



Group Sense (International) Limited

權智(國際)有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)



Annual Report 2002
二零零二年週年報告

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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

羅志聰

大谷和廣

李冠雄

霍定洋

獨 立 非 執 行 董 事 :

容永祺 MH*

何國成 *

* 審核委員會成員

核 數 師 ▶

德勤 • 關黃陳方會計師行

律 師 ▶

郭葉律師行

的近律師行

公 司 秘 書 ▶

羅志聰 MBA, FCCA, FHKSA

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

美國亞洲銀行

註 冊 辦 事 處 ▶

Clarendon House, Church Street,

Hamilton HM11, Bermuda

主 要 辦 事 處 ▶

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轉 讓 登 記 處 ▶

秘書商業服務有限公司

香港干諾道中111號

永安中心5樓

D I R E C T O R S ▶

Executive Directors:

TAM Wai Ho, Samson (Chairman)

TAM Wai Tong, Thomas (Managing Director)

TAM Mui Ka Wai, Vivian

LO Chi Chung, William

Kazuhiro OTANI

LEE Koon Hung

FOK Ting Yeung, James

Independent Non-executive Directors:

YUNG Wing Ki, Samuel MH*

HO Kwok Shing, Harris*

* Member of Audit Committee

A U D I T O R S ▶

Deloitte Touche Tohmatsu

S O L I C I T O R S ▶

Kwok & Yih

Deacons

C O M P A N Y S E C R E T A R Y ▶

LO Chi Chung, William MBA, FCCA, FHKSA

P R I N C I P A L B A N K E R S ▶

The Hongkong and Shanghai Banking Corporation Limited

Hang Seng Bank Limited

Bank of America (Asia) Limited

R E G I S T E R E D O F F I C E ▶

Clarendon House, Church Street,

Hamilton HM11, Bermuda

P R I N C I P A L P L A C E O F B U S I N E S S ▶

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

Wanchai, Hong Kong

H O N G K O N G S H A R E R E G I S T R A R S A N D
T R A N S F E R O F F I C E ▶

Secretaries Limited

5th Floor, Wing On Centre, 111 Connaught Road Central,

Hong Kong

Chairman's Statement

主 席 報 告 書



主席報告書

Chairman's Statement

業務回顧 ▶

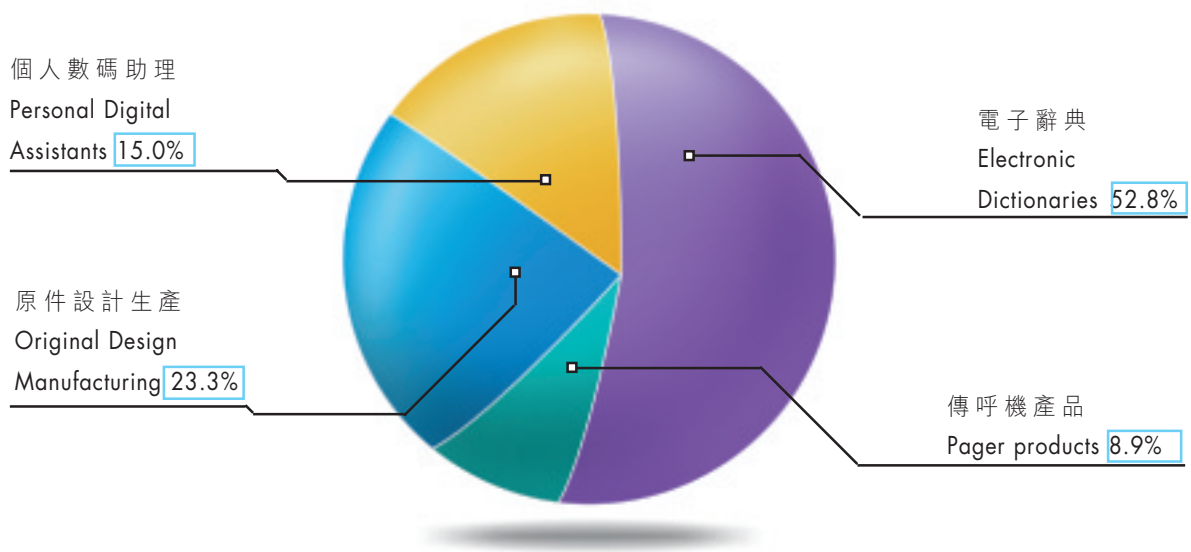
回顧過去一年，集團繼續致力整固其業務以改善盈利能力及現金流轉。截至二零零二年三月三十一日止，集團全年營業額為977,800,000港元，比對去年同期營業額1,612,600,000港元，下降39.4%。在全年總營業額977,800,000港元之中，三項持續經營業務，包括電子辭典、個人數碼助理（「PDA」）及原件設計生產（「ODM」）共佔891,100,000港元（91.1%），其餘非持續經營業務，即傳呼機業務則佔86,700,000港元（8.9%）。集團全年錄得98,100,000港元的股東應佔虧損，其中包括由持續經營業務所產生的溢利29,100,000港元，以及因非持續經營業務而產生的虧損127,200,000港元。

集團之持續經營業務已開始轉虧為盈，符合集團先前所定之目標。

BUSINESS REVIEW ▶

Over the past year the Group continued to consolidate its business in order to improve profitability and cashflow. Turnover of the financial year ended 31st March, 2002 was HK\$977.8 million, representing a drop of 39.4% when compared to the previous year of HK\$1,612.6 million. Among the turnover of HK\$977.8 million, HK\$891.1 million or 91.1% was from continuing business, that is electronic dictionaries, personal digital assistants ("PDA") and original design manufacturing ("ODM"), and the remaining HK\$86.7 million or 8.9% was from discontinuing business, that is pager products. Loss attributable to shareholders for the year was HK\$98.1 million which comprised of profit from continuing business HK\$29.1 million and loss from discontinuing business HK\$127.2 million.

It is noted that the Group's continuing business begins to return to profitable track as planned.

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 (continued)

非持續經營業務所產生的虧損主要由傳呼機業務之減值而產生。於二零零二年七月八日，集團與一家總部設於北京的公司簽定不具法律效力之意向書，以30,000,000港元出售集團所有的傳呼機業務。根據意向書，兩家公司需於簽定意向書的30天內簽訂正式合約。集團管理層據此為傳呼機的業務作出105,800,000港元之永久性減值。連同傳呼機業務於年內的經營虧損26,600,000港元及出售充電性電池產品業務之一次過收益5,200,000港元，非持續經營業務之總虧損為127,200,000港元。管理層強調為傳呼機業務所作的永久性減值只是為存貨及應收賬等資產賬目減值，並不牽涉任何現金支出。

另一方面，集團去年繼續投資於其持續經營業務，致力推廣其品牌、擴大銷售網絡及加強產品研究及開發的能力。集團之品牌已成為大中華區最為人知的消費產品品牌之一。隨著銷售網絡深化至二線及三線城市，集團於中國國內之零售終端已由3,000個增加至5,000多個，而主要經銷商數目亦達50多個，遍佈中國國內主要地區，由駐於廣州總部之專業隊伍專責運作及管理。持續經營業務之產品研究及開發費用為54,600,000港元，佔相應營業額約6.1%。除內部科研隊伍外，集團亦於去年與中國國內的大學共同成立軟件中心，以加強其研發能力。

公司內部方面，自兩年前成立以來，各獨立策略性業務單位(SBU)之運作已上軌道，去年集團之整體生產力及營運效率已明顯地改善，而管理層之問責性亦大大提高。

The loss suffered in the discontinuing pager business is mainly attributable to the impairment in value of the pager operation as a consequence of a possible sale of the business to a third party. On 8th July, 2002, the Group entered into a non-legally binding Letter of Intent ("LOI") with a Beijing-based company for the disposal of the entire pager business by the Group at a consideration of HK\$30.0 million. According to the LOI, the two companies shall execute definitive agreements within thirty days from the date of the LOI. Based on this understanding, the management provided a permanent impairment in the value of the pager business in the amount of HK\$105.8 million in the accounts. Together with an operating loss of HK\$26.6 million for pagers during the year and a non-recurring gain on disposal of the rechargeable battery business of HK\$5.2 million, the total loss for the discontinuing business amounted to HK\$127.2 million. The management wish to emphasize that the permanent impairment of the pager business is for the writing down of the book value of assets such as inventories and accounts receivable and does not involve cash outlays.

On the other hand, the Group continued to invest in the continuing business, especially in the areas of branding, marketing network and research and development ("R&D"). The Group's brands are now among the top consumer brands in the Greater China region. Sales outlets in mainland China increased from 3,000 to more than 5,000 as a result of expansion of the sales network into the secondary and tertiary cities. The network is being operated and managed in Guangzhou where a team of professional managers are charged with the responsibility to run a total of more than fifty major distributors covering the major parts of mainland China. R&D spending for the continuing business amounted to HK\$54.6 million, which is approximately 6.1% of the corresponding sales turnover. Besides in-house R&D, the Group has also established software centres with universities in mainland China to strengthen its R&D capability.

On the corporate side, the SBU (Strategic Business Unit) management is at its full swing since its establishment two years ago. It is apparent that the overall productivity and operational efficiency have significantly improved during the year and management accountability has also increased.

主席報告書(續)

Chairman's Statement (continued)

電子辭典

電子辭典全年營業額為516,500,000港元，約佔總持續經營業務之58.0%，仍是集團之最大收入來源。未計融資成本及投資撥備前之經營溢利由前年的5,300,000港元增加至70,300,000港元。此乃致力減低成本及加強信貸管理之成果。隨著去年推出多款新產品，集團的擴大中國國內低檔產品市場佔有率之計劃亦漸見成績。另一方面，亞洲市場，尤其南韓及泰國均錄得相當滿意的增長。

Electronic dictionaries

Turnover of the SBU in the year was HK\$516.5 million, which is approximately 58.0% of the total continuing business and is still the largest income contributor to the Group. Operating profit (before finance cost and investment charges) increased to HK\$70.3 million from HK\$5.3 million in previous year. This was attributable to the marked achievement in cost reduction and credit control. The plan to increase the Group's market share in the low-end market in mainland China began to bear fruit after several new products were launched during the year. On the other hand, the mid- to high-end segments continued to be the Group's stronghold in the market. The Asian market, particularly South Korea and Thailand, recorded satisfactory growth during the year.

個人數碼助理（「PDA」）

對PDA SBU而言，因承受著中國國內PDA市場於2000年底展開的激烈市場整合所帶來的後遺症，過去一年是相當艱巨的一年。按總產品出售數量計算，整個市場錄得輕微倒退，但平均產品價格則大幅下降30%。這對集團的銷售量及邊際利潤帶來直接的負面影響。PDA全年營業額為146,600,000港元，僅約為前年的55.7%，而經營虧損為25,500,000港元，相反去年同期則錄得輕微的經營溢利7,400,000港元。

PDA

The year under review was a difficult year to the PDA SBU because the mainland China market was suffering from the aftermath of a vigorous market consolidation that began in late 2000. Total market volume in terms of quantity showed a slight setback but average unit prices had dropped by as much as 30%. This created direct negative impact to the Group in sales volume and profit margins. The SBU recorded sales turnover for the year HK\$146.6 million, which is approximately 55.7% of that in the previous year. Operating loss was HK\$25.5 million whereas there was a small operating profit of HK\$7.4 million in corresponding year.

於二零零一年五月入股的策略性股東（包括Intel Capital及Softbank），不但於融資方面協助了PDA SBU，並在技術及市場推廣方面為SBU帶來很多益處。去年PDA SBU於大中華市場推出首部中、英文顯示GSM PDA，得以搶先打入快將起步的流動數據市場，雖然此產品之銷售量並未帶來驚喜，但此乃集團涉足無線數據通訊業務及垂直市場企業解決方案的第一步。

The investment by strategic investors including Intel Capital and Softbank in May 2001 helped the SBU not only on the financing side but also on the technology and marketing side. During the year, the SBU launched the first ever Chinese-based integrated GSM PDA in the Greater China market to pre-empt the upcoming mobile data segment. Although the sales volume of this model was not particularly exciting to the Group, it has indeed enabled the Group to make its first footstep in both the wireless data field and the vertical enterprise solution market.

原件設計生產（「ODM」）

在內部大力整頓業務及北美市場放緩的影響下，ODM SBU全年錄得營業額228,100,000港元，比對前年同期下降46.8%。但透過加強成本控制、提高生產效率及改善關鍵性零

ODM

As a result of intensive consolidation effort and the slow down of the North American market, the turnover of the ODM SBU was HK\$228.1 million which represents a drop of 46.8% when compared to the previous year. However, the

主席報告書(續)

Chairman's Statement (continued)

部件的採購，SBU得以錄得經營溢利3,300,000港元，而前年則錄得經營虧損35,000,000港元，能得如此佳績，SBU管理層居功至偉。

由於主要市場的經濟不明朗，SBU去年非常重視與主要客戶作策略性合作，並謹慎地發展高質素業務，深信建立能獲利的運作基礎比單純追求增加營業額更為重要。

展望 ▶

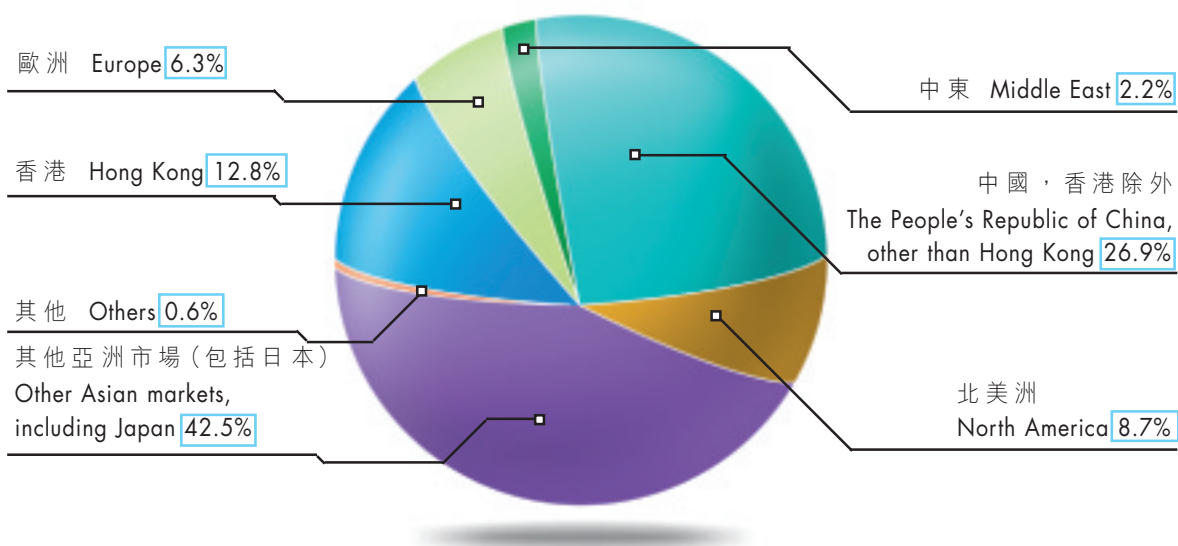
美國經濟的復甦，就算以較為樂觀的經濟預測來看，也不會早於二零零二年底前出現，這已是普遍的共識。故此，對美國的出口將會持續疲弱。同樣地，香港本土的消費力在

SBU managed to make an operating profit of HK\$3.3 million for the year whereas it was an operating loss of HK\$35.0 million the year before. The credit should go to the SBU management for their achievement in cost control, manufacturing efficiency and procurement of critical components.

During the year, higher emphasis was placed on strategic partnership with major customers and high quality business with a very cautious approach in new business development in the wake of the general economic uncertainties in major markets. Building up the base for a profitable operation precedes the pursuit for bigger sales volume.

OUTLOOK ▶

It is almost certain that the much expected US economic recovery would not be materialized until, as the more optimistic economists would predict, towards the end of 2002. Export to the North American market will continue to

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 (continued)

市場需求疲弱及失業率高企的陰影下，估計最多只能不過不失。幸而，中國國內仍會為集團提供業務增長動力，而個別亞洲市場，如南韓、台灣及泰國亦會有所增長。

電子辭典

展望今年，集團將為電子辭典加入不同的增值功能，如透過互聯網下載數碼化內容及改善發聲系統等，務求顧客能享受個人化的電子產品時稱心滿意，對集團的產品產生歸屬感。本SBU亦會繼續致力減低產品的生產成本，例如開發專用的多功能結合晶片。市場方面，將繼續深化銷售網絡，希望將中國國內的零售終端數目增加至7,000多個，而同時亦會加快開發外語產品，以捕捉南韓及泰國市場的增長機會。

隨著電子書的技術及市場需求開始受到注意，本SBU會於未來投放更多資源，為可能出現的商機做好準備。

PDA

由於低檔的PDA產品逐漸變為邊際利潤微薄的類同商品，本SBU將會致力開發不同的創新產品功能，例如彩色顯示屏，內置攝影機及藍牙通訊功能等，令集團的產品更有獨特性，能排眾而出。展望從今年年底開始，通用分組無線電服務(General Packet Radio Service, GPRS)會更流行及被消費者受落，帶起流動數據市場，間接令本集團的GPRS無線通訊PDA產品得益。

本SBU亦會繼續開拓企業解決方案業務及嘗試於亞洲、中東及歐洲等地區打開新市場。

ODM

本SBU正與數個策略性夥伴洽談多項新項目，管理層希望能透過與南韓及歐洲客戶展

be weak. Likewise, the local Hong Kong market is expected to be static, if not worse, because of the soft consumer demand and high unemployment rate. On the other hand, the mainland China market will provide the biggest impetus for business growth whilst some of the Asian markets such as South Korea, Taiwan and Thailand will also continue to pick up.

Electronic Dictionaries

The SBU will focus on adding to the products more value-for-money features such as digital content for download through the internet and improved text-to-speech quality. The target is to provide the customers with personalised devices that could enhance customer satisfaction and user loyalty. Cost-down measures, such as design of integrated chips, will continue to be on the SBU's agenda. On the marketing side, the SBU will strive to expand its sales network in mainland China by further increasing the number of sales outlets to 7,000. The management will also speed up the development of new products for the South Korea and Thailand markets to realize their high growth potential.

As eBook technology and market are getting more attention, the SBU will also increase its effort in this area to prepare for this forthcoming market.

PDA

As the low-end segment is becoming more and more a commodity market with very mean profit margins, the PDA SBU will focus on increasing the products' uniqueness by adding special features like colour screen, built-in camera, embedded Bluetooth communication, etc. Towards the end of 2002 when the GPRS (General Packet Radio Service) has become more popular and accepted, it is envisaged that the mobile data market will take off and will benefit the SBU's wireless products which are GPRS-ready.

The SBU will also continue to expand its presence in the enterprise solution market and will try to open up the overseas markets in Asia, Middle East and Europe.

ODM

The SBU is now discussing with some strategic business partners on several new projects. It is the intention of the

主席報告書(續)

Chairman's Statement (continued)

開合作，以擴闊其客戶基礎。根據去年成功的經驗，SBU亦將會繼續與客戶共同合作開發新產品，務求減低成本、攤分風險及縮短產品開發時間。

管理層有信心ODM SBU的營業額於今個財政年度會有較佳表現。

結 論

透過管理層積極地重組及整固了業務，集團的經營狀況已見明顯改善，包括邊際利潤增加、經營成本下降、現金儲備鞏固及借貸比率下降。隨著傳呼機業務即將出售，集團管理層可以更集中資源於擴大有盈利的持續經營業務及開拓新的業務。而集團將繼續投資於集團的「快譯通」品牌及中國國內的銷售網絡，以確保集團的長遠競爭力得以不斷提高。管理層亦會確保各SBU不斷加強對市場的迅速反應及營運效率，務求營業額及市場佔有率均能增加。基於上述理由，董事會對集團來年(2002/03)的財務表現抱審慎樂觀的態度。

股 息

董事會建議不派發截至二零零二年三月三十一日止年度之末期股息(二零零一年：零港仙)。

SBU management to broaden its customer base by working with customers in South Korea and Europe. The SBU will also continue its practice in joint product development with customers, which was proven to be very successful in last year, such that cost and risks could be shared and development lead-time could be reduced.

It is envisaged that the business volume of the ODM SBU will increase in the current financial year.

CONCLUSION

Through the vigorous effort in streamlining the operations and consolidating the business, last financial year (2001/02) saw significant turn-around in many aspects – improved profit margins, much lower operating cost, stronger cash reserve and reduced gearing ratio. With the pending disposal of the pager business, the management could concentrate their resources on the profitable continuing business and the development of new potential business. On the other hand, the continuous investment in the Group's brand "Instant Dict" and the marketing network in mainland China helps ensuring the long-term competitiveness of the Group in the marketplace. The management will also make sure that the SBUs will further enhance their market responsiveness and operational efficiency to achieve higher sales turnover and market share. With all these factors, the directors remain cautiously optimistic of the financial performance of the Group in the current financial year of 2002/03.

DIVIDEND

The Directors do not recommend the payment of a final dividend in respect of the year ended 31st March, 2002 (2001: nil).

主席報告書(續)

Chairman's Statement (continued)

鳴謝 ▶

本人謹代表董事會感謝各股東、客戶、供應商及銀行一直以來對本集團之支持，並對所有員工於過去一年之辛勤工作及貢獻表示衷心謝意。

承董事會命
主席
譚偉豪

香港，二零零二年七月十九日

APPRECIATION ▶

On behalf of the Board of Directors, I wish to thank our shareholders, customers, suppliers and bankers for their continuing support to the Group and to extend my appreciation to all members of staff for their dedication and contribution throughout the year.

By order of the Board
Tam Wai Ho, Samson
Chairman

Hong Kong, 19th July, 2002

Management
Discussion & Analysis
管理層研究及分析



管理層研究及分析

Management Discussion & Analysis

概 覽 ▶

二零零一/零二財政年度是集團充滿轉變的一年。為應付前財政年度(二零零零/零一)帶來的困難，集團採取了一系列徹底而有效的措施，以重組及整固業務。經過全體員工的努力及付出，各措施得以成功落實，並達致集團定下之目標。值得高興的是，董事局不單看到各員工能配合轉變，更能在轉變過程中提出建議。員工所提出的新意念及新方法，配合管理層制定的新策略，令集團得以順利完成業務重整，使業務運作得以改善。毫無疑問，在重整過程中，集團每一位員工須加倍努力並接受更多挑戰，但他們亦能從共同努力扭轉集團多方面的困難而獲得滿足。董事局對各員工給予集團的支持表示謝意。

終 止 非 核 心 業 務 ▶

終止經營虧損的業務乃重組計劃的重要一環。集團已於二零零一年八月出售集團佔60%股權的充電性電池業務。此業務過往幾年均錄得虧損，出售後除可減輕損益表的壓力，亦可令管理層的精力更集中。

傳呼機業務乃導致集團於二零零零/零一年度錄得嚴重虧損的主要原因。由於傳呼機產品迅速被流動電話取代，隨之而來的減價戰又異常激烈，令人對傳呼機業務之生存空間產生疑問。如二零零一年年報所述，管理層決定撤出傳呼機業務，並積極尋求有潛質的合作夥伴或買家，務求出售此業務。於過去一年，傳呼機業務已大幅收縮至只集中於資訊傳呼機並三個主要市場包括中國國內、俄羅斯及印度。管理層亦同時盡最大努力減低庫存，並採取所有可行的方法收回各應收賬項，包括聘用專業收賬代理及採取法律行動等。此外，集團亦嘗試

OVERVIEW ▶

Financial year 2001/02 witnessed a year of change to the Group. In the wake of the difficulties brought forward from the previous financial year 2000/01, the Group has taken a series of fundamental and effective measures to restructure the business and to streamline the operations. Through the hardwork and dedication of all employees, these measures were successfully implemented and have generated results as planned. The Directors are particularly pleased to see that members of the staff were not only responding to the changes but were also proposing changes. New ideas and new work approach suggested by staff supplemented the new strategies set by the management and helped completing the restructuring process and were rewarded by improvement in business operations. No doubt everyone in the Group has to work harder and to take up more challenges during the process but they also have the satisfaction that through their concerted effort the Group went through the difficulties and achieved significant turn-around in many aspects. The Directors are grateful to the support from all levels of staff.

