增長至約650,000,000港元，相對前一財政年度，有約10%增長。集團與日本策略性合作客戶的業務正在持續增長，亦發展為集團的核心業務之一，這有賴日本的電子辭典市場有穩定的增長及產品在功能和質素方面有長足的提升。在多年的經驗累積下，加上過往集團在無線技術及軟件開發方面投放的科研得到豐碩的成果，令本SBU的工程技術水平及科技能力得以不住的提升及完善，為集團未來發展奠定穩健基礎。儘管是年度的毛利百分率有些微下跌，但在整體營業額有所上升下，盈利對比前財政年度錄得輕微升幅。自上年末始，集團已開始向新的歐洲策略性夥伴付運新產品，集團期望這方面業務在未來數年將可為集團的營業額帶來不俗增長。



展望

本SBU正致力發展新業務，進軍新興電子產品市場，例如使用無線技術及具備新式而獨特裝備的多媒體產品等，這些新業務將會為集團的營業額帶來持續增長及長足的盈利貢獻。集團亦會一如既往的加強與主要的供應商及客戶的策略性夥伴關係，攜手創造新穎而獨特的產品，並為現有產品加設更具競爭力的功能。集團不住的投放資源開拓人才庫，以期有效管理現正發展深具潛力的新業務或一些正與日本、美國及其他地區新客戶磋商的新業務。

ORIGINAL DESIGN MANUFACTURING (“ODM”)

Review

The sales turnover of the SBU has grown to approximately HK\$650 million this year, representing an increase of approximately 10% as compared with last year's annual figure. The business with the Group's strategic customers in Japan keeps growing and becomes one of the Group's core businesses. This is supported by a stable growth of Japanese electronic dictionary market and the enhancement of products' functional features. The SBU's engineering capability and technology know-how has been enhanced and enriched with accumulated experience and through sound research and development in wireless technology and software engineering. With an increase in gross revenue, the SBU's net profit has slightly increased as compared with that of previous financial year, despite that the percentage of net profit margin has experienced a slight decline. Since the end of last year, shipment of new products to the Group's new strategic customer in Europe has started. The Group expects the sales volume to grow in the coming years.

Outlook

The SBU is making a strong move in developing new businesses in newly emerging electronic product markets such as multimedia products utilizing various kinds of wireless technology and new unique devices. These new projects are expected to make contribution to the SBU's continuous growth in sales turnover and to further boost up its profit. Strategic business partnership with several key component suppliers and customers is and will be further strengthened, with an aim to creating new and unique products or bringing in new competitive features for the existing products. The Group continuously invests to expand its team to manage efficiently the potential new businesses currently under development or businesses under negotiation with new customers in Japan, the United States, and others.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

企業事務

公司管治

審核委員會

審核委員會成員包括獨立非執行董事容永祺先生榮譽勳章（主席）、何國成先生、王幹文先生及非執行董事羅志聰先生。於是年內，審核委員會已舉行過四次會議，出席率達93.75%，審閱集團所採納的會計原則及政策，檢討並評估內部監控系統、風險管理及財務匯報事宜，並盡力確保集團遵守所有適用法例和規則。

審核委員會主席於每次會議後，均會於董事會會議上向各董事匯報各項討論過的重要事項，並向董事會呈交報告。

為協助審核委員會履行其職責，「改善工作流程及內部審計小組」於二零零二年成立，為前線部門提供改善工作流程的意見及進行內部審計，直接向審核委員會定期提交報告。

企業風險管理委員會

企業風險管理委員會於二零零一年成立，為協助董事會核查及評估各種業務運作上的風險，並制定策略及施行政策制度以預防及管理這些風險。例如在非典型肺炎爆發期間，委員會便舉行了多次會議，就疫情可能對集團構成的危機制定了預防措施及應變計劃，以確保一旦有事故發生時各部門可以作出迅速回應，並把影響減至最低。

執行管理委員會

執行管理委員會於二零零五年成立，由董事會授權以日常管理委員會形式運作。執行管理委員會成員包括董事會之各執行董事。

CORPORATE AFFAIRS

Corporate Governance

Audit Committee

The Audit Committee comprises independent non-executive directors, Mr. Yung Wing Ki, Samuel MH (Chairman), Mr. Ho Kwok Shing, Harris and Mr. Wong Kon Man, Jason and a non-executive director, Mr. Lo Chi Chung, William. During the year, the Audit Committee has held four meetings with 93.75% attendance to review the accounting principles and practices adopted and to discuss and evaluate internal control procedures, risk management and financial reporting matters. It also ensures that the Group complies with all applicable laws and regulations.

After each audit committee meeting, the Audit Committee Chairman will present a report to the Board which highlights any significant issues discussed in the meeting for the Board's information and consideration.

To assist the Audit Committee to carry out its duties, the Process Improvement and Internal Audit (PIIA) Subcommittee was formed in 2002 to provide support to frontline functions in improving business operations and performing internal audit. Internal audit reports will be directly sent to the Audit Committee periodically.

Risk Management Committee

The Risk Management Committee was established in 2001 to help Directors identify and assess business risks. Corresponding strategies are formulated and risk management system is implemented to prevent and manage market and operational risks. During the SARS outbreak, the Risk Management Committee has held meetings to formulate precautionary measures and business contingency plans in quick response to the potential threat posted to the organization so as to minimize its impacts.

Executive Management Committee

The Executive Management Committee was established in 2005 to operate as a general management committee under the authority of the Board. The Executive Management Committee consists of the Executive Directors of the Board.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

企業事務（續）

公司管治（續）

薪酬委員會

薪酬委員會於一九九六年成立，專責向董事會提出關於本公司薪酬制度及釐定董事及高級行政人員薪酬的建議。薪酬委員會成員包括執行董事譚偉豪先生（主席），及兩名獨立非執行董事何國成先生及王幹文先生。

優先認股權委員會

優先認股權委員會於一九九六年成立，包括兩名執行董事譚梅嘉慧女士（主席）及李冠雄先生，依據本公司優先認股權計劃處理關於授予優先認股權之事宜。本公司向其董事或彼之聯繫人士授予優先認股權時，需要得到本公司之獨立非執行董事的批准。

最佳應用守則

董事會認為，本公司於截至二零零五年三月三十一日止年度內，一直都遵行於二零零五年一月一日前有效的香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之最佳應用守則。

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載有關董事進行證券交易之標準守則（「標準守則」），以不遜於標準守則之條款，作為其有關董事進行證券交易之行為守則。經向所有董事作出特定查詢後，董事概不知悉於期內之任何時間本公司沒有遵守標準守則之要求及其有關董事進行證券交易之行為守則。

CORPORATE AFFAIRS (Continued)

Corporate Governance (Continued)

Remuneration Committee

The Remuneration Committee was formed in 1996 to make recommendations to the Board on the Company's policy and structure in relation to remuneration of directors and senior management. The Remuneration Committee comprises an executive director, Mr. Tam Wai Ho (Chairman) and two independent non-executive directors, Mr. Ho Kwok Shing, Harris and Mr. Wong Kon Man, Jason.

Share Option Committee

The Share Option Committee consisting of two executive directors, Mrs. Tam Mui Ka Wai, Vivian (Chairman) and Mr. Lee Koon Hung, was formed in 1996 to deal with issues regarding to granting of share options under the Company's share option scheme. In any case, the grant of the Company's share options to any Director or his associates requires the approval of the Company's independent non-executive directors.

Code of Best Practice

The Directors are of the opinion that throughout the year ended 31st March, 2005, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), which came in force prior to 1st January 2005.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors (the "Model Code") set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors on terms no less exactly than the required standard set out in the Model Code. Having made specific enquiry of the Directors, none of the Directors has not complied with, for any part of the accounting period under review, the required standard set out in the Model Code and its code of conduct regarding director's securities transactions.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

企業事務（續）

投資者關係

集團一向重視與投資者的溝通，並致力增強與投資者的關係，利用會議、發佈會、集團網頁內刊載之新聞稿及公佈、參觀廠房及與投資者作電郵通訊等各種方法，確保能全面並及時的披露相關的公司資料，以增加集團對投資界的透明度。

員工關係

於二零零五年三月三十一日，集團於香港聘有266名僱員（二零零四年：256名），於中國大陸聘有4,118名僱員（二零零四年：4,261名），相比去年同期數字，兩地區分別增長約4%及減少約3%。集團現時在新加坡並無聘用任何僱員（二零零四年：78名）。除薪酬及一般員工福利例如有薪年假、醫療保險及公積金外，集團亦為執行董事及高級職員提供股份獎勵計劃。

集團管理層每隔半年均會與高級職員舉行高級職員交流大會，目的是向管理人員闡釋集團的政策及發展路向；交流大會是在業績公佈後舉行的，好讓全體員工更能了解集團的狀況，並促進管理層與員工之間的雙向溝通。內聯網乃為各階層員工得悉公司資訊的常用途徑，亦是員工之間分享資料及經驗的有效渠道。集團鼓勵員工踴躍表達意見及觀感，並提出各方面建議。集團亦會定期推行員工意見調查，以協助管理層了解各種員工相關事宜，以便採取適當行動予以改進。

CORPORATE AFFAIRS (Continued)

Investor Relations

The Group always puts emphasis on communicating with investors and is committed to enhancing investor relationship by increasing its transparency to the investor community. Measures to keep investors informed of the Group's latest developments comprehensively and timely include regular meetings, presentations, posting of press release and announcements on the Group's website, visits to the manufacturing plant and e-mail news updates.

Employees Relations

As at 31st March, 2005, the Group has on its payroll 266 (2004: 256) employees in Hong Kong and 4,118 (2004: 4,261) in Mainland China, representing an increase of about 4% and a decrease of about 3% respectively as compared with prior year. Currently, the Group has no employee (2004: 78) in Singapore. In addition to salary remuneration and usual fringe benefits such as annual leave, medical insurance and provident fund, the Group also provides Share Incentive Plans for executive directors and senior staff.

It's the usual practice that the Group's management conveys and delivers the Group's strategic policies and developments to its senior staff at its half-yearly communication sessions. These staff communication sessions are held after the results announcements so as to keep employees abreast of the Group's developments and also to facilitate two-way dialogue between the management and the staff. Intranet is another effective means often used to ensure free flow of information across different staff levels and to promote information and experience sharing. All staff are encouraged to express their views and feelings and to propose suggestions on different aspects. Employee satisfaction surveys are conducted regularly to assist the senior management in understanding various problems faced by the staff so as to formulate appropriate solutions.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

企業事務（續）

員工關係（續）

集團的競爭力是有賴具備多項才能的員工隊伍所達致的。為此，集團在本年度推出了「個人自我提升目標」計劃，鼓勵員工不斷進步，要求每位員工訂下一個自我提升的目標，並且貫徹執行。「個人自我提升目標」包括專業知識、才能或技能等可以提高工作表現的目標。除內部培訓外，集團亦同時因應工作需要而資助員工參與由其他機構提供的培訓課程。公司亦會聘請專業顧問，為中層管理人員提供培訓，協助提升他們的領導才能、溝通協調技巧及團隊精神。



除正式的溝通渠道外，公司今年亦舉行了員工遠足活動及春節聯歡晚會2005，藉以加強員工之間的良好關係及建立團隊合作精神。

公益事務方面，集團贊助員工組隊參加樂施毅行者2004籌款活動，隊伍並成功完成麥理浩徑全長一百公里的路程。

CORPORATE AFFAIRS (Continued)

Employees Relations (Continued)

A team of competent work force is crucial in maintaining the Group's competitiveness. The Group has launched a Personal Continuous Improvement Objective (PCIO) program this year to encourage all staff to strive for personal competency. All staff are required to set at least one personal continuous improvement objective to work on, which is expected to be achieved within one fiscal year. The PCIO targets on individual capabilities enhancement focusing on individual's competency, knowledge or skills that are conducive and helpful to discharging his/her duty. In addition to in-house training, the Group also provides education subsidies to its staff for certain training programmes conducted by external parties and that the skills are required by the group. Meanwhile, the Group has appointed a number of professional training consultants to run workshops for enhancing mid level management executives' leadership capabilities, communication skills and team spirit.

In this year, the Company has also organized the "Staff Hiking Day" and the "Spring Party 2005" for all employees to take part in. Activities like these may foster good personal relationship and communication among the staff and also help build good team spirit.

For community service, the Group has sponsored a team to participate in the Oxfam Trailwalker 2004, a fund raising charity event. The sponsored employees successfully completed the MacLehose Trail 100km walk.

管理層研究及分析（續） Management Discussion & Analysis (Cont'd)

ISO9001及ISO14001

集團已於二零零零年成功合併ISO9001品質管理系統及ISO14001環境管理系統，以加強行政效率。獨立審核員定期進行現場審核，以確保集團符合規定標準，並有持續改善。集團亦組織內部審核員定期進行審核。集團已提升系統至符合新的ISO9001: 2000標準。

ISO9001 AND ISO14001

In order to enhance the administrative efficiency, the ISO9001 Quality Management System and ISO14001 Environmental Management System have been combined since 2000. On-site surveillance assessment is conducted regularly by independent assessors to ensure compliance and continual improvement. Internal audit teams have been organized to perform compliance audit on an on-going basis. The Group has upgraded the system to attain the new ISO9001: 2000 standard.

董事及高級管理人員簡介 Directors and Senior Management Profiles

執行董事

譚偉豪，現年41歲，為本集團之主席兼創辦人之一。彼專責本集團之整體規劃及財務管理。彼自一九九六年十一月起出任本公司薪酬委員會。彼畢業於香港中文大學，獲理學士學位，於一九九二年九月獲香港工業總會頒贈「香港青年工業家獎」，並於一九九七年十一月獲選為「香港十大傑出青年」。彼現時為香港科技協進會會長、香港生產力促進局副主席、香港工業總會珠三角工業協會副主席及香港/歐盟經濟合作委員會委員。彼為譚偉棠之弟。

譚偉棠，現年43歲，為本集團之董事總經理兼創辦人之一。彼專責本集團產品之整體市場推廣及營銷策略。彼持有香港理工大學電子工程文憑，在電子零部件及消費電子產品之市場推廣方面已積累逾二十年經驗。彼於二零零一年八月獲頒贈「資本傑出科技及金融企業成就獎」之「尖端科技拓展成就獎」。彼為譚偉豪之兄長。

譚梅嘉慧，現年37歲，為譚偉豪之太太。彼於一九九二年二月加入本集團，專責本集團人事管理、行政事務及電子出版。彼自一九九六年十一月起出任本公司優先認股權委員會。彼持有香港大學頒發之文學士學位及英國 University of Leicester 頒發之培訓及人力資源管理碩士學位，在管理及行政方面已積累逾十五年經驗。

EXECUTIVE DIRECTORS

TAM Wai Ho, Samson, aged 41, is the Chairman and one of the founders of the Group. He is responsible for the Group's corporate planning and financial management. He is one of the members of the Remuneration Committee of the Company since November 1996. He graduated from the Chinese University of Hong Kong with a Bachelor's degree in Science. He received "The Young Industrialist Award of Hong Kong" awarded by the Federation of Hong Kong Industries in September 1992 and was awarded as one of the "1997 Ten Outstanding Young Persons" in November 1997. He is the President of the Hong Kong Association for the Advancement of Science and Technology, the Deputy Chairman of the Hong Kong Productivity Council, the Vice Chairman of PRD Council of the Federation of Hong Kong Industries and a member of The Hong Kong – European Union Business Co-operation Committee. He is the younger brother of Mr. Tam Wai Tong, Thomas.

TAM Wai Tong, Thomas, aged 43, is the Managing Director and one of the founders of the Group. He is responsible for the overall marketing and sales strategies of the Group's products. He has a Diploma in Electronic Engineering from the Hong Kong Polytechnic University. He has over twenty years of experience in marketing electronic components and consumer electronic products. He received "Advanced Technology Development Award" of "Capital Magazine's Outstanding Information Technology and Financial Enterprise Awards" in August 2001. He is the elder brother of Mr. Tam Wai Ho, Samson.

TAM Mui Ka Wai, Vivian, aged 37, is the wife of Mr. Tam Wai Ho, Samson. She joined the Group in February 1992 and is responsible for human resources management, administrative matters and electronic publishing of the Group. She is one of the members of the Share Option Committee of the Company since November 1996. She has a Bachelor's degree in Arts from the University of Hong Kong and a Master's degree in Training and Human Resource Management from the University of Leicester, U.K., and has over fifteen years of experience in management and administration.

董事及高級管理人員簡介（續） Directors and Senior Management Profiles (Cont'd)

執行董事（續）

大谷和廣，現年44歲，於一九九七年四月加入本集團成為執行董事。彼在本集團之策略性產品業務部專責原件設備生產、原件設計生產，以及業務企劃，並負責集團之採購策劃。彼持有日本的關西外國語大學頒發之外語學科文學士學位。於加入本集團前，彼在一日本電子公司工作達十四年。其中自一九八七年起，彼服務於該日本公司之香港辦事處，專責電子零部件市場推廣及營銷達十年之久。

李冠雄，現年42歲，於一九八八年加入本集團，並於一九九八年四月獲委任為本集團之執行董事，專責本集團之智能手機及個人數碼助理業務。彼自二零零三年四月起出任本公司優先認股權委員會。彼畢業於香港理工大學電子工程系，並持有亞洲國際公開大學電腦學士學位及英國華威大學工程商業管理理學碩士學位。彼在電子產品開發方面，具有二十一年之經驗。

霍定洋博士，現年56歲，於一九九九年四月獲委任為本集團之執行董事，負責本集團之策略性營運管理。彼持有香港大學頒發之工程理學士學位及哲學碩士學位，並持有英國倫敦大學頒發之哲學博士學位。彼在學術研究、工業研究、生產管理、產品開發及策略性業務發展多方面積累三十五年經驗。在加入本集團前，彼在香港生產力促進局服務達十三年之久，曾任電子服務部經理、設計及自動化科副總裁及其後擔任高級副總裁。彼現為創新科技署小型企業研究資助計劃評選委員、職業訓練局資訊科技訓練發展委員會會員、香港設計委員會委員及本港兩所大學之電子工程系諮詢委員會委員。

EXECUTIVE DIRECTORS (Continued)

Kazuhiro OTANI, aged 44, joined the Group as Executive Director in April 1997. He is responsible for OEM/ODM business in the Strategic Product Division, corporate business planning and corporate sourcing strategy. He graduated from the Kansai University of Foreign Studies in Osaka, Japan with a Bachelor of Arts in Foreign Languages, and has been working for a Japanese electronics company for fourteen years before he joined the Group. He has spent the latter ten years in the Hong Kong office of this Japanese company since 1987, being responsible for sales and marketing of electronic components such as IC, LCD, etc.

LEE Koon Hung, aged 42, joined the Group in 1988 and was appointed as Executive Director of the Group in April 1998. He is responsible for the smartphone and PDA business of the Group. He is one of the members of the Share Option Committee of the Company since April 2003. He graduated from the Hong Kong Polytechnic University with Higher Certificate in Electronic Engineering and obtained a Bachelor's degree in computer science from Asia International Open University and a Master of Science's degree in Engineering Business Management from the University of Warwick, U.K. He has twenty-one years of experience in product development.

Dr. FOK Ting Yeung, James, aged 56, joined the Group as Executive Director in April 1999. He is responsible for the Group's strategic operations. He holds a Bachelor of Science in Engineering and a Master of Philosophy from the University of Hong Kong, and a Doctor of Philosophy Degree from the University of London. He has thirty-five years of experience in many areas, including academic research, industrial research, production management, product development, consulting and strategic business development. Before joining the Group, he served Hong Kong Productivity Council for thirteen years as Divisional Manager of Electronics Services Division, Branch Director of Design and Automation Branch and finally as Deputy Executive Director. He is a panel member of Small Entrepreneur Research Assistance Programme of Innovation and Technology Commission, a member of Committee on Information Technology Training and Development of Vocational Training Council, a member of the Design Council of Hong Kong and a member of the Advisory Committee on Electronic Engineering of two local universities.