DISCONTINUANCE OF NON-CORE BUSINESS ▶

One of the important aspects of the restructuring plan is discontinuance of loss-making businesses. During the year, the Group has disposed of the rechargeable battery business in August 2001. The business, in which the Group held 60%, had been making loss in previous years and the disposal of it could save not only the negative impact to the accounts but also the management resources in running the operation.

A major reason of the substantial loss in 2000/01 is pager business. Due to the rapid substitution of pager products by cellular phones and the severe competition in pricing, the viability of pager business became questionable. As reported in 2001 Annual Report, the management had decided to phase out the business and to actively seek potential partners or buyers to take it up. During the year, the operation was substantially scaled down to concentrating only on information pagers and three major markets namely mainland China, Russia and India. The management had also spent enormous effort in collecting trade receivable and reduction of inventories. All possible means had been sought to in collecting debts including professional collecting agents and legal actions. Surplus and obsolete inventories were sold at

管理層研究及分析(續)

Management Discussion & Analysis (continued)

以成本價或低於成本價出售多餘及過時的庫存，但效果未算理想。去年七月，管理層曾與一潛在買家洽妥出售傳呼機業務事宜，但由於在簽訂正式合約前發生了「九一一」事件，故買賣計劃亦中途夭折。此後，集團仍繼續尋求買家。

集團於二零零二年七月八日與一家總部設於北京的公司（其亦為本集團其中一聯營公司的股東）簽訂不具法律效力的意向書，協議以30,000,000港元出售集團所有傳呼機業務，包括所有資產、負債、知識產權、業務合約及轉讓合約員工。根據意向書，兩家公司將於簽妥意向書起30天內簽訂正式合約，管理層據此為傳呼機業務作出永久減值，因出售的資產主要是應收賬及庫存，故集團將其兩者賬面值減去30,000,000港元的交易作價後，分別作出9,800,000港元及96,000,000港元的減值。董事局強調，是次為此業務永久減值作出105,800,000港元的撥備對集團的現金流轉沒有任何影響，而集團今次已為整個傳呼機業務作全數撥備。

策略性業務單位 (SBU) ▶

集團的SBU在年內實施了不同的整固措施，務求加強各SBU的競爭力及改善其盈利表現。與單純擴大營業額相比，集團對業務的盈利能力更為看重。各SBU管理層嚴格地評估旗下的產品及客戶，以確保其資源分配能與盈利能力互相匹配。而集團對開拓新業務採取了謹慎的策略，只有在詳細探討市場具相當大的潛力及有可靠的當地合作夥伴的情況下，才開拓新的市場。而管理層亦定期檢討各SBU的損益表及資產負債表的表現。

除營業額及盈利外，SBU亦須為應收賬、應付賬及庫存向董事會問責，而人力資源及會計等支援工作則由集團的中央部門提供，而成本則由各SBU攤分。

cost or below cost but the result is less satisfactory. In July 2001 the management were able to identify a potential buyer for the business but the deal was aborted by the party in September because of the "9.11" event just before the definitive agreements were to be executed. The process of finding a buyer continued.

On 8th July 2002, the Group entered into a non-binding letter of intent ("LOI") with a Beijing-based company, which is also a shareholder of one of our associated companies, to dispose of the entire pager business at a consideration of HK\$30.0 million. The deal includes sale of all assets, liabilities, intellectual properties, business contracts and assignment of personnel. According to the LOI, the parties shall execute definitive agreements within 30 days from the date of the LOI. Based on this LOI, the management decided to make a provision for permanent impairment in the value of the pager business. Trade receivable and inventories are the major assets to be disposed of and therefore their carrying amounts were written down by HK\$9.8 million and HK\$96.0 million respectively to the recoverable consideration of HK\$30.0 million. The Directors wish to emphasize that this provision for permanent impairment of HK\$105.8 million does not create any impact to the cash flow of the Group and by doing it, the entire pager business has been provided for.

STRATEGIC BUSINESS UNITS ▶

For the three strategic business units ("SBUs"), the management had implemented different consolidation measures to strengthen their competitiveness and to improve bottom-line results. More focus is put on profitability than business volume. The SBU management critically evaluate their product offerings and customer lists to make sure that resources allocation will be in line with profitability. New businesses are being conducted in a very cautious manner after careful studies and new markets are explored only if there are strong and reliable local partners. The SBUs are subject to regular review of the management on their performance on both income statement and balance sheet.

Besides turnover and operating result, SBUs are also being held accountable for collection of trade receivable, payment of suppliers and management of inventories. Central support such as human resources and accounting are provided by

管理層研究及分析(續)

Management Discussion & Analysis (continued)



“Green” Phone e688將傳統手機一分為二，透過藍牙技術保持無線聯繫，達到減低輻射及珍惜地球資源的目的。
“Green” Phone e688 splits a conventional cellular phone into two parts but maintains wireless connectivity via Bluetooth in order to reduce radiation and material wastage.

這架構一直運作良好，在此架構下，各SBU能更有效率及迅速對市場之變化及顧客的反應作出回應。對管理層來說，整體業務表現則更具透明度，令管理層能更快地作出有效的決策。

the corporate office, the cost of which is being shared by the SBUs on an allocation basis. It is noted that this organizational structure is performing well because the SBUs are now much more efficient and responsive to market changes and customer feedback. To the management, business performance is more transparent and decisions could be made more timely and effective.

市場及銷售網絡 ▶

集團已於年內重組及增強了中國國內的市場及銷售網絡。總部亦由東莞遷到廣州，並委任了新的管理層。集團並關閉了規模較細的分公司，只集中經營北京、上海、廣州及深圳四個分公司。四個主要分公司負責管理區內的一切銷售、搜集市場資料，以及協調各區的推廣活動，並定期向總部匯報市場資訊，方便更深入的研究及分析，以輔助管理決策。故此分公司系統並不單是業務單位，亦可視為集團的市場情報中心。集團亦不時會委托市場研究公司向集團提供獨立的市場資訊。

MARKETING AND SALES NETWORK ▶

The Group's marketing and sales network in mainland China had been re-organized and strengthened during the year. The headquarters was relocated to Guangzhou from Dongguan and new management was put into place. The Group maintains branch offices at Beijing, Shanghai, Guangzhou and Shenzhen and had closed down the smaller branch offices in other cities. These four offices are responsible for sales activities in their territories and collection of marketing information and co-ordination of regional promotional campaigns. Marketing information is to be feedback to the headquarters for further analysis and management decision. It is imperative for the Group to maintain such a branch office system that serves as both business unit and information centre. The Group also commissions market research firms to provide independent data on a regular basis.

而四個主要市域以外的業務則透過覆蓋全中國主要地區的分銷網絡運作。此網絡的主要分銷商數目達50多個，由駐於廣州總部約有10人的區域經理隊伍負責運作及管理，同時亦會嚴格控制零售價

Business outside the four prime cities is done through a distributor network that covers major parts of mainland China. The network is operated and managed by the Guangzhou headquarters where a team of about ten district managers are charged with the responsibility to run a total of more

管理層研究及分析(續)

Management Discussion & Analysis (continued)

格，以維持市場秩序及避免未經授權的貨品跨區流轉。集團亦會為正式的分銷商提供培訓、售後服務、推廣活動及市場獎勵計劃等支援。系統經重組後，集團於中國國內之零售終端已由3,000個增加至5,000多個。

營商環境 ▶

去年市場整體的營商環境並未有重大的改善，香港的本地經濟仍然疲弱，加上失業率亦攀升至歷史新高，通縮及購買力的萎縮亦對集團構成一定的壓力。而今年中國國內消費市場的快速增長亦見輕微放緩，但個別行業的市場表現則並不一致。而某些亞洲城市受亞洲金融風暴影響而經歷幾年倒退後，已呈現值得注意的增長。歐洲市場正穩步向上，但日本的本地需求則仍然非常疲弱，而北美市場仍受經濟衰退的影響，其產品價格普遍向下調，同時「九一一」事件亦於年內對美國消費市場帶來沉重的打擊。

關鍵性電子零部件的價格已穩定下來，並調整至較合理水平，此乃電腦及流動電話行業的倒退所帶來的直接結果，皆因此兩類產品對電子晶片的需求最大。可是由二零零二年初開始，某部份電子零部件價格開始變得較為不穩定，原因是個別半導體公司撤出市場，以及受到投機活動的影響。管理層將密切注意市場的發展。

than fifty major distributors. Retail prices are strictly controlled to maintain market order and to eliminate unauthorized flow of goods from one region to another. Official distributors are supported by the headquarters in training, after-sale services, promotional campaigns and marketing subsidies. After re-organization of the network during the year, the number of retail outlets in mainland China for the Group's products increased to more than 5,000 from 3,000 in previous year.

BUSINESS ENVIRONMENT ▶

The general business environment has not improved significantly over the year. The Hong Kong local economy was still very weak with unemployment rate climbing up to historical level. Prices of consumer goods were under pressure of deflation and consumer spending contraction. The rapid growth of the consumer sector in mainland China appeared slowing down a bit during the year but market performance was very industry specific. Several Asian countries had shown remarkable growth in the year after many years of setback since the Asian financial crisis. Middle East was sluggish because of the political tension in the region. Domestic demand in Japan was still very weak while the European markets were getting some momentum. The North American market was still hit by the economic recession and commodity prices were generally down. The "9.11" event had also created a severe damage to the U.S. consumer market for a considerable period during the year.

Prices of critical electronic components had become more stable and reasonable during the year. This is a direct result of the setback in computer industry and cellular phone industry because these two types of products consume the largest quantity of electronic chips. However, beginning from the earlier part of year 2002, certain component prices are becoming quite unstable due to exit of certain semi-conductor companies from the market and some speculative activities in the market. The management will continue to keep a close watch on this trend in the current year.

管理層研究及分析(續)

Management Discussion & Analysis (continued)

達致目標 ▶

總括來說，集團已能達致前年定下的目標——終止非核心業務；整固核心業務以達至轉虧為盈的目標；精簡架構及運作；提高生產力；集團的資產負債表更為穩健；以及為PDA業務引入新的策略性股東。

財務檢討 ▶

集團全年營業額錄得977,800,000港元，相對前年同期的1,612,600,000港元減少了39.4%。收縮傳呼機業務及整固核心業務乃導致營業額下跌的原因。在全年總營業額977,800,000港元之中，三項持續經營業務，包括電子辭典、個人數碼助理（「PDA」）及原件設計生產（「ODM」）共佔891,100,000港元（91.1%），其餘的86,700,000港元（8.9%）則由傳呼機業務所產生。

三個SBU的經營溢利合共48,200,000港元，而傳呼機則錄得26,600,000港元的經營虧損。融資成本及特殊項目前之淨經營溢利為14,900,000港元，此已扣除6,700,000港元的投資撥備。達致稅前虧損的支出及撥回包括四個項目：融資成本15,500,000港元，包括利息支出8,700,000港元及優先股之贖回溢價預提6,800,000港元；攤分聯營公司之虧損5,000,000港元；出售充電性電池產品業務之淨收入5,200,000港元；及為傳呼機業務永久減值作特別撥備的105,800,000港元。稅前虧損錄得106,300,000港元。計算少數股東權益及稅項撥回後之虧損為98,100,000港元，當中包括持續經營業務帶來的盈利29,100,000港元及非持續經營業務的127,200,000虧損。

資產負債表方面，庫存及應收賬分別大幅減少了42.5%及38.4%至166,600,000港元及114,400,000港元。此乃為傳呼機應收賬及庫存作永久減值特別撥備的直接結果。同時，各SBU管理層亦於年內致力減低應收賬款及庫存。

ACHIEVING TARGETS ▶

In summary, the Group was able to achieve the targets that were planned in previous year: non-core business had been or are being dealt with, core business had been consolidated and returned to profitable track, operations streamlined and productivity increased, a much healthier balance sheet and new strategic investors in the Group's PDA business.

FINANCIAL REVIEW ▶

Turnover of the financial year is HK\$977.8 million, which is 39.4% less than the HK\$1,612.6 million of the previous year. The drop is a result of scaling down of the pager business and consolidation of the active business. Among the turnover of HK\$977.8 million, HK\$891.1 million or 91.1% is from the three continuing business of electronic dictionaries, personal digital assistants ("PDA") and original design manufacturing ("ODM") whereas the remaining HK\$86.7 million or 8.9% is from pager products.

Operating profit from the three SBUs combined is HK\$48.2 million while pagers incurs operating loss of HK\$26.6 million. Net operating profit before finance cost and special items is HK\$14.9 million, after deducting HK\$6.7 million of provision against investment. There are four items of charges/credits before arriving at the loss before taxation. Finance cost amounts to HK\$15.5 million that includes interest cost of HK\$8.7 million and accrual of redemption premium on preference shares of HK\$6.8 million. The other three items are: share of loss of associated companies of HK\$5.0 million, net gain on disposal of rechargeable battery business of HK\$5.2 million and the special provision for permanent impairment in value of pager business of HK\$105.8 million. Loss before taxation is HK\$106.3 million. After taking into account of taxation charge and minority interest, loss attributable to shareholders is HK\$98.1 million, comprising of profit from continuing business of HK\$29.1 million and loss from discontinuing business of HK\$127.2 million.

On the balance sheet side, inventories and accounts receivable had been substantially reduced by 42.5% and 38.4% to HK\$166.6 million and HK\$114.4 million respectively. This is a direct result of the special provision for permanent impairment in pager inventories and accounts receivable and the enormous effort of the SBU management in reducing of these two items.

管理層研究及分析(續)

Management Discussion & Analysis (continued)

銀行及現金結餘為185,200,000港元，比對前年的125,300,000港元增加了約47.8%，淨現金結餘(即扣除短期銀行借貸，如出入口票據及銀行透支等)為131,100,000港元，約前年的7,900,000港元的16.5倍。能鞏固現金結餘乃歸功於年內豐富的現金流入所致。由經營業務所產生的淨現金收入為72,400,000港元(二零零一年：淨現金流出66,500,000港元)，主要來自持續經營業務的盈利及庫存與應收賬之減少。其餘的兩項現金流入項目為出售租約物業所帶來的35,500,000港元以及一附屬公司發行優先股予策略性投資者的81,900,000港元。

總銀行借貸由前年的221,000,000港元，減少至133,300,000港元。大部份銀行借貸(約81.1%或108,100,000港元)為短期借貸，如出入口票據，將於一年內到期，其餘25,100,000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27，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主要往來銀行維持密切關係，以確保其對集團的長期支持。

集團的負債比率，按定義為總銀行借貸除以股東權益，由前年的44.6%減低至33.6%。

集團的資產負債表已較前年更為穩健，為集團的長遠發展定下強而穩固的基礎。

Bank balances and cash amounts to HK\$185.2 million that is about 47.8% higher than the HK\$125.3 million in previous year. Net cash (i.e. after deducting short-term bank borrowings such as trade bills and bank overdraft) is HK\$131.1 million that is about 16.5 times of the position of HK\$7.9 million one year ago. The solid cash position is the result of a very strong cash flow during the year. Net cash inflow from operation is HK\$72.4 million (2001: net outflow of HK\$66.5 million) that is attributable to the profitable operation in continuing business and the reduction in inventories and accounts receivable. Two other major cash inflow items are proceeds from disposal of a surplus property of HK\$35.5 million and issue of preference shares by a subsidiary to strategic investors of HK\$81.9 million.

Total bank borrowings decreased to HK\$133.3 million from HK\$221.0 million in previous year. Majority of the bank borrowings, about 81.1% or HK\$108.1 million, are short-term borrowings such as trade bills that are to be due within a year. The remaining HK\$25.1 million are long-term finance that are to be due beyond one year. Maturity and security profile of bank borrowings is contained in note 27 to the financial statements. All bank borrowings are on floating rate basis. The management continue to maintain a very close working relationship with the Group's bankers to ensuring their continuing support.

Gearing ratio, defined as total bank borrowings divided by shareholders' funds, of the Group reduced to 33.6% from 44.6% a year ago.

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



Electronic
dictionary
電子辭典

管理層研究及分析(續)

Management Discussion & Analysis (continued)

電子辭典 ▶

業務回顧

SBU於二零零一/零二財政年度錄得營業額516,500,000港元，約佔持續經營業務的58.0%，仍為集團之最大收入來源。未計融資成本及投資減值前的經營溢利由前年的5,300,000港元增加至70,300,000港元。

SBU於年內致力加強採購能力、成本控制及信貸管理。透過與關鍵性零部件供應商建立策略性夥伴關係，零部件的付運及價格均有進步，尤其在旺季時，穩定而準時的零部件付運與價格同樣重要。如二零零一年年報所述，關鍵性零部件短缺的主要影響為價格飆升及付運延遲。

除加強採購能力外，於高階發聲電子辭典內採用專用集成電路乃另一主要減低成本的措施。採用專用集成電路的好處是可把不同功能的微型晶片，如運算、記憶、合成發聲及資料庫等，結集於一個晶片上，節省空間之餘亦能減低成本。產品在採用專用集成電路後可以更小更薄，而售價更具競爭力。本SBU現正與晶片設計公司緊密合作，務求在電子辭典產品上應用更多專用集成電路。

在高、中階產品市場建立領導地位後，再擴大低階產品市場的佔有率乃集團一貫的目標，此目標對中國國內市場尤其重要，因能更適切回應較弱的市場購買力及客戶喜好。隨著多款新產品，如EC2600、EC2280及EC3100於中國國內推出，本集團於低階市場的佔有率亦於過去十二個月內穩定地增長。

集團於去年再度踏足於三年前因亞洲金融風暴影響而撤出的南韓市場。新穎的產品設計及高質素的發聲功能，獲得分銷商及用家的一致好評。而泰國是另一個於過去兩年快速復元的市場。

ELECTRONIC DICTIONARY SBU ▶

Performance Review

Turnover of the SBU for the financial year 2001/02 is HK\$516.5 million, which is approximately 58.0% of total continuing business and is still the largest income contributor of the Group. Profit from operation (before finance cost and investment charges) increased to HK\$70.3 million from HK\$5.3 million in previous year.

The SBU had spent tremendous effort in supply chain management, cost reduction and credit control during the year. Through the building up of a strategic relationship with critical suppliers, both delivery and cost could be optimized. In many cases, a steady and timely delivery of components is equally, if not more, important as price, especially in high seasons. As reported previously in 2001 Annual Report, the two adverse impacts of shortage of critical electronic components in year 2000 were surge in price and highly interrupted delivery.

Besides supply chain management, use of ASIC (Application Specific Integrated Circuit) for high-end talking dictionaries is another important measure to keep product cost down. The benefit of using ASIC is that micro-chips for different functions such as calculation, memory, text-to-speech ("TTS") and database could be designed onto a single chip that could save both cost and space. Products make use of ASIC could be much slimmer in size and competitive in retail prices. The SBU is now working closely with IC (integrated circuit) design houses to come up with more ASIC for its electronic dictionary products.

It is always the Group's target to increase its share in the low-end market after a leading position has been established in the high- and mid-end markets. This is particularly relevant to the mainland China market because of purchasing power and user preference concerns. The SBU is pleased to report that market share of low-end products is steadily increasing over the past 12 months since the launch of several new models such as EC2600, EC2280 and EC3100 in mainland China.

The SBU re-entered the South Korea market in the year after its exit 3 years ago because of the Asian financial crisis. The new products had won very good response from dealers and end-users alike for product design and TTS quality. Thailand is another market that was recovering quickly over the last two years.

管理層研究及分析(續)

Management Discussion & Analysis (continued)



集團不斷改進電子辭典的外型及功能，務求令客戶稱心滿意。

Customers are pleased to see the Group's electronic dictionary is getting better in every new model.

受政局緊張及經濟疲弱的影響，加上燃油價格暴跌影響其國民的主要收入，導致整體消費力疲弱，中東市場於年內呈現較大幅的倒退。

The Middle East market saw significant setback during the year because of political tension and weak economy. The weak consumer spending was also aggravated by the slump in the price of petroleum that represents a major source of income in this region.

為加強軟件開發能力，本SBU已與中國國內一所著名大學建立策略性夥伴關係，開發嵌入式程式，Linux應用軟件及數碼化內容。此為集團重要的里程碑，原因是SBU可以透過經營合資公司而得到高質素軟件工程師的支援。

In order to supplement its software capability, the SBU had formed strategic partnership with a reputable university in the mainland for development of embedded solutions, Linux-based applications and digital content. This is a major milestone for the Group because the SBU could through the joint venture company gain access to a large pool of qualified software engineers.

展望

中國國內市場繼續是中文產品的主要增長動力，台灣市場繼連續兩年較差的表現後將會從後趕上，而香港市場則大致上不過不失。中國國內的增長乃源自國民對優質外語學習工具的需求，尤其是英語，此需求正不斷增加。再加上經濟開放、外貿增加及海外留學的普及，為語言學校、自修課程及語言學習工具等，創造了一個非常龐大的英語學習市場。憑著集團家傳戶曉的品牌及強大的產品開發能力，本SBU已定下策略，務求將電子辭典提升為多功能的語言學習工具。將來的產品不單能協助用家解決難題，更能在用家的事業發展及終身學習方面扮演重要的角色。

Outlook

The mainland China market continues to be the main driving force for business growth for the Group's Chinese-based products whereas Taiwan is going to pick up significantly after two years of under-performance and Hong Kong will be more or less steady. The growth in the mainland is fueled by the ever increasing demand for good learning aids for foreign languages especially English. Opening up of the economy and foreign trade and growing popularity of studying abroad have created a very huge ESL (English as Second Language) market for language schools, self-learning programs and electronic language devices. Capitalizing on the Group's household brand and its unparalleled product development capability, the SBU has formulated a strategic plan to transform electronic dictionaries to versatile language learning devices. In future, the devices are not only providing solutions to problems but are also playing an important role in career development and lifetime learning.

管理層研究及分析(續)

Management Discussion & Analysis (continued)



集團與八所小學合作研究電子書在教育上的應用。

The Group works with eight primary schools to study the use of eBook for education purpose.

連接互聯網乃另一重要的產品發展方向，在資訊瞬息萬變的時代，將客戶與資訊連結乃是非常重要的。SBU在去年投放了大量資源，建立了一個包含各式各樣數碼化內容的專用網站，供電子辭典的用戶使用。本SBU亦將繼續與大中華區內的內容供應商及出版商合作，力求爭取更多數碼化內容供用戶下載，藉此令客戶更滿意、更有歸屬感。

無庸置疑，本SBU在改善辭典內容及發聲系統質素方面的努力絕不鬆懈，負責版權及專利授權的部門，不停從不同途徑搜尋更好更新的辭典及發聲軟件，並積極爭取獲得授權。

南韓及泰國將是海外市場的發展重點。新產品將於本年內陸續推出市場。營業額得以提升的同時，管理層亦意識到可能有競爭對手加入。

臨近財政年度末，集團為電子書(eBook)作教育用途進行了一個研究及先導計劃，為管理層提供了非常有用的資料，得以明瞭客戶的需求及用戶的喜好，集團亦將會擴闊其研究層面，希望獲得更多更深入的資料。另一方面，管理層將會緊貼有關科技的發展及業內的趨勢，為新產品制定策略。

Another important product direction is connectivity with internet. In the information age, connecting people to information has never been more important. Over the past year, the SBU has invested a lot of resources in adding and updating digital content of all sorts to the dedicated website that is designed for use by owners of the Group's electronic dictionaries. The SBU will continue to line up with content providers and publishers in the region for digital content for users to download. Reward will be higher customer satisfaction and brand loyalty.

Needless to say, the SBU will not reduce their continuous effort in improving the dictionary database and the TTS quality. As a routine job, the staff in the licensing department look up all available sources to locate newer and better database and TTS software and once identified, will aggressively pursue to secure a possible licence.

South Korea and Thailand will be the focus of overseas marketing. A series of new products are planned to launch in current year. Business volume will grow but the SBU management is also expecting there might be competitors coming in.

Close to the end of the financial year, the Group conducted some pilot studies in eBook for education purpose. The studies provided very useful insight to the management in understanding customer requirements and user preference. Similar studies will be carried out in larger scopes in order to capture more data. On the other hand, the management will follow closely the developments in relevant technology and the industry trend in order to formulate a strategy for this category of products.



PDA

個人數碼助理

管理層研究及分析(續)

Management Discussion & Analysis (continued)

個人數碼助理 (PDA) ▶

業務回顧

全年營業額錄得146,600,000港元，約為前年的55.7%，由於科研經費高昂及相對上固定，營業額下跌無可避免地引致經營虧損。全年度的經營虧損為25,500,000港元。

國內市場是集團中文PDA的最主要市場。而由於市場被外國品牌所壟斷，香港及台灣的市場佔有率亦相對地較小。國內PDA市場在一九九九年至二零零零年初經歷了強勁增長後，進入了激烈的整固期。因PDA市場尚未成熟而入門門檻亦不高，市場於二零零零年中突然增加了二、三十間各式各樣的小型公司，推出了一大堆毫無特色的同類低階產品，部份該等產品甚至不能被視為PDA，一下子市場供應過剩，令消費者非常迷茫。

整固過程由二零零零年第四季開始，一直維持了差不多一年，首先由佔有市場份額一半以上的對手發難，將其產品價格大幅下調了40%，引致市場平均零售價亦下跌了30%至40%。結果，過半數的小型供應商不能立足，亦阻嚇了新對手的加入，而如本集團般的較大企業則受著嚴重的毛利下跌所衝擊。踏入二零零一年，消費市場對產品的好奇感逐漸減輕，這直接令數年來提供最大動力的禮品市場大幅倒退，但用家市場卻未能如所料迅速填補此空間，結果明顯地令人失望，於是供應商腹背受敵，一方面銷售量下跌，而毛利又備受壓力，令市場推廣受限制，結果是產生了惡性循環。

雖然整體市場收縮，但憑著產品的新穎設計及其開放式平台系統，集團的市場佔有率於年內卻得以提高。集團的產品，例如V系列PDA，被普遍認為比競爭對手的產品更物超所值。V系列內的

PDA SBU ▶

Performance Review

The SBU recorded sales turnover for the financial year HK\$146.6 million, which is approximately 55.7% of that in previous year. The drastic drop in turnover inevitably led to a loss from operation because of high fixed cost of research & development. The resultant operating loss is HK\$25.5 million.

Mainland China was the major market for the SBU's Chinese-based PDA products during the year. Hong Kong and Taiwan were relatively small because of the domination of foreign brands in the market. The mainland market entered into a vigorous consolidation phase after it had achieved tremendous growth in year 1999 and early 2000. Because of novelty effect and relatively low entry barrier, starting from the middle of year 2000 the market was swamped with more than two dozens of small players that suddenly came out to offer "me too" low-end products that could be more precisely described as organizers instead of PDAs. The market became overcrowded and customers were confused.

The consolidation process began in the last quarter of year 2000 and lasted for almost one year. Triggered by a 40% price cut by the company that had more than 50% market share, the average retail price in the market slumped by 30% to 40%. The direct consequence was over half of the smaller players were killed and new entrants were deterred. The bigger players, including the Group, were also hurt by severe erosion in gross margins. Entering year 2001, the novelty effect faded away gradually and this directly led to a substantial setback in the premium (gift) market that used to be the biggest driver in previous years. The serious user market, on the other hand, has not picked up as quickly as expected to fill the vacuum. The result was obviously painful. The players in the market, no matter big or small, were suffering at two ends - sluggish sales and slim profit margins. The lack of marketing fund in turn initiated a vicious cycle of market contraction.

Despite the overall market shrunk considerably the Group's share had increased during the year because of outstanding product design and open OS (operating system) architecture. The Group's products, the V-series for example, are generally regarded as commanding higher value-for-money than

管理層研究及分析(續)

Management Discussion & Analysis (continued)

四種產品，涵蓋了最基本型號至高階型號，其中V88型號在大中華區大受歡迎，其纖薄及亮麗的外型，配合8MB記憶體、電子書閱讀功能及開放式平台，令其成為用家的上乘之選。

無線PDA市場暫時仍未起步，集團於二零零一年末在中國國內市場推出首部中文顯示GSM PDA，但成績並不理想。可以肯定的是，由話音主導通訊流量過渡至數據主導，市場仍需一段時間及培育。短訊服務(SMS)本是一個好開始，而其成績亦令人非常鼓舞，但其以文字為本則仍然流於簡單及低層次，並未能充分應用PDA的所有長處，換句話說，在一段時間內，PDA在流動數據通訊上的優勢尚未能得以發揮。

雖然如此，本SBU已開拓垂直市場，為銀行、證券行及專業團體提供企業解決方案，同時亦正與國內某些執法單位及物流公司商討合作事宜。此外，本SBU亦已完成開放式無線平台的開發，令用家得以透過不同的流動網絡而進行資訊傳送。

於二零零一年五月，Intel Capital Corporation, SB China Holdings Pte Limited (軟庫集團附屬公司)及UTStarcom, Inc.共同注資10,500,000美元於集團的PDA營運附屬公司(即PDA SBU的公司個體)－權智PDA控股有限公司。這三家公司共購入171,818股A類優先股份，佔該公司約16%的控股權，並獲董事局兩個席位，共同參與PDA公司的管理。與此同時，該PDA附屬公司亦與Intel Semiconductor Limited達成技術及產品開發合作協議。這是區內首家PDA公司，能成功吸引享譽國際的策略性投資者如英特爾及軟庫作資本投資。繼SB China於二零零一年八月轉讓其部份股份後，SB Asia Infrastructure Fund, L.P.，市場暱

competitors'。The V-series comprises of four members covering the entire span from entry model to high-end model. The V88 PDA is a particularly popular model in Greater China. Its slim and sleek outlook with built-in 8 MB memory combined with an eBook reader and open OS platform made it the perfect choice even to the demanding users.

The wireless PDA market is yet to take off. The Group launched the first ever Chinese-based GSM PDA in the mainland market in late 2001 but the result was not satisfactory. It is certain that the market still needs some time and some education before voice-centric applications could be migrated to data-centric applications. SMS (Short Message Service) is a good start with very encouraging result but this text-based data communication is still very much simple and low-level and could not take the full advantage of the form factor of a PDA. In this sense, PDA is still competing with cellular phones for SMS communication.

Nevertheless the SBU has entered the vertical market by offering enterprise solutions to banks, security brokerage houses and professional bodies. Discussions are in progress with law enforcement units and logistics companies. Besides, the SBU has almost completed the development of an open wireless platform that would allow users to do data communication across the different mobile carriers.

In May 2001, Intel Capital Corporation, SB China Holdings Pte Limited ("SB China", a Softbank subsidiary) and UTStarcom, Inc. altogether invested a sum of US\$10.5 million in the Group's PDA operating arm (i.e. the legal entity of the PDA SBU) - Group Sense PDA Holdings Limited. They subscribed for a total of 171,818 Series A Preferred Shares which represent approx. 16.0% voting rights and are given two board seats to participate in the management of the PDA company. At the same time of the investment, the PDA subsidiary also entered into a collaboration agreement with Intel Semiconductor Limited for technology and product development co-operation. This is the first PDA company in the region that has successfully attracted equity investment by reputable international strategic investors like Intel and Softbank. SB Asia Infrastructure Fund L.P., nicknamed "the Cisco Fund", became a shareholder in August 2001 after

管理層研究及分析(續)

Management Discussion & Analysis (continued)



V88是集團推出第一款內置電子書功能的PDA。
V88 is the Group's first PDA that comes with an eBook reader.

稱「the Cisco Fund」，亦成為PDA公司股東之一。

展望

預見傳統PDA市場將由實際用家人數的自然發展，帶動出溫和增長。價格仍然是購買產品的主要考慮因素，但是產品的設計及功能將開始增加考慮時的比重，因為從實際用家觀點來看，後者許多時比前者更為重要。產品質素是另一個關鍵的成功因素，令優勝者能於競爭對手內突圍而出。管理層深信本SBU於上述各方面都比對手優勝，令SBU處於一個有利位置以爭取市場份額。

當然，取勝最後還是決定於獨到的產品功能。在未來數月，本SBU將會推出一系統具有彩色顯示屏、內置攝影機、藍牙晶片及更多其他創新功能的新產品。這些都能對用家提供創新的應用功能（如PDA可成為數碼相簿），而促成對這些產品的需求。另一方面，技術門檻亦是一道很高的屏障，把其他競爭對手拋離。

本SBU計劃在今個財政年度增加傳統PDA的營業額及市場佔有率，但同時明白到邊際利潤仍然承受巨大的壓力。

雖然第一代無線PDA並非取得很大程度

part of SB China's stake in the PDA company was transferred to it.

Outlook

The conventional PDA market is expected to see a modest growth that is to be driven by natural growth of the serious user population. Price is still a dominating factor but product design and features would begin to take more weight because the latter always precedes the former from a professional user's perspective. Product quality is another critical success factor to make the winner to stand out from its competitors. The SBU is confident that it excels in these attributes and therefore is in a good position to gain more market share.

Of course, killer application is the ultimate weapon to win the game. Over the next few months, the SBU will be launching new models featuring colour screen, built-in camera, embedded Bluetooth chip and many other new features. These features would create new user applications (for example, PDA could be a digital photo album) that in turn would create new demand for these products. Technological competence, on the other hand, is a very tall barrier that could not be easily overcome by competitors.

The SBU plans to increase both business volume and market share for conventional PDA in the current financial year 2002/03 but also notes that profit margins are still under immense pressure.

Despite the first generation wireless PDA was not that much

管理層研究及分析(續)

Management Discussion & Analysis (continued)



集團第二代的 GSM PDA e968 具備 GPRS 的功能。
e968, the Group's second GSM PDA, is GPRS-ready.

的成功，但集團不會改變其一貫發展無線數據的方向，因為管理層深信，數據傳輸早晚會追上話音傳輸。再者，PDA 的技術規格最適合處理數據通訊，當 GPRS (General Packet Radio Service 通用分組無線電服務) 一俗稱 2.5G 制式一變得更加流行，並且被流動電話消費者所接受，及應用更普及 (例如 MMS, Multimedia Message Service 多媒體信息)，無線 PDA 或其他類型的話音/數據結合產品，將會成為專業及一般用家的重要通訊工具。同時，管理層亦會集中提高產品的話音功能，吸引那些以話音為主的用家轉用此類話音/數據結合產品。本 SBU 亦會嘗試吸引中國內地的流動電話生產商採用此等產品，在原件設計生產或借用品牌的基礎上合作。

儘管 PDA 產品在消費市場的需求較為平淡，但在企業應用需求上仍有增長，本 SBU 已成立專責的營銷隊伍，加快開拓這個垂直式的市場。

為避免過份倚賴單一市場及更有效攤銷產品開發成本，本 SBU 將會於今年內開拓亞洲、中東及歐洲等市場。部份產品已於二月份於德國漢諾威舉辦的 CeBIT 展覽會上展出，並且取得理想的反應。本 SBU 現正與法國的合作夥伴落實關於在歐洲市場銷售產品的協議條款。管理層展望從今年年底開始，海外銷售將對集團收入作出貢獻。

of a success, the Group will not change its strategy for going wireless data because it is the management's vision that sooner or later data traffic will overtake voice traffic. Besides, PDA possesses the ultimate form factor for doing data communication. When GPRS (General Packet Radio Service) or the so-called 2.5G becomes more popular and accepted by mobile users and applications are more available (for example, MMS - Multimedia Message Service), wireless PDA or other forms of converged product would take off to become an important communication device to professional and general users alike. In the meantime, the management is focusing on improving the products' voice function in order to help those voice-centric users to switch to converged products. The SBU will also try to collaborate with cellular phone manufacturers in mainland China to enable them to use its products on either ODM or private label basis.

Although the demand of PDA products in consumer market is not too exciting, there is an increasing demand for corporate applications. The SBU has put together a dedicated marketing team to pursue this vertical market.

To avoid over-reliance on single market and to maximize the output values of product development, the SBU will expand into Asia, Middle East and Europe in current year. In February 2002 some of the products were displayed in the CeBIT Show in Hanover, Germany and received very favourable feedback. The SBU is now finalizing the business terms with the partner based in France for selling the products in the European market. The management expects that overseas sales will begin to contribute to the income statement towards the end of year 2002.

ODM
原 件 設 計 生 產



管理層研究及分析(續)

Management Discussion & Analysis (continued)

原件設計生產 (ODM) ▶

表現回顧

過去一年，本SBU錄得營業額228,100,000港元，比較前年同期下降46.8%。是次營業額倒退的最主要兩個原因是北美市場放緩及內部大力整頓業務的影響。透過本SBU努力不懈地去控制成本，提高生產效率及改善關鍵性零部件的採購，本SBU已重上有盈利的軌道，錄得經營溢利3,300,000港元，而於二零零零/零一年度則錄得經營虧損35,000,000港元。

受經濟衰退的影響，美國消費者的購買慾下降，令對美國的出口大幅倒退。百貨業及分銷商對新定單十分謹慎，間接令本SBU的某些產品項目被擱置，而去年的「九一一」事件，令情況更惡劣。而本SBU的另一個主要市場日本，其經濟亦未有起色，消費市場仍然淡靜。

本SBU已成功開拓歐洲新市場，但新業務未能彌補北美市場的損失。

管理層已實施了一系列整固措施，加強分析業務的成本與風險，務求業務的利潤得到保障，令SBU的盈利可以改善。本SBU去年非常重視與主要客戶作策略性合作，並謹慎地發展高質素業務，深信建立能獲利的運作基礎比單純追求增加營業額更為重要。

過去一年，本SBU有機會參與涉及嶄新技術及產品的項目，例如無線PDA、全球首部彩色顯示屏電子辭典、高密度異方向性導電膠膜(ACF)組裝液晶體顯示屏模組(LCD modules)及以晶片尺寸封裝(CSP)或球型陣列(BGA)封裝的晶片作表

ODM SBU ▶

Performance Review

Turnover of the SBU for the financial year is HK\$228.1 million that represents a drop of 46.8% when compared to previous year. The setback is the result of two major factors: slow down of the North American market and business consolidation. Through the SBU's relentless effort in cost control, improving manufacturing efficiency and procurement of critical components, the SBU returned to profitable track having an operating profit of HK\$3.3 million, whereas loss from operation in 2000/01 was HK\$35.0 million.

Shipment to North America market was seriously cutback during the year because of the weak consumer demand caused by economic recession. Department stores and dealers were extremely cautious in placing new orders and several new projects had to be shelved. The situation was aggravated by the "9.11" event in September 2001. Japan, the other major market of the SBU, had not shown significant improvement in economic performance and thus consumer spending was still not performing.

The SBU had opened up new markets in Europe but the new business could not compensate for the loss in North America.

The management had implemented a series of consolidation exercise to restructure its business such that cost and risks are evaluated against profitability carefully to make sure bottom-line result could be improved. During the year, greater emphasis was placed on strategic partnership with major customers and high quality business with a very cautious approach in new business development. The business philosophy is that building up the base for a profitable operation precedes the pursuit for sales volume.

The SBU had been approached for new opportunities of cutting-edge technology and products such as wireless PDA, the world's first colour electronic dictionary, high density ACF (Anisotropic Conductive Film) assembly for LCD modules and SMT with CSP/BGA* chips. During the year the SBU had successfully performed joint product development in

管理層研究及分析(續)

Management Discussion & Analysis (continued)



業界普遍認同集團是香港少數優秀的ODM供應商之一。

The Group is known as one of the most preferred ODM suppliers in Hong Kong.

面焊接組裝(SMT)等。年度內，本SBU亦曾成功與一主要客戶共同合作開發新產品，攤分工作及成本，令產品開發時間得以縮短。

展望

在過去數月，本SBU與來自南韓及歐洲的新客戶洽談多個新項目，倘若成功，客戶基礎將可以擴闊以避免過份倚賴某類產品或某些市場。

透過過去五年累積的產品知識，對市場的了解及與策略性合作夥伴的合作經驗，本SBU現正實施一項對客戶十分有用的新合作模式，在具備市場調查及產品開發能力的優勢下，由SBU負責產品設計意念，並向客戶推薦，再由客戶落實各樣的細節。這新模式將可大大節省客戶的產品開發成本及時間。

管理層預期本SBU營業額於本年度將會上升。

collaboration with a major customer such that tasks and cost could be shared while development lead-time could be shortened.

* Chip Size Package / Ball Grid Array

Outlook

Over the past few months the SBU is in discussion with new customers from South Korea and Europe for new projects. If successful, the customer base of the SBU could be very much expanded to avoid over-reliance on certain product categories or markets.

With the accumulation of product knowledge, understanding of market and working experience with strategic business partners over the past five years, the SBU is now practicing a more value-added approach in ODM business. With in-house market research and product development capability, new product design concepts are to be generated and proposed to customers for final customization. This approach could minimize customers' development cost and time to market.

The SBU management expect business volume of the SBU will increase in the current financial year.

管理層研究及分析(續)

Management Discussion & Analysis (continued)

企業事務 ▶

公司管治

審計委員會

審計委員會於一九九九年成立，成員包括獨立非執行董事，審核委員會每年最少兩次與高級管理層及外聘核數師審閱集團採納的會計原則及政策，檢討及評估內部監控系統、風險管理及財務匯報等事宜，並且確保集團遵守所有適用法例和規則。公司秘書同時擔任審計委員會秘書一職。

為協助審計委員會履行其職責，「工作流程改善及內部審計小組」於二零零二年二月成立，為前線部門提供改善工作流程的意見及進行內部審計。該小組成員來自不同部門，各有專長，在推行工作前接受了提供內部諮詢服務技巧及審核技能的訓練。

企業風險管理委員會

企業風險管理委員會成立於二零零一年二月，為協助董事會確定及評估各種業務運作上涉及的風險，並制定策略及推行制度以防止及管理該等風險。成員包括執行董事及高級管理人員。年度內，一隊分別由來自資訊科技、品質管理、公司秘書及每個SBU所委派的一位代表，組成了「資訊保安工作小組」。該小組在過去一年推行了以下工作：審閱及研究BS7799保安標準，與供應商及分判商簽署保密協議、於公司物業範圍內實施出入保安管制及正在設計一套文檔管理系統。

最佳應用守則

董事會認為，本公司於截至二零零二年三月三十一日止年度內一直遵守香港聯合交易所有限公司證券上市規則附錄14所載之最佳應用守則。

CORPORATE AFFAIRS ▶

Corporate Governance

Audit Committee

The Audit Committee has been established since 1999 with independent non-executive directors as members. The Audit Committee meets at least twice a year to review with senior management and external auditors 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. The Company Secretary serves as the secretary to the Audit Committee.

To assist the Audit Committee to carry out its duties, the Process Improvement and Internal Audit (PIIA) Sub-committee was formed in February 2002 to provide support to line functions to improve business operations and to perform internal audit function. Members of the PIIA are drawn from different functions with diversified background and are given training on internal consultancy skill and auditing techniques before carrying out assignments.

Corporate Risk Management Committee ("CRMC")

The CRMC was established in February 2001 to assist the Directors to identify and assess business risks and to formulate strategies and to implement system to prevent and manage such risks. Members include executive directors and senior management. During the year, a working team was gathered to form the Information Security Sub-committee ("ISS") with members from information technology, quality system, company secretarial and one representative from each SBU. The ISS had carried out the following tasks: review and study of the BS7799 security standard, execution of non-disclosure agreements with all suppliers and sub-contractors, physical access control on company premises and designing a document management system for the Group.

Code of Best Practice

In the opinion of the Directors, 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 throughout the year ended 31st March, 2002.

管理層研究及分析(續)

Management Discussion & Analysis (continued)

投資

除下列兩項外，集團於年內並沒有任何其他的新投資。於二零零二年一月份，集團與數位獨立第三者達成協議，共同投資生產智能卡及其配件。此外，如先前所述，集團亦與中國國內一所著名大學合組合營公司，共同經營軟件及數碼化內容業務。此兩項投資並不牽涉重大的投資金額。

集團於年內繼續持有已進行的投資，但管理層決定為其於領高IT(控股)有限公司及附屬公司的投資現值作撥備。集團於二零零零年六月與其他兩位投資者共同成立該公司，為中國國內的團體或個別人士提供網上互動語言學習教材，惟其經營模式得以實現前，所有資金已悉數用罄，故各投資者決定結束投資，集團為此作2,000,000港元的撇賬。

流動資金及財務資源

集團於二零零二年三月三十一日止有銀行結餘及現金總額約185,200,000港元，對比二零零一年三月三十一日的結餘增加了59,900,000港元或47.8%。而同期的銀行總借貸由221,000,000港元下降至133,300,000港元，減少了39.7%。

期間銀行及現金結餘的增加及銀行總借貸的減少，皆歸功於：經營業務所產生的淨現金收入，持續減低存貨及應收賬，出售物業及發行新股所得的資金。

銀行總借貸的81.1%，即108,100,000港元，屬於一年內須償還的短期借貸。其餘25,100,000港元，乃屬一年後須償還的長期借貸。

集團的借貸比率由一年前的44.6%下降至33.6%。

Investment Activities

Save for the two items listed below, the Group has not made any new investment during the year. In January 2002, the Group entered into an agreement with several independent third parties to take a minority stake in a new venture for smart-card products and related accessories. Besides, as aforesaid, the Group went partnership with a reputable university in mainland China to set up a joint venture company to engage in software and digital content business. The amount involved in these two investments is very insignificant.

There has been no divesting activities during the year but the management decided to provide for full the residual book value of its investment in Lango IT (Holdings) Limited and its subsidiary. The company was formed in June 2000 with two co-investors for the purpose of delivering online interactive language learning material to groups and individuals in mainland China. Capital was used up before the business model could be realized. The investors decided to wind down the company in which the Group has a residual exposure of HK\$2.0 million.

Liquidity and Financial Resources

Bank balances and cash amounted to HK\$185.2 million as at 31st March, 2002, which is HK\$59.9 million or 47.8% higher than that as 31st March, 2001. Total bank borrowings decreased from HK\$221.0 million to HK\$133.3 million, a drop of 39.7%, during the twelve months period.

The improvement in liquidity and bank borrowings is a result of the following factors: positive cash inflow from operating activities, continuous effort in reduction of inventories and trade receivables, proceeds from disposal of properties and issue of new shares.

Majority of the bank borrowings, around 81.1% or HK\$108.1 million, are short term borrowings that are to be due within one year. The remaining HK\$25.1 million are long term borrowings that are to be due after one year.

Gearing ratio of the Group reduced from 44.6% a year ago to 33.6% as at 31st March, 2002.

管理層研究及分析(續)

Management Discussion & Analysis (continued)

出售 — 附屬公司

於二零零二年七月，集團與一家總部設於北京的公司簽署一份不具法律約束力的意向書，以出售全部傳呼機業務，作價30,000,000港元。雙方需於簽署意向書之日起三十天內簽署正式合約。

物業及資產抵押

集團於年內並無購置或出售任何物業。

集團將若干資產抵押予銀行，作為銀行一般融資的擔保。於二零零二年三月三十一日，該等抵押資產的賬面值約124,300,000港元，較去年增加7,100,000港元。

投資者關係

集團一貫致力增強投資者關係，透過會議、發佈會、在集團網頁內刊載新聞稿及公佈、參觀廠房及投資者電郵通訊等方法，增加集團對投資界的透明度。

員工關係

於二零零二年三月三十一日，集團於香港聘有256名僱員（二零零一年：265名），於中國國內聘有3,260名僱員（二零零一年：5,101名），而於新加坡則聘有90名僱員（二零零一年：81名），與前年同期相比，三個地區分別減少約3.4%及36.1%及增長約11.1%。除薪酬及一般員工福利如有薪年假、醫療保險及公積金外，集團亦為執行董事及高級職員提供優先認股權計劃。

集團定期舉行員工交流大會，使員工能了解集團狀況，並促進管理層與員工之間的雙向溝通。內聯網乃各層員工獲取公司資訊並資料及經驗分享的另一有效途徑。集團鼓勵員工踴躍表達意見及觀感，並提出各方面的建議。集團亦會定期進行員工意見調查，以協助管理層了解有關員工的事宜並採取適當的行動。

Disposal of a Subsidiary

In July, 2002, the Group and a Beijing-based company entered into a non-legally binding letter of intent for disposal of the entire pager business at a consideration of HK\$30 million. Both parties shall execute definitive agreements within thirty days from the date of the letter of intent.