董事及高級管理人員簡介（續） Directors and Senior Management Profiles (Cont'd)

非執行董事

羅志聰，現年45歲，為本集團之非執行董事。彼自一九九九年三月起出任本公司審核委員會。彼畢業於香港理工大學，為香港會計師公會及英國特許公認會計師公會之資深會員。彼亦持有英國華威大學頒發之工商管理碩士學位。彼於一九九三年七月加入本集團，之前曾任職於多間主要國際企業包括IBM及西門子。彼於一九九六年十一月獲委任為本集團之執行董事，其後於二零零三年四月辭去以上職務，但保留非執行董事一職。彼現為嘉華國際集團有限公司集團財務董事。

獨立非執行董事

容永祺榮譽勳章，現年47歲，認可財務策劃師CFP^{CM}，認證財務顧問師RFC，特許財務策劃師FChFP，為美國友邦保險（百慕達）有限公司資深區域總監。彼亦是中國世貿集團獨立董事及審核委員會成員。彼於一九九五年一月加入本集團為獨立非執行董事，並自一九九九年三月起出任審核委員會。在保險業方面積累逾二十三年經驗，於一九九四年十一月獲選為「香港十大傑出青年」。彼曾為傑出青年協會主席（二零零零至二零零二年度）、香港人壽保險從業員協會會長（一九九一年度）、香港人壽保險經理協會會長（一九九五至一九九六年度）、亞太區人壽保險從業員總會聯席主席（一九九六至一九九七年度）及國際人壽保險經理協會國際委員會主席（一九九七至一九九九年度）。彼現為葵青區議會議員及香港董事學會理事，並為多個慈善團體的籌款委員會及政府委員會主席或委員。

NON-EXECUTIVE DIRECTOR

LO Chi Chung, William, aged 45, is a Non-executive Director of the Group. He is one of the members of the Audit Committee of the Company since March 1999. He graduated from the Hong Kong Polytechnic University and is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He also holds a M.B.A. degree from the University of Warwick, U.K. Prior to joining the Group in July 1993, Mr. Lo has worked for several major international corporations including IBM and Siemens. He was appointed as an Executive Director of the Group in November 1996 and resigned with effect from April 2003 but remains as a Non-executive Director in the Board. He is now the Group Finance Director of K. Wah International Holdings Limited.

INDEPENDENT NON-EXECUTIVE DIRECTORS

YUNG Wing Ki, Samuel MH, aged 47, Certified Financial Planner^{CM}, Registered Financial Consultant, Chartered Financial Practitioner, is a Senior District Director of American International Assurance Company (Bermuda) Limited. He is also an Independent Director and a Member of the Audit Committee of China World Trade Corporation. He joined the Group as Independent Non-executive Director in January 1995 and is one of the members of the Audit Committee since March 1999. He has over twenty-three years of experience in insurance and received "The Ten Outstanding Young Persons Award" in November 1994. He was the Chairman of The Outstanding Young Persons' Association (2000-2002), the President of The Life Underwriter Association Hong Kong (1991), the President of the General Agents and Managers Association of Hong Kong (1995-1996), the Co-Chairman of the Asia Pacific Life Insurance Council (1996-1997) and the International Committee Chairman of GAMA International (1997-1999). He is a Council Member of Kwai Tsing District Council and The Hong Kong Institute of Directors. He also sits in a number of fund raising committees as either chairman or committee member for several major charities and Government committees.

董事及高級管理人員簡介（續） Directors and Senior Management Profiles (Cont'd)

獨立非執行董事（續）

何國成，現年45歲，為易令實業有限公司之董事。彼於一九九五年一月加入本集團為獨立非執行董事。彼自一九九六年十一月及一九九九年三月起分別出任本公司薪酬委員會及審核委員會。彼持有樹仁學院傳播學系文憑及香港理工大學工商管理碩士學位。彼在推廣消費電子產品方面積累逾二十二年經驗。

王幹文，現年41歲，於二零零四年九月加入本集團為獨立非執行董事及審核委員會成員，彼亦自二零零五年一月起出任本公司薪酬委員會。彼畢業於美國夏威夷州立大學，並獲得工商管理學士學位主修會計學。彼為香港會計師公會及美國會計師公會會員，擁有超過十年會計及核數經驗。王先生現為富財資本集團有限公司董事總經理。

高級管理人員

辻正勝，現年67歲，彼為本集團之生產部副董事總經理。彼在電子產品生產行業已積累多方面的經驗，其中包括生產個人電腦及個人數碼助理等。彼於一九九九年七月加入本集團，在加入本集團前，彼在一著名日本電子公司擔任高級管理人員達三十八年之久，並有多年在海外地區包括美國，韓國以及其他東南亞國家工作之經驗。

陸翠容，現年38歲，為本集團之電子辭典業務總經理。彼畢業於香港城市大學，獲商業管理高級文憑，在消費電子產品之市場推廣及銷售方面已積累十六年經驗。彼於一九八九年加入本集團，為李冠雄之太太。

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

HO Kwok Shing, Harris, aged 45, is the director of E-Order Industries Limited. He joined the Group as an Independent Non-executive Director in January 1995. He is the member of the Remuneration Committee and the Audit Committee of the Company since November 1996 and March 1999 respectively. He has a Diploma in Journalism from the Shue Yan College and a Master's degree in Business Administration from the Hong Kong Polytechnic University. He has over twenty-two years of experience in marketing consumer electronic products.

WONG Kon Man, Jason, aged 41, joined the Group as an Independent Non-executive Director and a member of the Audit Committee in September 2004. He is also a member of the Remuneration Committee of the Company since January 2005. He graduated from The University of Hawaii with a Bachelor degree in Business Administration majoring in Accounting. He is a member of the Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants and has over ten years of experience in accounting and auditing. At present, Mr. Wong is the Managing Director of Fortune Capital Group Limited.

SENIOR MANAGEMENT

Masakatsu TSUJI, aged 67, is the Deputy Managing Director – Manufacturing of the Group. He has extensive experience in manufacturing of electronic products such as personal computers and personal digital assistants. Prior to joining the Group in July 1999, he worked for a famous Japanese electronics company as a senior management staff for thirty-eight years and has considerable overseas working experience in USA, Korea and other Southeast Asian countries.

LUK Chui Yung, Judith, aged 38, is the General Manager of the Electronic Dictionary Division of the Group. She graduated from the City University of Hong Kong with a Higher Diploma in Business Management. She has sixteen years of experience in marketing & sales of consumer electronic products. She joined the Group in 1989. She is the wife of Mr. Lee Koon Hung.

董事及高級管理人員簡介（續） Directors and Senior Management Profiles (Cont'd)

高級管理人員（續）

李志洪，現年47歲，為本集團一附屬公司－權智掌上電腦有限公司市場推廣及業務發展執行董事。彼持有東亞大學頒發之工商管理碩士學位。於二零零三年十二月加入本集團前，在推廣及製造消費電子產品方面已積累逾二十年經驗。

陳浩斌，現年44歲，是本集團之策略性產品業務總經理。彼畢業於英國伯明翰大學，獲電子計算機科學學士學位。彼在電子及電腦產品方面已積累逾十九年經驗。彼於一九九三年加入本集團。

SENIOR MANAGEMENT (Continued)

LI Chi Hung, Francis, aged 47, is the Executive Director, Marketing and Business Development of Group Sense PDA Limited, a subsidiary of the Group. He holds a Master degree in Business Administration from University of East Asia. Prior to joining the Group in December 2003, he has more than twenty years of experience in marketing and manufacturing of consumer electronic products.

CHAN Ho Bun, Steve, aged 44, is the General Manager of the Group's Strategic Product Division. He graduated from University of Birmingham, U.K. with a Bachelor of Science in Computer Science. He has over nineteen years of experience in the field of electronics and computer products. He joined the Group in 1993.

董事會報告書

Report of the Directors

董事會呈報截至二零零五年三月三十一日止年度之年報及經審核財務報表。

主要業務

本公司為投資控股公司。各附屬及聯營公司之主要業務為設計、製造及銷售各種掌上電子產品，主要為電子辭典、智能手機和個人數碼助理及製造原件設計生產之電子產品。

業績及盈利分配

本集團截至二零零五年三月三十一日止之業績載列於本年報第44頁之綜合損益表。

每股普通股1.0港仙之中期股息已於年內派發予股東。董事會建議派發末期股息每股普通股3.0港仙，共約36,110,000港元，而本年度之保留溢利為約14,060,000港元。是項末期股息將派發予名列於二零零五年八月十八日之股東名冊上之股東。

主要顧客及供應商

截至二零零五年三月三十一日止年度：

- (i) 本集團之最大及前五大顧客分別佔本集團約34%及74%之總銷售額。
- (ii) 本集團之最大及前五大供應商分別佔本集團之總採購額（並不包括資本性質之採購項目）約17%及44%。

據董事會了解，本公司之董事、其聯繫人士及任何擁有超過本公司5%股本之股東並無持有前五大顧客及前五大供應商之任何權益。

The directors present their annual report and the audited financial statements for the year ended 31st March, 2005.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries and associates are design, manufacture and sale of a range of electronic handheld products, primarily electronic dictionaries, smartphones and personal digital assistants, and manufacture of original design manufacturing products.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2005 are set out in the consolidated income statement on page 44 of the annual report.

An interim dividend of HK1.0 cent per ordinary share was paid to the shareholders during the year. The directors now recommend the payment of a final dividend of HK3.0 cents per ordinary share to the shareholders on the register of members on 18th August, 2005, amounting to approximately HK\$36,110,000, and the retention of the remaining profit for the year of approximately HK\$14,060,000.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March, 2005:

- (i) The Group's largest customer and five largest customers accounted for approximately 34% and 74%, respectively, of the Group's total turnover.
- (ii) The Group's largest supplier and five largest suppliers accounted for approximately 17% and 44%, respectively, of the Group's total purchases (not including purchases of items which are of capital nature).

According to the understanding of the directors, none of the directors, their associates or any shareholders who owned more than 5% of the Company's share capital had any interest in the five largest customers nor the five largest suppliers.

董事會報告書（續） Report of the Directors (Cont'd)

物業、廠房及設備

於本年內，本集團添置之物業裝修、傢具裝置及設備、廠房及機器、工具及工模和汽車分別約為 1,500,000 港元、3,000,000 港元、9,600,000 港元、9,900,000 港元及 400,000 港元。

此等詳情及本集團於本年度內之物業、廠房及設備之其他變動情況載列於本財務報表附註 14。

主要物業

本集團於二零零五年三月三十一日之主要物業之詳情載列於本年報第 108 頁。

股本

本公司股本之變動詳情載列於本財務報表附註 28。

董事及董事服務合約

年內及直至本公司董事會報告書日期之董事如下：

執行董事：

譚偉豪 (主席)
譚偉棠 (董事總經理)
譚梅嘉慧
大谷和廣
李冠雄
霍定洋

非執行董事：

羅志聰

獨立非執行董事：

容永祺 榮譽勳章
何國成
王幹文 (於二零零四年九月二十日獲委任)

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired leasehold improvement of approximately HK\$1.5 million, furniture, fixtures and equipment of approximately HK\$3.0 million, plant and machinery of approximately HK\$9.6 million, toolings and moulds of approximately HK\$9.9 million and motor vehicles of approximately HK\$0.4 million.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

MAJOR PROPERTIES

Details of the major properties of the Group at 31st March, 2005 are set out on page 108 of the annual report.

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in note 28 to the financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors:

Tam Wai Ho, Samson (*Chairman*)
Tam Wai Tong, Thomas (*Managing Director*)
Tam Mui Ka Wai, Vivian
Kazuhiro Otani
Lee Koon Hung
Fok Ting Yeung, James

Non-executive director:

Lo Chi Chung, William

Independent non-executive directors:

Yung Wing Ki, Samuel MH
Ho Kwok Shing, Harris
Wong Kon Man, Jason (appointed on 20th September, 2004)

董事會報告書（續） Report of the Directors (Cont'd)

董事及董事服務合約（續）

根據本公司之公司細則第87條，譚梅嘉慧女士及李冠雄先生均須退任，彼等各人均合資格並願膺選連任。

根據本公司之公司細則第86(2)條，王幹文先生於二零零四年九月二十日獲董事會新委任為獨立非執行董事，亦將會退任，彼合資格並願膺選連任。

所有非執行董事之任期均不多於一年。

於即將舉行之股東週年大會獲提議連任之董事均無訂有任何本集團不可於一年內毋須賠償（法定賠償除外）而終止之服務合約。

獨立非執行董事

本公司已收到各獨立非執行董事包括容永祺先生榮譽勳章、何國成先生及王幹文先生根據香港聯合交易所有限公司證券上市規則（「上市規則」）第3.13條就其獨立性而作出的年度確認函，並視有關獨立非執行董事為獨立人士。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (Continued)

In accordance with Bye-law 87 of the Company's Bye-laws, Mrs. Tam Mui Ka Wai, Vivian and Mr. Lee Koon Hung retire and, being eligible, offer themselves for re-election.

Mr. Wong Kon Man, Jason, who was newly appointed by the board of Directors on 20th September, 2004, will also retire from office in accordance with Bye-law 86(2) of the Company's Bye-laws and he will, being eligible, offer himself for re-election.

All non-executive directors have been appointed for a term of no more than one year.

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive directors, namely Mr. Yung Wing Ki, Samuel MH, Mr. Ho Kwok Shing, Harris and Mr. Wong Kon Man, Jason, an annual confirmation of their independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and considers the independent non-executive directors to be independent.

董事會報告書（續） Report of the Directors (Cont'd)

董事擁有之證券權益

於二零零五年三月三十一日，根據證券及期貨條例第352條所述之登記冊所載，或根據上市公司董事進行證券交易之標準守則向本公司及香港聯合交易所有限公司所申報，各董事及彼等之聯繫人士所擁有本公司及各聯繫公司（定義見證券及期貨條例第XV部）之股份及相關股份之權益如下：

DIRECTORS' INTERESTS IN SECURITIES

At 31st March, 2005, the interests of the Directors and their associates in the shares and underlying shares 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 maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors, were as follows:

| 董事姓名 Name of director | 權益性質 Nature of interests | 所持普通股股份數目（好倉） Number of ordinary shares held (long position) | | | | 總額 Total | 佔已發行股本 之百分比 % of issued share capital |
|--------------------------------|--------------------------------|---|-----------------------------|----------------------------|-------------|-------------|--|
| | | 個人權益 Personal interests | 家族權益 Family interests | 其他權益 Other interests | | | |
| 譚偉豪 Tam Wai Ho, Samson | 附註 1 及 2 Notes 1 & 2 | 26,000,000 | – | 537,877,118 | 563,877,118 | 46.85 | |
| 譚偉棠 Tam Wai Tong, Thomas | 附註 1 及 2 Notes 1 & 2 | 29,000,000 | – | 537,877,118 | 566,877,118 | 47.10 | |
| 譚梅嘉慧 Tam Mui Ka Wai, Vivian | 附註 1 Note 1 | 2,300,000 | – | 537,877,118 | 540,177,118 | 44.88 | |
| 大谷和廣 Kazuhiro Otani | | 2,000,000 | – | – | 2,000,000 | 0.17 | |
| 李冠雄 Lee Koon Hung | | 1,676,000 | 550,000 | – | 2,226,000 | 0.18 | |
| 羅志聰 Lo Chi Chung, William | | 3,000,000 | – | – | 3,000,000 | 0.25 | |

董事會報告書（續） Report of the Directors (Cont'd)

董事擁有之證券權益（續）

附註：

1. 此等 537,877,118 股股份均以 Earnmill Holdings Limited 之名義登記，該公司由 The Samson 1992 Trust 及 The Thomas 1992 Trust 按相同比例最終實益擁有。The Samson 1992 Trust 為一項全權代管信託，其全權代管受益人包括譚偉豪先生及配偶譚梅嘉慧女士。The Thomas 1992 Trust 為一項全權代管信託，其全權代管受益人包括譚偉棠先生及配偶譚吳麗婉女士。譚偉豪先生、譚梅嘉慧女士及譚偉棠先生均為 Earnmill Holdings Limited 之董事。
2. 以上包括由譚偉豪先生及譚偉棠先生共同持有的 20,000,000 股股份。

各董事及彼等聯繫人士擁有本公司之優先認股權權益載列於董事會報告書「優先認股權」內。

除上文所披露者外，於二零零五年三月三十一日，各董事或彼等之聯繫人士概無在本公司或各任何聯繫公司（定義見證券及期貨條例）之股份及相關股份中擁有任何權益或淡倉。

DIRECTORS' INTERESTS IN SECURITIES (Continued)

Notes:

1. The 537,877,118 shares are registered in the name of Earnmill Holdings Limited, a company ultimately beneficially owned by The Samson 1992 Trust and The Thomas 1992 Trust in equal shares. The Samson 1992 Trust is a discretionary trust, the discretionary beneficiaries of which include Mr. Tam Wai Ho, Samson and Mrs. Tam Mui Ka Wai, Vivian (spouse of Mr. Tam Wai Ho, Samson). The Thomas 1992 Trust is a discretionary trust, the discretionary beneficiaries of which include Mr. Tam Wai Tong, Thomas and Mrs. Tam Ng Lai Yuen, Jocelyn (spouse of Mr. Tam Wai Tong, Thomas). Mr. Tam Wai Ho, Samson, Mrs. Tam Mui Ka Wai, Vivian and Mr. Tam Wai Tong, Thomas, being Directors, are directors of Earnmill Holdings Limited.
2. Included above is the 20,000,000 shares which are jointly owned by Mr. Tam Wai Ho, Samson and Mr. Tam Wai Tong, Thomas.

The interests of the Directors and their associates in the share options granted by the Company are set out in the section "Share Options" in the Report of the Directors.

Save as disclosed above, at 31st March, 2005, none of the Directors or their associates had any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations as defined in the SFO.

董事會報告書（續） Report of the Directors (Cont'd)

優先認股權

本公司及其附屬公司之優先認股權計劃詳列於本財務報表附註30。

本公司之優先認股權於本年內之變動披露如下：

SHARE OPTIONS

Particulars of the Company's and its subsidiary's share option schemes are set out in note 30.

The following table discloses movements in the Company's share options during the year:

| | 授出日期 Option grant date | 於年度開始時 尚未行使 Outstanding at beginning of the year | 年內授出 Granted during the year | 年內註銷 Cancelled during the year | 年內行使 Exercised during the year | 於年度終結時 尚未行使 Outstanding at end of the year |
|------------------------|------------------------------|--|---------------------------------------|---|---|--|
| 董事 | | | | | | |
| Directors | | | | | | |
| 譚偉豪 | 12.8.2002 | 1,000,000 | — | — | (1,000,000) | — |
| Tam Wai Ho, Samson | 24.3.2003 | 1,000,000 | — | — | (1,000,000) | — |
| | 19.4.2004 | — | 900,000 | — | — | 900,000 |
| 譚偉棠 | 12.8.2002 | 1,000,000 | — | — | (1,000,000) | — |
| Tam Wai Tong, Thomas | 24.3.2003 | 1,000,000 | — | — | (1,000,000) | — |
| | 19.4.2004 | — | 900,000 | — | — | 900,000 |
| 譚梅嘉慧 | 12.8.2002 | 400,000 | — | — | (400,000) | — |
| Tam Mui Ka Wai, Vivian | 24.3.2003 | 400,000 | — | — | (400,000) | — |
| | 19.4.2004 | — | 400,000 | — | — | 400,000 |
| 大谷和廣 | 12.8.2002 | — | — | — | — | — |
| Kazuhiro Otani | 24.3.2003 | 1,000,000 | — | — | (1,000,000) | — |
| | 19.4.2004 | — | 900,000 | — | — | 900,000 |
| 李冠雄 (附註) | 12.8.2002 | — | — | — | — | — |
| Lee Koon Hung (Note) | 24.3.2003 | — | — | — | — | — |
| | 19.4.2004 | — | 1,400,000 | — | — | 1,400,000 |
| 霍定洋 | 12.8.2002 | 400,000 | — | — | — | 400,000 |
| Fok Ting Yeung, James | 24.3.2003 | 400,000 | — | — | — | 400,000 |
| | 19.4.2004 | — | 400,000 | — | — | 400,000 |
| 總數 (董事) | | 6,600,000 | 4,900,000 | — | (5,800,000) | 5,700,000 |
| Total (Directors) | | | | | | |
| 僱員 | 12.8.2002 | 31,000 | — | — | (1,000) | 30,000 |
| Employees | 24.3.2003 | 528,000 | — | — | (392,000) | 136,000 |
| | 19.4.2004 | — | 6,006,000 | (827,000) | — | 5,179,000 |
| 總數 (僱員) | | 559,000 | 6,006,000 | (827,000) | (393,000) | 5,345,000 |
| Total (Employees) | | | | | | |
| 總計 | | 7,159,000 | 10,906,000 | (827,000) | (6,193,000) | 11,045,000 |
| Grand Total | | | | | | |

董事會報告書（續） Report of the Directors (Cont'd)

優先認股權（續）

每類優先認股權的詳情載列如下：

SHARE OPTIONS (Continued)

Details of specific categories of options are as follows:

| 授出日期 Date of grant | 有效期 Vesting period | 行使期 Exercise period | 行使價 Exercise price 港元 HK\$ |
|-----------------------|-----------------------|------------------------|-------------------------------------|
| 12.8.2002 | 12.8.2002 – 16.6.2003 | 17.6.2003 – 16.6.2008 | 0.250 |
| 24.3.2003 | 24.3.2003 – 19.1.2004 | 20.1.2004 – 19.1.2009 | 0.202 |
| 19.4.2004 | 19.4.2004 – 19.1.2005 | 20.1.2005 – 19.1.2010 | 0.950 |

附註：李冠雄先生之配偶為本公司之僱員，並獲授予本公司之優先認股權。於二零零五年三月三十一日，李冠雄先生之配偶的500,000優先認股權已包括在上列李冠雄先生之優先認股權權益內。

Note: The wife of Mr. Lee Koon Hung, who is also an employee of the Company, was granted options of the Company. At 31st March, 2005, 500,000 options of Mrs. Lee were included under the interests in options of Mr. Lee Koon Hung set out above.