Properties and Charge on Assets

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

Certain assets are pledged as security for general banking facilities granted to the Group. As at 31st March, 2002, the carrying value of the assets pledged is HK\$124.3 million which is HK\$7.1 million higher than that of previous year.

Investor Relations

The Group is committed to enhance investor relations by increasing its transparency to the investor community. Measures taken to keep investors informed include meetings, presentations, posting of press release and announcements on the Group's website, visits to the manufacturing plant and e-mail news updates.

Employee Relations

As at 31st March, 2002, the Group has on its payroll 256 (2001: 265) employees in Hong Kong, 3,260 (2001: 5,101) in mainland China and 90 (2001: 81) in Singapore representing decreases of about 3.4% and 36.1% and an increase of 11.1% respectively when compared with prior year. In addition to salary payment and normal fringe benefits such as annual leave, medical insurance and provident fund, the Group also has Share Option Schemes for executive directors and senior staff.

Staff communication sessions are held to keep employees informed of the Group's developments and to facilitate two-way dialogue between management and staff. Intranet is another effective mean to get information across to all levels of staff and to promote sharing of information and experience. Staff are encouraged to express their views and feelings and to make suggestions on different topics. Employee satisfaction surveys are conducted regularly to assist the senior management to understand staff issues and to take appropriate actions.

管理層研究及分析(續)

Management Discussion & Analysis (continued)

因應員工的不同需要及工作的地點不同，集團於二零零一年十二月開始推行「網上學習」培訓課程，推廣彈性學習方法，使員工能在有需要時，隨時上網學習，課程內容廣泛，包括實用管理技巧及個人發展課程等，令員工可以真正隨時隨地學習。截至二零零二年七月，已有130名高級員工報讀了「網上學習」課程。除內部培訓外，集團亦同時因應工作需要而資助員工參予公司以外由其他機構提供的培訓課程。

集團於年內舉辦了多項公益活動，例如「公益綠「識」日」及紅十字會捐血日等，回應企業的社會責任。

ISO 9001 及 ISO 14000

集團已於二零零零年成功合併ISO 9001及ISO14000的品質管理系統，以加強行政效率。獨立評核員每六個月進行一次現場評核，以確保集團符合規定並進行持續改善。集團亦委任內部審核員定期進行審核。集團現正準備提升系統至符合新的ISO 9001:2000品質管理標準。

或然負債

於二零零二年三月三十一日，集團有約9,300,000港元的有追索權之銀行貼現票據及7,100,000港元的有追索權之貼現應收賬，比對去年分別減少約12,900,000港元及增加約4,600,000港元。

外匯及財經政策

集團大部份的商業交易、資產及負債皆以港元或美元或人民幣結算，只有一小部份的採購合同以日元結算。根據集團的財務政策，管理層應就所有對集團構成顯著影響的外匯風險加以管理。集團並無進行任何形式的利率或外匯投機活動。

This year a new approach of staff training was introduced. In view of the diversified needs of employees and their multiple working locations, the Group launched the “e-Learning” program in December 2001 adopting the just-in-need and just-in-time learning methodology. Course content covers a wide variety of practical management skills and self-development programs. Learning is now truly anytime and anywhere. Up to July 2002, the “e-Learning” program has an enrollment of 130 senior staff. Besides in-house training, the Group also provides education subsidies to staff for company-required trainings conducted by external parties.

During the year, the Group has participated in some community functions such as the Community Chest Green Day and blood donation to Red Cross to promote corporate citizenship.

ISO 9001 and ISO 14000

The two systems were combined in 2000 in the interest of administrative efficiency. Independent assessors conduct on-site surveillance assessment every six months to ensure compliance and continuous improvement. Internal audit teams are organized to perform compliance audit on an on-going basis. The Group is now in preparation of upgrading the system to attain the new ISO 9001:2000 standard.

Contingent Liabilities

As at 31st March, 2002, trade bills discounted to banks with recourse and factoring facilities with recourse amounted to HK\$9.3 million and HK\$7.1 million respectively, which are HK\$12.9 million lower than and HK\$4.6 million higher than those of the previous year respectively.

Foreign Currencies and Treasury Policy

Most of the Group's business transactions, assets and liabilities are denominated in either Hong Kong Dollars, United States Dollars or China Renmenbi. A small portion of the Group's purchases of raw material is denominated in Japanese Yens. It is the Group's treasury policy to manage its foreign currency exposure whenever its financial impact is material to the Group. The Group does not engage in interest rate of foreign currency speculative activities.

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38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新產品策略。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」。彼現時為香港電子業商會會長，亦為香港青年工業家協會委員，香港生產力促進局工業理事會之理事，香港工業總會理事會之理事，應用研究局董事及香港貿易發展局電子業諮詢委員會成員。彼為譚偉棠之弟。

譚偉棠，現年40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，在電子元件及消費電子產品之市場推廣方面已積累逾十七年經驗。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34歲，為譚偉豪之夫人。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十二年經驗。

EXECUTIVE DIRECTORS ▶

TAM Wai Ho, Samson, aged 38, is the Chairman and one of the founders of the Group. He is responsible for the Group's corporate planning and new product strategy. 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 Chairman of The Hong Kong Electronic Industries Association. He is also a member of the Hong Kong Young Industrialists Council, a member of the Hong Kong Productivity Council, a member of Federation of Hong Kong Industries - General Committee, a Director of The Applied Research Council and a member of the Electronics Advisory Committee of the Hong Kong Trade Development Council. He is the younger brother of Mr. Tam Wai Tong, Thomas.

TAM Wai Tong, Thomas, aged 40, 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 seventeen 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 34, 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 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 twelve years of experience in management and administration.

董事及高級管理人員簡介(續)

Directors and Senior Management Profiles (continued)

羅志聰，現年42歲，亦為本集團之公司秘書。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。彼於一九九三年加入本集團，在加入本集團前，曾任職於多間主要國際電子產品公司。彼於一九九六年十一月獲委任為本集團之執行董事，專責財務、法律、資訊科技、投資者關係及企業發展之事務。

大谷和廣，現年41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。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，專責電子零件市場推廣及營銷達十年之久，而該公司乃本集團之主要零件供應商之一。

李冠雄，現年39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，負責本集團新產品開發。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，具有十八年之經驗。

LO Chi Chung, William, aged 42, is also the Company Secretary of the Group. He graduated from the Hong Kong Polytechnic University and is a fellow member of both the Hong Kong Society of 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 1993, Mr. Lo has worked for several major international electronics companies. In November 1996, he was appointed as Executive Director of the Group and is responsible for financial, legal, information technology, investor relations and corporate development matters.

Kazuhiro OTANI, aged 41, joined the Group as Executive Director in April 1997. He is responsible for OEM/ODM business in the Strategic Product Division and corporate business planning. 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 which has been one of the Group's major components suppliers since 1987, being responsible for sales and marketing of electronic components such as IC, LCD, etc.

LEE Koon Hung, aged 39, joined the Group in 1988 and was appointed as Executive Director of the Group in April 1998. He is responsible for the development of new products of the Group. 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 eighteen years of experience in product development.

董事及高級管理人員簡介(續)

Directors and Senior Management Profiles (continued)

霍定洋博士，現年53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三十二年經驗。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。

Dr. FOK Ting Yeung, James, aged 53, 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-two 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.

獨立非執行董事

容永祺榮譽勳章，現年44歲，CFP^{CM}認可財務策劃師，為美國友邦保險(百慕達)有限公司資深區域總監。彼於一九九五年一月加入本集團為獨立非執行董事，並自一九九九年出任審核委員會成員之一，在保險業方面積累逾二十年經驗，於一九九四年十一月獲選為「香港十大傑出青年」。他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)。現為多個慈善團體的籌款委員會及政府委員會主席或委員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

YUNG Wing Ki, Samuel M.H., aged 44, Certified Financial Planner^{CM}, is a Senior District Director of American International Assurance Company (Bermuda) Limited. He joined the Group as Independent Non-executive Director in January 1995 and is one of the members of the Audit Committee since 1999. He has over twenty 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 currently 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 (continued)

何國成，現年42歲，為東沛實業有限公司之董事。彼於一九九五年一月加入本集團並為審核委員會成員之一。彼持有樹仁學院傳播學系文憑，在推廣消費電子產品方面積累逾十九年經驗。

高級管理人員▶

陳宇忠，現年42歲，為本集團之財務總監。彼持有英國華威大學頒發之工商管理碩士學位，並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。彼於一九九五年加入本集團，在加入本集團前，彼曾於數間香港上市公司工作。彼在財務及會計方面已積累超逾十多年之經驗。

辻正勝，現年64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35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十三年經驗。彼於一九八九年加入本集團，為李冠雄之太太。

陳浩斌，現年41歲，是本集團之策略性產品業務副總經理。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十六年經驗。彼於一九九三年加入本集團。

HO Kwok Shing, Harris, aged 42, is the director of East Bloom Industrial Limited. He joined the Group in January 1995 and is a member of the Audit Committee. He has a Diploma in Journalism from the Shue Yan College and has over nineteen years of experience in marketing consumer electronic products.

SENIOR MANAGEMENT ▶

CHAN Yu Chung, Richard, aged 42, is the Financial Controller of the Group. He holds a M.B.A. degree from the University of Warwick, U.K. and is a fellow member of both the Hong Kong Society of Accountants and the Association of Chartered Certified Accountants. Prior to joining the Group in 1995, Mr. Chan had worked for several listed companies in Hong Kong. He has over ten years of experience in finance and accounting field.

Masakatsu TSUJI, aged 64, 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 35, 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 thirteen 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.

CHAN Ho Bun, Steve, aged 41, is the Deputy 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 sixteen 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

董事會呈報截至二零零二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資訊產品，主要為電子辭典、個人數碼助理及原件設計生產之電子產品。

董事會曾表示有意終止生產及銷售充電性電池之業務、足球隊之管理及傳呼機產品之業務。

本年度內，本集團已完成出售生產及銷售充電性電池之業務及停止管理足球隊。

於二零零二年七月八日，本集團簽署了有關出售傳呼機產品業務之意向書。

業績 ▶

本集團截至二零零二年三月三十一日止之業績載列於本年報第51頁之綜合損益表。

儲備 ▶

本集團及本公司於本年內儲備之變動情況載列於財務報表附註32。

The directors present their annual report and the audited financial statements for the year ended 31st March, 2002.

PRINCIPAL ACTIVITIES ▶

The Company is an investment holding company. The principal activities of its subsidiaries and associates are the design, manufacture and sales of a range of handheld electronic information products, primarily electronic dictionaries, personal digital assistants and original design manufacturing ("ODM") products.

The directors have previously stated their intention to discontinue the manufacture and sales of rechargeable battery operation, managing of a football team and the pager products operation.

In the current year, the Group has completed the disposal of the manufacture and sales of rechargeable battery operation and ceased to manage a football team.

The Group also signed a letter of intent to dispose of its pager products operation on 8th July, 2002.

RESULTS ▶

The results of the Group for the year ended 31st March, 2002 are set out in the consolidated income statement on page 51 of the annual report.

RESERVES ▶

Movements in the reserves of the Group and the Company during the year are set out in note 32 to the financial statements.

董事會報告書 (續)

Report of the Directors (continued)

主要顧客及供應商 ▶

截至二零零二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14%及43%之總銷售額。
- (ii) 本集團之前五大供應商佔本集團之總採購額(並不包括資本性質之採購項目)少於30%。

據董事會了解，本公司之董事、其關連人士及任何擁有超過本公司5%控股權之股東並無與前五大顧客有任何關連。

財務概要 ▶

本集團截至二零零二年三月三十一日止五年度之業績，資產及負債之概要載列於年報第107頁。

物業、廠房及設備 ▶

於本年內，本集團添置之傢具、裝置及設備、廠房及機器和工具及工模分別約為9,000,000港元、2,000,000港元及6,000,000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16。

主要物業 ▶

本集團於二零零二年三月三十一日之主要物業之詳情列載於年報第108頁。

股本 ▶

本公司股本之變動詳情載列於本財務報表附註30。

MAJOR CUSTOMERS AND SUPPLIERS ▶

For the year ended 31st March, 2002:

- (i) The Group's largest customer and five largest customers accounted for approximately 14% and 43% respectively of the Group's total turnover.
- (ii) The Group's five largest suppliers accounted for less than 30% 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.

FINANCIAL SUMMARY ▶

A summary of the results and of the assets and liabilities of the Group for each of the five years ended 31st March, 2002 is set out on pages 107 of the annual report.

PROPERTY, PLANT AND EQUIPMENT ▶

During the year, the Group acquired furniture, fixtures and equipment of approximately HK\$9 million, plant and machinery of approximately HK\$2 million and toolings and moulds of approximately HK\$6 million.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 16 to the financial statements.

MAJOR PROPERTIES ▶

Details of the major properties of the Group at 31st March, 2002 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 30 to the financial statements.

董事會報告書(續)

Report of the Directors (continued)

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

羅志聰

大谷和廣

李冠雄

霍定洋

崔榮基 (於二零零一年十月一日辭任)

獨立非執行董事：

容永祺 MH

何國成

根據本公司之公司細則第87及169條，譚梅嘉慧女士及大谷和廣先生均須告退並已表示願膺選連任。

所有非執行董事之任期均為一年。

於即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。

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

LO Chi Chung, William

Kazuhiro **OTANI**

LEE Koon Hung

FOK Ting Yeung, James

CHUI Wing Kay, Lawrence (*resigned on 1st October, 2001*)

Independent non-executive directors:

YUNG Wing Ki, Samuel MH

HO Kwok Shing, Harris

In accordance with Bye-laws 87 and 169 of the Company's Bye-laws, Mrs. Tam Mui Ka Wai, Vivian and Mr. Kazuhiro Otani retire and, being eligible, offer themselves for re-election.

All non-executive directors have been appointed for a term of 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.

董事會報告書 (續)

Report of the Directors (continued)

董事擁有之證券權益

於二零零二年三月三十一日，按本公司遵照證券(公開權益)條例(「公開權益條例」)第29條而設立之名冊所記錄，各董事及彼等之聯繫人士擁有本公司及各聯繫公司(定義見公開權益條例)之已發行股本及優先認股權權益如下：

DIRECTORS' INTERESTS IN SECURITIES

At 31st March, 2002, the interests of the directors and their associates in the issued share capital of the Company and its associated corporations, within the meaning of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance"), as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance and in the share options of the Company were as follows:

董事姓名 Name of director	權益性質 Nature of interests	所持股份數目 Number of ordinary shares held			總額 Total
		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 Note 1	4,000,000	–	537,877,118	541,877,118
譚偉棠 Tam Wai Tong, Thomas	附註 1 Note 1	7,000,000	–	537,877,118	544,877,118
譚梅嘉慧 Tam Mui Ka Wai, Vivian	附註 1 Note 1	1,500,000	–	537,877,118	539,377,118
羅志聰 Lo Chi Chung, William		2,150,000	–	–	2,150,000
李冠雄 Lee Koon Hung		926,000	450,000	–	1,376,000
容永祺 ^{MH} Yung Wing Ki, Samuel ^{MH}		730,000	–	–	730,000

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。

譚偉豪先生及譚偉棠先生持有本公司附屬公司權智有限公司之無投票權遞延股份。資料載列於財務報表附註 45。

Note:

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. 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 and Mr. Tam Wai Tong, Thomas hold non-voting deferred shares in Group Sense Limited, a subsidiary of the Company, as set out in note 45 to the financial statements.

董事會報告書(續)

Report of the Directors (continued)

董事擁有之證券權益▶(續)

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

除上文所披露者外，及董事以信託方式代本集團持有附屬公司之若干代理人名義股份外，於二零零二年三月三十一日，(i)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(定義見公開權益條例)之任何證券中擁有任何個人權益、家族權益、公司權益及其他權益；及(ii)各董事或彼等配偶或十八歲以下子女概無權認購本公司證券，或於年內已行使任何該權力。

優先認股權▶

於一九九三年一月八日採納並於二零零二年四月二日終止的計劃

本公司依據於一九九三年一月八日通過之決議案採納的優先認股權計劃(「該計劃」)，以鼓勵合資格的董事及僱員，已依據於二零零二年四月二日通過之決議案終止。所有根據該計劃而授出但未行使之優先認股權將會仍然生效。

在終止該計劃前，本公司董事會可酌情授出優先認股權予本公司及其附屬公司之僱員包括董事，以認購本公司之股份。於二零零二年三月三十一日，根據該計劃行使優先認股權而可發行之股份數目為41,590,000股，即當日本公司已發行股份之3.5%。依該計劃可授出的優先認股權而發行之股份數目最多不可超過在任何時間本公司已發行股份(不包括因行使優先認股權而已發行之股份)之10%。倘若某僱員獲賦予之優先認股權如獲全數行使時，會導致該僱員可認購之股份數目超過根據該計劃已發行及可發行股份總數之25%，則不得授予該僱員優先認股權。

DIRECTORS' INTERESTS IN SECURITIES▶(Continued)

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, and other than certain nominee shares in subsidiaries held by directors in trust for the Group, at 31st March, 2002 (i) none of the directors or their associates had any personal interests, family interests, corporate interests or other interests in any securities of the Company or any of its associated corporations as defined in the SDI Ordinance; and (ii) none of the directors or their spouses or children under the age of 18 had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

SHARE OPTIONS▶

Scheme adopted on 8th January, 1993 and expired on 2nd April, 2002

The Company's share option scheme (the "Scheme") which was adopted pursuant to a resolution passed on 8th January, 1993 for providing incentives to eligible directors and employees was terminated on 2nd April, 2002 pursuant to a resolution passed on that date. Options granted and not yet exercised under the Scheme will remain effective.

Prior to the termination of the Scheme, the Board of Directors of the Company might at their discretion grant options to employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. At 31st March, 2002, the number of shares available for issue upon exercise of options under the Scheme was 41,590,000, representing 3.5% of the shares of the Company in issue at that date. The maximum number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the issued share capital of the Company at any point in time but excluding shares issued on exercise of share options. No employee shall be granted a share option which, if exercised in full, would result in such employee becoming entitled to subscribe for more than 25% of the aggregate number of shares for the time being issued and issuable under the Scheme.

董事會報告書 (續)

Report of the Directors (continued)

優先認股權 (續)

優先認股權須於指定日期前接納，惟指定日期須為授出日期起計不少於二十八日，並須於接納時就每次授出之優先認股權繳付1港元。優先認股權可於該計劃採納日起計十年內，由董事會釐訂的優先認股權行使期內行使。每次授出優先認股權，董事會可酌情釐訂行使期及行使價。所釐訂之行使價須為本公司股份面值及不少於緊接授出優先認股權日期之前五個交易日股份最後收市價平均值之80%，兩者中之較高者為準。

於二零零一年八月二十七日，即本年度優先認股權授出日期計算，優先認股權公平價值為0.08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：

預計優先認股權年限 Expected life of options	16個月/months
根據過往股價波幅計算之預計波幅 Expected volatility based on historical volatility of share prices	59%
香港外匯基金債券息率 Hong Kong Exchange Fund Notes Rate	3.33%
預計每年股息收益率 Expected annual dividends	零/Nil

在計算公平價值時，未有就預期會被收回之優先認股權作出調整。

「柏力克－舒爾斯」優先認股權定價模式要求採用非常主觀性之假定，包括股價波動。由於此等帶主觀性之假定在變動時可以對公平價值之估算構成重大影響，故董事會認為以現有模式並不一定能提供一個釐訂優先認股權公平價值既可靠而單一之標準。

在損益表內並無就本年度授出之優先認股權價值而確認任何開支。

SHARE OPTIONS (Continued)

Options granted must be taken up before a specified date not less than 28 days from the date of offer, upon payment of HK\$1 per each grant of option(s). Options may generally be exercised at any time within the Option Period as specified by the Board of Directors which shall not be a period exceeding 10 years from the adoption date of the Scheme. In each grant of options, the Board of Directors may at their discretion determine the specific exercise period and exercise price. The exercise price shall be the higher of the nominal value of the shares of the Company and the price not less than 80% of the average closing price of the shares for the five trading days immediately preceding the date of offer.

The fair value of the option granted in the current year measured as at the date of grant on 27th August, 2001 was HK\$0.08. The following significant assumptions were used to derive the fair value using the Black – Scholes option pricing model:

For the purposes of the calculation of fair value, no adjustment has been made in respect of options expected to be forfeited.

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price. Because changes in subjective input assumptions can materially affect the fair value estimate, in the directors' opinion, the existing model does not necessarily provide a reliable single measure of the fair value of the share options.

No charge is recognised in the income statement in respect of the value of options granted in the year.

董事會報告書(續)

Report of the Directors (continued)

優先認股權 (續)

本集團之優先認股權於本年內之變動披露如下：

SHARE OPTIONS (Continued)

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

董事 Directors	授出日期 Option grant date	於年度開始時 尚未行使 Outstanding at beginning of year	年內授出 Granted during year	年內註銷 Cancelled during year	年內失效 Lapsed during year	年內重新分配 Reallocation during year	於年度終結時 尚未行使 Outstanding at end of year
譚偉豪 Tam Wai Ho, Samson	20.3.1998	2,500,000	-	-	-	-	2,500,000
	4.6.1999	800,000	-	-	-	-	800,000
	22.3.2000	800,000	-	-	-	-	800,000
	27.8.2001	-	1,000,000	-	-	-	1,000,000
譚偉棠 Tam Wai Tong, Thomas	20.3.1998	2,500,000	-	-	-	-	2,500,000
	4.6.1999	800,000	-	-	-	-	800,000
	22.3.2000	800,000	-	-	-	-	800,000
	27.8.2001	-	1,000,000	-	-	-	1,000,000
譚梅嘉慧 Tam Mui Ka Wai, Vivian	20.3.1998	1,000,000	-	-	-	-	1,000,000
	4.6.1999	500,000	-	-	-	-	500,000
	22.3.2000	500,000	-	-	-	-	500,000
	27.8.2001	-	400,000	-	-	-	400,000
羅志聰 Lo Chi Chung, William	20.3.1998	500,000	-	-	-	-	500,000
	4.6.1999	500,000	-	-	-	-	500,000
	22.3.2000	500,000	-	-	-	-	500,000
	27.8.2001	-	1,800,000	-	-	-	1,800,000
大谷和廣 Kazuhiro Otani	5.5.1997	2,500,000	-	-	-	-	2,500,000
	20.3.1998	2,500,000	-	-	-	-	2,500,000
	4.6.1999	500,000	-	-	-	-	500,000
	22.3.2000	500,000	-	-	-	-	500,000
	27.8.2001	-	1,000,000	-	-	-	1,000,000
李冠雄 (附註1) Lee Koon Hung (note 1)	24.2.1997	450,000	-	-	-	-	450,000
	20.3.1998	1,200,000	-	-	-	-	1,200,000
	4.6.1999	700,000	-	-	-	-	700,000
	22.3.2000	700,000	-	-	-	-	700,000
	27.8.2001	-	1,300,000	-	-	-	1,300,000
霍定洋 Fok Ting Yeung, James	4.6.1999	500,000	-	-	-	-	500,000
	22.3.2000	500,000	-	-	-	-	500,000
	27.8.2001	-	400,000	-	-	-	400,000
崔榮基 (附註2) Chui Wing Kay, Lawrence (note 2)	22.3.2000	500,000	-	-	-	(500,000)	-
	27.8.2001	-	1,000,000	-	-	(1,000,000)	-
總數 (董事) Total (Directors)		22,250,000	7,900,000	-	-	(1,500,000)	28,650,000

董事會報告書 (續)

Report of the Directors (continued)

優先認股權 (續)

SHARE OPTIONS (Continued)

僱員 Employees	授出日期 Option grant date	於年度開始時 尚未行使	年內授出 Granted during year	年內註銷 Cancelled during year	年內失效 Lapsed during year	年內重新分配 Reallocation during year	於年度終結時 尚未行使
		Outstanding at beginning of year					Outstanding at end of year
	7.6.1995	600,000	-	(600,000)	-	-	-
	10.3.1996	380,000	-	(300,000)	(80,000)	-	-
	24.2.1997	400,000	-	(100,000)	-	-	300,000
	20.3.1998	1,400,000	-	(100,000)	-	-	1,300,000
	4.6.1999	1,680,000	-	(70,000)	-	-	1,610,000
	13.9.1999	150,000	-	-	-	-	150,000
	22.3.2000	3,890,000	-	(400,000)	-	500,000	3,990,000
	27.8.2001	-	4,600,000	(10,000)	-	1,000,000	5,590,000
總數 (僱員) Total (Employees)		8,500,000	4,600,000	(1,580,000)	(80,000)	1,500,000	12,940,000
總計 Grand Total		30,750,000	12,500,000	(1,580,000)	(80,000)	-	41,590,000

每類優先認股權的詳情載列如下：

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\$
7.6.1995	-	7.6.1996 – 6.6.2001	0.28
10.3.1996	10.3.1996 – 14.3.1997	15.3.1997 – 14.3.2002	0.24
24.2.1997	24.2.1997 – 26.1.1998	27.1.1998 – 7.1.2003	0.32
5.5.1997	5.5.1997 – 7.4.1998	8.4.1998 – 7.1.2003	0.49
20.3.1998	20.3.1998 – 5.2.1999	6.2.1999 – 7.1.2003	0.39
4.6.1999	4.6.1999–21.4.2000	22.4.2000 – 7.1.2003	0.38
13.9.1999	13.9.1999–12.8.2000	13.8.2000 – 7.1. 2003	0.47
22.3.2000	22.3.2000 – 7.2.2001	8.2.2001 – 7.1.2003	0.65
27.8.2001	27.8.2001 – 12.7.2002	13.7.2002 – 7.1.2003	0.21

附註：

Notes:

- 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。於二零零二年三月三十一日，李冠雄之太太的1,100,000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。
- The wife of Mr. Lee Koon Hung, who is also an employee of the Company, was granted options of the Company. As at 31st March, 2002, 1,100,000 options of Mrs. Lee were included under the interests in options of Mr. Lee Koon Hung set out above.
- 崔榮基先生已於二零零一年十月一日辭任董事之職。
- Mr. Chui Wing Kay, Lawrence resigned as a director on 1st October, 2001.

董事會報告書(續)

Report of the Directors (continued)

優先認股權 (續)

本公司股份在緊接優先認股權授出日期(二零零二年八月二十七日)之前的收市價為0.23港元。

於二零零二年採納之計劃

本公司及其附屬公司權智PDA控股有限公司及Group Sense Technology (Singapore) Pte Limited於二零零二年四月二日採納各自的新優先認股權計劃(「該新計劃」)，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，有效期為十年。

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優先認股權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會上批准除外。向本公司董事、主要行政人員或主要股東或彼等各自之聯繫人士授予優先認股權，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會上批准。截至二零零二年三月三十一日，沒有根據該新計劃而授出優先認股權。

授予人可在自授予日期起計二十一個工作天內，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港元，而獲授Group Sense Technology (Singapore) Pte Limited之優先認股權的代價為1新加坡元。優先認股權的行使期乃由各公司之董事會決定。

SHARE OPTIONS (Continued)

The closing price of the Company's shares immediately before the date of grant on 27th August, 2001 was HK\$0.23.

Schemes adopted on 2nd April, 2002

The new share option schemes (the "New Schemes") of each of the Company and its subsidiaries, Group Sense PDA Holdings Limited and Group Sense Technology (Singapore) Pte Limited were adopted on 2nd April, 2002 for the purpose of motivating, attracting and retaining talented participants of the Group. The New 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 share option scheme must not exceed 10% of its issued share capital at any time. The maximum number of shares issuable under the share 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. As at 31st March, 2002, there was no option granted under the New Schemes.

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 and the consideration for a grant of options of Group Sense Technology (Singapore) Pte Limited is S\$1. The exercise period of the share options granted is determinable by the respective Board of Directors.

董事會報告書 (續)

Report of the Directors (continued)

優先認股權 (續)

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。

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

於本年度，本集團向精輝企業有限公司採購電子零件數額約14,000,000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。

SHARE OPTIONS (Continued)

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 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.

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\$14 million from Genfield Enterprises Limited, a company in which Mr. Tam Wai Tong, Thomas, has a beneficial interest.

In the opinion of the 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.

董事會報告書(續)

Report of the Directors (continued)

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46(l)。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 ▶

除上述就若干董事之權益披露者外，按遵照公開權益條例第16(1)條而設立之主要股東名冊所載，於二零零二年三月三十一日，概無人擁有本公司已發行股本10%或以上之權益。

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44。

股 本 優 先 購 買 權 ▶

本公司之公司細則並無載有任何股本優先購買權之規定，而根據百慕達法例，亦無要求本公司就發行新股按比例向現有股東配股。

遵 守 最 佳 應 用 守 則 ▶

本公司於二零零二年三月三十一日止一年內已遵守香港聯合交易所有限公司證券上市規則附錄十四所載監管上市證券之最佳應用守則。

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。

承董事會命
主席
譚偉豪

香港
二零零二年七月十九日

CONNECTED TRANSACTIONS ▶

Details of the discloseable connected transactions for the year are set out in note 46(l) to the financial statements. In the opinion of the directors who do not have 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 ▶

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company under Section 16(1) of the SDI Ordinance discloses no person as having an interest of 10% or more of the issued share capital of the Company as at 31st March, 2002.

POST BALANCE SHEET EVENT ▶

Details of significant post balance sheet event are set out in note 44 to the financial statements.

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 existing shareholders.

CORPORATE GOVERNANCE ▶

The Company has complied throughout the year ended 31st March, 2002 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.

AUDITORS ▶

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

On behalf of the Board
Tam Wai Ho, Samson
Chairman

Hong Kong
19th July, 2002

核數師報告書

Report of the Auditors

德勤·關黃陳方會計師行

Certified Public Accountants
26/F, Wing On Centre
111 Connaught Road Central
Hong Kong

香港中環干諾道中111號
永安中心26樓

**Deloitte
Touche
Tohmatsu**

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51至106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。在編製該等財務報表時，董事必須貫徹採用合適之會計政策。

本行之責任是根據本行審核工作之結果，對該等財務報表表達獨立意見，並向股東作出報告。

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 MEMBERS OF GROUP SENSE (INTERNATIONAL) LIMITED (incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 51 to 106 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 statements and to report our opinion to you.

BASIS OF OPINION ▶

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes 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 (continued)

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在重要錯誤陳述，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 貴集團於二零零二年三月三十一日之財政狀況及 貴集團截至該日止年度之虧損及現金流量，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，二零零二年七月十九日

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, 2002 and of the loss 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, 19th July, 2002

綜合損益表

Consolidated Income Statement

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

		2002				
		持續經營業務	非持續經營業務	總額	2001	
		Continuing operations	Discontinuing operations	Total	2001	
附註		千港元	千港元	千港元	千港元	
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
					(重列)	
					(As restated)	
營業額	Turnover	4	891,109	86,697	977,806	1,612,622
銷售成本	Cost of sales		(663,251)	(90,030)	(753,281)	(1,436,711)
毛利	Gross profit		227,858	(3,333)	224,525	175,911
其他經營收入	Other operating income	5	21,054	661	21,715	45,727
研究及開發支出	Research and development expenses		(54,563)	(4,467)	(59,030)	(107,578)
分銷及銷售支出	Distribution and selling expenses		(80,437)	(11,868)	(92,305)	(245,663)
行政支出	Administrative expenses	6	(72,425)	(7,625)	(80,050)	(100,420)
出售租賃物業之虧損	Loss on disposal of leasehold properties		-	-	-	(17,778)
收購附屬公司所產生之商譽減值	Impairment in value of goodwill arising on acquisition of subsidiaries	7	-	-	-	(152)
經營溢利(虧損)	Profit (loss) from operations	8	41,487	(26,632)	14,855	(249,953)
融資成本	Finance costs	9	(15,527)	-	(15,527)	(12,912)
應佔聯營公司業績	Share of results of associates		(5,020)	-	(5,020)	(2,120)
出售一聯營公司之虧損	Loss on disposal of an associate		-	-	-	(324)
出售一附屬公司部份股份之虧損	Loss on partial disposal of a subsidiary		-	-	-	(7,542)
出售一附屬公司之淨收益	Net gain on disposal of a subsidiary	10	-	5,200	5,200	-
收購聯營公司所產生之商譽減值	Impairment in value of goodwill arising on acquisition of associates	7	-	-	-	(8,218)
非持續傳呼機產品經營業務減值	Impairment in value of the discontinuing pager products operation	11	-	(105,810)	(105,810)	-
稅前溢利(虧損)	Profit (loss) before taxation		20,940	(127,242)	(106,302)	(281,069)
稅項(支出)撥回	Taxation (charge) credit	14	(461)	-	(461)	1,709
少數股東權益前溢利(虧損)	Profit (loss) before minority interest		20,479	(127,242)	(106,763)	(279,360)
少數股東權益	Minority interest		8,625	-	8,625	851
本年度結存溢利(虧損)	Profit (loss) for the year, retained		29,104	(127,242)	(98,138)	(278,509)
每股虧損	Loss per share				(8.3)	(23.5)
- 基本及攤薄(港仙)	- Basic and diluted (cents)	15				

綜合資產負債表

Consolidated Balance Sheet

於二零零二年三月三十一日 At 31st March, 2002

	附註 Notes	2002 千港元 HK\$'000	2001 千港元 HK\$'000 (重列) (As restated)	
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	16	223,836	246,037
無形資產	Intangible assets	17	21,095	9,805
於聯營公司權益	Interests in associates	19	17,303	22,278
證券投資	Investments in securities	20	41,583	48,284
其他資產	Other assets	21	466	466
			304,283	326,870
流動資產	Current assets			
存貨	Inventories	22	166,585	289,724
應收貿易賬款	Trade receivables	23	114,378	185,623
其他應收賬款	Other receivables	24	40,045	73,563
應收聯營公司賬款	Amounts due from associates		20,071	17,271
可收回稅項	Taxation recoverable		289	301
銀行結餘及現金	Bank balances and cash		185,244	125,339
			526,612	691,821
流動負債	Current liabilities			
應付貿易賬款	Trade payables	25	108,462	156,725
其他應付賬款	Other payables		87,338	113,487
產品保證撥備	Product warranty provision	26	500	800
收取顧客之訂金	Deposits from customers		-	577
應付聯營公司賬款	Amounts due to associates		2,152	454
應付稅項	Taxation payable		1,778	1,312
銀行借貸 – 於一年內到期	Bank borrowings – due within one year	27	108,113	181,571
租購合約債務 – 於一年內到期	Obligations under hire purchase contracts – due within one year	28	2,182	2,525
			310,525	457,451
流動資產淨值	Net current assets		216,087	234,370
資產總值減流動負債	Total assets less current liabilities		520,370	561,240

綜合資產負債表(續)

Consolidated Balance Sheet (continued)

於二零零二年三月三十一日 At 31st March, 2002

		附註 Notes	2002 千港元 HK\$'000	2001 千港元 HK\$'000 (重列) (As restated)
資本及儲備	Capital and reserves			
股本	Share capital	30	118,630	118,630
儲備	Reserves	32	278,296	376,384
股東資金盈餘	Surplus of shareholders' funds		396,926	495,014
少數股東權益	Minority interest		15,553	24,195
發行可兌換及可贖回 優先股予一附屬公司之 少數股東	Convertible redeemable preferred shares issued to minority shareholders of a subsidiary	33	81,900	-
非流動負債	Non-current liabilities			
銀行借貸 – 於一年後到期	Bank borrowings – due after one year	27	25,143	39,385
租購合約債務 – 於一年後到期	Obligations under hire purchase contracts – due after one year	28	848	2,646
			25,991	42,031
			520,370	561,240

載於第51至106頁之財務報表已於二零零二年七月十九日獲董事會核准，並由下列董事代表董事會簽署：

The financial statements on pages 51 to 106 were approved and authorised for issue by the Board of Directors on 19th July, 2002 and are signed on its behalf by:

譚偉豪
譚偉棠
董事

TAM WAI HO, SAMSON
TAM WAI TONG, THOMAS
Director

公司資產負債表

Company Balance Sheet

於二零零二年三月三十一日 At 31st March, 2002

		附註 Notes	2002 千港元 HK\$'000	2001 千港元 HK\$'000
非流動資產	Non-current assets			
於附屬公司投資	Investments in subsidiaries	18	67,161	67,161
流動資產	Current assets			
其他應收賬款	Other receivables		640	1,275
應收附屬公司賬款	Amounts due from subsidiaries		324,491	422,697
應收本集團之一聯營公司賬款	Amount due from an associate of the Group		12	12
銀行結餘及現金	Bank balances and cash		31	31
			325,174	424,015
流動負債	Current liability			
其他應付賬款	Other payables		115	974
流動資產淨值	Net current assets		325,059	423,041
資產淨值	Net assets		392,220	490,202
資本及儲備	Capital and reserves			
股本	Share capital	30	118,630	118,630
儲備	Reserves	32	273,590	371,572
股東資金盈餘	Surplus of shareholders' funds		392,220	490,202

譚偉豪
譚偉棠
董事TAM WAI HO, SAMSON
TAM WAI TONG, THOMAS
Director

綜合確認盈虧表

Consolidated Statement of Recognised Gains and Losses

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

		2002 千港元 HK\$'000	2001 千港元 HK\$'000 (重列) (As restated)
因換算海外業務而產生 並未確認於綜合損益表 之滙兌收益(虧損)	Exchange gains (losses) arising on translation of overseas operations not recognised in the consolidated income statement	35	(332)
本年度虧損	Loss for the year	(98,138)	(278,509)
確認虧損總額	Total recognised losses	(98,103)	(278,841)
收購一附屬公司之商譽 在儲備中抵銷	Elimination against reserves of goodwill arising on acquisition of a subsidiary	-	(15,550)
		(98,103)	(294,391)
因會計政策改變所產生之 前期調整(見附註2) —於二零零零年四月一日之 股息儲備增加	Prior period adjustments arising from effects of changes in accounting policies (see note 2) — Increase in dividend reserve at 1st April, 2000		5,941

綜合現金流動表

Consolidated Cash Flow Statement

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

	附註 Notes	2002 千港元 HK\$'000	2001 千港元 HK\$'000
經營業務之現金流入 (流出)淨額	Net cash inflow (outflow) from operating activities	72,407	(66,510)
	34		
投資回報及融資 費用	Returns on investments and servicing of finance		
已收利息	Interest received	1,751	2,332
已付利息	Interest paid	(8,702)	(12,912)
已派股息	Dividends paid	-	(5,941)
投資回報及融資費用 之現金流出淨額	Net cash outflow from returns on investments and servicing of finance	(6,951)	(16,521)
稅項	Taxation		
已退回香港利得稅	Hong Kong Profits Tax refunded	37	385
已付香港利得稅	Hong Kong Profits Tax paid	(20)	(940)
已退回(已付)淨稅項	Net tax refunded (paid)	17	(555)
投資業務	Investing activities		
購物業、廠房及設備	Purchase of property, plant and equipment	(19,047)	(43,019)
無形資產增加	Addition of intangible assets	(15,052)	-
購買聯營公司	Purchase of associates	(45)	(12,724)
以前年度出售租賃物業 所得款項	Proceeds from disposal of leasehold properties in prior year	35,500	-
出售一附屬公司(扣除出售 現金或現金等值項目) 所得款項	Proceeds from disposal of a subsidiary (net of cash and cash equivalents disposed of)	1,033	-
	35		
收購一附屬公司(扣除收購 現金或現金等值項目)	Purchase of a subsidiary (net of cash and cash equivalents acquired)	-	-
	36		
購買海外非上市投資證券	Purchase of unlisted overseas investment securities	-	(12,849)
購買香港非上市 投資證券	Purchase of unlisted investment securities in Hong Kong	-	(8,555)
出售物業、廠房及設備 除租賃物業外所得款	Proceeds from disposal of property, plant and equipment, other than leasehold properties	-	8,584
出售投資證券所得款	Proceeds from disposal of investment securities	-	686
投資業務之現金流入 (流出)淨額	Net cash inflow (outflow) from investing activities	2,389	(67,877)
未計融資前現金流入 (流出)淨額	Net cash inflow (outflow) before financing	67,862	(151,463)

綜合現金流動表(續)

Consolidated Cash Flow Statement (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

		附註 Notes	2002 千港元 HK\$'000	2001 千港元 HK\$'000
融資	Financing	37		
發行可兌換及可贖回優先 股予一附屬公司之 少數股東	Issue of convertible redeemable preferred shares to minority shareholders of a subsidiary		81,900	-
新增銀行貸款	New bank loans obtained		21,038	57,973
償還銀行貸款	Repayment of bank loans		(45,443)	(65,044)
償還租購合約債務	Repayment of obligations under hire purchase contracts		(2,141)	(828)
償還按揭貸款	Repayment of mortgage loans		-	(5,853)
股份發行	Issue of shares		-	64,717
股份回購	Repurchase of shares		-	(2,402)
回購/發行股份支出	Share repurchase/issue expenses		-	(9)
融資現金流入淨額	Net cash inflow from financing		55,354	48,554
現金及現金等值項目之 增加(減少)	Increase (decrease) in cash and cash equivalents		123,216	(102,909)
年初之現金及現金 等值項目	Cash and cash equivalents at the beginning of the year		7,945	110,900
外幣滙率變更調整	Effect of foreign exchange rate changes		(16)	(46)
年終之現金及現金 等值項目	Cash and cash equivalents at the end of the year		131,145	7,945
現金及現金等值項目 結餘分析	Analysis of the balances of cash and cash equivalents			
銀行結餘及現金	Bank balances and cash		185,244	125,339
信託收據貸款	Trust receipt loans		(51,705)	(75,428)
銀行透支	Bank overdrafts		(2,394)	(41,966)
			131,145	7,945

財 務 報 表 附 註

Notes to the Financial Statements

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

1. 簡 介

本公司在百慕達註冊成立為受豁免有限公司，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、製造及銷售各種手提電子資訊產品，主要為電子辭典、個人數碼助理及原件設計生產之電子產品。

董事局於去年度決定停止製造及銷售充電性電池業務、足球隊伍管理及傳呼機產品業務。

於本年度，本集團已完成出售製造及銷售充電性電池業務及終止足球隊伍管理。

本集團同時於二零零二年七月八日簽訂出售傳呼機產品業務意向書。

2. 採 納 新 訂 及 經 修 訂 會 計 實 務 準 則

於本年度，本集團首次採用若干由香港會計師公會頒佈之新訂及經修訂會計實務準則，本集團因而變動若干會計政策。經修訂之會計政策載於附註3。此外，該等新訂及經修訂會計實務準則加入額外及經修訂之披露規定，而財務報表已引用該等規定。往年度之比較數字已重列，以達致統一呈報方式。

採用該等新訂及經修訂會計實務準則導致本集團之會計政策作出以下更改而影響本年度及過往期間所呈報之數字。

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 is an investment holding company. The principal activities of its subsidiaries and associates are the design, manufacture and sale of a range of handheld electronic information products, primarily electronic dictionaries, personal digital assistants and original design manufacturing ("ODM") products.

The directors have previously stated their intention to discontinue the manufacture and sale of rechargeable battery operation, managing of a football team and the pager products operation.

In the current year, the Group has completed the disposal of the manufacture and sales of rechargeable battery operation and ceased to manage a football team.

The Group also signed a letter of intent to dispose of its pager products operation on 8th July, 2002.

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

In the current year, the Group has adopted for the first time a number of new and revised Statements of Standard Accounting Practice ("SSAP(s)") issued by the Hong Kong Society of Accountants. Adoption of these SSAPs has led to a number of changes in the Group's accounting policies. The revised accounting policies are set out in note 3. In addition, the new and revised SSAPs have introduced additional and revised disclosure requirements which have been adopted in these financial statements. Comparative amounts and disclosure for the prior year have been restated in order to achieve a consistent presentation.

The adoption of these new and revised SSAPs has resulted in the following changes to the Group's accounting policies that have affected the amounts and disclosure reported for the current or prior periods.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

2. 採納新訂及經修訂會計實務準則 (續)

結算日後事項

根據會計實務準則第9號(經修訂)「結算日後事項」，於結算日後建議或宣派之股息，不再於結算日確認為負債，而將於財務報表附註內另行披露為獨立股東權益項目。該會計政策變動已追溯為前期調整，使本集團及本公司於二零零零年四月一日之股息儲備因而增加5,941,000港元。

租賃

採納會計實務準則第14號(經修訂)「租賃」並無引致租賃會計處理重大變更，因此無須作出過往年度之調整。為符合會計實務準則第14號(經修訂)之要求，本集團租賃安排之披露已作出更改。比較數字亦已重列以達致統一之呈報方式。

分類報告

於本年度，本集團已按會計實務準則第26號「分類申報」改變申報分類。為達致同一基礎下呈列有關資料，截至二零零一年三月三十一日止年度之分類資料，已作相應調整。

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

(Continued)**Events after the Balance Sheet Date**

In accordance with SSAP 9 (Revised) "Events after the Balance Sheet Date", dividends proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date, but are disclosed as a separate component of equity in the notes to the financial statements. This change in accounting policy has been applied retrospectively, resulting in a prior period adjustment of increasing the dividend reserve of the Group and the Company at 1st April, 2000 by HK\$5,941,000.

Leases

The adoption of SSAP 14 (Revised) "Leases" has not resulted in any significant changes to the accounting treatment adopted for leases and accordingly, no prior period adjustment has been required. Disclosure for the Group's leasing arrangements have been modified so as to comply with the new disclosure requirements of SSAP 14 (Revised). Comparative amounts and disclosure have been restated to achieve a consistent presentation.

Segment reporting

In the current year, the Group has changed the basis of identification of reportable segments to that required by SSAP 26 "Segment Reporting". Segment disclosures for the year ended 31st March, 2001 have been amended so that they are presented on a consistent basis.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

2. 採納新訂及經修訂會計實務準則 (續)

商譽

於本年度，本集團已採納會計實務準則第30號「企業合併」，並選擇不重新為已在儲備中抵銷(撥入)之商譽(負商譽)重列。然而，相關附屬公司及聯營公司由收購日至採納會計實務準則第30號期間所產生之商譽，經追溯確認，作為前期調整，導致於二零零一年四月一日之保留溢利減少8,370,000港元。於二零零一年四月一日前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，或發現有減值虧損情況下，在損益表內扣除。於二零零一年四月一日前收購而產生之負商譽，亦會於出售相關附屬公司或聯營公司時於損益表入帳。

於二零零一年四月一日以後因收購所產生之商譽將資本化並按其估計可用年期攤銷，即五至二十年期限。於二零零一年四月一日以後因收購所產生之負商譽，將列作資產減值，並視乎結算日之狀況分析計入收益。

因上述會計政策變更引致之本年度及前期調整如下：

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

(Continued)

Goodwill

In the current year, the Group has adopted SSAP 30 "Business Combinations" and has elected not to restate goodwill (negative goodwill) previously eliminated against (credited to) reserves. However, impairment losses in respect of goodwill that arose between the dates of acquisition of the relevant subsidiaries and associates and the dates of adoption of SSAP 30 have been recognised retrospectively, resulting in a prior period adjustment which reduces the retained profits as at 1st April, 2001 by HK\$8,370,000. Goodwill arising on acquisition prior to 1st April, 2001 is 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 further impairment losses are identified. Negative goodwill arising on acquisition prior to 1st April, 2001 will be credited to income at the time of disposal of the relevant subsidiary or associate.