本公司股份在緊接優先認股權授出日期（即二零零四年四月十九日）之前的收市價為0.92港元。本公司股份在緊接優先認股權行使日前之加權平均股份收市價為0.79港元。

The closing price of the Company's shares immediately before the date of grant on 19th April, 2004 was HK\$0.92. The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised were HK\$0.79.

於截至二零零五年三月三十一日止授出行使價為0.95港元之優先認股權之公平價值估計為0.234港元。以下乃以柏力克－舒爾斯優先認股權定價模式計算公平價值時所採用之假定：

The fair value of an option on one share of the Company granted during the year ended 31st March, 2005 with exercise price per share of HK\$0.95 is estimated at HK\$0.234. The following significant assumptions were used to derive the fair value, using the Black-Scholes option pricing model:

| | |
|---|--------|
| 預計已授出的優先認股權年限（年） Estimated expected life of options granted (years) | 1.68 |
| 根據過往股價波幅計算之預計波幅 Expected volatility based on historical share price movement | 61.69% |
| 香港外匯基金債券息率 Hong Kong Exchange Fund Notes Rate | 1.60% |
| 根據過去十二個月派發的股息預計每年股息收益率 Expected annual dividend yield based on dividend payments in the last 12 months | 3.80% |
| 被收回之優先認股權之調整 Risk-of-forfeiture adjustment | 5.47% |

董事會報告書（續） Report of the Directors (Cont'd)

優先認股權（續）

柏力克－舒爾斯優先認股權定價模式要求採用之假定，包括股價波動及股息回報率。由於此假定在變動時可以對公平價值之估算構成重大影響，故董事會認為優先認股權實際價值或會與優先認股權公平價值不同。

董事購入股份或債券之權利

除上文所披露者外，本公司或各任何附屬公司或同集團附屬公司於本年內任何時間概無作出任何安排，致令本公司董事可藉購入本公司或其他法人團體之股份或債券而獲益。

董事於合約之重大權益

於是年內，本集團向精輝企業有限公司採購電子零部件數額約8,000,000港元，譚偉棠先生在該公司擁有實益權益。

於上述交易中並沒佔有權益之董事認為，此等交易乃按本集團之一般商業條款及日常業務進行。

除上述外，本公司各董事於本公司或各任何附屬公司或同集團附屬公司於本年度結束日期或本年度內任何時間訂立之重要合約中概無直接或間接擁有重大權益。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於是年內並無購買、出售或贖回本公司之上市證券。

SHARE OPTIONS (Continued)

The Black-Scholes option pricing model requires the input of assumptions, including the volatility of share price and dividend yield. Because changes in assumptions can materially affect the fair value estimated, in the directors' opinion, the actual value of the options may differ from the estimated fair value of the options due to limitations of the existing model.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed above, at no time during the year was the Company or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

During the year, the Group purchased electronic components amounting to approximately HK\$8,000,000 from Genfield Enterprises Limited, a company in which Mr. Tam Wai Tong, Thomas, has beneficial interests.

In the opinion of the independent non-executive directors who do not have any interest in the above transactions, the transactions were carried out on normal commercial terms and in the ordinary and usual course of business of the Group.

Other than as disclosed above, no contracts of significance to which the Company or any of its subsidiaries, or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the year ended 31st March, 2005.

董事會報告書（續） Report of the Directors (Cont'd)

關連交易

本年度須披露之關連交易詳情已載列於本財務報表附註40。於上述交易中並沒佔有權益之董事認為，此等交易乃按本集團之一般商業條款及日常業務進行。

主要股東

按遵照證券及期貨條例第336條而設立之主要股東名冊所載，於二零零五年三月三十一日，除上文披露有關若干董事之權益外，下列股東曾知會本公司擁有本公司已發行股本中的權益和淡倉：

CONNECTED TRANSACTIONS

Details of the discloseable connected transactions for the year are set out in note 40 to the financial statements. In the opinion of those independent non-executive directors not having any interest in the above transactions, the above transactions were carried out on normal commercial terms and in the ordinary and usual course of business of the Group.

SUBSTANTIAL SHAREHOLDERS

At 31st March, 2005, the register of substantial shareholders kept by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests and short positions in the issued capital of the Company:

| 股東名稱 Name of shareholder | 所持普通股股份數目（好倉） Number of ordinary shares held (long position) | 佔已發行股本之百分比 % of issued share capital |
|------------------------------------|---|--|
| Earnmill Holdings Limited | 537,877,118 (附註1) (Note 1) | 44.69 |
| 惠理基金管理公司 Value Partners Limited | 84,374,000 (附註2) (Note 2) | 7.01 |
| 謝清海 Cheah Cheng Hye | 84,374,000 (附註2) (Note 2) | 7.01 |

附註：

- 該等股權與上文「董事擁有之證券權益」所披露者相同。
- 惠理基金管理公司作為投資經理，現時擁有84,374,000股股份。謝清海先生透過在惠理基金管理公司31.82%之權益而被視作擁有該等股份權益。

Notes:

- The shareholding is also included in the "Directors' Interests in Securities" disclosed above.
- Value Partners Limited is holding the 84,374,000 shares as an investment manager. Mr. Cheah Cheng Hye is deemed to be interested in such shares through his 31.82% interest in Value Partners Limited.

除上文所披露者外，於二零零五年三月三十一日，概無任何人士曾知會本公司擁有根據證券及期貨條例須向本公司披露的股份或相關股份之權益或淡倉。

Save as disclosed above, at 31st March, 2005, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the SFO.

董事會報告書（續） Report of the Directors (Cont'd)

優先購買權

本公司之公司細則或百慕達法例並無載有任何優先購買權之規定，要求本公司按比例向現有股東配售新股。

公眾持股量

根據本公司以公開途徑取得的資料及據本公司董事所知，於本報告書日期，本公司一直維持上市規則所訂明的公眾持股量。

最佳應用守則

董事會認為，本公司於截至二零零五年三月三十一日止年度內一直遵守上市規則附錄14所載之最佳應用守則。

董事進行證券交易 之標準守則

本公司已採納上市規則附錄10所載有關董事進行證券交易之標準守則（「標準守則」），以不遜於標準守則之條款，作為其有關董事進行證券交易之行為守則。經向所有董事作出特定查詢後，董事概不知悉於期內之任何時間本公司沒有遵守標準守則之要求及其有關董事進行證券交易之行為守則。

審核委員會

審核委員會成員包括獨立非執行董事容永祺先生榮譽勳章（主席）、何國成先生、王幹文先生及非執行董事羅志聰先生。

於是年內，審核委員會已舉行過四次會議，出席率達93.75%，檢討本集團所採納的會計原則及政策，內部監控系統及財務匯報事宜，其中包括經審核之財務報表。

PRE-EMPTIVE RIGHTS

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

PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Company's directors.

CODE OF BEST PRACTICE

The Directors are of the opinion that throughout the year ended 31st March, 2005, the Company has complied with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules which came in force prior to 1st January, 2005.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the "Model Code") set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors on terms no less exactly than the required standard set out in the Model Code. Having made specific enquiry of the Directors, none of the Directors has not complied with, for any part of the accounting period under review, the required standard set out in the Model Code and its code of conduct regarding director's securities transactions.

AUDIT COMMITTEE

The audit committee comprises independent non-executive directors, Mr. Yung Wing Ki, Samuel MH (Chairman), Mr. Ho Kwok Shing, Harris, and Mr. Wong Kon Man, Jason and a non-executive director, Mr. Lo Chi Chung, William.

During the year, the audit committee has held four meetings with 93.75% attendance to review the accounting principles and practices adopted by the Group and discuss internal control and financial reporting matters including the review of the audited financial statements.

董事會報告書（續） Report of the Directors (Cont'd)

結算日後事項

結算日後事項之詳情載列於本財務報表附註39。

核數師

續聘德勤•關黃陳方會計師行為核數師之決議案將於本公司之股東週年大會上提呈。

POST BALANCE SHEET EVENT

Details of significant event occurring after the balance sheet date are set out in note 39 to the financial statements.

AUDITORS

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

承董事會命
主席
譚偉豪

香港
二零零五年七月十四日

On behalf of the Board
Tam Wai Ho, Samson
Chairman

Hong Kong
14th July, 2005

核數師報告書 Report of the Auditors

Deloitte. 德勤

致權智（國際）有限公司各股東
(在百慕達註冊成立之有限公司)

本核數師已完成審核載於第44至105頁按照香港普遍採納之會計原則編製之財務報表。

董事及核數師之個別責任

貴公司之董事須負責編製真實與公平之財務報表。在編製該等提供真實與公平意見之財務報表時，董事必須貫徹採用合適之會計政策。

本行的責任是根據本行審核工作的結果，對該等財務報表發表獨立的意見，並根據百慕達公司法第90條向閣下作出報告，而本報告不得用於其他用途。本行不會就本報告的內容向其他人士承擔任何責任或義務。

意見基礎

本行是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製該等財務報表時所作之重大估計及判斷，所釐定之會計政策是否適合貴公司及貴集團之具體情況、及是否貫徹應用並足夠地披露該等會計政策。

TO THE SHAREHOLDERS OF
GROUP SENSE (INTERNATIONAL) LIMITED
(incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 44 to 105 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, in accordance with Section 90 of the Bermuda Companies Act, 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 Institute of Certified Public Accountants. An audit includes 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

核數師報告書（續） Report of the Auditors (Cont'd)

意見基礎（續）

本行在策劃及進行審核工作時，均以取得一切本行認為必須之資料及解釋為目標，使本行能獲得充份憑證，就該等財務報表是否存有重要錯誤陳述，作出合理之確定。在表達意見時，本行亦已衡量該等財務報表所載之資料在整體上是否足夠。本行相信，本行之審核工作已為下列意見建立了合理基礎。

意見

本行認為上述之財務報表均真實與公平地反映貴公司及貴集團於二零零五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及現金流量，並按香港公司條例之披露要求而妥善編製。

德勤•關黃陳方會計師行
執業會計師

香港
二零零五年七月十四日

BASIS OF OPINION (Continued)

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 the Group as at 31st March, 2005 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.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
14th July, 2005

綜合損益表

Consolidated Income Statement

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

| | | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|--|---|-------|----------------------------------|----------------------------------|
| 營業額 | Turnover | 4 | 1,309,630 | 1,355,648 |
| 銷售成本 | Cost of sales | | (998,786) | (1,019,446) |
| 毛利 | Gross profit | | 310,844 | 336,202 |
| 其他經營收入 | Other operating income | 5 | 13,396 | 14,690 |
| 研究及開發支出 | Research and development expenses | | (75,517) | (68,014) |
| 分銷及銷售支出 | Distribution and selling expenses | | (83,709) | (86,132) |
| 行政支出 | Administrative expenses | | (95,995) | (93,973) |
| 經營溢利 | Profit from operations | 6 | 69,019 | 102,773 |
| 融資成本 | Finance costs | 7 | (1,500) | (2,474) |
| 出售一附屬公司之虧損 | Loss on disposal of a subsidiary | 8 | (4,758) | - |
| 應佔聯營公司業績 | Share of results of associates | | - | (2,403) |
| 可兌換及可贖回優先股 予一附屬公司之 少數股東之 回購溢利 | Gain on repurchase of convertible redeemable preferred shares issued to minority shareholders of a subsidiary | 31(b) | - | 46,900 |
| 可兌換及可贖回優先股 予一附屬公司之 少數股東之 溢利回 | Reversal of premium on convertible redeemable preferred shares issued to minority shareholders of a subsidiary | 31(b) | - | 15,015 |
| 稅前溢利 | Profit before tax | | 62,761 | 159,811 |
| 所得稅撥回 | Income tax credit | 11 | 226 | 1,698 |
| 少數股東權益前溢利 | Profit before minority interests | | 62,987 | 161,509 |
| 少數股東權益 | Minority interests | | (829) | 575 |
| 本年度溢利 | Profit for the year | | 62,158 | 162,084 |
| 股息 | Dividends | 12 | 48,098 | 41,919 |
| 每股溢利 | Earnings per share | 13 | | |
| 基本(港仙) | Basic (HK cents) | | 5.2 | 13.6 |
| 攤薄(港仙) | Diluted (HK cents) | | 5.2 | 13.5 |

綜合資產負債表

Consolidated Balance Sheet

於二零零五年三月三十一日 At 31st March, 2005

| | | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|------------------|--|----|----------------------------------|----------------------------------|
| | 附註 Notes | | | |
| 非流動資產 | Non-current assets | | | |
| 物業、廠房及設備 | Property, plant and equipment | 14 | 179,109 | 186,577 |
| 無形資產 | Intangible assets | 15 | 17,689 | 27,960 |
| 聯營公司權益 | Interests in associates | 17 | – | – |
| 證券投資 | Investments in securities | 18 | 37,984 | 36,652 |
| 其他應收賬款 | Other receivables | 19 | 3,750 | 5,000 |
| 其他資產 | Other asset | 20 | – | – |
| 遞延稅項資產 | Deferred tax assets | 27 | 10,085 | 10,015 |
| | | | 248,617 | 266,204 |
| 流動資產 | Current assets | | | |
| 存貨 | Inventories | 21 | 189,156 | 159,853 |
| 應收貿易賬款 | Trade receivables | 22 | 85,958 | 186,540 |
| 其他應收賬款 | Other receivables | 19 | 49,331 | 51,460 |
| 應收聯營公司賬款 | Amounts due from associates | | 6,183 | 5,739 |
| 可收回稅項 | Tax recoverable | | 72 | 122 |
| 證券投資 | Investments in securities | 18 | 8,986 | – |
| 銀行存款 | Bank deposits | | 56,784 | 60,304 |
| 銀行結餘及現金 | Bank balances and cash | | 225,616 | 182,360 |
| | | | 622,086 | 646,378 |
| 流動負債 | Current liabilities | | | |
| 應付貿易賬款 | Trade payables | 23 | 168,453 | 164,632 |
| 其他應付賬款 | Other payables | | 59,170 | 69,486 |
| 產品保證撥備 | Product warranty provision | 24 | 500 | 500 |
| 銀行借貸 | Bank borrowings | | | |
| – 於一年內到期 | – due within one year | 25 | 26,654 | 63,056 |
| 財務租約債務 | Obligations under finance leases | | | |
| – 於一年內到期 | – due within one year | 26 | – | 29 |
| | | | 254,777 | 297,703 |
| 流動資產淨值 | Net current assets | | 367,309 | 348,675 |
| 資產總值減流動負債 | Total assets less current liabilities | | 615,926 | 614,879 |

綜合資產負債表 (續)

Consolidated Balance Sheet (Cont'd)

於二零零五年三月三十一日 At 31st March, 2005

| | | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|------------------|---|-------------|----------------------------------|----------------------------------|
| | | 附註 Notes | | |
| 資本及儲備 | Capital and reserves | | | |
| 股本 | Share capital | 28 | 120,366 | 119,746 |
| 儲備 | Reserves | | 484,656 | 469,114 |
| 股東資金 | Shareholders' funds | | 605,022 | 588,860 |
| 少數股東權益 | Minority interests | | 829 | – |
| 非流動負債 | Non-current liabilities | | | |
| 銀行借貸－於一年後到期 | Bank borrowings – due after one year | 25 | 9,988 | 25,755 |
| 遞延稅項負債 | Deferred tax liabilities | 27 | 87 | 264 |
| | | | 10,075 | 26,019 |
| 總權益及非流動負債 | Total equity and non-current liabilities | | 615,926 | 614,879 |

載於第44至105頁之財務報表已於二零零五年七月十四日獲董事會核准，並由下列董事代表董事會簽署：

The financial statements on pages 44 to 105 were approved and authorised for issue by the Board of Directors on 14th July, 2005 and are signed on its behalf by:

譚偉豪
Tam Wai Ho, Samson
董事
DIRECTOR

譚偉棠
Tam Wai Tong, Thomas
董事
DIRECTOR

公司資產負債表

Company Balance Sheet

於二零零五年三月三十一日 At 31st March, 2005

| | | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|------------------|--|----|----------------------------------|----------------------------------|
| 非流動資產 | Non-current assets | | | |
| 於附屬公司投資 | Investments in subsidiaries | 16 | – | 30,161 |
| 流動資產 | Current assets | | | |
| 其他應收賬款 | Other receivables | | 40 | 20 |
| 應收附屬公司賬款 | Amounts due from subsidiaries | | 592,353 | 555,385 |
| 應收本集團之 聯營公司賬款 | Amount due from an associate of the Group | | 12 | 12 |
| 銀行結餘及現金 | Bank balances and cash | | 2,976 | 1,501 |
| | | | 595,381 | 556,918 |
| 流動負債 | Current liabilities | | | |
| 其他應付賬款 | Other payables | | 448 | 1,330 |
| 流動資產淨值 | Net current assets | | 594,933 | 555,588 |
| 資產淨值 | Net assets | | 594,933 | 585,749 |
| 資本及儲備 | Capital and reserves | | | |
| 股本 | Share capital | 28 | 120,366 | 119,746 |
| 儲備 | Reserves | 29 | 474,567 | 466,003 |
| 股東資金 | Shareholders' funds | | 594,933 | 585,749 |

譚偉豪
Tam Wai Ho, Samson
董事
DIRECTOR

譚偉棠
Tam Wai Tong, Thomas
董事
DIRECTOR

綜合股本變動表

Consolidated Statement of Changes in Equity

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

| | | 股本 | 股份溢價 | 資本 贖回儲備 | 特殊儲備 | 商譽儲備 | 滙兌儲備 | 累積溢利 (虧損) | 總額 |
|--------------------------------|--|------------------|------------------|----------------------------------|--------------------|---------------------|------------------------|-----------------------------------|-----------------|
| | | Share capital | Share premium | Capital redemption reserve | Special reserve | Goodwill reserve | Translation reserve | Accumulated profit (losses) | Total |
| | | 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 |
| 本集團 | THE GROUP | | | | | | | | |
| 二零零三年四月一日 | At 1st April, 2003 | 118,450 | 409,843 | 285 | (60,819) | (15,550) | 1,356 | (5,337) | 448,228 |
| 未於損益表確認之換算 海外業務滙兌差異 | Exchange difference on translation of overseas operations not recognised in the income statement | - | - | - | - | - | (573) | - | (573) |
| 回購及註銷股份 | Shares repurchased and cancelled | (134) | (349) | 134 | - | - | - | - | (349) |
| 回購股份支出 | Share repurchase expenses | - | (5) | - | - | - | - | - | (5) |
| 發行股份 | Issue of shares | 1,430 | 1,826 | - | - | - | - | - | 3,256 |
| 本年度溢利 | Profit for the year | - | - | - | - | - | - | 162,084 | 162,084 |
| 已派股息 | Dividends paid | - | - | - | - | - | - | (23,781) | (23,781) |
| 於二零零四年三月 三十一日及 二零零四年四月一日 | At 31st March, 2004 and 1st April, 2004 | 119,746 | 411,315 | 419 | (60,819) | (15,550) | 783 | 132,966 | 588,860 |
| 未於損益表確認之換算 海外業務滙兌差異 | Exchange difference on translation of overseas operations not recognised in the income statement | - | - | - | - | - | (88) | - | (88) |
| 發行股本 | Issue of shares | 620 | 747 | - | - | - | - | - | 1,367 |
| 出售一附屬公司變現 | Realised on disposal of a subsidiary | - | - | - | - | - | 679 | - | 679 |
| 本年度溢利 | Profit for the year | - | - | - | - | - | - | 62,158 | 62,158 |
| 已派股息 | Dividends paid | - | - | - | - | - | - | (47,954) | (47,954) |
| 於二零零五年三月 三十一日 | At 31st March, 2005 | 120,366 | 412,062 | 419 | (60,819) | (15,550) | 1,374 | 147,170 | 605,022 |

綜合股本變動表（續）

Consolidated Statement of Changes in Equity (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

上表所列包括以下本集團所攤佔之聯營公司收購後累計虧損：

Included in the above is the Group's share of post acquisition accumulated losses of the associates as follows:

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------|--------------------------------|----------------------------------|----------------------------------|
| 於四月一日 | At 1st April | (22,381) | (19,978) |
| 攤佔聯營公司業績 | Share of results of associates | - | (2,403) |
| 於三月三十一日 | At 31st March | (22,381) | (22,381) |

特殊儲備指所收購之附屬公司之股份面值與本公司於本公司股份在一九九三年上市前集團改組時就收購事項而發行之股份面值之差額。

The special reserve represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993.

綜合現金流動表

Consolidated Cash Flow Statement

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

| | 附註 Note | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|-----------------------------------|------------|----------------------------------|----------------------------------|
| 經營業務 | | | |
| 經營溢利 | | 69,019 | 102,773 |
| 調整： | | | |
| 折舊 | | 29,479 | 32,833 |
| 呆貨撥備 | | 14,831 | 24,381 |
| 無形資產攤銷 | | 5,526 | 5,950 |
| 呆壞賬撥備 | | 6,908 | 3,321 |
| 開發成本減值 | | 1,195 | 7,249 |
| 出售物業、廠房 及設備虧損 | | 502 | 32 |
| 利息收入 | | (1,326) | (1,171) |
| 證券投資減值虧損 | | - | 2,425 |
| 營業資金變動前 之經營現金流動 | | 126,134 | 177,793 |
| 存貨增加 | | (47,610) | (45,586) |
| 應收貿易賬款減少(增加) | | 65,441 | (106,974) |
| 其他應收賬款增加 | | (7,411) | (2,821) |
| 應收聯營公司賬款 (增加)減少 | | (444) | 14,270 |
| 應付貿易賬款增加 | | 29,708 | 65,267 |
| 其他應付賬款(減少)增加 | | (6,167) | 10,658 |
| 應付聯營公司賬款減少 | | - | (877) |
| 經營業務所產生之現金 繳付中國所得稅/ 香港利得稅 | | 159,651 | 111,730 |
| 退回香港利得稅 | | (21) | (2,317) |
| | | 50 | 207 |
| 經營業務所產生 之淨現金 | | 159,680 | 109,620 |
| 投資業務 | | | |
| 購入物業、廠房及設備 | | (24,309) | (20,741) |
| 證券投資增加 | | (10,318) | - |
| 無形資產增加 | | (6,140) | (10,443) |
| 出售一附屬公司之所得款項 (以淨現金及現金 等值出售) | 32 | 10,511 | - |
| 其他應收賬款減少 | | 8,750 | 7,500 |
| 銀行存款減少 | | 3,520 | 23,854 |
| 利息收入 | | 1,326 | 1,171 |
| 出售物業、廠房及設備 之所得款項 | | 521 | - |
| 投資業務所(已用)產生 之淨現金 | | (16,139) | 1,341 |

綜合現金流動表（續）

Consolidated Cash Flow Statement (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|-------------------|--|----------------------------------|----------------------------------|
| 融資業務 | Financing activities | | |
| 已派股息 | Dividend paid | (47,954) | (23,781) |
| (減少)增加償還信貸 | (Decrease) increase in trust | | |
| 收據借款 | receipt loans | (32,832) | 17,277 |
| 償還銀行貸款 | Repayment of bank loans | (19,337) | (5,052) |
| 利息支出 | Interest paid | (1,500) | (2,474) |
| 償還財務租約債務 | Repayment of obligations under | | |
| | finance leases | (29) | (831) |
| 發行股本 | Issue of share capital | 1,367 | 3,256 |
| 回購可兌換及可贖回優先股 | Repurchase of convertible redeemable | | |
| 予一附屬公司之少數股東 | preferred shares issued to minority | - | (35,000) |
| | shareholders of a subsidiary | | |
| 公司普通股股份回購 | Repurchase of ordinary shares | - | (349) |
| | of the Company | | |
| 回購股份支出 | Share repurchase expenses | - | (5) |
| 新增銀行貸款 | New bank loans obtained | - | 25,000 |
| 融資業務已用之淨現金 | Net cash used in financing activities | (100,285) | (21,959) |
| 現金及現金等值項目 | Net increase in cash and | | |
| 之淨增加 | cash equivalents | 43,256 | 89,002 |
| 年初之現金及 | Cash and cash equivalents at | | |
| 現金等值項目 | the beginning of the year | 182,360 | 93,354 |
| 外幣匯率變更調整 | Effect of foreign exchange rate changes | - | 4 |
| 年終之現金及現金等值 | Cash and cash equivalents at | | |
| 項目分析： | the end of the year, represented by: | | |
| 銀行結餘及現金 | Bank balances and cash | 225,616 | 182,360 |

財務報表附註

Notes to the Financial Statements

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

1. 簡介

本公司在百慕達註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司為投資控股公司。各附屬公司及聯營公司之主要業務為設計、製造及銷售各種掌上電子產品，包括電子辭典、手提電話及個人數碼助理，及原件設計生產產品。

2. 最新頒發之會計準則的潛在影響

於二零零四年期間，香港會計師公會「香港會計師公會」已頒佈若干新訂及經修訂之香港會計準則「香港會計準則」及香港財務報告準則「新訂香港財務報告準則」（在此統稱為「新香港財務報告準則」），除香港財務報告準則第3號商業合併外，於二零零五年一月一日或之後開始之會計期間有效。本集團並無提前於截至二零零五年三月三十一日止年度之賬目中採納該等新香港財務報告準則。

香港財務報告準則第3號適用於商業合併其合約日期為二零零五年一月一日或以後，本集團並無商業合併其合約日期為二零零五年一月一日或以後，所以香港財務報告準則第3號對本集團二零零五年三月三十一日止年度沒有影響。

本集團已開始評估該等新香港財務報告準則之潛在影響，惟未能確定該等新香港財務報告準則會否對其所編製及呈交之經營業績及財政狀況產生重大影響。此等新香港財務報告準則將可能會影響日後所編製及呈交之經營業績及財政狀況之方法有所變動。

1. GENERAL

The Company is an exempted company incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company. The principal activities of its subsidiaries and associates are design, manufacture and sale of a range of electronic handheld products, primarily electronic dictionaries, mobile phones and personal digital assistants, and manufacture of original design manufacturing (“ODM”) products.

2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) issued a number of new or revised Hong Kong Accounting Standards (“HKASs”) and Hong Kong Financial Reporting Standards (“HKFRSs”) (hereinafter collectively referred to as “new HKFRSs”) which are effective for accounting periods beginning on or after 1st January, 2005 except for HKFRS 3 Business Combinations. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st March, 2005.

HKFRS 3 is applicable to business combinations for which the agreement date is on or after 1st January, 2005. The Group has not entered into any business combination for which the agreement date is on or after 1st January, 2005. Therefore HKFRS 3 did not have any impact on the Group for the year ended 31st March, 2005.

The Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要

編製本財務報表乃根據原始成本慣例，並對部份證券價值作出重估。

編製本財務報表所採用之主要會計政策，與香港一般會計原則相符，詳列如下：

綜合基準

綜合財務報表包括本公司及其附屬公司截至每年三月三十一日止之財務報表。

綜合損益表已包括本年度內收購日期開始或截至出售日期本集團收購或出售之附屬公司及聯營公司之業績。

所有集團內部之重大交易及結餘均於編製綜合賬時沖銷。

商譽

於綜合帳目時產生的商譽指收購成本超出本集團於收購當日於附屬公司或聯營公司可辨認資產及負債之公平價值中所佔權益之部份。

於二零零一年四月一日後因收購產生之商譽將資本化並以直線法根據其可用經營年期攤銷。收購聯營公司產生之商譽包括在聯營公司之賬面金額內。收購附屬公司產生之商譽則於資產負債表中獨立列示。

於二零零一年四月一日前仍反映於儲備內因收購而產生之商譽，將會於出售相關附屬公司或聯營公司，或確定該商譽已減值時，於損益表內扣除。

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for revaluation of certain investments in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st March each year.

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

All significant inter-company transactions and balances amongst group enterprises are eliminated on consolidation.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition.

Goodwill arising on acquisition after 1st April, 2001 is capitalised and amortised on a straight-line basis over its useful economic life. Goodwill arising on the acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

Goodwill arising on acquisition prior to 1st April, 2001 continues to be held in reserves, and will be charged to the income statement at the time of disposal of the relevant subsidiary or associate, or at such time as the goodwill is determined to be impaired.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要（續）

營業額

營業額代表本集團向外界客戶銷售貨品（減去退貨及銷售稅）及提供服務之已收取及應收取之淨額款項。

收入確認

銷售收入於貨品付運及擁有權轉移後，便確認入賬。

服務收入於服務提供後，便確認入賬。

股息收入於股東應收之權利確認後，便確認入賬。

銀行存款之利息收入以本金結餘按時間比例配以適用的利率計算。

物業、廠房及設備

物業、廠房及設備按成本值減累積折舊、攤銷及累計減值虧損列賬。

物業、廠房及設備之折舊及攤銷乃按其估計可用年期採用直線法以下列年率撇銷其成本或估值以計算折舊：

| | |
|---|-----------|
| 租賃物業 Leasehold properties | 2% |
| 物業裝修 Leasehold improvements | 25% |
| 傢具、裝置及設備 Furniture, fixtures and equipment | 25% |
| 廠房及機器 Plant and machinery | 15% – 25% |
| 工具及工模 Toolings and moulds | 50% |
| 汽車 Motor vehicles | 25% |

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Turnover

Turnover represents the amounts received and receivable for goods sold, net of returns and sales taxes, and services rendered by the Group to outside customers.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Service income is recognised when services are provided.

Dividend income is recognised when the Group's rights to receive payment have been established.

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

Property, plant and equipment

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

Depreciation and amortisation are provided to write off the cost of property, plant and equipment, over their estimated useful lives, using the straight-line method, at the following rates per annum:

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要（續）

物業、廠房及設備（續）

因出售或撤換資產而產生之收益或虧損乃按該資產之出售收入與賬面價值之差額計算，並確認於損益表中。

按租購合約持有之資產乃根據其預計可用年期，以自置資產之相同基準計算折舊。

減值

於各結算日，本集團均會審閱有形及無形資產之賬面值，以釐定是否有跡象顯示該等資產會有減值虧損。倘估計資產之可收回金額低於賬面值，則會將資產賬面值降至可收回金額。減值虧損隨即確認為開支。

倘其後減值虧損逆轉，則會將資產之賬面值計入經修訂之估計可收回金額，惟已增加之賬面值不得超過假設資產於以前年度並無減值虧損而釐定之賬面值。減值虧損逆轉隨即確認為收入。

附屬公司投資

於附屬公司之投資按成本減該附屬公司之確認減值虧損。

聯營公司權益

綜合損益表包括本集團分佔本年度聯營公司於收購後之業績。於綜合資產負債表內，於聯營公司之權益乃以本集團分佔聯營公司之資產淨值呈列。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or where shorter, the terms of the relevant leases.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost, as reduced by any identified impairment losses.

Interests in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要（續）

證券投資

證券投資按照交易日期確認入賬，並且初時按成本入賬。

非持有至到期債券的投資分類為投資證券及其他投資。

投資證券是根據確定的長期策略所持有的證券，在較後的記錄日期按成本扣減任何確認的減值虧損計算。

其他投資以公允價值計算，其未實現損益則於本年度損益表內列賬。

其他資產

其他資產按成本扣除已確認減值虧損列賬。

存貨

存貨乃按成本及可變現淨值兩者中較低者列帳。成本乃以加權平均數方法計算。

土地使用權

土地使用權乃按有關權利之期限攤銷。

研究和開發成本

研究和開發費用於支銷之年內列入損益表，因開發支出產生的無形資產確認，只適用於該開發成本將透過未來之商業活動得以收回，該等開發成本將遞延並由該項計劃之商業活動開始日起於該計劃之年期內平均註銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in securities

Investments in securities are recognised on a trade-date basis and are initially measured at cost.

Investments other than held-to-maturity debt securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the year.

Other asset

Other asset is stated at cost as reduced by any identified impairment losses.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Land use rights

Land use rights are amortised over the terms of the relevant rights.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life.

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要（續）

研究和開發成本（續）

開發費用應在該費用產生時確認為支出，並不可當作為無形資產。

稅項

所得稅開支指即期應付稅項及遞延稅項。

現時應付稅項乃按年內之應課稅溢利為基準計算。由於應課稅溢利不包括已撥往其他年度應課稅收入或可扣減開支項目，亦不包括可作免稅或不可作稅項扣減之開支，故應課稅溢利與於利潤表所報之溢利淨額有所不同。

遞延稅項指預期應付或可收回賬項中資產及負債賬面值與用作計算應課稅溢利之相應稅基之間之差額，並按資產負債法計算。遞延稅項負債一般就所有應課稅暫時差異確認，而遞延稅項資產則於暫時差異有可能抵銷應課稅溢利時確認。倘暫時差異因商譽（或負商譽）或初次確認一項不影響應課稅溢利或會計溢利之交易中之其他資產及負債（商業合併除外）而產生，該等資產及負債不會予以確認。

遞延稅項負債乃就投資於附屬公司、聯營公司及合營企業產生應課稅暫時差異時確認，惟本集團可控制暫時差異之撥回及暫時差異將不可於可見將來撥回時除外。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Research and development costs (Continued)

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要（續）

稅項（續）

遞延稅項資產之賬面值於各個結算日進行檢討，並予以相應扣減，直至再無足夠之應課稅溢利將可供全部或部份遞延稅項資產可予應用為止。

遞延稅項乃按預期於負債獲清償或資產獲變現之期間之適用稅率計算。遞延稅項乃於利潤表中扣除或計入，惟遞延稅項倘直接從權益中扣除或計入權益之項目，則遞延稅項亦於權益中處理。

按財務租約持有之資產

凡租約條款規定將資產擁有權之所有風險及利益大部份轉移至集團均被分類為財務租約。按財務租約持有之資產於購買之日期以其公平價值資本化，對租借者之負債減利息費用已包含於資產負債表上之財務租約債務內。財務費用為分期付款總額與該資產於購買時之公平價值之差額，於有關合約之年期按固定週期性撤銷率於每個會計年期內於損益表內入賬。

經營租約

經營租約應付之租金以直線法按租約年期列入損益表。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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 asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Assets held under finance leases

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

Operating leases

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the relevant lease terms.

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

3. 主要會計政策概要（續）

外幣

以外幣計算之交易均按交易日期之滙率或合同議定之結算滙率換算。以外幣為單位之貨幣資產及負債均按結算日之滙率重新換算。因滙兌而產生之溢利及虧損撥入損益表處理。

於編製綜合賬時，以外幣結算之海外經營公司之資產及負債均以結算日之滙率換算港幣。收入及支出項目均以平均滙率換算。滙兌差額作為股本並且撥入儲備中處理。

退休福利計劃

強制性公積金計劃及退休福利費用支出乃本年度應付予本集團指定供款計劃之供款。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions or at the contracted settlement rate. Monetary assets and liabilities denominated in such currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at the rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or expenses in the period in which the operation is disposed of.

Retirement benefits scheme

Payments to defined contribution retirement benefits plans, such as the Mandatory Provident Fund Scheme and state-managed retirement benefits scheme etc are charged as expenses as they fall due.

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

4. 業務及地區市場分類

業務分類

就管理而言，本集團現正從事設計、製造及銷售各種掌上電子產品及原件設計生產之產品，並按照不同類型產品業務呈現分類資料。此等類別為本集團呈報其分類資料之基準。

有關該業務分類資料如下：

二零零五年

| | | 掌上電子 產品 Electronic handheld products 千港元 HK\$'000 | 原件設計 生產產品 ODM products 千港元 HK\$'000 | 綜合總額 Consolidated 千港元 HK\$'000 |
|----------------|-------------------------------------|---|--|---|
| 損益表 | INCOME STATEMENT | | | |
| 營業額 | TURNOVER | 659,195 | 650,435 | 1,309,630 |
| 業績 | RESULT | | | |
| 分類業績 | Segment result | 42,688 | 26,331 | 69,019 |
| 經營溢利 | Profit from operations | | | 69,019 |
| 融資成本 | Finance costs | | | (1,500) |
| 出售一附屬公司 之虧損 | Loss on disposal of a subsidiary | | | (4,758) |
| 稅前溢利 | Profit before tax | | | 62,761 |
| 所得稅撥回 | Income tax credit | | | 226 |
| 少數股東權益 前溢利 | Profit before minority interests | | | 62,987 |

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is engaged in design, manufacture and sale of a range of electronic handheld products and ODM products. The segmental information is disclosed in accordance with different types of operations. These operations are the basis on which the Group reports its primary segment information.