Goodwill arising on acquisition after 1st April, 2001 is capitalised and amortised over its estimated useful life i.e. over periods ranging between 5 and 20 years. Negative goodwill arising on acquisition after 1st April, 2001 is presented as a deduction from assets and will be released to income based on an analysis of the circumstances from which the balance resulted.

The effect of these changes in accounting policies on the results for the current and prior periods is as follows:

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
收購產生之商譽減值：	Impairment in value of goodwill arising		
	on acquisition of:		
— 附屬公司	— subsidiaries	—	(152)
— 聯營公司	— associates	—	(8,218)

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

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。

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帳面金額內。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。

當出售一附屬公司或聯營公司時，以前年度於儲備內抵銷或撥入之有關商譽，將一併計入以確定出售溢利或虧損。

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.

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.

On disposal of a subsidiary or an associate, the attributable amount of goodwill previously eliminated against or credited to reserves is included in the determination of the profit or loss on disposal.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

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、廠房及設備均以成本扣除折舊及累計減值虧損列出。

由於本集團採用會計實務準則第十七號七十二段，對物業、機器及設備之過渡優惠安排，無需對物業、廠房及設備定期估值。故本集團並未對於一九九五年九月三十日之土地及房產重新估值。在過去幾年，因資產重估之增值已列入重估儲備。該資產如再有減值(指如有而言)，並超越其重估儲備或同類資產時，將作費用處理。若該重估資產出售或撤換時，其有關之重估增值將轉到保留溢利。

在資產負債表上，租賃物業是從投資物業轉來，其價值為當日轉來之賬面值減去累積折舊及攤銷及減值虧損。於撤換或出售該等物業時，以往保留在重估儲備中之部份，將反映在損益表上。

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 shareholders' 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 depreciation and accumulated impairment loss.

Advantage has been taken of the transitional relief provided by paragraph 72 of SSAP 17 "Property, Plant and Equipment" from the requirement to make regular revaluations of the Group's land and buildings which had been carried at revalued amounts prior to 30th September, 1995, and accordingly no further revaluation of land and buildings is carried out. In previous years, the revaluation increase arising on the revaluation of these assets was credited to the revaluation reserve. Any future decreases in value of these assets will be dealt with as an expense to the extent that they exceed the balance, if any, on the revaluation reserve relating to a previous revaluation of the same asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

Leasehold properties that have been transferred from investment properties are stated in the balance sheet at their carrying value at the date of transfer, less any subsequent accumulated depreciation and amortisation and impairment loss. On the retirement or disposal of such properties, the former attributable revaluation reserve is realised through the income statement.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

3. 主要會計政策概要 (續)

物業、廠房及設備 (續)

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	2%
物業裝修	25%
傢具、裝置及設備	25%
廠房及機器	15%-25%
工具及工模	50%
汽車	25%

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，並確認於損益賬中。

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帳面值，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帳面值，則會將資產帳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，則會將資產之帳面值計入經修訂之估計可收回金額，惟已增加之帳面值不得超過假設資產於過往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。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

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

Leasehold properties	2%
Leasehold improvements	25%
Furniture, fixtures and equipment	25%
Plant and machinery	15%-25%
Toolings and moulds	50%
Motor vehicles	25%

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

Assets held under hire purchase contracts are depreciated over their expected useful lives on the same basis as owned assets.

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, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

3. 主要會計政策概要 (續)

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減任何經確認之減值虧損呈列。

證券投資

證券投資按照交易日期確認入帳，並且初時按成本入帳。

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(如有需要)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。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 less any identified impairment losses.

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 identified impairment losses.

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

Other assets

Other assets are stated at cost less provision, if necessary, for any impairment losses recognised.

Inventories

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

Land use rights

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

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

3. 主要會計政策概要 (續)

知識產權

購入新產品生產之知識產權權益之成本均資本化及按估計可用年期或租賃期限，年期較短者，用直線法攤銷。惟當遞延支出已判斷為不再存在或不可收回時，其支出將於損益中即時扣除。

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，除非該期間內正進行一項重大計劃，且有理由預期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。

稅項

稅項之支出乃根據本年度業績就毋須課稅或不獲扣稅之項目作出調整而計算。部份收入及支出項目因在稅務上及賬目上採用不同確認期間而產生時差。因時差產生之稅務影響以負債法於財務報表中確認為遞延稅項，惟只限於確認在可見將來可能實現之負債或資產。

按租購合約持有之資產

按租購合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租購合約債務內。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撇銷率於每個會計年期內於損益表內入帳。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intellectual property

The cost of acquiring rights to the intellectual property for the production of new products is capitalised and amortised, using the straight line method, over their useful lives from the date of acquisition or the licence period, whichever is shorter. Where the circumstances which have justified the deferral of the expenditure no longer apply, or are considered to be irrecoverable, will be written off immediately to the income statement.

Research and development costs

Expenditure on research and development is charged to the income statement in the period in which it is incurred except where a major project is undertaken and it is reasonably anticipated that development cost will be recovered through future commercial activity. Such development costs are deferred and written off over the life of the project from the date of commencement of commercial operation.

Taxation

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

Assets held under hire purchase contracts

Assets held under hire purchase contracts are capitalised at their fair values at the date of acquisition. The corresponding liability to the hirer, net of interest charges, are included in the balance sheet as obligations under hire purchase contracts. The finance costs, which represent the difference between the total hire purchase commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant contract so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

3. 主要會計政策概要 (續)

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賬。

退休福利計劃

列入損益表之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。

外幣

以外幣計算之交易均按交易日期之匯率或合同議定之結算匯率換算。以外幣為本位之貨幣性資產及負債均按結算日之匯率重新換算。因匯兌而產生之溢利及虧損撥入損益表處理。

於編製綜合賬時，除港幣外，以外幣結算之海外經營公司之財務報表均以結算日之匯率換算港幣。匯兌差額撥入儲備中處理。

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、製造及銷售各種手提電子資訊產品，並按照不同類型產品呈報分類資料。此等類別為本集團呈報其分類資料之基準。

本公司董事於去年度決定停止製造及銷售充電性電池業務、足球隊伍管理及傳呼機產品業務。該等業務將呈報於業務分類中之非持續經營業務內。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating leases

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

Retirement benefits scheme

The retirement benefit costs charged to the income statement represent the contributions payable in respect of the current year to the Group's defined contribution scheme.

Foreign currencies

Transactions in currencies other than Hong Kong dollars are translated into Hong Kong dollars at the approximate rates ruling on the dates of the transactions or at the contracted settlement rate. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are re-translated into Hong Kong dollars at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

On consolidation, the financial statements of overseas operations which are denominated in currencies other than Hong Kong dollars are translated at the rates ruling on the balance sheet date. All exchange differences arising on consolidation are dealt with in the translation reserve.

4. BUSINESS AND GEOGRAPHICAL SEGMENT

Business segments

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

The directors have previously stated their intention to discontinue the manufacture and sale of rechargeable battery operation, managing of a football team and the pager products operation. These business are disclosed in the segment information under the heading "Discontinuing Operations".

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

4. 業 務 及 地 區 市 場 分 類 (續)

業 務 分 類 (續)

二 零 零 二 年

2002

4. BUSINESS AND GEOGRAPHICAL SEGMENT

(Continued)

Business segments (Continued)

	持續經營業務			非持續經營業務			綜合總額
	Continuing operations			Discontinuing operations			
	個人	原件設計		充電性			
	電子辭典	數碼助理	生產之產品	傳呼機產品	電池產品	足球隊管理	
	Personal			Rechargeable		Managing	
	Electronic	digital	ODM	Pager	battery	a football	Consolidated
	dictionaries	assistants	products	products	products	team	
	千港元	千港元	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	HK\$'000	HK\$'000

資產負債表

BALANCE SHEET

資產

ASSETS

分類資產

Segment assets

378,759

197,937

144,290

35,759

-

-

756,745

於聯營公司權益

Interests in associates

17,064

-

-

-

-

-

17,064

可回收稅項

Taxation recoverable

289

-

-

-

-

-

289

未分配企業資產

Unallocated corporate assets

56,797

綜合總資產

Consolidated total assets

830,895

負債

LIABILITIES

分類負債

Segment liabilities

156,938

42,583

47,341

5,759

-

-

252,621

應付稅項

Taxation payable

1,777

-

-

-

-

-

1,777

銀行借貸

Bank borrowings

81,551

未分配企業負債

Unallocated corporate liabilities

567

綜合總負債

Consolidated total liabilities

336,516

其他資料

OTHER INFORMATION

資本增加

Capital additions

7,979

21,824

4,296

-

-

-

-

34,099

折舊及攤銷

Depreciation and amortisation

22,958

8,572

12,362

-

-

-

-

43,892

開發成本減值虧損

Impairment loss of development costs

-

282

-

-

-

-

-

282

未確認之上市股本證券虧損

Unrealised loss on listed equity securities

103

證券投資減值

Impairment in value of investments
in securities

6,598

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

4. 業務及地區市場分類 (續)

地區分類

本集團的業務位於香港、中華人民共和國(「中國」)、其他亞洲市場(包括日本)、北美洲、歐洲及中東。本集團各種手提電子資訊產品之設計、生產及銷售分佈於香港、中國及其他亞洲市場(包括日本)。

下列載列本集團銷售額按地區市場之分析：

4. BUSINESS AND GEOGRAPHICAL SEGMENT (Continued)

Geographical segments

The Group's operations are located in Hong Kong, the People's Republic of China ("PRC"), other Asian markets including Japan, North America, Europe and Middle East. The Group's design, manufacture and sales of a range of handheld electronic information products are located in Hong Kong, the PRC and other Asian markets including Japan.

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

		按地區市場劃分之銷售收入		對經營溢利(虧損)之貢獻	
		Sales revenue by geographical market		Contribution to profit (loss) from operations	
		2002	2001	2002	2001
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
香港	Hong Kong	125,840	123,333	18,772	(1,039)
中國、香港除外	The PRC, other than Hong Kong	263,138	670,950	(3,784)	(149,941)
其他亞洲市場，包括日本	Other Asian markets, including Japan	415,541	600,376	5,496	(61,275)
北美洲	North America	84,703	118,563	(1,316)	(11,548)
歐洲	Europe	61,338	26,858	1,329	(3,174)
中東	Middle East	21,550	57,347	613	761
其他	Others	5,696	15,195	446	148
		977,806	1,612,622	21,556	(226,068)
上市股本證券未確認之虧損	Unrealised loss on listed equity securities			(103)	(265)
證券投資減值	Impairment in value of investments in securities			(6,598)	(5,690)
出售租賃物業之虧損	Loss on disposal of leasehold properties			-	(17,778)
收購附屬公司所產生之商譽減值	Impairment in value of goodwill arising on acquisition of subsidiaries			-	(152)
經營溢利(虧損)	Profit (loss) from operations			14,855	(249,953)

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

4. 業務及地區市場分類 (續)

地區分類 (續)

下列載列本集團之非持續經營業務銷售額按地區市場之分析：

4. BUSINESS AND GEOGRAPHICAL SEGMENT
(Continued)

Geographical segments (Continued)

The following table provides an analysis of the revenue from the Group's discontinuing operations by geographical market.

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
香港	Hong Kong	1,950	10,640
中國、香港除外	The PRC, other than Hong Kong	48,733	312,404
其他亞洲市場	Other Asian markets	4,873	33,495
北美洲	North America	4,413	21,915
歐洲	Europe	26,728	5,975
		86,697	384,429

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：

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets, analysed by the 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	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000	2002 千港元 HK\$'000	2001 千港元 HK\$'000
香港	Hong Kong	345,034	326,722	748	1,802
中國、香港除外	The PRC, other than Hong Kong	393,527	572,876	18,299	46,618
其他亞洲市場	Other Asian markets	18,184	3,425	15,052	501
		756,745	903,023	34,099	48,921

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

5. 其他經營收入

5. OTHER OPERATING INCOME

		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
其他經營收入分析如下：	Other operating income is analysed as follows:		
原件設計服務收入	ODM service income	4,762	9,972
利息收入	Interest income	1,751	2,332
球賽及贊助收入	Football match and sponsorship income	1,354	2,492
滙兌收益	Exchange gain	311	4,759
出售物業、廠房和設備 除租賃物業外收益	Gain on disposal of property, plant and equipment, other than leasehold properties	-	2,804
出售廢料	Sales of scrap materials	-	882
出售投資證券收益	Gain on disposal of investments in securities	-	515
其他	Others	13,537	21,971
		21,715	45,727

6. 行政支出

6. ADMINISTRATIVE EXPENSES

		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
行政支出包括：	Administrative expenses include the following:		
未確認之上市股本證券虧損	Unrealised loss on listed equity securities	103	265
證券投資減值	Impairment in value of investments in securities	6,598	5,690

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

7. 收購附屬公司及聯營公司
所產生之商譽減值

正如附註2所述，本集團已採納會計實務準則第30號並選擇不重新為已在儲備中撇銷之商譽重列，然而，相關附屬公司及聯營公司由收購日至採納會計實務準則第30號期間所產生之商譽已經追溯確認。本公司董事已檢閱有關附屬公司及聯營公司之資產賬面值。根據過往經濟情況，董事確認部份賬面值152,000港元及8,218,000港元，分別為因收購附屬公司及聯營公司之商譽於二零零一年三月三十一日並無重要可收回價值。因此，該全數已作為減值虧損計入截至二零零一年三月三十一日止年度損益表。

7. IMPAIRMENT IN VALUE OF GOODWILL
ARISING ON ACQUISITION OF SUBSIDIARIES
AND ASSOCIATES

As explained in note 2, the Group has adopted SSAP 30 and has elected not to restate goodwill previously eliminated against reserves. However, impairment losses in respect of goodwill that arose between the dates of acquisition of the relevant subsidiaries and associates and the dates of adoption of SSAP 30 have been recognised retrospectively. The directors have reviewed the carrying amounts of the assets of the subsidiaries and associates. In light of the economic conditions in prior years, the directors have identified certain goodwill arising on acquisition of subsidiaries and associates in prior years with aggregate carrying amounts of HK\$152,000 and HK\$8,218,000, respectively, and which are considered to have a negligible recoverable amount as at 31st March, 2001. Accordingly, the whole amount has been recognised in the income statement as impairment loss for the year ended 31st March, 2001.

8. 經營溢利 (虧損)

8. PROFIT (LOSS) FROM OPERATIONS

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
經營溢利 (虧損) 已扣除：	Profit (loss) from operations has been arrived at after charging:		
無形資產攤銷	Amortisation of intangible assets	3,480	1,234
核數師酬金	Auditors' remuneration	1,113	1,039
折舊：	Depreciation:		
自置資產	Owned assets	39,864	38,772
按租購合約持有之資產	Assets held under hire purchase contracts	548	223
開發成本減值	Impairment loss of development costs	282	-
傳呼機產品業務減值：	Impairment in value of pager products operation:		
存貨撥備	Provision for inventories	-	27,877
呆壞帳撥備	Provision for doubtful receivables	-	67,268
出售物業、廠房及設備除 租賃物業外之虧損	Loss on disposal of property, plant and equipment other than leasehold properties	97	-
職員成本 (包括附註12所列之 董事酬金及附註40之退休 福利計劃供款)	Staff costs (including directors' emoluments stated on note 12 and retirement benefits scheme contributions stated on note 40)	166,371	207,731
知識產權報銷	Write-off of intellectual property	-	1,000

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

9. 融資成本

9. FINANCE COSTS

		2002 千港元 HK\$'000	2001 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	6,664	11,025
毋須於五年內全部償還之 銀行借貸	Bank borrowings not wholly repayable within five years	1,766	1,697
租購合約	Hire purchase contracts	272	190
發行可兌換及可贖回優先股 予一附屬公司之少數股東 之溢價撥備	Premium on convertible redeemable preferred shares issued to minority shareholders of a subsidiary	6,825	-
		15,527	12,912

10. 出售 - 附屬公司之淨收益

於二零零一年八月，本集團出售動量電子有限公司（「動量」），其業務為製造及銷售可充電性電池產品。

下列為動量截至二零零一年三月三十一日止年度之業績：

10. NET GAIN ON DISPOSAL OF A SUBSIDIARY

In August 2001, the Group disposed of Max Power Electronic Limited ("Max Power"), which was engaged in manufacture and sale of rechargeable battery products.

The results of Max Power for the year ended 31st March, 2001 were as follows:

		千港元 HK\$'000
營業額	Turnover	26,659
經營成本	Operating costs	(32,778)
融資成本	Finance costs	(1,906)
本年度虧損	Loss for the year	(8,025)

截至二零零二年三月三十一日止年度，動量並無重要之營業額及業績

出售動量錄得五百二十萬港元之溢利乃按出售之金額減附屬公司之賬面值所計算（見附註35）

For the year ended 31st March, 2002, the turnover and results of Max Power were insignificant.

A profit of HK\$5.2 million arose from the disposal of Max Power, being the proceeds of disposal less the carrying amount of the subsidiary's net assets (see note 35).

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

11. 非持續傳呼機產品經營業務減值

於二零零二年七月八日，本集團簽訂一份出售其傳呼機產品經營業務予一聯營公司股東之意向書，作價30,000,000港元。是項交易主要出售資產為傳呼機產品經營業務之應收貿易帳款及存貨。因此，傳呼機產品經營業務之應收貿易帳款及存貨之帳面值已分別減值9,812,000港元及95,998,000港元。

11. IMPAIRMENT IN VALUE OF THE DISCONTINUING PAGER PRODUCTS OPERATION

On 8th July, 2002, the Group signed a letter of intent to dispose of its pager products operation (the "Disposal") at a consideration of HK\$30,000,000 to a shareholder of an associate. The trade receivables and inventories of the pager products operation are the major assets to be disposed of in the Disposal. Therefore, the carrying amounts of the trade receivables and inventories of the pager products operation was written down to their recoverable amount by HK\$9,812,000 and HK\$95,998,000, respectively.

12. 董事酬金

12. DIRECTORS' EMOLUMENTS

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
董事袍金：	Directors' fees:		
執行董事	Executive	-	-
非執行董事	Non-executive	-	42
獨立非執行董事	Independent non-executive	200	246
		200	288
其他酬金（執行董事）：	Other emoluments (executive directors):		
薪酬及其他福利	Salaries and other benefits	12,514	15,104
退休福利計劃供款	Retirement benefit scheme contributions	488	354
		13,202	15,746

上列之董事酬金包括提供予其中兩位執行董事之住宿津貼2,400,000港元（二零零一年：2,604,000港元）。此津貼為補償因其放棄服務合約中由本集團提供寓所之權利。

The directors' emoluments shown above include housing allowances of HK\$2,400,000 (2001: HK\$2,604,000) payable to two of the executive directors in lieu of the right waived by them under their service contracts for the provision of free residential accommodation.

財 務 報 表 附 註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

12. 董事酬金 (續)

董事酬金分為下列級別：

12. DIRECTORS' EMOLUMENTS (Continued)

Emoluments of the directors were within the following bands:

		2002	2001
		董事數目	董事數目
		No. of	No. of
		directors	directors
無至1,000,000港元	Nil – HK\$1,000,000	6	5
1,000,001至1,500,000港元	HK\$1,000,001 – HK\$1,500,000	2	2
1,500,001至2,000,000港元	HK\$1,500,001 – HK\$2,000,000	-	3
3,500,001至4,000,000港元	HK\$3,500,001 – HK\$4,000,000	2	2

截至二零零二年及二零零一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喪失職位之補償。此外，除上文披露者外，董事概無放棄任何酬金。

During the years ended 31st March, 2002 and 2001, 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 other than as disclosed above.

13. 職員薪金

於二零零二年及二零零一年，最高薪五位人士皆為董事，其酬金之詳情列於上述附註12。

13. EMPLOYEES' EMOLUMENTS

The five highest paid individuals in the Group for 2002 and 2001 were all directors of the Company and details of their emoluments are included in note 12 above.

14. 稅項 (支出) 撥回

14. TAXATION (CHARGE) CREDIT

		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
(支出)撥回包括：	The (charge) credit comprises:		
香港利得稅	Hong Kong Profits Tax		
本年度	Current year	-	-
過往年度撥備超額	Overprovision in prior years	-	340
		-	340
海外稅項	Overseas taxation	(461)	(1,240)
		(461)	(900)
遞延稅項 (附註29)	Deferred taxation charge (note 29)	-	2,609
		(461)	1,709

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

14. 稅項(支出)撥回(續)

本集團於本年度及前年度發生虧損，所以並未為香港利得稅作出撥備。

本集團在中國之附屬公司及聯營公司乃中外合資企業，此等公司享有若干免稅期及免稅優待，本集團部份中國之附屬公司於本年度享有百份之五十所得稅優待。

遞延稅項詳情載於附註29。

15. 每股虧損

每股基本虧損乃按下列數據計算：

14. TAXATION (CHARGE) CREDIT (Continued)

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group incurred tax losses for both years.

As the Group's subsidiaries and associates in the PRC are Sino-foreign joint venture enterprises, they are eligible for certain tax holidays and concessions. Certain of the Group's subsidiaries in the PRC are subject to a 50% reduction in respect of the income tax charged for the year.

Details of deferred taxation are set out in note 29.

15. LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

		2002	2001
用作計算每股基本虧損之虧損：Loss for the purposes of basic loss per share:			
本年度虧損	Loss for the year	HK\$98,138,000	HK\$278,509,000
用作計算每股基本虧損之普通股加權平均數	Weighted average number of ordinary shares for the purposes of basic loss per share	1,186,301,029	1,182,656,887

在計算兩年每股攤薄虧損時並無假設認股權之行使，因行使認股權會導致每股虧損減少。

如上述附註2所述，下列是因改變會計政策而對每股基本虧損比較之調整：

The computation of diluted loss per share does not assume the exercise of share option for both years as the exercise of the share options would result in a reduction in the loss per share.

The adjustment to the comparative basic loss per share, arising from the changes in accounting policies as described in note 2 above, is as follows:

		港仙 HK cent
二零零一年每股虧損調節	Reconciliation of 2001 loss per share	
調整前已報告之數值	Reported figure before adjustment	22.8
因採納會計準則第30號之調整	Adjustment arising from the adoption of SSAP 30	0.7
重列	Restated	23.5

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

16. 物業、廠房及設備

16. PROPERTY, PLANT AND EQUIPMENT

		租賃物業	物業裝修	傢俱裝置 及設備	廠房及機器	工具及工模	汽車	總額
		Leasehold properties	Leasehold improvements	Furniture, fixtures and equipment	Plant and machinery	Toolings and moulds	Motor vehicles	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
本集團	THE GROUP							
成本	COST							
於二零零一年四月一日	At 1st April, 2001	173,386	23,458	78,922	89,556	59,650	5,169	430,141
滙兌調整	Exchange realignment	-	(1)	(144)	-	-	(3)	(148)
添置	Additions	-	1,022	9,125	1,700	6,298	902	19,047
出售	Disposals	-	(69)	(230)	-	-	-	(299)
出售一附屬公司	On disposal of a subsidiary	-	(263)	(520)	(601)	-	(279)	(1,663)
於二零零二年三月三十一日	At 31st March, 2002	173,386	24,147	87,153	90,655	65,948	5,789	447,078
折舊	DEPRECIATION							
於二零零一年四月一日	At 1st April, 2001	21,942	18,833	55,431	47,358	36,693	3,847	184,104
滙兌調整	Exchange realignment	-	-	(39)	-	-	(2)	(41)
本年度撥備	Provided for the year	3,517	2,885	12,221	10,210	10,890	689	40,412
出售後扣除	Eliminated on disposals	-	(8)	(194)	-	-	-	(202)
出售一附屬公司	On disposal of a subsidiary	-	(263)	(255)	(327)	-	(186)	(1,031)
於二零零二年三月三十一日	At 31st March, 2002	25,459	21,447	67,164	57,241	47,583	4,348	223,242
賬面淨值	NET BOOK VALUES							
於二零零二年三月三十一日	At 31st March, 2002	147,927	2,700	19,989	33,414	18,365	1,441	223,836
於二零零一年三月三十一日	At 31st March, 2001	151,444	4,625	23,491	42,198	22,957	1,322	246,037

截至二零零一年三月三十一日止年度已出售一批曾估值的租賃物業，剩餘的資產包括物業、廠房及機器則以成本減累積折舊計算。

The leasehold properties stated at valuation were disposed of during the year ended 31st March, 2001. The remaining property, plant and equipment are carried at cost less accumulated depreciation.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

16. 物業、廠房及設備(續)

上列本集團租賃物業之賬面淨值包括：

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
位於香港土地，中期租約	In Hong Kong, medium-term leases	105,131	107,685
位於中國土地，中期租約	In the PRC, medium-term leases	42,796	43,759
		147,927	151,444

廠房及機器之賬面淨值包括按租購合約持有之資產6,635,000港元(二零零一年：7,000,000港元)。

The net book value of plant and machinery includes an amount of HK\$6,635,000 (2001: HK\$7,000,000) in respect of assets held under hire purchase contracts.