Segmental information about these businesses is presented below:

2005

| | 掌上電子 產品 Electronic handheld products 千港元 HK\$'000 | 原件設計 生產產品 ODM products 千港元 HK\$'000 | 綜合總額 Consolidated 千港元 HK\$'000 |
|----------------|---|--|---|
| 營業額 | 659,195 | 650,435 | 1,309,630 |
| 業績 | | | |
| 分類業績 | 42,688 | 26,331 | 69,019 |
| 經營溢利 | | | 69,019 |
| 融資成本 | | | (1,500) |
| 出售一附屬公司 之虧損 | | | (4,758) |
| 稅前溢利 | | | 62,761 |
| 所得稅撥回 | | | 226 |
| 少數股東權益 前溢利 | | | 62,987 |

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

4. 業務及地區市場分類(續)

業務分類(續)

二零零五年

4. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

2005

| | | 掌上電子 產品 Electronic handheld products 千港元 HK\$'000 | 原件設計 生產產品 ODM products 千港元 HK\$'000 | 綜合總額 Consolidated 千港元 HK\$'000 |
|------------------|---|---|--|---|
| 資產負債表 | BALANCE SHEET | | | |
| 資產 | ASSETS | | | |
| 分類資產 | Segment assets | 450,353 | 351,665 | 802,018 |
| 遞延稅項資產 | Deferred tax assets | | | 10,085 |
| 可回收稅項 | Tax recoverable | | | 72 |
| 未分配企業資產 | Unallocated corporate assets | | | 58,528 |
| 綜合總資產 | Consolidated total assets | | | 870,703 |
| 負債 | LIABILITIES | | | |
| 分類負債 | Segment liabilities | 110,941 | 116,734 | 227,675 |
| 遞延稅項負債 | Deferred tax liabilities | | | 87 |
| 未分配企業負債 | Unallocated corporate liabilities | | | 37,090 |
| 綜合總負債 | Consolidated total liabilities | | | 264,852 |
| 其他資料 | OTHER INFORMATION | | | |
| 資本增加 | Capital additions | 17,665 | 12,784 | 30,449 |
| 折舊及攤銷 | Depreciation and amortisation | 20,691 | 14,314 | 35,005 |
| 開發成本 | Impairment loss on development costs | 1,195 | - | 1,195 |
| 減值虧損 | | | | |
| 出售物業、 廠房及設備虧損 | Loss on disposal of property, plant and equipment | 502 | - | 502 |
| 呆貨撥備 | Allowance for slow-moving inventories | 14,831 | - | 14,831 |
| 呆壞賬撥備 | Allowance for doubtful receivables | 6,908 | - | 6,908 |

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

4. 業務及地區市場分類(續)

業務分類(續)

二零零四年

4. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

2004

| | | 掌上電子 產品 Electronic handheld products 千港元 HK\$'000 | 原件設計 生產產品 ODM products 千港元 HK\$'000 | 綜合總額 Consolidated 千港元 HK\$'000 |
|------------------------------------|--|---|--|---|
| 損益表 | INCOME STATEMENT | | | |
| 營業額 | TURNOVER | 765,341 | 590,307 | 1,355,648 |
| 業績 | RESULT | | | |
| 分類業績 | Segment result | 79,131 | 26,067 | 105,198 |
| 證券投資減值虧損 (附註 18) | Impairment loss on investments in securities (note 18) | | | (2,425) |
| 經營溢利 | Profit from operations | | | 102,773 |
| 融資成本 | Finance costs | | | (2,474) |
| 應佔聯營公司業績 | Share of results of associates | | | (2,403) |
| 可兌換及可贖回優先股 予一附屬公司之少數 股東之回購溢利 | Gain on repurchase of convertible redeemable preferred shares issued to minority shareholders of a subsidiary | | | 46,900 |
| 可兌換及可贖回優先股 予一附屬公司之少數 股東之溢利反回 | Reversal of premium on convertible redeemable preferred shares issued to minority shareholders of a subsidiary | | | 15,015 |
| 稅前溢利 | Profit before tax | | | 159,811 |
| 所得稅撥回 | Income tax credit | | | 1,698 |
| 少數股東權益前溢利 | Profit before minority interests | | | 161,509 |

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

4. 業務及地區市場分類(續)

業務分類(續)

二零零四年

4. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

2004

| | | 掌上電子 產品 Electronic handheld products 千港元 HK\$'000 | 原件設計 生產產品 ODM products 千港元 HK\$'000 | 綜合總額 Consolidated 千港元 HK\$'000 |
|------------------|--|---|--|---|
| 資產負債表 | BALANCE SHEET | | | |
| 資產 | ASSETS | | | |
| 分類資產 | Segment assets | 529,197 | 329,356 | 858,553 |
| 遞延稅項資產 | Deferred tax assets | | | 10,015 |
| 可回收稅項 | Tax recoverable | | | 122 |
| 未分配企業資產 | Unallocated corporate assets | | | 43,892 |
| 綜合總資產 | Consolidated total assets | | | <u>912,582</u> |
| 負債 | LIABILITIES | | | |
| 分類負債 | Segment liabilities | 139,752 | 92,741 | 232,493 |
| 遞延稅項負債 | Deferred tax liabilities | | | 264 |
| 未分配企業負債 | Unallocated corporate liabilities | | | 90,965 |
| 綜合總負債 | Consolidated total liabilities | | | <u>323,722</u> |
| 其他資料 | OTHER INFORMATION | | | |
| 資本增加 | Capital additions | 24,623 | 6,561 | 31,184 |
| 折舊及攤銷 | Depreciation and amortisation | 29,515 | 9,268 | 38,783 |
| 開發成本 | Impairment loss on | | | |
| 減值虧損 | development costs | 7,249 | - | 7,249 |
| 出售物業、 廠房及設備虧損 | Loss on disposal of property, plant and equipment | 32 | - | 32 |
| 呆貨撥備 | Allowance for slow-moving inventories | 24,381 | - | 24,381 |
| 呆壞賬撥備 | Allowance for doubtful receivables | 3,321 | - | 3,321 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

4. 業務及地區市場分類（續）

地區分類

下列載列本集團銷售額按地區市場之分佈：

4. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segment

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods:

| | | 按地區市場劃分之銷售收入 | | 對經營溢利之貢獻 | |
|----------|--|--------------------------------------|------------------|--|----------------|
| | | Sales revenue by geographical market | | Contribution to profit from operations | |
| | | 二零零五年 | 二零零四年 | 二零零五年 | 二零零四年 |
| | | 2005 | 2004 | 2005 | 2004 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 香港 | Hong Kong | 165,719 | 136,992 | 25,014 | 28,035 |
| 中國（香港除外） | The PRC (other than Hong Kong) | 71,213 | 174,746 | (3,466) | 7,780 |
| 其他亞洲市場 | Other Asian markets | 980,088 | 961,017 | 32,970 | 49,418 |
| 北美洲 | North America | 53,040 | 49,385 | 9,402 | 12,273 |
| 歐洲 | Europe | 21,735 | 30,962 | 1,310 | 7,192 |
| 中東 | Middle East | 17,809 | 2,064 | 3,790 | 502 |
| 其他 | Others | 26 | 482 | (1) | (2) |
| | | 1,309,630 | 1,355,648 | 69,019 | 105,198 |
| 證券投資減值虧損 | Impairment loss of investments in securities | | | - | (2,425) |
| 經營溢利 | Profit from operations | | | 69,019 | 102,773 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

4. 業務及地區市場分類（續）

地區分類（續）

本集團的分類資產賬面值、物業、廠房及設備及無形資產之增加按地區分類如下：

| | |
|----------|--------------------------------|
| 香港 | Hong Kong |
| 中國（香港除外） | The PRC (other than Hong Kong) |
| 其他亞洲市場 | Other Asian markets |

4. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segment (Continued)

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets, analysed by geographical areas in which the assets are located:

| 分類資產賬面值 | | 物業、廠房及設備 及無形資產之增加 | |
|--------------------------------------|----------------------------------|---|----------------------------------|
| Carrying amount of segment assets | | Additions to property, plant and equipment and intangible assets | |
| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 574,121 | 537,502 | 6,098 | 4,346 |
| 243,197 | 308,080 | 21,164 | 16,395 |
| 43,228 | 56,863 | 3,187 | 10,443 |
| 860,546 | 902,445 | 30,449 | 31,184 |

5. 其他經營收入

其他經營收入分析如下：

| | |
|------|-----------------|
| 滙兌收益 | Exchange gain |
| 利息收入 | Interest income |
| 其他 | Others |

Other operating income is analysed as follows:

5. OTHER OPERATING INCOME

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| — | 406 |
| 1,326 | 1,171 |
| 12,070 | 13,113 |
| 13,396 | 14,690 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

6. 經營溢利

6. PROFIT FROM OPERATIONS

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|--|---|----------------------------------|----------------------------------|
| 經營溢利已扣除： | Profit from operations has been arrived at after charging: | | |
| 呆壞賬撥備 | Allowance for doubtful receivables | 6,908 | 3,321 |
| 呆貨撥備 | Allowance for slow-moving inventories | 14,831 | 24,381 |
| 無形資產攤銷（包括於研究及開發支出為5,308,000港元（二零零四年：5,716,000港元）及餘額已包括在行政支出） | Amortisation of intangible assets (HK\$5,308,000 (2004: HK\$5,716,000) is included in research and development expenses and the remaining balance is included in administrative expenses) | 5,526 | 5,950 |
| 核數師酬金 | Auditors' remuneration | 848 | 957 |
| 折舊及攤銷 | Depreciation and amortisation | 29,479 | 32,833 |
| 開發成本減值 | Impairment loss on development costs | 1,195 | 7,249 |
| 證券投資減值（附註 18） | Impairment loss on investments in securities (note 18) | - | 2,425 |
| 出售物業、廠房及設備之虧損 | Loss on disposal of property, plant and equipment | 502 | 32 |
| 職員成本（包括附註 9 所列之董事酬金及附註 34 之退休福利計劃供款） | Staff costs (including directors' emoluments stated in note 9 and retirement benefits scheme contributions stated in note 34) | 166,726 | 171,928 |

7. 融資成本

7. FINANCE COSTS

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------|--|----------------------------------|----------------------------------|
| 應付利息： | Interest on: | | |
| 須於五年內全部償還之銀行借貸 | Bank borrowings wholly repayable within five years | 1,500 | 1,810 |
| 租購合約 | Finance leases | - | 9 |
| 承對票據（附註 31b） | Promissory notes (note 31b) | - | 655 |
| | | 1,500 | 2,474 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

8. 出售－附屬公司之虧損

於二零零四年八月十二日，本集團簽訂一份出售其一從事開發及研究工作的附屬公司－Group Sense Technology (Singapore) Pte Limited (「GST」) 所有權益予一新加坡上市公司之買賣合約，作價為約10,000,000港元。於同一合約中，本集團同意放棄GST的欠款約23,599,000港元，作為部份代價，是次交易為集團帶來約4,758,000港元虧損。

於出售日期，GST的賬面負債淨值列於附註32。

8. LOSS ON DISPOSAL OF A SUBSIDIARY

On 12th August, 2004, the Group entered into a sale and purchase agreement with a Singapore listed company to dispose of its entire equity interest in a subsidiary, Group Sense Technology (Singapore) Pte Limited (“GST”), which was engaged in provision of research and development services, for a consideration of approximately HK\$10,000,000. Under the same agreement, the Group agreed to waive those amounts due from GST amounting to approximately HK\$23,599,000 as part of the consideration. The disposal resulted in a loss of approximately HK\$4,758,000.

The carrying amounts of the net liabilities of GST at the date of disposal are disclosed in note 32.

9. 董事酬金

董事酬金：
執行董事
非執行董事
獨立非執行董事

執行董事之其他酬金：
薪酬及其他福利
退休福利計劃供款

9. DIRECTORS' EMOLUMENTS

Directors' fees:
Executive directors
Non-executive directors
Independent non-executive directors

Other emoluments for executive directors:
Salaries and other benefits
Retirement benefit scheme contributions

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| – | – |
| 125 | 100 |
| 314 | 200 |
| 439 | 300 |
| 10,785 | 12,388 |
| 498 | 499 |
| 11,722 | 13,187 |

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

9. 董事酬金(續)

董事酬金分為下列級別：

| |
|-------------------------------------|
| Nil 無 – HK\$1,000,000 港元 |
| HK\$1,000,001 港元 – HK\$1,500,000 港元 |
| HK\$1,500,001 港元 – HK\$2,000,000 港元 |
| HK\$2,000,001 港元 – HK\$2,500,000 港元 |
| HK\$2,500,001 港元 – HK\$3,000,000 港元 |
| HK\$3,000,001 港元 – HK\$3,500,000 港元 |
| HK\$3,500,001 港元 – HK\$4,000,000 港元 |
| HK\$4,000,001 港元 – HK\$4,500,000 港元 |

截至二零零五年及二零零四年三月三十一日止年度，本集團並無支付酬金予董事作為吸引彼等加入或於加入本集團時之條件或作為失去職位之補償。此外，董事無放棄任何酬金。

10. 職員薪金

最高薪5位人士中包括4位執行董事(二零零四年：4位)，其酬金之詳情列於上述附註9。餘下1位最高薪人士(二零零四年：1位)之酬金如下：

| | |
|----------|--|
| 薪酬及其他福利 | Salaries and allowances |
| 退休福利計劃供款 | Retirement benefits scheme contributions |

截止二零零五年及二零零四年三月三十一日止年度餘下最高薪職員之酬金均屬於1,000,001港元至1,500,000港元之級別。

9. DIRECTORS' EMOLUMENTS (Continued)

Emoluments of the directors were within the following bands:

| 二零零五年 2005 董事數目 No. of directors | 二零零四年 2004 董事數目 No. of directors |
|--|--|
| 6 | 5 |
| 1 | 1 |
| 1 | 1 |
| – | – |
| – | – |
| – | – |
| 2 | – |
| – | 2 |

During the years ended 31st March, 2005 and 2004, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, no directors waived any emoluments.

10. EMPLOYEES' EMOLUMENTS

The aggregate emoluments of the 5 highest paid individuals included 4 (2004: 4) executive directors of the Company, whose emoluments are included in note 9 above. The emoluments of the remaining 1 (2004: 1) highest paid individual are as follows:

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| 1,106 | 1,029 |
| 43 | 43 |
| 1,149 | 1,072 |

The emoluments of the remaining highest paid individual were within the band of HK\$1,000,001 – HK\$1,500,000 for the year ended 31st March, 2005 and 2004.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

11. 所得稅撥回

11. INCOME TAX CREDIT

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|-------------|--------------------------------------|----------------------------------|----------------------------------|
| 本年度稅項： | Current tax: | | |
| 香港利得稅： | Hong Kong Profits Tax: | | |
| 過往年度不足撥備 | Underprovision in prior years | (21) | (17) |
| 中國所得稅： | The PRC income tax: | | |
| 過往年度超額撥備 | Overprovision in prior years | – | 537 |
| 遞延稅項(附註27)： | Deferred tax (note 27): | | |
| 本年度 | Current year | 247 | 375 |
| 由稅率轉變引致 | Attributable to a change in tax rate | – | 803 |
| | | 247 | 1,178 |
| | | 226 | 1,698 |

香港利得稅為以前年度不足撥備。由於本年及去年度集團之香港業務出現虧損，故無須繳納香港利得稅。

截止二零零四年三月三十一日止中國所得稅為以前年度超額撥備。由於本年及去年度集團之中國業務出現虧損，故無須繳納中國所得稅。

The Hong Kong Profits Tax represents an underprovision in prior years. No tax is payable on the profit for the year arising in Hong Kong since the Group had no assessable profit for both years.

The PRC income tax for the year ended 31st March, 2004 represented an overprovision in prior years which was calculated at the prevailing tax rate in the PRC. No provision for the PRC income tax has been made in the current year as the operations in the PRC incurred tax losses for both years.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

11. 所得稅撥回（續）

本年度之所得稅撥回調節至損益表之稅前溢利如下：

11. INCOME TAX CREDIT (Continued)

The income tax credit for the year can be reconciled to the profit before tax per the income statement as follows:

| | | 二零零五年 | | 二零零四年 | |
|---------------------|--|----------|--------|----------|--------|
| | | 千港元 | 百分比 | 千港元 | 百分比 |
| | | HK\$'000 | % | HK\$'000 | % |
| 稅前溢利 | Profit before tax | 62,761 | | 159,811 | |
| 本地所得稅稅率百分之十七點五之稅項 | Tax at the income tax rate of 17.5% | (10,983) | (17.5) | (27,967) | (17.5) |
| 不獲扣減之支出之稅項影響 | Tax effect of expenses not deductible for tax purpose | (18,385) | (29.3) | (12,051) | (7.5) |
| 未確認稅務虧損之稅項影響 | Tax effect of tax losses not recognised | (7,327) | (11.7) | (10,343) | (6.5) |
| 以前年度（不足）超額撥備 | (Under) overprovision in prior years | (21) | (0.1) | 520 | 0.3 |
| 非應課稅收益之稅項影響 | Tax effect of income not taxable for tax purpose | 23,537 | 37.6 | 36,154 | 22.7 |
| 以前年度未確認稅務虧損之使用 | Utilisation of tax losses previously not recognised | 7,166 | 11.4 | 6,295 | 3.9 |
| 於其他地區經營之附屬公司稅率差異的影響 | Effect of different tax rates of subsidiaries operating in other jurisdictions | 6,203 | 9.9 | 9,535 | 6.0 |
| 其他 | Others | 36 | 0.1 | (77) | (0.1) |
| 以前年度未確認之遞延稅項資產 | Deferred tax asset not recognised in prior years | - | - | (751) | (0.4) |
| 由稅率上升導致之遞延稅項餘額增加 | Increase in deferred tax balances resulting from an increase in tax rate | - | - | 803 | 0.5 |
| 應佔聯營公司業績稅項影響 | Tax effect of share of results of associates | - | - | (420) | (0.3) |
| 本年度所得稅撥回及實際稅率 | Income tax credit and effective tax rate for the year | 226 | 0.4 | 1,698 | 1.1 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

12. 股息

12. DIVIDENDS

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|-----------------------------------|---|----------------------------------|----------------------------------|
| 中期，已付－每股普通股1.0港仙 (二零零四年：0.5港仙) | Interim, paid – HK1.0 cent (2004: HK0.5 cent) per ordinary share | 11,988 | 5,953 |
| 末期，建議－每股普通股3.0港仙 (二零零四年：3.0港仙) | Final, proposed – HK3.0 cents (2004: HK3.0 cents) per ordinary share | 36,110 | 35,924 |
| 因印發週年報告後行使 優先認股權額外 派付之前年度股息 | Additional prior year's dividend paid on exercise of share options subsequent to the issue of the annual report | – | 42 |
| | | 48,098 | 41,919 |

13. 每股溢利

每股基本及攤薄溢利乃根據以下數據計算：

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

| | | 二零零五年 2005 | 二零零四年 2004 |
|-----------------------------|---|----------------------|---------------|
| 用作計算每股基本 及攤薄之溢利： | Profit for the purposes of basic and diluted earnings per share: | | |
| 本年度溢利(港元) | Profit for the year (HK\$) | 62,158,000 | 162,084,000 |
| 用作計算每股基本 溢利之普通股 加權平均數 | Weighted average number of ordinary shares for the purposes of basic earnings per share | 1,199,876,873 | 1,190,261,487 |
| 具有潛在攤薄影響 之普通股： 優先認股權 | Effect of dilutive potential ordinary shares: Share options | 3,461,506 | 8,016,719 |
| 用作計算每股攤薄 溢利之普通股 加權平均數 | Weighted average number of ordinary shares for the purposes of diluted earnings per share | 1,203,338,379 | 1,198,278,206 |

在計算每股溢利時並沒有假設兌換附屬公司之優先股，因該兌換優先股結果會增加今年及前年之每股溢利。

The computation of diluted earnings per share does not assume the exercise of warrants by subsidiaries since the exercise of them would result in an increase in earnings per share for both years ended 31st March.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

14. 物業、廠房及設備

14. PROPERTY, PLANT AND EQUIPMENT

| | | 租賃物業 | 物業裝修 | 傢具、裝置 及設備 Furniture, fixtures and equipment | 廠房及機器 Plant and machinery | 工具及工模 Toolings and moulds | 汽車 Motor vehicles | 總額 Total |
|----------------|---|--|--|--|---------------------------------|------------------------------------|-------------------------|-----------------|
| | | Leasehold properties 千港元 HK\$'000 | Leasehold improvements 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 |
| 本集團 | THE GROUP | | | | | | | |
| 成本 | COST | | | | | | | |
| 於二零零四年四月一日 | At 1st April, 2004 | 173,386 | 25,018 | 90,898 | 101,550 | 78,120 | 9,395 | 478,367 |
| 添置 | Additions | - | 1,470 | 2,992 | 9,551 | 9,855 | 441 | 24,309 |
| 出售 | Disposals | (188) | (56) | (1,665) | (2,582) | (928) | (645) | (6,064) |
| 出售一附屬公司 | Disposal of a subsidiary | - | - | (8,537) | - | (872) | (555) | (9,964) |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 173,198 | 26,432 | 83,688 | 108,519 | 86,175 | 8,636 | 486,648 |
| 折舊及攤銷 | DEPRECIATION AND AMORTISATION | | | | | | | |
| 於二零零四年四月一日 | At 1st April, 2004 | 32,610 | 24,787 | 82,615 | 78,353 | 68,318 | 5,107 | 291,790 |
| 本年度撥備 | Provided for the year | 3,538 | 822 | 3,854 | 10,903 | 9,247 | 1,115 | 29,479 |
| 出售後扣除 | Eliminated on disposals | (49) | (56) | (1,446) | (1,917) | (928) | (645) | (5,041) |
| 出售一附屬公司後 扣除 | Eliminated on disposal of a subsidiary | - | - | (7,387) | - | (872) | (430) | (8,689) |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 36,099 | 25,553 | 77,636 | 87,339 | 75,765 | 5,147 | 307,539 |
| 賬面淨值 | NET BOOK VALUES | | | | | | | |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 137,099 | 879 | 6,052 | 21,180 | 10,410 | 3,489 | 179,109 |
| 於二零零四年三月三十一日 | At 31st March, 2004 | 140,776 | 231 | 8,283 | 23,197 | 9,802 | 4,288 | 186,577 |

上列本集團租賃物業之賬面淨值包括：

The net book value of the leasehold properties of the Group shown above comprises:

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|-------------|----------------------------------|----------------------------------|----------------------------------|
| 位於香港土地，中期租約 | In Hong Kong, medium-term leases | 97,332 | 100,022 |
| 位於中國土地，中期租約 | In the PRC, medium-term leases | 39,767 | 40,754 |
| | | 137,099 | 140,776 |

於二零零四年三月三十一日，傢具、裝置及設備和廠房及機器之賬面淨值包括按租購合約持有之資產分別為128,000港元和2,887,000港元。於二零零五年三月三十一日，沒有按租購合約持有之資產。

At 31st March, 2004, the net book value of furniture, fixtures and equipment and plant and machinery included an amount of HK\$128,000 and HK\$2,887,000 respectively in respect of assets held under finance leases. At 31st March, 2005, no asset was held under finance leases.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

15. 無形資產

15. INTANGIBLE ASSETS

| | | 土地 使用權 Land use rights 千港元 HK\$'000 | 開發 成本 Development costs 千港元 HK\$'000 | 總額 Total 千港元 HK\$'000 |
|--------------|---|--|---|--------------------------------|
| 本集團 | THE GROUP | | | |
| 成本 | COST | | | |
| 於二零零四年四月一日 | At 1st April, 2004 | 11,672 | 41,928 | 53,600 |
| 添置 | Additions | – | 6,140 | 6,140 |
| 出售一附屬公司 | Disposal of a subsidiary | – | (31,424) | (31,424) |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 11,672 | 16,644 | 28,316 |
| 攤銷及減值 | AMORTISATION AND IMPAIRMENT | | | |
| 於二零零四年四月一日 | At 1st April, 2004 | 2,569 | 23,071 | 25,640 |
| 本年度撥備 | Provided for the year | 218 | 5,308 | 5,526 |
| 減值 | Impairment loss | – | 1,195 | 1,195 |
| 出售一附屬公司後扣除 | Eliminated on disposal of a subsidiary | – | (21,734) | (21,734) |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 2,787 | 7,840 | 10,627 |
| 賬面淨值 | NET BOOK VALUES | | | |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 8,885 | 8,804 | 17,689 |
| 於二零零四年三月三十一日 | At 31st March, 2004 | 9,103 | 18,857 | 27,960 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

15. 無形資產（續）

根據一項一九九三年六月一日訂立之協議，本集團取得一幅為期五十年由中方提供在東莞之土地使用權。在同一協議內，本集團亦承諾需每年對有關之土地使用支付管理費，為期五十年。有關未來之最低之付款承諾，亦已在附註36項中經營租賃承擔內披露。

無形資產之折舊乃按以下年期採用直線法計算：

| | |
|--------------------------------------|----|
| 土地使用權（年） Land use right (years) | 50 |
| 開發成本（年） Development costs (years) | 3 |

於二零零五年三月三十一日，本公司董事對本集團之開發費用作出檢討並確認部份開發成本因現在市場情況而導致減值。因此，在財務報表內已確認1,195,000 港元（二零零四年：7,249,000 港元）之減值。

15. INTANGIBLE ASSETS (Continued)

Pursuant to an agreement dated 1st June, 1993, the Group obtained from a PRC party the rights to use a piece of land in Dongguan, the PRC, for a period of 50 years. Under the same agreement, the Group is committed to pay an annual management fee relating to the use of land over 50 years. The related commitments for future minimum lease payments are disclosed as lease commitments in note 36.

Intangible assets are amortised on a straight-line basis over the following periods:

At 31st March, 2005, the directors conducted a review of the Group's development costs and identified that certain development costs were impaired with reference to the current market conditions. Accordingly, an impairment loss of HK\$1,195,000 (2004: HK\$7,249,000) has been recognised in the financial statements.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

16. 於附屬公司投資

16. INVESTMENTS IN SUBSIDIARIES

| | | 本公司 THE COMPANY | |
|-----------------|--|----------------------------------|----------------------------------|
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 非上市投資扣除 減值虧損 | Unlisted investments, less impairment loss recognised | - | 30,161 |

非上市股份之賬面價值，乃根據本公司按一項一九九三年進行之集團改組而成為本集團最終控股公司之日，本集團應佔附屬公司基本資產淨值之賬面值扣除已確認之減值計算。

The carrying value of the unlisted investments is based on the book values of the underlying net assets of the subsidiaries attributable to the Group at the date on which the Company became the holding company of the Group under a group reorganisation in 1993 less identified impairment loss.

於二零零五年三月三十一日，本公司董事對附屬公司投資作出檢討並確認部份投資因應市場情況而導致減值。相應地，減值虧損已確認。

At 31st March, 2005, the directors conducted a review of the investment in subsidiaries and identified that certain investments were impaired with reference to the current market conditions. Accordingly, impairment loss has been recognised.

各附屬公司於年終時或本年度內任何時間概無任何尚未償還之借貸資本。

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

主要附屬公司詳情載列於附註38。

Details of the principal subsidiaries are set out in note 38.

17. 聯營公司權益

17. INTERESTS IN ASSOCIATES

| | | 本集團 THE GROUP | |
|--------|---------------------|----------------------------------|----------------------------------|
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 應佔資產淨值 | Share of net assets | - | - |

主要聯營公司詳情載於附註38。

Details of the principal associates are set out in note 38.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

18. 證券投資

18. INVESTMENTS IN SECURITIES

| | | 本集團 THE GROUP | | | | | |
|-------------------|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 其他投資 Other investment | | 證券投資 Investment securities | | 總額 Total | |
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 股本證券： | Equity securities: | | | | | | |
| 香港上市，市值 | Listed in Hong Kong, at market value | - | - | 115 | 115 | 115 | 115 |
| 非上市，成本扣除 減值虧損 | Unlisted, at cost less impairment loss | - | - | 37,869 | 36,537 | 37,869 | 36,537 |
| | | - | - | 37,984 | 36,652 | 37,984 | 36,652 |
| 債券證券： | Debt securities: | | | | | | |
| 非香港上市，市值 | Unlisted in Hong Kong, at fair value | 8,986 | - | - | - | 8,986 | - |
| | | 8,986 | - | 37,984 | 36,652 | 46,970 | 36,652 |
| 為滙報目的所分析之 賬面值： | Carrying amount analysed for reporting purposes: | | | | | | |
| 流動 | Current | 8,986 | - | - | - | 8,986 | - |
| 非流動 | Non-current | - | - | 37,984 | 36,652 | 37,984 | 36,652 |
| | | 8,986 | - | 37,984 | 36,652 | 46,970 | 36,652 |

以上包括本集團於兩年內投資約32,000,000港元於優網科技有限公司（「優網」），佔19.69%股權。優網於香港註冊，其主要業務為出版醫學雜誌及投資控股。

Included above is the Group's investment in Net Plus Company Limited ("Net Plus"), a company incorporated in Hong Kong, amounting to approximately HK\$32,000,000 for both years. The investment represents a 19.69% holding of the equity interest in Net Plus. Net Plus is engaged in investment holding and publishing of a medical magazine.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

18. 證券投資（續）

於二零零四年三月三十一日，董事局根據投資項目之營業情況而檢討其證券投資之賬面價值，因應經濟環境之改變，確認減值虧損2,425,000港元並已反映在財務報表內。

19. 其他應收賬款

其他應收賬款中包括本集團在以前年度出售傳呼機產品經營業務之款項，已收及應收之分期分析如下：

18. INVESTMENTS IN SECURITIES (Continued)

At 31st March, 2004, the directors conducted a review of the Group's investments in securities with reference to the business operated by the investees and due to the change in the economic environment, an impairment loss of HK\$2,425,000 was identified and recognised in the financial statements.

19. OTHER RECEIVABLE

Other receivables include an amount relating to sale proceeds receivable in connection with the disposal of the Group's pager product operation in prior years. The amount received and receivable by instalments is as follows:

| | | 本集團 THE GROUP | |
|-----------------------|---|----------------------------------|----------------------------------|
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 出售應收賬款 | Sale proceeds receivable | 17,500 | 25,000 |
| 減：本年度已收之款項 | Less: Amount received during the year | (8,750) | (7,500) |
| | | 8,750 | 17,500 |
| 減：包括在流動資產項下並於一年內到期之款項 | Less: Amount due within one year, included under current assets | (5,000) | (12,500) |
| 於一年後到期之款項 | Amount due after one year | 3,750 | 5,000 |

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

20. 其他資產

20. OTHER ASSET

| | | 本集團 THE GROUP | |
|----------|-------------------------|----------------------------------|----------------------------------|
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 會所債券，成本值 | Club debenture, at cost | 466 | 466 |
| 減：減值虧損 | Less: Impairment loss | (466) | (466) |
| | | - | - |

21. 存貨

21. INVENTORIES

| | | 本集團 THE GROUP | |
|-----|------------------|----------------------------------|----------------------------------|
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 原材料 | Raw materials | 150,790 | 95,409 |
| 在製品 | Work in progress | 10,604 | 11,993 |
| 製成品 | Finished goods | 27,762 | 52,451 |
| | | 189,156 | 159,853 |

以上包括原材料16,150,000港元(二零零四年：11,956,000港元)、在製品2,108,000港元(二零零四年：1,620,000港元)及製成品2,939,000港元(二零零四年：5,787,000港元)，這些均按可變現淨值列賬。

Included above are raw materials of HK\$16,150,000 (2004: HK\$11,956,000), work in progress of HK\$2,108,000 (2004: HK\$1,620,000) and finished goods of HK\$2,939,000 (2004: HK\$5,787,000) which are carried at net realisable value.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

22. 應收貿易賬款

集團給予客戶的貨物付款期平均為60至90日。

以下乃應收貿易賬款於結算日之賬齡分析：

| | |
|--------|--------------|
| 零至60天 | 0 – 60 days |
| 61至90天 | 61 – 90 days |
| 超過90天 | Over 90 days |

22. TRADE RECEIVABLES

The Group allows an average credit period of 60-90 days to its trade customers.

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

| 本集團 | |
|---------------|----------------|
| THE GROUP | |
| 二零零五年 | 二零零四年 |
| 2005 | 2004 |
| 千港元 | 千港元 |
| HK\$'000 | HK\$'000 |
| 78,697 | 177,770 |
| 624 | 4,980 |
| 6,637 | 3,790 |
| 85,958 | 186,540 |

23. 應付貿易賬款

以下乃應付貿易賬款於結算日之賬齡分析：

| | |
|--------|--------------|
| 零至60天 | 0 – 60 days |
| 61至90天 | 61 – 90 days |
| 超過90天 | Over 90 days |

23. TRADE PAYABLES

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

| 本集團 | |
|----------------|----------------|
| THE GROUP | |
| 二零零五年 | 二零零四年 |
| 2005 | 2004 |
| 千港元 | 千港元 |
| HK\$'000 | HK\$'000 |
| 149,116 | 155,975 |
| 17,345 | 4,152 |
| 1,992 | 4,505 |
| 168,453 | 164,632 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

24. 產品保證撥備

24. PRODUCT WARRANTY PROVISION

| | | 本集團 THE GROUP 千港元 HK\$'000 |
|--------------|--------------------------|-------------------------------------|
| 於二零零四年四月一日 | At 1st April, 2004 | 500 |
| 本年度已使用 | Utilised during the year | (500) |
| 本年度撥備 | Provided for the year | 500 |
| | | <hr/> |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 500 |
| | | <hr/> |

產品保證撥備乃管理層根據本集團過往對掌上電子產品作出保證之責任經驗作出之最佳評估。

The product warranty provision represents management's best estimate of the Group's liability under warranties granted on the sales of the electronic handheld products based on past experience.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

25. 銀行借貸

25. BANK BORROWINGS

| | | 本集團 THE GROUP | |
|------------------------------|--|----------------------------------|----------------------------------|
| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
| 信託收據貸款 | Trust receipt loans | 10,887 | 43,719 |
| 銀行借貸 | Bank loans | 25,755 | 45,092 |
| | | 36,642 | 88,811 |
| 分析為： | Analysed as: | | |
| 有抵押 | Secured | 16,632 | 23,670 |
| 無抵押 | Unsecured | 20,010 | 65,141 |
| | | 36,642 | 88,811 |
| 償還期限如下： | Repayable as follows: | | |
| 不超過一年或按通知 | Within one year or on demand | 26,654 | 63,056 |
| 一年以上但 不超過兩年 | More than one year, but not exceeding two years | 5,052 | 5,052 |
| 兩年以上但 不超過五年 | More than two years, but not exceeding five years | 4,936 | 20,703 |
| | | 36,642 | 88,811 |
| 減：列於流動負債項下 並於一年內到期 之款項 | Less: Amount due within one year, included under current liabilities | (26,654) | (63,056) |
| 於一年後到期之款項 | Amount due after one year | 9,988 | 25,755 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

26. 財務租約債務

26. OBLIGATIONS UNDER FINANCE LEASES

| | | 最低租約支出 | | 最低租約支出之現值 | |
|--------------------|--|------------------------|----------|---|----------|
| | | Minimum lease payments | | Present value of minimum lease payments | |
| | | 二零零五年 | 二零零四年 | 二零零五年 | 二零零四年 |
| | | 2005 | 2004 | 2005 | 2004 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 本集團 | THE GROUP | | | | |
| 應付財務租約金額 | Amounts payable under finance leases: | | | | |
| 一年內 | Within one year | - | 29 | - | 29 |
| 減：未來之財務費用 | Less: Future finance charges | - | - | - | - |
| 租約承擔之現有價值 | Present value of lease obligations | - | 29 | - | 29 |
| 減：列入流動負債並於一年內到期之款項 | Less: Amount due within one year, included under current liabilities | | | - | (29) |
| 一年後到期之款項 | Amount due after one year | | | - | - |

根據本集團的政策，部份傢俬、裝置及設備、廠房及機器使用財務租約融資，平均租約年期為一至五年，於二零零四年三月三十一日止年度，平均有效借款利率為2.7%。年利率於合約內列明，所有租約均以固定還款方式還款及對於或然租賃支出沒有作出任何安排。

本集團之財務租約資產用作抵押財務租約債務。

It is the Group's policy to lease certain of its furniture, fixtures and equipment and plant and machinery under finance leases. The lease term ranges from 1 to 5 years. For the year ended 31st March, 2004, the average effective borrowing rate was 2.7%. Interest rates are fixed on the contract dates. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payment.

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

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

27. 遞延稅項

本集團

以下乃為本年度及上年度之遞延稅項資產／負債的變動情況：

| | | 加速稅項折舊 Accelerated tax depreciation 千港元 HK\$'000 | 稅項虧損 Tax losses 千港元 HK\$'000 | 其他 Others 千港元 HK\$'000 | 總金額 Total 千港元 HK\$'000 |
|----------------------------|--|---|--|---------------------------------|---------------------------------|
| 於二零零三年四月一日 | At 1st April, 2003 | (2,379) | 10,310 | 642 | 8,573 |
| 本年度增加(減少)收入 | Credit (charge) to income for the year | 168 | 288 | (81) | 375 |
| 因稅率改變而產生之稅項影響 | Effect of a change in tax rate | (223) | 966 | 60 | 803 |
| 於二零零四年三月三十一日及 二零零四年四月一日 | At 31st March, 2004 and 1st April, 2004 | (2,434) | 11,564 | 621 | 9,751 |
| 本年度增加(減少)收入 | Credit (charge) to income for the year | 58 | 679 | (490) | 247 |
| 於二零零五年三月三十一日 | At 31st March, 2005 | (2,376) | 12,243 | 131 | 9,998 |

為了提呈資產負債表之目的，一些遞延稅項資產和負債互相抵銷。為了準備財務報告，以下乃為遞延稅項餘額之分析：

| | |
|--------|--------------------------|
| 遞延稅項資產 | Deferred tax assets |
| 遞延稅項負債 | Deferred tax liabilities |

27. DEFERRED TAXATION THE GROUP

The following are the major deferred tax assets/liabilities recognised by the Group and the movements thereon during the current and prior year:

For the purposes of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| 10,085 | 10,015 |
| (87) | (264) |
| 9,998 | 9,751 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

27. 遞延稅項（續）

本集團（續）

於結算日，本集團擁有394,634,000港元之未使用稅項虧損（二零零四年：392,550,000港元）可用作抵銷日後之利潤，其中遞延稅項資產為69,960,000港元（二零零四年：66,080,000港元）由於難以估計將來利潤情況，故有324,674,000港元（二零零四年：326,470,000港元）的稅項虧損不能視為遞延稅項資產。大部份稅項虧損將可沒限期轉下。

本公司

於結算日，本公司擁有10,698,000港元之未使用稅項虧損（二零零四年：17,491,000港元）可用作抵銷日後之利潤。由於難以估計將來利潤情況，沒有稅項虧損視作為遞延稅項資產。所有稅項虧損將可沒限期轉下。

27. DEFERRED TAXATION (Continued)

THE GROUP (Continued)

At the balance sheet date, the Group has unused tax losses of HK\$394,634,000 (2004: HK\$392,550,000) available to offset against future profits. A deferred tax asset has been recognised in respect of HK\$69,960,000 (2004: HK\$66,080,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$324,674,000 (2004: HK\$326,470,000) due to the unpredictability of future profit streams. Most of these losses may be carried forward indefinitely.

THE COMPANY

At the balance sheet date, the Company has unused tax losses of approximately HK\$10,698,000 (2004: HK\$17,491,000) available to offset against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. All these losses may be carried forward indefinitely.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

28. 股本

28. SHARE CAPITAL

| | | 股份數目 Number of shares | 千港元 HK\$'000 |
|---|---|-----------------------------|------------------|
| 每股面值0.10港元之 普通股股份 | Ordinary shares of HK\$0.10 each | | |
| 法定： | Authorised: | | |
| 於二零零三年四月一日， 於二零零四年三月三十一日及 於二零零五年三月三十一日 | At 1st April, 2003, 31st March, 2004 and 31st March, 2005 | 3,000,000,000 | 300,000 |
| 已發行及繳足： | Issued and fully paid: | | |
| 於二零零三年四月一日 因行使優先認股權而 發行股份 | At 1st April, 2003 Shares issued upon exercise of share options | 1,184,505,029 14,299,000 | 118,450 1,430 |
| 回購及註銷股份 | Shares repurchased and cancelled | (1,342,000) | (134) |
| 於二零零四年三月三十一日及 二零零四年四月一日 因行使優先認股權而 發行股份 | At 31st March, 2004 and 1st April, 2004 Shares issued upon exercise of share options | 1,197,462,029 6,193,000 | 119,746 620 |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 1,203,655,029 | 120,366 |

二零零五年

於二零零五年三月三十一日止年度內，因以行使價分別為每股0.250港元及每股0.202港元行使優先認股權的原故，本公司分別分配及發行2,401,000股及3,792,000股每股面值0.10港元的普通股新股。

2005

During the year ended 31st March, 2005, the Company allotted and issued 2,401,000 and 3,792,000 new ordinary shares of HK\$0.10 each at an exercise price of HK\$0.250 per share and HK\$0.202 per share, respectively, as a result of the exercise of the Company's share options.

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

28. 股本(續)

二零零四年

於二零零四年三月三十一日止年度內，
本公司股份變動如下：

(i) 經聯交所回購本公司股份如下：

| 回購月份 Month of repurchase | 每股面值0.10港元之 普通股股份 |
|--------------------------------|---|
| | No. of ordinary shares of HK\$0.1 each |
| | 港元 |
| | HK\$ |

二零零四年四月

April 2004 1,342,000

上述股份於回購同時已被註銷。

(ii) 因以行使價分別為每股0.250港元及每股0.202港元行使優先認股權的原故，本公司分別分配及發行7,659,000股及6,640,000股面值每股0.10港元的普通股新股。

本公司之附屬公司並無購買，出售或贖回任何本公司之上市證券。

28. SHARE CAPITAL (Continued)

2004

During the year ended 31st March, 2004, the Company had the following share transactions:

(i) repurchased its own shares through the Stock Exchange as follows:

| 每股價值 | | 最高 Highest | 最低 Lowest | 累計支付代價 Aggregate consideration paid |
|-----------------|------|---------------|--------------|---|
| Price per share | | | | |
| | 港元 | 港元 | 港元 | 港元 |
| | HK\$ | HK\$ | HK\$ | HK\$ |

(附註29)

(note 29)

0.26 0.26 348,920

The above shares were cancelled upon repurchase for the year ended 31st March, 2004.