17. 無形資產

17. INTANGIBLE ASSETS

		土地使用權 Land use right 千港元 HK\$'000	知識產權 Intellectual property 千港元 HK\$'000	開發費用 Development costs 千港元 HK\$'000	總額 Total 千港元 HK\$'000
本集團	THE GROUP				
成本	COST				
於二零零一年四月一日	At 1st April, 2001	11,672	2,000	-	13,672
添置	Additions	-	-	15,052	15,052
於二零零二年三月三十一日	At 31st March, 2002	11,672	2,000	15,052	28,724
攤銷	AMORTISATION				
於二零零一年四月一日	At 1st April, 2001	1,867	2,000	-	3,867
本年度撥備	Provided for the year	234	-	3,246	3,480
確認減值	Impairment loss recognised	-	-	282	282
於二零零二年三月三十一日	At 31st March, 2002	2,101	2,000	3,528	7,629
賬面淨值	NET BOOK VALUE				
於二零零二年三月三十一日	At 31st March, 2002	9,571	-	11,524	21,095
於二零零一年三月三十一日	At 31st March, 2001	9,805	-	-	9,805

財 務 報 表 附 註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

17. 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42項中經營租賃承擔內披露。

17. INTANGIBLE ASSETS (Continued)

Pursuant to an agreement dated 1st June, 1993, the Group obtained from a PRC party the right to use a piece of land in Dongguan, 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 is disclosed as a lease commitment in note 42.

18. 於附屬公司投資

18. INVESTMENTS IN SUBSIDIARIES

本公司

THE COMPANY

2002	2001
千港元	千港元
HK\$'000	HK\$'000

非上市投資扣除 減值虧損	Unlisted investments, less impairment loss recognised	67,161	67,161
非上市股份扣除 減值虧損	Unlisted shares, less impairment loss recognised	-	-
		67,161	67,161

非上市股份之帳面價值，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.

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 capital 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45。

Details of the principal subsidiaries are set out in note 45.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

19. 於聯營公司權益

19. INTERESTS IN ASSOCIATES

		本集團 THE GROUP	
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
應佔資產淨值	Share of net assets	17,303	22,278

主要聯營公司詳情載列於附註45。

Details of the principal associates are set out in note 45.

20. 證券投資

20. INVESTMENTS IN SECURITIES

		本集團 THE GROUP	
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
股本證券：	Equity securities:		
香港上市，市值	Listed in Hong Kong, at market value	196	299
非上市，成本扣除減值虧損	Unlisted, at cost less impairment loss recognised	41,387	47,985
		41,583	48,284
上市股份之市值	Market value of listed shares	196	299

以上包括本集團投資約三千二百萬港元於優網科技有限公司(「優網」)，佔其股權為19.69%。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 million. The investment represents a 19.69% holding of equity interests of Net Plus. Net Plus is engaged in the publishing of a medical magazine and investment holding.

於本年內，董事局根據投資項目之營業情況而檢討其證券投資之帳面價值，因應經濟環境之改變，確認減值虧損6,598,000港元並已從損益表內扣除。

During the year, the directors reviewed the carrying value of investments in securities with reference to the business operated by the investee and due to the change in the economic environment, impairment in value of HK\$6,598,000 has been identified and recognised in the income statement.

財 務 報 表 附 註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

21. 其 他 資 產

21. OTHER ASSETS

		本集團 THE GROUP	
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
會所債券，成本值	Club debenture, at cost	466	466

22. 存 貨

22. INVENTORIES

		本集團 THE GROUP	
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
原料	Raw materials	92,619	140,208
在製品	Work in progress	21,320	54,635
製成品	Finished goods	52,646	94,881
		166,585	289,724

以上包括原材料47,310,000港元(二零零一年：9,389,000港元)，在製品1,622,000港元(二零零一年：3,050,000港元)及製成品4,454,000港元(二零零一年：4,339,000港元)，這些均為可變現淨值。

Included above are raw materials of HK\$47,310,000 (2001: HK\$9,389,000), work in progress of HK\$1,622,000 (2001: HK\$3,050,000) and finished goods of HK\$4,454,000 (2001: HK\$4,339,000) which are carried at net realisable value.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

23. 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：

23. 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	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
零至60天	0 – 60 days	62,383	117,402
61至90天	61 – 90 days	11,536	29,364
超過90天	Over 90 days	40,459	38,857
		114,378	185,623

24. 其他應收賬款

於二零零二年三月三十一日，其他應收賬款包括出售一附屬公司應收款2,000,000港元。

於二零零一年三月三十一日，其他應收賬款包括出售租約物業總值為35,500,000港元並於年結後收妥。

24. OTHER RECEIVABLES

At 31st March, 2002, other receivables included proceeds from disposal of a subsidiary, amounting to HK\$2,000,000.

At 31st March, 2001, other receivables included proceeds from disposal of leasehold properties amounting to HK\$35,500,000 which was fully settled subsequent to the year end.

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

25. 應付貿易賬款

以下乃應付貿易賬款於結算日之賬齡分析：

25. TRADE PAYABLES

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

		本集團 THE GROUP	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
零至60天	0 – 60 days	50,738	63,952
61至90天	61 – 90 days	32,357	26,834
超過90天	Over 90 days	25,367	65,939
		108,462	156,725

26. 產品保證撥備

26. PRODUCT WARRANTY PROVISION

		本集團 THE GROUP 千港元 HK\$'000
於二零零一年四月一日	At 1st April, 2001	800
本年度已用	Utilised during the year	(800)
本年度撥備	Provided for the year	500
於二零零二年三月三十一日	At 31st March, 2002	500

產品保證撥備乃管理層根據本集團過往對電子資訊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 electronic information products, based on past experience.

本公司在結算日並無撥備。

The Company had no provision at the balance sheet date.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

27. 銀行借貸

27. BANK BORROWINGS

		本集團 THE GROUP	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
銀行借貸	Bank loans	79,157	103,562
信託收據貸款	Trust receipt loans	51,705	75,428
銀行透支	Bank overdrafts	2,394	41,966
		133,256	220,956
分析為：	Analysed as:		
有抵押	Secured	82,389	161,459
無抵押	Unsecured	50,867	59,497
		133,256	220,956
償還期限如下：	Repayable as follows:		
不超過一年或按通知	Within one year or on demand	108,113	181,571
一年以上但不超過兩年	More than one year, but not exceeding two years	5,252	9,195
兩年以上但不超過五年	More than two years, but not exceeding five years	14,956	20,204
五年以上	More than five years	4,935	9,986
		133,256	220,956
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	108,113	181,571
於一年後到期之款項	Amount due after one year	25,143	39,385

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

28. 租購合約債務

28. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

		最低租賃支出		最低租賃支出之現值	
		Minimum lease payments		Present value of minimum lease payments	
		2002	2001	2002	2001
		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				
應付租購合約金額：	Amounts payable under hire purchase contracts:				
一年內	Within one year	2,311	2,793	2,182	2,525
於第二至五年內	In the second to fifth year inclusive	870	2,777	848	2,646
		3,181	5,570	3,030	5,171
減：未來之財務費用	Less: future finance charges	151	399	N/A	N/A
租賃承擔之現有價值	Present value of lease obligations	3,030	5,171	3,030	5,171
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			2,182	2,525
一年後到期之款項	Amount due after one year			848	2,646

根據本集團的政策，部份廠房及機器、傢俬、裝置及設備使用租購合約融資，平均租賃年期為一至五年，於二零零二年三月三十一日，平均有效借款利率為6.6% (二零零一年：7.2%)。年利率於合約內列明，所有租賃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。

本集團之租購合約資產用作抵押財務租賃合約債務。

It is the Group's policy to lease certain of its plant and machinery, furniture, fixtures and equipment under hire purchase contracts. The lease term is ranging from 1 to 5 years. For the year ended 31st March, 2002, the average effective borrowing rate was 6.6% (2001: 7.2%). Interest rates are fixed on the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payment.

The Group's obligations under hire purchase contracts are secured by the lessor's charge over the leased assets.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

29. 遞延稅項

29. DEFERRED TAXATION

		本集團 THE GROUP	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
於四月一日	At 1st April	-	2,609
本年度撥回(附註14)	Written back for the year (note 14)	-	(2,609)
於三月三十一日	At 31st March	-	-

於結算日，未撥備之遞延稅項(資產)負債之主要結構如下：

At the balance sheet date, the major components of unprovided deferred taxation (asset) liability, are as follows:

		本集團 尚未撥備 THE GROUP Unprovided	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
因時差而產生之稅項影響：	Tax effect of timing differences attributable to:		
稅項折舊減免額與折舊額之差別	Difference between tax allowances over depreciation	408	546
稅項虧損	Tax losses	(47,424)	(26,595)
		(47,016)	(26,049)

本年度尚未撥備之遞延稅項(撥回)支出如下：

The amounts of unprovided deferred taxation (credit) charge for the year are as follows:

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
因時差而產生之稅項影響：	Tax effect of timing differences attributable to:		
稅項折舊減免額與折舊額之差別	Difference between the tax allowances over depreciation	(138)	546
稅項虧損產生	Tax losses arising	(20,829)	(26,595)
		(20,967)	(26,049)

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

29. 遞延稅項 (續)

遞延稅項資產可用作抵銷未來利潤，但並沒有計入財務報表內，因在可見將來未能確認該項資產可被使用。

本公司在本年度或結算日均無未撥備之重大遞延稅項。

29. DEFERRED TAXATION (Continued)

A deferred tax asset in respect of tax losses available to offset future profits has not been recognised in the financial statements as it is not certain that the tax losses will be utilised in the foreseeable future.

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

30. 股本

30. SHARE CAPITAL

		股份數目 Number of shares	千港元 HK\$'000
每股面值0.10港元股份	Shares of HK\$0.10 each		
法定：	Authorised:		
於二零零零年四月一日及 二零零一年三月三十一日	At 1st April, 2000 and 31st March, 2001	1,500,000,000	150,000
本年度增加	Increase during the year	1,500,000,000	150,000
於二零零二年三月三十一日	At 31st March, 2002	3,000,000,000	300,000
已發行及繳足：	Issued and fully paid:		
於二零零零年四月一日	At 1st April, 2000	1,116,041,029	111,604
行使優先認股權	Exercise of share options	3,360,000	336
發行股票	Issue of shares	70,000,000	7,000
回購及註銷股份	Shares repurchased and cancelled	(3,100,000)	(310)
於二零零一年三月三十一日及 二零零二年三月三十一日	At 31st March, 2001 and 31st March, 2002	1,186,301,029	118,630

於本年度，本公司法定股本由150,000,000港元增加到300,000,000港元，增加股數為1,500,000,000每股0.1港元，該等股份與現有股份於各方面均享有同等權益。

本公司之附屬公司並無購入，賣出或贖回任何本公司之上市證券。

In the current year, the authorised share capital of the Company has been increased from HK\$150,000,000 to HK\$300,000,000 by the creation of 1,500,000,000 shares of HK\$0.1 each. Such shares rank pari passu in all respects within the existing shares in the capital of the Company.

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

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

31. 優先認股權

於二零零二年三月三十一日，根據本公司優先認股權計劃，以下為尚未行使之認購本公司股份的認股權。

31. SHARE OPTIONS

At 31st March, 2002, the following options to subscribe for shares were outstanding under the Company's share option scheme.

每股認購價 Exercise price per share 港元 HK\$	認股權數量 Number of options	行使期限 Exercisable period
0.32	750,000	一九九八年一月二十七日至二零零三年一月八日前之最後工作日 27th January, 1998 to the business day preceding 8th January, 2003
0.49	2,500,000	一九九八年四月八日至二零零三年一月八日前之最後工作日 8th April, 1998 to the business day preceding 8th January, 2003
0.39	11,500,000	一九九九年二月六日至二零零三年一月八日前之最後工作日 6th February, 1999 to the business day preceding 8th January, 2003
0.38	5,910,000	二零零一年四月二十二日至二零零三年一月八日前之最後工作日 22nd April, 2001 to the business day preceding 8th January, 2003
0.47	150,000	二零零一年八月十三日至二零零三年一月八日前之最後工作日 13th August, 2001 to the business day preceding 8th January, 2003
0.65	8,290,000	二零零二年二月八日至二零零三年一月八日前之最後工作日 8th February, 2002 to the business day preceding 8th January, 2003
0.21	12,490,000	二零零二年七月十三日至二零零三年一月八日前之最後工作日 13th July, 2002 to the business day preceding 8th January, 2003
	41,590,000	

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

32. 儲備

32. RESERVES

		投資物業 重估儲備	租賃物業 重估儲備	資本 贖回儲備	特殊儲備	商譽儲備	股息儲備	匯兌儲備	保留溢利 (虧損)	總額
		Investment properties revaluation reserve	Leasehold properties revaluation reserve	Capital redemption reserve	Special reserve	Goodwill reserve	Dividend reserve	Exchange reserve	Retained profits (Accumulated 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	千港元 HK\$'000
本集團	THE GROUP									
二零零零年四月一日	At 1st April, 2000									
- 按原本列出	- as original stated	328,932	6,390	3,483	105	(60,819)	(152)	-	1,658	316,136
- 前年度調整	- Prior year adjustment									
有關二零零零年年終 股息不列為負債 (附註2)	in respect of derecognition of liability for final dividend for 2000 (note 2)	-	-	-	-	-	5,941	-	-	5,941
- 重列	- as restated	328,932	6,390	3,483	105	(60,819)	(152)	5,941	1,658	316,136
行使優先認股權 之溢價	Premium arising on exercise of share options	881	-	-	-	-	-	-	-	881
發行股權之溢價	Premium arising from issue of shares	58,500	-	-	-	-	-	-	-	58,500
因發行股份用作收購一 項投資所產生之溢價	Premium arising from shares issued for acquisition of an investment	24,000	-	-	-	-	-	-	-	24,000
於回購股份時抵銷	Eliminated on share repurchase	(2,092)	-	-	-	-	-	-	-	(2,092)
回購/發行股份支出 於出售租賃物業時 釋放	Share repurchase/issue expenses Released upon disposal of leasehold properties	(9)	-	-	-	-	-	-	-	(9)
因收購一間附屬公司 而產生	Arising from acquisition of a subsidiary	-	(6,390)	(3,483)	-	-	-	-	3,483	(6,390)
因收購聯營公司而產生	Arising from acquisition of associates	-	-	-	-	(15,550)	-	-	-	(15,550)
前年度因收購 附屬公司所產生 之商譽減值	Impairment in value of goodwill arising on acquisition of subsidiaries in prior years	-	-	-	-	152	-	-	-	152
因收購聯營公司所產生 之商譽減值	Impairment in value of goodwill arising on acquisition of associates	-	-	-	-	8,218	-	-	-	8,218
已派股息	Dividend paid	-	-	-	-	-	(5,941)	-	-	(5,941)
換算海外業務之 匯兌差異	Exchange difference on translation of overseas operations	-	-	-	-	-	-	(332)	-	(332)
本年度虧損	Loss for the year	-	-	-	-	-	-	-	(278,509)	(278,509)
二零零一年三月三十一日	At 31st March, 2001	410,212	-	-	105	(60,819)	(15,550)	1,326	41,110	376,384
換算海外業務之 匯兌差異	Exchange difference on translation of overseas operations	-	-	-	-	-	-	35	-	35
於出售一附屬公司時確認	Realised on disposal of a subsidiary	-	-	-	-	-	-	15	-	15
本年度虧損	Loss for the year	-	-	-	-	-	-	-	(98,138)	(98,138)
二零零二年三月三十一日	At 31st March, 2002	410,212	-	-	105	(60,819)	(15,550)	1,376	(57,028)	278,296
應屬於：	Attributable to:									
本公司及附屬公司	The Company and its subsidiaries	410,212	-	-	105	(60,819)	(15,550)	1,376	(37,241)	298,083
聯營公司	Associates	-	-	-	-	-	-	-	(19,787)	(19,787)
		410,212	-	-	105	(60,819)	(15,550)	1,376	(57,028)	278,296

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

32. 儲 備 (續)

上表所列者包括以下本集團所攤佔之聯營公司收購後儲備：

32. RESERVES (Continued)

Included in the above are the following Group's share of the post acquisition reserves of the associates:

		累 計 虧 損	
		Accumulated losses	
		2002	2001
		千港元	千港元
		HK\$'000	HK\$'000
於四月一日	At 1st April	(14,767)	(12,647)
年內攤佔聯營公司業績	Share of results of associates during the year	(5,020)	(2,120)
於三月三十一日	At 31st March	(19,787)	(14,767)

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.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

32. 儲備 (續)

32. RESERVES (Continued)

		股份溢價	資本 贖回儲備	實繳盈餘	股息儲備	保留溢利 (虧損)	總額
		Share premium account	Capital redemption reserve	Contributed surplus	Dividend reserve	Retained profits (Accumulated 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
本公司	THE COMPANY						
二零零零年四月一日	At 1st April, 2000						
- 按原本列出	- as original stated	328,932	105	58,086	-	110,850	497,973
- 前年度調整 有關二零零零年 年終股息不列 為負債 (附註2)	- prior year adjustment in respect of derecognition of liability for final dividend for 2000 (note 2)	-	-	-	5,941	-	5,941
		328,932	105	58,086	5,941	110,850	503,914
行使優先認股權 之溢價	Premium arising on exercise of share options	881	-	-	-	-	881
發行股份之溢價	Premium arising from issue of shares	82,500	-	-	-	-	82,500
於回購股份時抵銷	Eliminated on share repurchase	(2,092)	-	-	-	-	(2,092)
回購/發行股份支出	Share repurchase/issue expenses	(9)	-	-	-	-	(9)
已派股息	Dividend paid	-	-	-	(5,941)	-	(5,941)
本年度虧損	Loss for the year	-	-	-	-	(207,681)	(207,681)
於二零零一年三月三十一日	At 31st March, 2001	410,212	105	58,086	-	(96,831)	371,572
本年度虧損	Loss for the year	-	-	-	-	(97,982)	(97,982)
二零零二年三月三十一日	At 31st March, 2002	410,212	105	58,086	-	(194,813)	273,590

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 (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

32. 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，不得自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。

本公司在二零零二年及二零零一年三月三十一日並沒有任何儲備分派給股東。

33. 發行可兌換及可贖回優先股予一附屬公司之少數股東

於二零零一年五月，一附屬公司發行171,818股附投票權之可兌換及可贖回A類優先股(「優先股」)予該附屬公司之少數股東。該優先股持有者可隨時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。該優先股持有者，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。

董事局認為該優先股持有人會於有關優先股被要求贖回前已將之兌換為普通股。然而基於保守原則，本集團於本年度已為該贖回溢價作6,825,000港元撥備並包括於其他應付款內。

32. 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.

The Company did not have any reserves available for distribution to shareholders at 31st March, 2002 and 2001.

33. CONVERTIBLE REDEEMABLE PREFERRED SHARES ISSUED TO MINORITY SHAREHOLDERS OF A SUBSIDIARY

The amount represents 171,818 voting convertible redeemable series A preferred shares (the "Preferred Shares") issued to certain minority shareholders of a subsidiary in May 2001. The Preferred Shares shall 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 Preferred Shares holders. The Preferred Shares shall be redeemable at the option of the holders, 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.

The directors believe that the holders might convert the Preferred shares into ordinary shares in full before they would become redeemable. However, a provision for the redemption premium of HK\$6,825,000 has been included in other payables of the Group in the interest of prudence.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

34. 稅前虧損與經營業務所得之現金流入(流出)淨額調節表

34. RECONCILIATION OF LOSS BEFORE TAXATION TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
稅前虧損	Loss before taxation	(106,302)	(281,069)
利息收入	Interest income	(1,751)	(2,332)
融資成本	Finance costs	15,527	12,912
應佔聯營公司業績	Share of results of associates	5,020	2,120
稅前及未計利息前經營虧損	Operating loss before taxation and interest	(87,506)	(268,369)
折舊	Depreciation	40,412	38,995
證券投資減值	Impairment in value of investments in securities	6,598	5,690
無形資產攤銷	Amortisation of intangible assets	3,480	1,234
未確認之上市股本證券虧損	Unrealised loss on listed equity securities	103	265
出售物業、廠房及設備 除租賃物業外虧損(收益)	Loss (gain) on disposal of property, plant and equipment, other than leasehold properties	97	(2,804)
出售一附屬公司之淨溢利	Net gain on disposal of a subsidiary	(5,200)	-
開發成本減值	Impairment loss of development costs	282	-
傳呼機產品業務減值：	Impairment in value of pager products operation:		
- 存貨撥備	- provision for inventories	-	27,877
- 呆壞帳撥備	- provision for doubtful receivables	-	67,268
非持續經營傳呼機產品 業務減值	Impairment in value of the discontinuing pager products operation	105,810	-
出售租賃物業之虧損	Loss on disposal of leasehold properties	-	17,778
因收購附屬公司及聯營公司 產生商譽之減值	Impairment in value of goodwill arising on acquisition of subsidiaries and associates	-	8,370
出售附屬公司部份股份之虧損	Loss on partial disposal of a subsidiary	-	7,542
知識產權報銷	Write-off of intellectual property	-	1,000
出售一聯營公司之虧損	Loss on disposal of an associate	-	324
出售證券投資之收益	Gain on disposal of investments in securities	-	(515)
存貨減少	Decrease in inventories	23,582	20,031
應收貿易賬款減少	Decrease in trade receivables	54,427	39,282
其他應收賬款(增加)減少	(Increase) decrease in other receivables	(1,986)	9,204
應收聯營公司賬款增加	Increase in amounts due from associates	(2,800)	(16,090)
應付貿易賬款減少	Decrease in trade payables	(36,947)	(15,559)
其他應付賬款(減少)增加	(Decrease) increase in other payables	(28,766)	9,500
產品保證撥備減少	Decrease in product warranty provision	(300)	-
客戶按金減少	Decrease in deposits from customers	(577)	(16,717)
應付聯營公司賬款增加(減少)	Increase (decrease) in amount due to an associate	1,698	(816)
經營業務之現金流入(流出)淨額	Net cash inflow (outflow) from operating activities	72,407	(66,510)

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

35. 一 附 屬 公 司 之 出 售

35. DISPOSAL OF A SUBSIDIARY

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
出售資產之淨值：	Net assets disposed of:		
物業、廠房及設備	Property, plant and equipment	632	-
存貨	Inventories	3,543	-
應收貿易賬款	Trade receivables	7,006	-
其他應收賬款	Other receivables	1,843	-
銀行結餘及現金	Bank balances and cash	217	-
應付貿易賬款	Trade payables	(10,998)	-
其他應付賬款	Other payables	(4,208)	-
		(1,965)	-
已變現之兌換儲備	Exchange reserve realised	15	-
出售溢利	Gain on disposal	5,200	-
總作價	Total consideration	3,250	-
予付清：	Satisfied by:		
現金作價(註)	Cash consideration (note)	3,250	-
銀行結餘及現金之出售	Bank balances and cash disposed of	(217)	-
		3,033	-

附註10列明動量於本年及上年度對本集團業績之影響。

於二零零二年三月三十一日及二零零一年三月三十一日期間所出售之附屬公司對現金流動之貢獻或負累並不重大。

註：現金作價按分期付款收回，截止二零零二年三月三十一日尚欠2,000,000港元未收回。

The impact of Max Power on the Group's results in the current and prior year is set out in note 10.