(ii) allotted and issued 7,659,000 and 6,640,000 new ordinary shares of HK\$0.10 each at an exercise price of HK\$0.250 per share and HK\$0.202 per share, respectively, as a result of the exercise of the Company's share options.

None of the Company's subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

29. 儲備 本公司

29. RESERVES THE COMPANY

| | | 資本贖回 股份溢價 Share premium account 千港元 HK\$'000 | 儲備 Capital redemption reserve 千港元 HK\$'000 | 實繳盈餘 Contributed surplus 千港元 HK\$'000 | 累積 (虧損)溢利 Accumulated (losses) profit 千港元 HK\$'000 | 總額 Total 千港元 HK\$'000 |
|----------------------------|---|--|---|---|--|--------------------------------|
| 於二零零三年四月一日 | At 1st April, 2003 | 409,843 | 285 | 58,086 | (152,086) | 316,128 |
| 股份回購及註銷 (附註28) | Shares repurchased and cancelled (note 28) | (349) | 134 | - | - | (215) |
| 股份回購費用 | Share repurchase expenses | (5) | - | - | - | (5) |
| 因行使優先認股權而 發行股份 | Issue of shares upon exercise of share options | 1,826 | - | - | - | 1,826 |
| 本年盈利 | Profit for the year | - | - | - | 172,050 | 172,050 |
| 已付股息 | Dividends paid | - | - | - | (23,781) | (23,781) |
| 於二零零四年三月三十一日及 二零零四年四月一日 | At 31st March, 2004 and 1st April, 2004 | 411,315 | 419 | 58,086 | (3,817) | 466,003 |
| 因行使優先認股權而 發行股份 | Issue of shares upon exercise of share options | 747 | - | - | - | 747 |
| 本年盈利 | Profit for the year | - | - | - | 55,771 | 55,771 |
| 已付股息 | Dividends paid | - | - | - | (47,954) | (47,954) |
| 於二零零五年三月三十一日 | At 31st March, 2005 | 412,062 | 419 | 58,086 | 4,000 | 474,567 |

實繳盈餘乃附屬公司被本公司收購當日之綜合股東資金與本公司股份於一九九三年上市前集團改組時因該項收購而發行之本公司股份面值之差額。

The contributed surplus represents the difference between the consolidated shareholders' funds of the subsidiaries at the date on which they were acquired by the Company and the nominal amount of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

29. 儲備（續）

根據百慕達一九八一年公司法（經修訂），一間公司之實繳盈餘賬可供分派。然而，本公司在下列情況下，不可從實繳盈餘賬中宣派或派付股息：

- (a) 在其負債到期時無法償還，或在作出派付後無法償還負債；或
- (b) 其資產之可變現價值低於其負債及已發行股本及股份溢價賬之總值。

根據董事們的意見，本公司的儲備可分配給股東們如下：

29. RESERVES (Continued)

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

In the opinion of the directors, the Company's reserve available for distribution to shareholders were as follows:

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------|---------------------------|----------------------------------|----------------------------------|
| 實繳盈餘 | Contributed surplus | 58,086 | 58,086 |
| 累積溢利（虧損） | Accumulated profit (loss) | 4,000 | (3,817) |
| | | 62,086 | 54,269 |

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

30. 優先認股權計劃

2002計劃

本公司及其附屬公司權智PDA控股有限公司於二零零二年四月二日採納優先認股權計劃（「2002計劃」），以激勵、吸引及挽留本集團有才能的參與人。該新計劃自前述日期生效，有效期為10年。

上述各公司之董事會可酌情授出優先認股權予符合資格之參與人，包括本集團之任何僱員、高級職員、董事或顧問。各公司在任何時間因根據其各自之2002計劃而授出之所有優先認股權獲行使而可予發行之各公司的股份數目，不得超過各自於計劃批准之日已發行股份之10%。各合資格參與人於任何12個月期間因優先認股權而可予發行之股份數目，限制於已發行股份之1%，惟已獲有關公司及本公司之股東在股東大會上批准除外。向本公司董事、最高行政人員或主要股東或彼等各自之聯繫人士授出優先認股權，必須獲得本公司之獨立非執行董事批准。再者，倘於任何12個月期間向本公司之主要股東或獨立非執行董事或彼等各自之聯繫人士授出優先認股權而發行之股份數目超過已發行股份之0.1%及有關股份之價值超過5,000,000港元（按授出優先認股權當天股份收市價），則須獲有關公司及本公司之股東在股東大會上批准。

於二零零五年三月三十一日，根據2002計劃授出及尚未行使之優先認股權之本公司股份數目為11,045,000股，即當日本公司已發行股份之0.92%。權智PDA控股有限公司於截至二零零五年三月三十一日止年度內並沒有根據2002計劃授出任何優先認股權。

30. SHARE OPTION SCHEMES

2002 Schemes

The share option schemes of each of the Company and its subsidiary, Group Sense PDA Holdings Limited, were adopted on 2nd April, 2002 for the purpose of motivating, attracting and retaining talented participants of the Group (the “2002 Schemes”). The 2002 Schemes will remain in force for a period of 10 years commencing on that date.

The Board of Directors of the respective companies may, at their discretion, grant options to the eligible participant including any employee, officer, director or consultant of the Group. The maximum number of shares in each of the companies which may be issued upon exercise of all options granted under its 2002 Schemes must not exceed 10% of its issued share capital at the date of approval of the scheme. The maximum number of shares issuable under the options to each eligible participant in any 12-month period is limited to 1% of the shares in issue unless the same is approved by shareholders in a general meeting of respective companies and the Company. Share options granted to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors of the Company. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company or to any of their associates, in excess of 0.1% of the shares in issue and with an aggregate value (based on the price of the shares at the date of the grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in a general meeting of respective companies and the Company.

At 31st March, 2005, the number of shares of the Company in respect of which options had been granted and remained outstanding under the 2002 Scheme of the Company was 11,045,000, representing 0.92% of the shares of the Company in issue at that date. No option was granted under the 2002 Scheme of Group Sense PDA Holdings Limited.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

30. 優先認股權計劃（續）

2002計劃（續）

授予人可在自授予日期起計21個工作天內，繳付優先認股權之代價，以接納優先認股權。獲授本公司及權智PDA控股有限公司之優先認股權的代價均為1.0港元。優先認股權的行使期乃由各公司之董事會決定。

優先認股權之行使價乃由各董事會決定，但不可低於各公司之股份面值。本公司優先認股權之行使價須為下列中的較高者(i)本公司股份在優先認股權授予當天在聯交所所載的收市價；(ii)本公司股份在優先認股權授予日期前5個交易日在聯交所所載之平均收市價；及(iii)本公司股份的面值。

30. SHARE OPTION SCHEMES (Continued)

2002 Schemes (Continued)

The offer of a grant of share options may be accepted within 21 business days from the date of the offer, upon payment of a consideration by the offeree. The consideration for a grant of options of the Company and Group Sense PDA Holdings Limited is HK\$1.0. The exercise period of the share options granted is determined by the respective Board of Directors.

The exercise price of the share options is determined by the respective Board of Directors but shall not be lower than the nominal value of the shares of the respective companies. The exercise price of the Company must also be the highest of (i) the Stock Exchange's closing price of the Company's shares on the date of the offer; (ii) the average of the Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

30. 優先認股權計劃（續）

2002計劃（續）

本公司之董事及僱員持有之優先認股權詳情及其於本年內之變動披露如下：

截至二零零五年三月三十一日止年度

| 計劃類別 | 授出日期 | 於二零零四年 四月一日 | | | 於二零零五年 三月三十一日 | | | 每股行使價 (可調整) |
|-------------|---------------|--------------------------------|-------------------------|---------------------------|--|---------------------------------|-----------------------|---|
| | | 尚未行使 | 年內授出 | 年內註銷 | 年內行使 | 尚未行使 | 行使期 | |
| Scheme type | Date of grant | Outstanding at 1st April, 2004 | Granted during the year | Cancelled during the year | Exercised during the year (附註28) (note 28) | Outstanding at 31st March, 2005 | Exercisable period | Exercise price per share (subject to adjustment) 港元 HK\$ |
| 2002 | 12.8.2002 | 2,831,000 | - | - | (2,401,000) | 430,000 | 17.6.2003 – 16.6.2008 | 0.250 |
| 2002 | 24.3.2003 | 4,328,000 | - | - | (3,792,000) | 536,000 | 20.1.2004 – 19.1.2009 | 0.202 |
| 2002 | 19.4.2004 | - | 10,906,000 | (827,000) | - | 10,079,000 | 20.1.2005 – 19.1.2010 | 0.950 |
| 總數 | | | | | | | | |
| Total | | 7,159,000 | 10,906,000 | (827,000) | (6,193,000) | 11,045,000 | | |

For the year ended 31st March, 2005

截至二零零四年三月三十一日止年度

| 計劃類別 | 授出日期 | 於二零零三年 四月一日 | | | 於二零零四年 三月三十一日 | | | 每股行使價 (可調整) |
|-------------|---------------|--------------------------------|-------------------------|---------------------------|--|---------------------------------|-----------------------|---|
| | | 尚未行使 | 年內授出 | 年內註銷 | 年內行使 | 尚未行使 | 行使期 | |
| Scheme type | Date of grant | Outstanding at 1st April, 2003 | Granted during the year | Cancelled during the year | Exercised during the year (附註28) (note 28) | Outstanding at 31st March, 2004 | Exercisable period | Exercise price per share (subject to adjustment) 港元 HK\$ |
| 2002 | 12.8.2002 | 10,580,000 | - | (90,000) | (7,659,000) | 2,831,000 | 17.6.2003 – 16.6.2008 | 0.250 |
| 2002 | 24.3.2003 | 11,465,000 | - | (497,000) | (6,640,000) | 4,328,000 | 20.1.2004 – 19.1.2009 | 0.202 |
| 總數 | | | | | | | | |
| Total | | 22,045,000 | - | (587,000) | (14,299,000) | 7,159,000 | | |

For the year ended 31st March, 2004

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

30. 優先認股權計劃(續)

2002計劃(續)

本公司董事持有之優先認股權詳列如下：

截至二零零五年三月三十一日止年度

| 計劃類別 | 授出日期 | 於二零零四年 四月一日 | | | 於二零零五年 三月三十一日 | | | 行使期 | 每股行使價 (可調整) |
|-------------|---------------|--------------------------------|-------------------------|---------------------------|--|---------------------------------|-----------------------|---|----------------|
| | | 尚未行使 | 年內授出 | 年內註銷 | 年內行使 | 尚未行使 | 行使期 | | |
| Scheme type | Date of grant | Outstanding at 1st April, 2004 | Granted during the year | Cancelled during the year | Exercised during the year (附註28) (note 28) | Outstanding at 31st March, 2005 | Exercisable period | Exercise price per share (subject to adjustment) 港元 HK\$ | |
| 2002 | 12.8.2002 | 2,800,000* | - | - | (2,400,000) | 400,000 | 17.6.2003 – 16.6.2008 | 0.250 | |
| 2002 | 24.3.2003 | 3,800,000* | - | - | (3,400,000) | 400,000 | 20.1.2004 – 19.1.2009 | 0.202 | |
| 2002 | 19.4.2004 | - | 4,900,000* | - | - | 4,900,000 | 20.1.2005 – 19.1.2010 | 0.950 | |
| 總數 Total | | 6,600,000 | 4,900,000 | - | (5,800,000) | 5,700,000 | | | |

截至二零零四年三月三十一日止年度

| 計劃類別 | 授出日期 | 於二零零三年 四月一日 | | | 於二零零四年 三月三十一日 | | | 行使期 | 每股行使價 (可調整) |
|-------------|---------------|--------------------------------|-------------------------|---------------------------|--|---------------------------------|-----------------------|---|----------------|
| | | 尚未行使 | 年內授出 | 年內註銷 | 年內行使 | 尚未行使 | 行使期 | | |
| Scheme type | Date of grant | Outstanding at 1st April, 2003 | Granted during the year | Cancelled during the year | Exercised during the year (附註28) (note 28) | Outstanding at 31st March, 2004 | Exercisable period | Exercise price per share (subject to adjustment) 港元 HK\$ | |
| 2002 | 12.8.2002 | 6,200,000* | - | - | (3,400,000)* | 2,800,000* | 17.6.2003 – 16.6.2008 | 0.250 | |
| 2002 | 24.3.2003 | 6,300,000* | - | - | (2,500,000)* | 3,800,000* | 20.1.2004 – 19.1.2009 | 0.202 | |
| 總數 Total | | 12,500,000 | - | - | (5,900,000) | 6,600,000 | | | |

* 包括已授予李冠雄之配偶的優先認股權。

30. SHARE OPTION SCHEMES (Continued)

2002 Schemes (Continued)

Details of the share options of the Company held by the directors of the Company included in the above table are as follows:

For the year ended 31st March, 2005

For the year ended 31st March, 2004

* Including share options granted to Mr. Lee Koon Hung's spouse.

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

30. 優先認股權計劃（續）

2002計劃（續）

於截至二零零五年三月三十一日止之年度內，因董事及僱員接受優先認股權而已繳付之代價總計為142港元。於本年度內，授出優先認股權予董事及僱員合共為10,906,000股。

在本年度內，於優先認股權獲行使之日期之可確認公平價值介乎每股0.772港元至0.918港元。

有關優先認股權獲行使前，授出優先認股權之財務影響不會記錄於個別公司的資產負債表，且年內授出優先認股權之價值亦無於損益表內確認。至於因行使優先認股權而發行之股份，個別公司按股份面值記錄為額外股本，而每股行使價超逾股份面值之差額，個別公司則記錄於股份溢價賬。於行使日期前失效或被註銷之優先認股權自尚未行使優先認股權登記冊刪除。

30. SHARE OPTION SCHEMES (Continued)

2002 Schemes (Continued)

Total consideration received during the year ended 31st March, 2005 from directors and employees for taking up the options granted amounted to HK\$142. The number of share options granted to directors and employees during the year was 10,906,000.

The fair value of the Company's share at the date of issue for the exercise of share options during the year was ranged from HK\$0.772 to HK\$0.918.

The financial impact of share options granted 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 recognised in the income statement in respect of the value of options granted in the year. Upon the exercise of the 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 lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

31. 發行可兌換及可贖回優先股予一 附屬公司之少數股東之回購溢利

本集團

(a) 於二零零一年五月二十八日，一附屬公司發行171,818股附屬投票權之可兌換及可贖回A類優先股（「優先股」）予該公司之附屬公司（「該附屬公司」）之少數股東（「持有者」）。該優先股可按持有者意願或在完成於合規定市場上市，兩者較前時，自動兌換成普通股份。該持有者可於優先股發行日起五年後，從包括資本之法定可用資金中，隨意要求以該優先股之發行價加一溢價加所有宣派但未付之股息一併贖回。

(b) 於二零零三年五月十九日，本公司及該附屬公司與該持有者達成協議（「協議」），該持有者同意以作價35,000,000港元出售所有81,900,000港元之優先股。其中11,000,000港元即時以現金支付，餘額24,000,000港元則以承對票據形式分五期每半年繳付一次。該承對票據所承擔利息為每年5.5%。由協議生效日起，所有有關該優先股之股權、利益及風險以及所有權利及得益將由持有者轉嫁予本公司。因此，本集團於二零零四年三月三十一日止年度錄得46,900,000港元之溢利及反回15,015,000港元之優先股於以前年度預計的贖回溢價。

31. CONVERTIBLE REDEEMABLE PREFERRED SHARES ISSUED TO MINORITY SHAREHOLDERS OF A SUBSIDIARY THE GROUP

(a) On 28th May, 2001, 171,818 voting convertible redeemable series A preferred shares (the "Preferred Shares") were issued to certain minority shareholders ("MI") of a subsidiary (the "Subsidiary"). The Preferred Shares would automatically be converted into ordinary shares of the Subsidiary upon either the earlier of the closing of a qualified public offering or at the option of the MI. The Preferred Shares would be redeemable at the option of the MI, out of funds legally available therefore including capital, at any time commencing five calendar years after the Preferred Shares were issued at a redemption price per share equal to the original price of the Preferred Shares plus a premium plus all declared but unpaid dividends.

(b) On 19th May, 2003, the Company and the Subsidiary entered into the agreements (the "Agreements") with the MI in which the MI agreed to sell all the Preferred Shares of HK\$81,900,000 to the Company for a consideration of HK\$35,000,000 which was settled by an initial cash consideration of HK\$11,000,000 and the remaining balance of HK\$24,000,000 was settled by way of promissory notes payable semi-annually by 5 instalments. The promissory notes were interest-bearing at a rate of 5.5% per annum. Upon the Agreements being effective, the title to, beneficial ownership of, and any risk attaching to the Preferred Shares together with all associated rights and benefits attaching or accruing to them were passed from the MI to the Company. As a result, a gain of HK\$46,900,000 together with the reversal of the previously accrued redemption premium on the Preferred Shares of HK\$15,015,000 were recognised by the Group during the year ended 31st March, 2004.

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

31. 發行可兌換及可贖回優先股予一
附屬公司之少數股東之回購溢利
(續)

本集團(續)

根據該協議，該附屬公司同時以每股10港元發行認股權證予持有者。根據該認股權證之條文及約定，持有者有權自二零零四年五月十九日起至二零零五年十一月十八日止之任何時間內認購認股權證股票(即普通股或任何於行使該認股權證時可收回或發行之股票或證券)，認購總額最高可佔該附屬公司已發行的股本百分之十。基本行使價約為44,789,000港元。

- (c) 於二零零四年三月三十一日止年度，本集團已全數清還所有承對票據。

31. CONVERTIBLE REDEEMABLE
PREFERRED SHARES ISSUED TO
MINORITY SHAREHOLDERS OF A
SUBSIDIARY (Continued)
THE GROUP (Continued)

Pursuant to the Agreements, the Subsidiary would also issue warrants ("Warrants") to the MI for a cash consideration of HK\$10 for each Warrant. The MI are entitled, subject to the terms and conditions of the Warrants, at any time or from time to time after 19th May, 2004 and before 18th November, 2005, to subscribe for Warrant Shares (i.e. the ordinary shares and any other shares or securities at any time receivable or issuable upon exercise of the Warrants) representing up to 10% of the issued capital of the Subsidiary. The initial exercise price of the Warrants is approximately HK\$44,789,000.

- (c) The Group had repaid the promissory notes in full in the year ended 31st March, 2004.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

32. 出售附屬公司

正如附註8所述，下列是本集團出售GST時其負債淨值：

32. DISPOSAL OF A SUBSIDIARY

As mentioned in note 8, the Group disposed of GST of which the net liabilities at the date of disposal were as follows:

| | | 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------|--|----------------------------------|----------------------------------|
| 出售負債之淨值： | Net liabilities disposed of: | | |
| 物業、廠房及設備 | Property, plant and equipment | 1,275 | — |
| 無形資產 | Intangible assets | 9,690 | — |
| 存貨 | Inventories | 3,476 | — |
| 應收貿易賬款 | Trade receivables | 5,910 | — |
| 其他應收賬款 | Other receivable | 676 | — |
| 應付貿易賬款 | Trade payable | (25,887) | — |
| 其他應付賬款 | Other payable | (4,149) | — |
| 銀行透支 | Bank overdraft | (663) | — |
| | | (9,672) | — |
| 滙兌儲備變現 | Translation reserve realised | 679 | — |
| 放棄應付附屬公司賬款 | Waiver of amounts due to fellow subsidiaries | 23,599 | — |
| 法律及專業費用 | Legal and professional fees | 152 | — |
| 出售一附屬公司之虧損 | Loss on disposal of a subsidiary | (4,758) | — |
| 總作價 | Total consideration | 10,000 | — |
| 予付清： | Satisfied by: | | |
| 現金作價 | Cash consideration | 10,000 | — |
| 因出售而引致之現金流入淨額： | Net cash inflow arising on disposal: | | |
| 現金作價 | Cash consideration | 10,000 | — |
| 法律及專業費用 | Legal and professional fees | (152) | — |
| 銀行透支之出售 | Bank overdraft disposed of | 663 | — |
| | | 10,511 | — |

所出售之附屬公司佔集團本年度之營業額約為4,676,000港元及虧損約為2,305,000港元亦反映在集團本年度之經營業績內。

The subsidiary disposed of during the year contributed approximately HK\$4,676,000 to the Group's turnover and losses of approximately HK\$2,305,000 to the Group's operating results for the year.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

33. 或然負債

33. CONTINGENT LIABILITIES

| | | 本集團 | | 本公司 | |
|---------------------------|--|-----------|----------|-------------|----------|
| | | THE GROUP | | THE COMPANY | |
| | | 二零零五年 | 二零零四年 | 二零零五年 | 二零零四年 |
| | | 2005 | 2004 | 2005 | 2004 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 有追索權之貼現票據 | Bills discounted with recourse | 94,935 | 21,657 | - | - |
| 就有關授予聯營公司之一般銀行融資而向銀行作出之擔保 | Guarantees given to banks in respect of general banking facilities granted to an associate | 10,000 | 8,000 | - | - |
| 就有關授予附屬公司之一般銀行融資而向銀行作出之擔保 | Guarantees given to banks in respect of general banking facilities granted to subsidiaries | - | - | 204,714 | 204,000 |

| | | 本集團 | | 本公司 | |
|---------------------------|---|-----------|----------|-------------|----------|
| | | THE GROUP | | THE COMPANY | |
| | | 二零零五年 | 二零零四年 | 二零零五年 | 二零零四年 |
| | | 2005 | 2004 | 2005 | 2004 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 向銀行作出擔保之銀行融資已被取用： 聯營公司 | Guarantees given to banks in respect of banking facilities utilised by: an associate | 3,862 | 3,965 | - | - |
| 附屬公司 | subsidiaries | - | - | 31,722 | 65,617 |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

34. 退休福利計劃

本公司及其在香港經營之附屬公司，都參與一個在職業退休計劃條例下註冊之設有界定供款額之職業退休福利計劃和一個在強制性公積金條例下從二零零零年十二月成立之強制性公積金計劃。該兩個計劃所持之資產與本集團之資產分開並由本集團以基金形式交付受託人控制。在強制性公積金成立之前已參加職業退休計劃之員工可有權選擇繼續參與現有的職業退休福利計劃或參加強制性公積金計劃。在二零零零年十二月一日或之後加入公司之員工必須加入強制性公積金計劃。

在強制性公積金計劃下，僱主與其僱員要按計劃規則所列明之比率分別付出供款。

職業退休福利計劃則由僱主每月根據員工基本工資之五個百分比而供款。

倘有僱員於獲得全部供款前退出職業退休福利計劃，則可將本集團收回之供款與本集團應付之供款抵銷。在本年度，已抵銷收回之供款為549,000港元（二零零四年：264,000港元）。

在中國國內及新加坡之員工則分別參與由當地政府主辦及由國家管理之退休福利計劃。本集團必須按工資之一個百分比供款於退休福利計劃以補助福利。本集團就這些退休福利計劃之唯一責任是提供指定之供款。

34. RETIREMENT BENEFIT SCHEMES

The Company and its subsidiaries operating in Hong Kong participate in both a defined contribution scheme which is registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying with the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1st December, 2000 are required to join the MPF Scheme.

Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules.

The ORSO Scheme is funded by monthly contributions from the Group at a rate of 5% of the employees' basic salaries.

Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. The amount of forfeited contributions utilised in this manner during the year was HK\$549,000 (2004: HK\$264,000).

The employees in the PRC and Singapore are the members of respective state-managed retirement benefits schemes operated by the respective local governments. The Group is required to contribute a certain percentage of payroll costs to the retirement benefits schemes to fund the benefits. The only obligation of the Group in respect of the retirement benefits schemes is to make the specified contributions.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

34. 退休福利計劃（續）

在本年度本集團對這些退休福利計劃之總供款為4,681,000港元已在損益表內反映（二零零四年：5,089,000港元）。

34. RETIREMENT BENEFIT SCHEMES (Continued)

The total cost charged to the income statement of HK\$4,681,000 (2004: HK\$5,089,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

35. 資本承擔

35. CAPITAL COMMITMENTS

本集團 THE GROUP

關於已訂合約但未計入財務報表
有關購買物業、廠房及設備
之資本開支

Capital expenditure contracted for but
not provided in the financial statements
in respect of acquisition of property,
plant and equipment

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| 1,209 | 2,557 |

本公司於二零零五年及二零零四年三月三十一日時並無任何重大資本承擔。

The Company had no significant capital commitments at 31st March, 2005 and 2004.

36. 經營租約承擔

本集團為承租人

36. OPERATING LEASES COMMITMENTS

The Group as lessee

本集團 THE GROUP

本年度內，就土地及樓宇之
經營租約中最少應付租金
及管理費

Minimum lease payments and
management fee made under operating
leases in respect of land and buildings
during the year

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| 8,630 | 9,901 |

財務報表附註(續)

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

36. 經營租約承擔(續)

本集團為承租人(續)

於結算日，本集團尚有不可撤銷之經營租約中未來最少應付租金及有關管理費按租約屆滿期如下：

| | |
|-----------|---------------------------------------|
| 一年內 | Within one year |
| 於第二年至第五年內 | In the second to fifth year inclusive |
| 超過五年 | Over five years |

經營租約付款指本集團位於東莞之員工宿舍及寫字樓物業之應付租金及管理費。租約及租金釐訂為期為一至二十年。相關管理費之承擔定為五十年。

本公司於二零零五年及二零零四年三月三十一日時並無任何重大經營租約承擔。

37. 資產抵押

於結算日，本集團已將賬面價值87,038,000港元(二零零四年：99,989,000港元)之租約物業抵押作為本集團所獲一般銀行融資之擔保。

於二零零五年及二零零四年三月三十一日，本公司並無任何抵押資產於本年度及上年度。

36. OPERATING LEASES COMMITMENTS (Continued)

The Group as lessee (Continued)

At the balance sheet date, the Group had commitments for future minimum lease payments and related management fee under non-cancellable operating leases in respect of properties which fall due as follows:

| 二零零五年 2005 千港元 HK\$'000 | 二零零四年 2004 千港元 HK\$'000 |
|----------------------------------|----------------------------------|
| 5,498 | 7,667 |
| 17,598 | 19,395 |
| 31,195 | 35,616 |
| 54,291 | 62,678 |

Operating lease payments represent rentals payable by the Group for employees' quarters and office premises and the management fee relating to the use of land in Dongguan, the PRC. Leases are negotiated and rentals are fixed for terms ranging from 1 year to 20 years. The related commitments for management fee is fixed for 50 years.

The Company had no significant lease commitments as at 31st March, 2005 and 2004.

37. PLEDGE OF ASSETS

At the balance sheet date, the Group pledged leasehold properties with a carrying value of HK\$87,038,000 (2004: HK\$99,989,000) to secure general banking facilities granted to the Group.

The Company did not have any pledged assets as at 31st March, 2005 and 2004.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

38. 主要附屬公司及聯營公司資料

於二零零五年三月三十一日，本公司主要附屬公司之詳情如下：

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries at 31st March, 2005 are as follows:

| 附屬公司名稱 | 註冊成立地點 | 已發行及繳足 普通股股本 ／註冊資本 | 本公司持有 已發行普通股股本 面值百分比 | | 主要業務 |
|---|---|--|---|------------------------|--|
| | | | 直接 | 間接 | |
| Name of subsidiary | Place of incorporation/ registration | Issued and fully paid up ordinary share capital/ registered capital | Proportion of nominal value of issued ordinary capital held by the Company | | Principal activity |
| | | | Directly 百分比 % | Indirectly 百分比 % | |
| 東莞長安權智電子廠 Dongguan Chang An Group Sense Electronics Factory | 中華人民共和國 中外合營公司 The PRC Sino-foreign Joint Venture | 20,000,000港元 HK\$20,000,000 | – | 100 | 電子產品生產及買賣 Manufacture and trading of electronic products |
| 東莞環亞高科電子有限公司 Global Asia High-tech Electronics Co Ltd | 中華人民共和國 外資公司 The PRC Foreign Enterprise | 25,000,000港元 HK\$25,000,000 | – | 100 | 電子產品生產及買賣 Manufacture and trading of electronic products |
| Group Sense (China) Limited | 英屬處女群島 British Virgin Islands | 1美元 US\$1 | 100 | – | 投資控股 Investment holding |
| 權智數碼動力有限公司 Group Sense Cyberspace Limited | 薩摩亞 Western Samoa | 100美元 US\$100 | 100 | – | 投資控股 Investment holding |
| Group Sense (Dongguan) Limited | 英屬處女群島 British Virgin Islands | 10美元 US\$10 | – | 100 | 持有物業 Property holding |
| Group Sense (Holding) Limited | 英屬處女群島 British Virgin Islands | 3,000美元 US\$3,000 | 100 | – | 投資控股 Investment holding |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

38. 主要附屬公司及聯營公司資料 （續）

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES AND ASSOCIATES (Continued)

| 附屬公司名稱 Name of subsidiary | 註冊成立地點 Place of incorporation/ registration | 已發行及繳足 普通股股本 ／註冊資本 Issued and fully paid up ordinary share capital/ registered capital | 本公司持有 已發行普通股股本 面值百分比 Proportion of nominal value of issued ordinary capital held by the Company | | 主要業務 Principal activity |
|--|--|---|---|------------------------------|---|
| | | | 直接 Directly 百分比 % | 間接 Indirectly 百分比 % | |
| Group Sense (S.E.A.) Limited | 英屬處女群島 British Virgin Islands | 1美元 US\$1 | 100 | — | 投資控股 Investment holding |
| Group Sense Investment Limited | 英屬處女群島 British Virgin Islands | 1美元 US\$1 | 100 | — | 投資控股 Investment holding |
| 權智有限公司 Group Sense Limited | 香港 Hong Kong | 1,000港元* HK\$1,000* | — | 100 | 電子產品設計及買賣 Design and trading of electronic products |
| Group Sense Manufactory Company Limited | 英屬處女群島 British Virgin Islands | 1美元 US\$1 | — | 100 | 電子產品生產 Manufacture of electronic products |
| 權智PDA控股有限公司 Group Sense PDA Holdings Limited | 開曼群島 Cayman Islands | 普通股90,000 美元 A類優先股17,182美元 Ordinary shares US\$90,000 Series A Preferred Shares US\$17,182 | 75 | — | 投資控股 Investment holding |
| 權智掌上電腦有限公司 Group Sense PDA Limited | 香港 Hong Kong | 100 港元 HK\$100 | — | 75 | 智能手機及個人數碼助理 產品設計及買賣 Design and trading of smartphone and PDA products |

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

38. 主要附屬公司及聯營公司資料 (續)

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES AND ASSOCIATES (Continued)

| 附屬公司名稱 Name of subsidiary | 註冊成立地點 Place of incorporation/ registration | 已發行及繳足 普通股股本 ／註冊資本 Issued and fully paid up ordinary share capital/ registered capital | 本公司持有 已發行普通股股本 面值百分比 Proportion of nominal value of issued ordinary capital held by the Company | | 主要業務 Principal activity |
|--|--|--|---|----------------|---|
| | | | 直接 百分比 % | 間接 百分比 % | |
| Group Sense Singapore Pte Limited | 新加坡 Republic of Singapore | 500,000新加坡元 S\$500,000 | – | 100 | 提供軟件顧問及科研服務 Provision of software consultancy and research and development services |
| GSL Research Technology Limited | 英屬處女群島 British Virgin Islands | 1美元 US\$1 | – | 100 | 持有及授出知識產權 Holding and licensing of intellectual properties |
| GSPDA Intellectual Properties Limited | 英屬處女群島 British Virgin Islands | 1美元 US\$1 | – | 75 | 持有知識產權 Holding of intellectual properties |
| 武藤商事有限公司 Muto Limited | 香港 Hong Kong | 2港元 HK\$2 | – | 100 | 持有物業 Property holding |
| Supreme Style Technology Limited | 英屬處女群島 British Virgin Islands | 100美元 US\$100 | – | 100 | 投資控股 Investment holding |
| 勝皇投資有限公司 Ultimate Winner Investments Limited | 香港 Hong Kong | 100港元 HK\$100 | – | 100 | 投資控股 Investment holding |

* 權智有限公司亦有已發行每股面值1.0港元無投票權年息五厘遞延股份200,000股。遞延股份並無附有獲派股息或接獲召開本公司任何股東大會之通告或出席任何股東大會或於大會上投票之權利，亦無權在清盤時參與任何分派。

* Group Sense Limited has also issued 200,000 non-voting 5% deferred shares of HK\$1.0 each. The deferred shares practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the company or to participate in any distribution on winding up.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

38. 主要附屬公司及聯營公司資料 (續)

除 Group Sense Manufactory Company Limited 於中國經營外，所有其他附屬公司均於其註冊成立地點營業。

依董事會之意見，上述附屬公司為對本集團之業績或資產有重大影響之附屬公司。董事會認為詳細敘錄其他附屬公司，將會過份煩瑣。

於二零零五年三月三十一日，本集團主要之聯營公司之詳情如下：

| 聯營公司名稱 | 業務架構形式 | 註冊成立地點 | 本公司間接持有 已發行普通股股本面值百分比 | 主要業務 |
|---|----------------------------------|--|--|--|
| Name of associate | Form of business structure | Place of incorporation/ registration | Proportion of nominal value of issued ordinary capital held indirectly by the Company | Principal activity |
| 北京華建智科技有限公司 Beijing Huajian Huizhi Technology Co., Ltd. | 企業 Incorporated | 中華人民共和國 The PRC | 48% | 設計與軟件開發 Design and development of software |

39. 結算日後事項

於二零零五年五月十九日，本公司之一間接全資擁有之附屬公司－武藤商事有限公司與獨立第三者簽訂買賣合約，以作價 107,000,000 港元出售旗下租賃物業。是項租賃物業之出售之估計收益為約 17,800,000 港元。完成出售日期為二零零六年二月二十八日或之前。

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES AND ASSOCIATES (Continued)

All of the subsidiaries operate in their place of incorporation or registration except for Group Sense Manufactory Company Limited, which operates in the PRC.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affect the results or the assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Details of the Company's principal associate at 31st March, 2005 are as follows:

39. POST BALANCE SHEET EVENT

On 19th May, 2005, Muto Limited, an indirectly wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party, to dispose of a leasehold property for a consideration of HK\$107,000,000. The estimated gain on disposal of the leasehold property is approximately HK\$17,800,000. The completion of the disposal will take place on or before 28th February, 2006.

財務報表附註（續）

Notes to the Financial Statements (Cont'd)

截至二零零五年三月三十一日止年度 For the year ended 31st March, 2005

40. 有關人士交易

於本年度內，本集團向一關連公司購買貨品之總金額為約8,000,000港元（二零零四年：關連公司為約13,000,000港元及前聯營公司為約7,000,000港元）。本公司董事譚偉棠先生於該關連公司佔有權益。

以上交易以市場價格進行或當沒有市場價格可作參考時，則以成本加上特定百分比之利潤計價。

40. RELATED PARTY TRANSACTIONS

During the year, the Group purchased goods from a related company amounting to approximately HK\$8,000,000 (2004: approximately HK\$13,000,000 from a related company and approximately HK\$7,000,000 from a former associate). Mr. Tam Wai Tong, Thomas, a director of the Company, has beneficial interests in the related company.

The above transactions were carried out at market prices or, where no market price was available, at cost plus a percentage profit mark-up.

財務概要

Financial Summary

業績

| | | RESULTS | | | | |
|----------------|---|------------------------|-----------|-----------|-----------|------------------|
| | | 截至三月三十一日止年度 | | | | |
| | | Year ended 31st March, | | | | |
| | | 二零零一年 | 二零零二年 | 二零零三年 | 二零零四年 | 二零零五年 |
| | | 2001 | 2002 | 2003 | 2004 | 2005 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | (重列) | | | | |
| | | (Restated) | | | | |
| 營業額 | Turnover | 1,612,622 | 977,806 | 1,147,607 | 1,355,648 | 1,309,630 |
| 稅前溢利 (虧損) | Profit (loss) before tax | (281,069) | (106,302) | 30,043 | 159,811 | 62,761 |
| 所得稅撥回 (支出) | Income tax credit (expenses) | 1,709 | (461) | (3,878) | 1,698 | 226 |
| 少數股東權益前溢利 (虧損) | Profit (loss) before minority interests | (279,360) | (106,763) | 26,165 | 161,509 | 62,987 |
| 少數股東權益 | Minority interests | 851 | 8,625 | 15,846 | 575 | (829) |
| 本年度溢利 (虧損) | Profit (loss) for the year | (278,509) | (98,138) | 42,011 | 162,084 | 62,158 |
| 股息 | Dividends | - | - | 17,768 | 41,919 | 48,098 |

資產與負債

| | | ASSETS AND LIABILITIES | | | | |
|----------------------|---|------------------------|----------|----------|----------|-----------------|
| | | 於三月三十一日 | | | | |
| | | At 31st March, | | | | |
| | | 二零零一年 | 二零零二年 | 二零零三年 | 二零零四年 | 二零零五年 |
| | | 2001 | 2002 | 2003 | 2004 | 2005 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | (重列) | | | | |
| | | (Restated) | | | | |
| 資產總值減流動負債 | Total assets less current liabilities | 561,240 | 527,195 | 566,670 | 614,879 | 615,926 |
| 少數股東權益 | Minority interests | (24,195) | (15,553) | (575) | - | (829) |
| 發予予附屬少數股東之可兌換及可贖回優先股 | Convertible redeemable preferred shares issued to minority shareholders of a subsidiary | - | (88,725) | (96,915) | - | - |
| 非流動負債 | Non-current liabilities | (42,031) | (25,991) | (20,952) | (26,019) | (10,075) |
| 股東資金 | Shareholders' funds | 495,014 | 396,926 | 448,228 | 588,860 | 605,022 |

財務概要

Financial Summary

註： 二零零三年三月三十一日之比較數字，已因採用由香港會計師公會頒布之會計實務準則第12號(經修訂)「所得稅」而作出重列。二零零二年三月三十一日及以前年度之比較數字並無重列以反映該改變，因全面重列之得益並不能滿足其代價。

Note: The comparative figures for the year ended 31st March, 2003 have been restated to reflect the effect in respect of the adoption of Statement of Standard Accounting Practice 12 (Revised) “Income Taxes” issued by the Hong Kong Institute of Certified Public Accountants. The comparative figures for the year ended 31st March, 2002 and prior years have not been restated to reflect the change in accounting policy as the benefits which would be derived from fully restating figures would not justify the costs to such restatements.

主要物業之詳情

Particulars of Major Properties

本集團於二零零五年三月三十一日持有之主要物業詳情如下：

Particulars of major properties held by the Group as at 31st March, 2005 are set out below:

| 名稱／位置 Name/location | 類別 Type | 年期 Lease term |
|---|------------------|--------------------------|
| 租賃物業： Leasehold properties: | | |
| 1. 香港灣仔皇后大道東 213 號 胡忠大廈 2701 室至 2710 室 Units 2701-2710, Wu Chung House 213 Queen's Road East Wanchai Hong Kong | 商業 Commercial | 中年期 Medium-term lease |
| 2. 九龍九龍灣啟祥道 9 號 信和工商中心 2 樓 第 13-24 號工場及 地庫 P3 號停車位 Workshop Nos. 13 to 24 on 2nd Floor and Car Parking Space No. P3 on Basement, Sino Industrial Plaza 9 Kai Cheung Road Kowloon Bay Hong Kong | 工業 Industrial | 中年期 Medium-term lease |
| 3. 東莞長安權智電子廠 東莞市長安鎮 烏沙管理區 第四工業區 Dongguan Chang An Group Sense Electronics Factory Fourth Industrial Zone, Wusha Chang An, Dongguan The People's Republic of China | 工業 Industrial | 中年期 Medium-term lease |



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