The cashflow contributed or utilised by the subsidiary disposed of during the years ended 31st March, 2002 and 2001 was not significant.

Note: The cash consideration is settled by instalments and HK\$2,000,000 of which has not yet been due as at 31st March, 2002.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

36. 一 附 屬 公 司 之 收 購

36. PURCHASE OF A SUBSIDIARY

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
購得之資產淨值：	Net assets acquired:		
知識產權	Intellectual property	-	2,000
商譽	Goodwill	-	15,550
		-	17,550
予付清：	Satisfied by:		
獲分配一附屬公司的股份	Allotment of shares of a subsidiary of the Company	-	17,550

37. 年 內 融 資 變 動 分 析

37. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

		發行可兌換及 可贖回優先股 予一附屬公司 之少數股東 Convertible redeemable preferred shares issued to minority shareholders of a subsidiary 千港元 HK\$'000	股本及 股份溢價 Share capital and share premium 千港元 HK\$'000	銀行貸款 Bank loans 千港元 HK\$'000	按揭貸款 Mortgage loans 千港元 HK\$'000	租購合約債務 Obligations under hire purchase contracts 千港元 HK\$'000
於二零零零年四月一日	At 1st April, 2000	-	440,536	110,633	5,853	97
行使優先認股權所 發行之股份	Issue of shares upon exercise of share options	-	1,217	-	-	-
股份發行	Issue of shares	-	63,500	-	-	-
回購股份	Repurchase of shares	-	(2,402)	-	-	-
回購/發行股份之支出	Share repurchase/issue expenses	-	(9)	-	-	-
新增銀行貸款	New bank loans obtained	-	-	57,973	-	-
償還貸款	Repayment of borrowings	-	-	(65,044)	(5,853)	(828)
其他不涉及現金流動之變動	Other movements not involving cash flows:					
發行新股份作為獲得 證券投資的代價	Shares issued in consideration for the acquisition of an investment	-	26,000	-	-	-
新訂之租購合約	Inception of hire purchase contracts	-	-	-	-	5,902
於二零零一年三月三十一日	At 31st March, 2001	-	528,842	103,562	-	5,171
發行可兌換及可贖回 優先股	Issue of convertible redeemable preferred shares	81,900	-	-	-	-
新增銀行貸款	New bank loans obtained	-	-	21,038	-	-
償還貸款	Repayment of borrowings	-	-	(45,443)	-	(2,141)
於二零零二年三月三十一日	At 31st March, 2002	81,900	528,842	79,157	-	3,030

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

38. 主要非現金交易

1. 本集團於本年度出售一附屬公司作價為3,250,000港元，這項出售價乃以分期付款收回，截止二零零二年三月三十一日尚欠2,000,000港元未收回，詳情列於附註24及35。
2. 於二零零一年三月三十一日期間，本集團以租賃方式購入總資本價值5,902,000港元之租賃合約。
3. 於二零零一年三月三十一日期間本公司發行每股面值0.10港元之20,000,000新股，作價每股1.3港元作認購一非上市投資證券。

39. 或然負債

有追索權之貼現票據	Bills discounted with recourse
有追索權之貼現應收帳款	Factoring facilities with recourse
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

本集團		本公司	
THE GROUP		THE COMPANY	
2002	2001	2002	2001
千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000
9,293	22,182	-	-
7,068	2,485	-	-
-	-	209,000	246,137
16,361	24,667	209,000	246,137

於結算日，各附屬公司已動用之銀行融資為93,927,000港元（二零零一年：181,233,000港元）。

The subsidiaries had utilised HK\$93,927,000 (2001: HK\$181,233,000) of the banking facilities at the balance sheet date.

38. MAJOR NON-CASH TRANSACTIONS

1. As explained in note 24 and 35, the Group disposed of its subsidiary at a consideration of HK\$3,250,000 during the year. The proceeds of the disposal is settled by instalments and HK\$2,000,000 of which has not yet been due as at 31st March, 2002.
2. During the year ended 31st March, 2001, the Group entered into hire purchase arrangements in respect of assets with a total capital value at inception of the leases of HK\$5,902,000.
3. During the year ended 31st March, 2001, the Company issued 20,000,000 new shares of HK\$0.10 each at a price of HK\$1.30 per share as a consideration for the acquisition of an unlisted investment security.

39. CONTINGENT LIABILITIES

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

40. 退休福利計劃

40. RETIREMENT BENEFIT SCHEME

本集團
THE GROUP

2002	2001
千港元	千港元
HK\$'000	HK\$'000

迎合退休福利計劃本集團 按計劃規則所指定之供款 率向基金支付之供款 減：收回之供款	Retirement benefit scheme contributions to the Group's defined contribution schemes Less: Forfeited contributions	2,670 (1,216)	3,512 (2,194)
		1,454	1,318

本集團為所有合資格僱員設有界定供款額之退休福利計劃。該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。

自二零零零年十二月一日起，本集團根據強制性公積金法例重組退休福利計劃，以符合強制性公積金計劃。本集團沿用之退休福利計劃已獲強積金規例豁免，員工可在二零零零年十二月一日強積金條例生效日後繼續供款於HSBC Provident Fund Trustee (Hong Kong) Limited。新員工必須加入強制公積金。法例定下的福利已由強制性公積金計劃提供。

退休福利計劃支出指本集團按計劃規則所列明之比率付出之供款。倘有僱員於獲得全部供款前退出計劃，則可將本集團收回之供款與本集團與本集團應付之供款抵銷。於二零零一年及二零零二年三月三十一日止，並沒有收回之供款可作日後供款之低銷。

The Group operates a defined contribution retirement scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in funds under the control of trustees.

In the light of the introduction of the Mandatory Provident Fund ("MPF") Scheme, the Group has restructured its retirement arrangements to comply with the MPF legislation. The Group has secured MPF exemption status for the retirement benefit scheme and participates in an approved MPF scheme with the HSBC Provident Fund Trustee (Hong Kong) Limited effective 1st December, 2000 to provide scheme choice to existing employees. All new employees are required to participate in the MPF Scheme. Mandatory benefits are being provided under the MPF Scheme.

The retirement benefit scheme charge represents contributions payable to the scheme by the Group at rates specified in the rules of the scheme. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. At 31st March, 2002 and 2001, there were no forfeited contributions available to reduce the contributions payable in future years.

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

41. 資本承擔

41. CAPITAL COMMITMENTS

		本集團 THE GROUP	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
關於已訂約但未計入財務報表之資本支出：	Capital expenditure contracted for but not provided in the financial statements in respect of:		
購買物業、廠房及設備	Acquisition of property, plant and equipment	2,159	4,014
投資於非上市證券	Investment in unlisted securities	2,500	2,500
		4,659	6,514

本公司於二零零二年三月三十一日並無重大之資本承擔。

The Company had no significant capital commitments at 31st March, 2002.

42. 經營租賃承擔

42. LEASE COMMITMENTS

本集團為承租人

The Group as lessee

		本集團 THE GROUP	
		2002 千港元 HK\$'000	2001 千港元 HK\$'000
本年內土地及樓宇之最低經營租賃承擔	Minimum lease payments made under operating leases in respect of land and buildings during the year	12,260	8,086

財務報表附註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

42. 經營租賃承擔 (續)

於結算日，本集團尚有不可撤銷之經營租賃中未來最少應付租金按租賃屆滿期如下：

42. LEASE COMMITMENTS (Continued)

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

		2002 千港元 HK\$'000	2001 千港元 HK\$'000
一年內	Within one year	8,943	8,948
於第二年至第五年內	In the second to fifth year inclusive	24,978	15,370
超過五年	Over five years	52,975	9,509
		86,896	33,827

經營租賃付款指本集團員工宿舍及寫字樓物業之應付租金。租約及租金釐訂為期為二至五十年

Operating lease payments represent rentals payable by the Group for staff quarters and office premises. Leases are negotiated and rentals are fixed in a range from 2 years to 50 years.

本公司於二零零二年三月三十一日時並無任何重大經營租賃承擔。

The Company had no significant lease commitments as at 31st March, 2002.

43. 資產抵押

於結算日，本集團已將賬面價值114,265,000港元(二零零一年：117,157,000港元)之租賃物業抵押作為本集團所獲一般銀行融資之擔保。

43. PLEDGE OF ASSETS

At the balance sheet date, the Group pledged leasehold properties with a carrying value of HK\$114,265,000 (2001: HK\$117,157,000) to obtain general banking facilities granted to the Group.

於結算日，權智掌上電腦有限公司以10,000,000港元(二零零一年：無)之存款予一銀行，作為該附屬公司所獲一般銀行融資之擔保。

At the balance sheet date, a bank held a charge over a deposit of HK\$10,000,000 (2001: Nil) from Group Sense PDA Limited, to secure general banking facilities granted to the subsidiary.

44. 結算日後事項

就附註11列明，本集團於二零零二年七月八日，就作價30,000,000港元出售傳呼機產品業務，與一聯營公司之股東簽訂意向書。

44. POST BALANCE SHEET EVENT

As explained in note 11, the Group has signed a letter of intent to dispose of its pager products operation at a consideration of HK\$30,000,000 on 8th July, 2002 to a shareholder of an associate.

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

45. 主要附屬公司及聯營公司
資料

於二零零二年三月三十一日，本公司主要附屬公司之詳情如下：

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES AND ASSOCIATES

Details of the Company's principal subsidiaries at 31st March, 2002 are as follows:

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 已發行股本 面值百分比 Proportion of nominal value of issued capital held by the Company		主要業務 Principal activities
			直接 Directly %	間接 Indirectly %	
東莞長安權智電子廠 Dongguan Chang An Group Sense Electronics Factory	中華人民共和國 People's Republic of China	11,300,000港元 HK\$11,300,000	-	100	電子產品生產及買賣 Manufacture and trading of electronic products
權智PDA知識產權有限公司 (前名為Eropush Trading Limited) GSPDA Intellectual Properties Limited (formerly known as Eropush Trading Limited)	英屬處女群島 British Virgin Islands	1美元 US\$1	-	63	持有知識產權 Holding of the licenses of intellectual properties
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
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

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

45. 主要附屬公司及聯營公司資料 (續)

45. 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 已發行股本 面值百分比 Proportion of nominal value of issued capital held by the Company		主要業務 Principal activities
			直接 Directly %	間接 Indirectly %	
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
權智製造有限公司 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 Ordinary share US\$90,000 A類優先股17,182美元 Series A Preferred share US\$17,182	63	-	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	-	63	個人數碼助理產品設計及買賣 Design and trading of PDA products
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 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
Group Sense Technology (Singapore) Pte Limited	新加坡 Republic of Singapore	1,000,000新加坡元 S\$1,000,000	-	63	提供科研服務 Provision of research and development services

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

45. 主要附屬公司及聯營公司
資料 (續)45. 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 已發行股本 面值百分比 Proportion of nominal value of issued capital held by the Company		主要業務 Principal activities
			直接 Directly %	間接 Indirectly %	
GSL Research Technology Limited	英屬處女群島 British Virgin Islands	1美元 US\$1	-	100	持有及授出商標 Holding and licensing of trademarks
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

* 權智有限公司還有已發行每股面值1港元無投票權年息五厘遞延股份200,000股，由譚偉豪先生及譚偉棠先生平均持有。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。本集團已獲遞延股份持有人授予一項可以面值收購此等股份之認股權。

* Group Sense Limited also has in issue 200,000 non-voting 5% deferred shares of HK\$1 each, which are held equally by Tam Wai Ho, Samson and Tam Wai Tong, Thomas. 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. The Group has been granted an option by the holders of the deferred shares to acquire these shares at a nominal amount.

財 務 報 表 附 註(續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

45. 主要附屬公司及聯營公司資料 (續)

除權智製造有限公司於中國經營外，所有其他附屬公司均於其註冊成立地點營業。

依董事局之意見，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。董事局認為詳細敘錄其他附屬公司，將會過份繁鎖。

於二零零二年三月三十一日，本集團主要之聯營公司之詳情如下：

45. 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 affected the results or 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 associates at 31st March, 2002 are as follows:

聯營公司名稱	註冊成立地點	本公司間接持有 已發行股本面值百分比 Proportion of nominal value of issued capital held indirectly by the Company	主要業務
Name of associate	Place of registration		Principal activities
深圳科智語言信息處理有限公司 Shenzhen Kezhi Language Information Processing Co. Ltd.	中華人民共和國 People's Republic of China	48%	設計與軟件開發 Design and development of software
郡智國際有限公司 GGI Technology Limited	英屬處女群島 British Virgin Islands	40%	生產高科技輕觸板 Manufacture of high-end touch screen panels
領高IT(控股)有限公司 Lango IT (Holdings) Limited	開曼群島 Cayman Islands	33%	設計、開發與銷售電子語言學習器 Design, development and sale of electronic language learning devices
穎源科技控股有限公司 Wisdom Technology Holdings Limited	薩摩亞 Western Samoa	20%	提供互聯網解決方案及 設計與軟件開發 Provision of internet solutions and design and development of software

財 務 報 表 附 註 (續)

Notes to the Financial Statements (continued)

截至二零零二年三月三十一日止年度 For the year ended 31st March, 2002

46. 關 連 及 有 關 人 士 交 易

(I) 關 連 交 易

於本年度內，本集團以1港元作價出售持有百分之六十之股權之附屬公司予該附屬公司之少數股東並作價以3,250,000港元授予該少數股東一筆由本集團給予該附屬公司12,643,000港元借款之全部權益。

(II) 有 關 人 士 交 易

於本年度內，本集團向一關連公司及一聯營公司購買貨品之總金額分別為一千四百萬港元(二零零一年：一千五百萬港元)及一千二百萬港元(二零零一年：一千五百萬港元)。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。

46. CONNECTED AND RELATED PARTY TRANSACTIONS

(I) Connected transaction

During the year, the Group disposed of its 60% shareholding of a subsidiary to the minority shareholder of that subsidiary for a total consideration of HK\$1 and assigned to the minority shareholder all the rights and benefits of a loan in the sum of HK\$12,643,000 advanced by the Group to the subsidiary for a total consideration of HK\$3,250,000.

(II) Related party transactions

During the year, the Group purchased goods from a related company and an associate amounting to approximately HK\$14 million (2001: HK\$15 million) and HK\$12 million (2001: HK\$15 million), respectively. Mr. Tam Wai Tong, Thomas, the director of the Company, has a beneficial interest 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,

		1998 千港元 HK\$'000	1999 千港元 HK\$'000	2000 千港元 HK\$'000	2001 千港元 HK\$'000	2002 千港元 HK\$'000
營業額	Turnover	1,114,489	1,123,121	1,405,942	1,612,622	977,806
稅前溢利(虧損)	Profit (loss) before taxation	93,805	52,900	46,296	(281,069)	(106,302)
稅項(支出)撥回	Taxation (charge) credit	(4,093)	(2,485)	(4,310)	1,709	(461)
少數股東權益前 溢利(虧損)	Profit (loss) before minority interests	89,712	50,415	41,986	(279,360)	(106,763)
少數股東權益	Minority interests	293	-	-	851	8,625
本年度溢利(虧損)	Profit (loss) for the year	90,005	50,415	41,986	(278,509)	(98,138)
股息	Dividends	29,976	10,079	11,001	-	-

資產與負債

ASSETS AND LIABILITIES

於三月三十一日
At 31st March,

		1998 千港元 HK\$'000	1999 千港元 HK\$'000	2000 千港元 HK\$'000	2001 千港元 HK\$'000	2002 千港元 HK\$'000
資產總值減流動負債	Total assets less current liabilities	575,687	610,315	762,143	561,240	520,370
少數股東權益	Minority interests	-	-	-	(24,195)	(15,553)
發行予附屬少數股東 之可兌換及可贖回 優先股	Convertible redeemable preferred share issued to minority shareholders of a subsidiary	-	-	-	-	(81,900)
非流動負債	Non-current liabilities	(48,007)	(57,188)	(48,865)	(42,031)	(25,991)
股東資金	Shareholders' funds	527,680	553,127	713,278	495,014	396,926

附註：以前年度之數據已作調整以反映因應列於財務報表附註2所採納之若干新訂及經修訂會計實務準則引致之會計政策變更。

Note: Prior periods' figures have been adjusted to reflect the change in accounting policies for the adoption of several new and revised SSAPs as described in note 2 to the financial statements.

主要物業之詳情

Particulars of Major Properties

本集團於二零零二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, 2002 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P2號及 P3號停車位 Workshop Nos. 13 to 24 on 2nd Floor and Car Parking Space Nos. P2 and 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, Wushe Chang An, Dongguan The People's Republic of China	工業 Industrial	中年期 Medium-term lease

股東週年大會通告

Notice of Annual General Meeting

茲通告本公司謹訂於二零零二年八月二十九日上午九時三十分假座香港灣仔皇后大道東213號胡忠大廈27樓舉行股東週年大會，以處理下列事項：

普通事項

1. 省覽截至二零零二年三月三十一日止年度之經審核財務報表及董事會與核數師之報告；
2. 重選董事並授權董事會釐定其酬金；及
3. 續聘核數師並授權董事會釐定其酬金。

特別事項

4. 考慮並酌情通過下列決議案為普通決議案：

(A) 「動議：

(a) 在本決議案(b)段之規限下，一般及無條件批准及授權本公司董事會（「董事會」）於有關期間（如下文所界定）內行使本公司一切權力於香港聯合交易所有限公司（「聯交所」）或本公司證券於該處上市並就此目的而言獲證券及期貨事務監察委員會及聯交所認可之任何其他證券交易所購回本公司之證券，惟須遵守及按照不時加以修訂之所有適用法例及聯交所或任何其他證券交易所之證券上市規則辦理；

(b) 本公司於有關期間內依據本決議案(a)段所述將予購回之本公司證券面值總額，就本公司股份而言不得超過本公司於本決議案通過日期已發行股本面值總額之10%，上文(a)段之授權須受此限制；及

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at 27th Floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong on 29th August, 2002 at 9:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the Directors and auditors for the year ended 31st March, 2002;
2. To re-elect Directors and to authorise the board of Directors to fix their remuneration; and
3. To re-appoint auditors and to authorise the board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

(A) "THAT

(a) the exercise by the Directors of the Company (the "Directors") during the Relevant Period (as hereinafter defined) of all powers and authority of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with paragraph (b) of this resolution, all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;

(b) the aggregate nominal amount of the shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal value of the share capital of the Company in issue at the date of this resolution and the authority pursuant to paragraph (a) shall be limited accordingly; and

股東週年大會通告 (續)

Notice of Annual General Meeting (continued)

- | | |
|--|--|
| <p>(ii) 本公司設立並經聯交所批准之任何優先認股計劃或類似安排；或</p> | <p>(ii) any share option scheme or similar arrangement established by the Company and approved by the Stock Exchange; or</p> |
| <p>(iii) 本公司任何認股權證所附之認購權行使時所發行之本公司股份；或</p> | <p>(iii) any issue of shares in the Company upon the exercise of subscription rights attaching to any warrants of the Company; or</p> |
| <p>(iv) 根據本公司之公司細則而實行之任何以股代息計劃或類似安排。</p> | <p>(iv) any scrip dividend scheme or similar arrangement implemented in accordance with the Bye-laws of the Company.</p> |
| <p>(b) 發行、配發或處置之已發行股本總面值不得超過本公司於本決議案通過日期已發行股本總面值之20%；及</p> | <p>(b) the aggregate nominal value of the share capital issued, allotted or disposed of shall not in aggregate exceed 20 per cent. of the aggregate nominal value of the share capital of the Company in issue at the date of this resolution; and</p> |
| <p>(c) 就本決議案而言，「有關期間」乃指由本決議案通過之日至下列期限止(以較早者為準)之期間：</p> | <p>(c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earlier of:</p> |
| <p>(i) 本公司下屆股東週年大會結束時；或</p> | <p>(i) the conclusion of the next annual general meeting of the Company; or</p> |
| <p>(ii) 本公司之公司細則或任何適用法例規定本公司須舉行下屆股東週年大會期限屆滿之日；或</p> | <p>(ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; or</p> |
| <p>(iii) 本公司股東在股東大會上通過普通決議案撤銷或修訂本決議案批准授予董事會權力之日期(附註(2)及(4)；)及</p> | <p>(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the approval and authority given to the Directors by this resolution (Notes (2) and (4));" and</p> |
| <p>(C) 「動議：於第4(A)及第4(B)項決議案獲得通過之條件下，將董事會獲授可依據第4(B)項決議案行使本公司權力以配發股份</p> | <p>(C) "THAT conditional upon the resolutions numbered 4(A) and 4(B) being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot</p> |

股東週年大會通告(續)

Notice of Annual General Meeting (continued)

之一般授權擴大，將董事會依據該一般授權可配發或有條件或無條件同意配發之股本面值總額，按照本公司根據第4(A)項決議案獲授權力而購回之本公司股本面值總額予以增加，惟此數額不得超過本公司於本決議案通過日期之已發行股本面值總額之10%。」

shares pursuant to Resolution numbered 4(B) be and is hereby extended by the addition to the aggregate nominal value of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate as amount representing the aggregate nominal value of the share capital of the Company purchased by the Company under the authority granted pursuant to resolution numbered 4(A), provided that such amount shall not exceed 10 per cent. of the aggregate nominal value of the share capital of the Company in issue at the date of this resolution."

承董事會命
公司秘書
羅志聰

By Order of the Board
Lo Chi Chung, William
Company Secretary

香港，二零零二年七月十九日

Hong Kong, 19th July, 2002

附註：

Notes:

- | | |
|---|---|
| <p>(1) 凡有權出席上述通告召開之大會並於會上投票之股東均有權委派一名代表出席及於表決時代其投票。受委代表毋須為本公司股東。代表委任表格連同已簽署之授權書或經由公證人簽署證明之其他授權書或授權文件副本，必須於大會或其任何續會指定召開時間四十八小時前送達本公司之香港股份過戶登記處秘書商業服務有限公司，地址為香港干諾道中111號永安中心五樓，方為有效。</p> | <p>(1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's share registrars in Hong Kong at Secretaries Limited, 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.</p> |
| <p>(2) 有關第4項決議案之說明函件將寄予股東及有權收取該函件之其他人士。</p> | <p>(2) An Explanatory Statement in relation to resolution numbered 4 will be sent to shareholders and other persons who are entitled thereto.</p> |
| <p>(3) 本公司將於二零零二年八月二十六日起至二零零二年八月二十九日止(首尾兩天包括在內)暫停辦理股份過戶登記。所有股份過戶文件連同有關股票，必須於二零零二年八月二十三日下午四時前遞交本公司之香港股份過戶登記處秘書商業服務有限公司，地址為香港干諾道中111號永安中心五樓。</p> | <p>(3) The Register of Members of the Company will be closed from 26th August, 2002 to 29th August, 2002, both days inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's share registrars in Hong Kong, Secretaries Limited at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong for registration no later than 4:00 p.m. on 23rd August, 2002.</p> |
| <p>(4) 關於上述第4(B)項，董事欲聲明現時無意根據此項授權所賦予之權力發行任何新增股份。</p> | <p>(4) Concerning resolution numbered 4(B) above, the Directors wish to state that they have no immediate plans to issue any additional new shares of the Company pursuant to the power to be conferred by this mandate.</p> |