

INTRODUCTION

I am very pleased to report to shareholders that your company has recorded a consolidated profit after taxation and minority interests of HK\$33.3 million for the year ended 31 December 2002 on consolidated turnover of HK\$710.1 million. Profit increased 171% and sales increased 26% over 2001 levels. Earnings per share rose 100% to reach 12 HK cents.

The operating profit/loss after finance cost figures highlight the successful turnaround of the company. In 2002, the company achieved a profit from operation after finance cost of HK\$33.4 million compared to a loss from operation after finance cost of HK\$3.5 million in 2001 and a loss of HK\$69.6 million in 2000. Our balance sheet has strengthened considerably with an improvement in all key areas.

Our business focuses on the residential phone market, and in particular the digital enhanced cordless telephone ("DECT") segment. The DECT market has seen its strong growth today. This growth is expected to continue, with annual demand reaching 60 million units by 2005, according to industry sources.

We have brought to the ODM process an aggressive and innovative approach to product development and partnering with suppliers and customers. This is the source of our growth and the positive outlook that we hold for the company.

2002 was a year of achievement for SunCorp and we are appreciative of the support that customers, suppliers and our employees have shown us during the year.

As stated above, the board has proposed to declare and pay a special dividend of 0.5 HK cents per ordinary share. This dividend is conditional upon approval by shareholders of resolutions to approve the reduction of the share premium account at a general meeting to be convened at a later date.

緒言

本人欣然向各股東呈報，本公司於截至二零零二年十二月三十一日止年度錄得綜合營業額 710,100,000 港元，除稅及少數股東權益後綜合溢利為 33,300,000 港元。與二零零一年之數字比較，溢利增加 171% 及銷售額上升 26%。每股盈利上升 100% 至 12 港仙。

從扣除財務成本後之經營溢利／虧損上可看出本公司已成功轉虧為盈。於二零零二年，本公司錄得經營溢利（扣除財務成本後）33,400,000 港元，二零零一年則錄得經營虧損（扣除財務成本後）3,500,000 港元，而二零零零年度之虧損則為 69,600,000 港元。本公司之財政狀況在各方面大有改善，這點亦可從資產負債表上反映出來。

本公司業務專注於室內電話市場，特別是室內數碼無線電話（「DECT」）。時至今日，DECT 之增長強勁，根據業界資料，預期此增長情況將會持續，到二零零五年每年需求將達 6 千萬部。

本公司在原設計製造生產過程中積極開發新產品，並與供應商及客戶組成合作夥伴。凡此皆促成本公司增長及令我們對本公司前景感到樂觀。

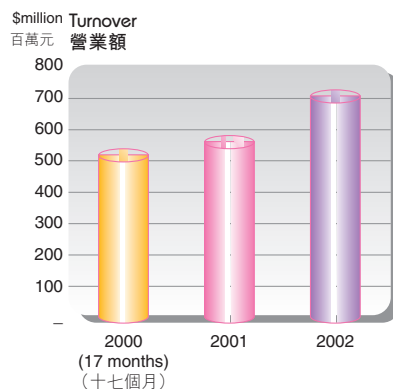
二零零二年對新確科技來說是重大突破的一年，本公司對客戶、供應商與本公司僱員於年內對本公司之支持深表謝意。

誠如上文所述，董事會已建議宣派及支付特別股息每股普通股 0.5 港仙。此項股息須待股東於較後日期召開之股東大會上批准削減股份溢價賬之決議案，方可作實。

FINANCIAL OVERVIEW

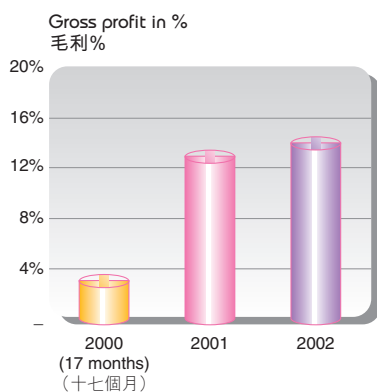
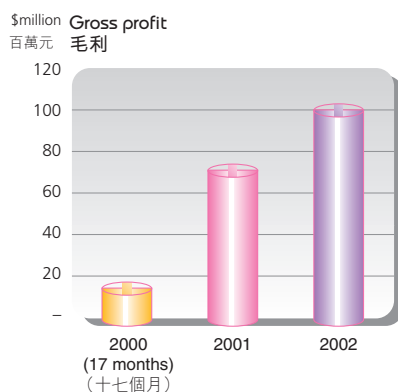
1) Turnover

Sales increased 26% to HK\$710.1 million, driven by the introduction of new products and extension of our customer base. It is worth noting that in the last three years (since present management took over) sales have almost doubled and profit from operations has turned from loss making to a profit.



2) Gross Profit

Gross profit has been steadily improved from 3.1% in 2000 to 12.8% in 2001 and 14% in 2002.



財務回顧

1) 營業額

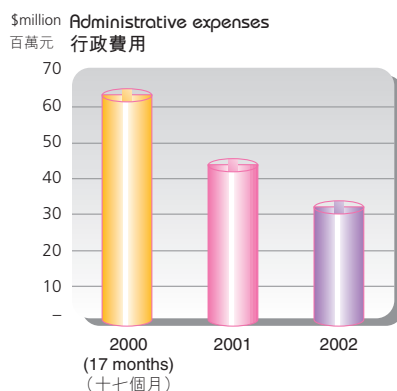
由於成功推出新產品及擴闊客戶基礎，銷售額上升 26% 至 710,100,000 港元。值得一提的是於過去三個年度以來（即自現有管理層接管本公司以來），銷售額已上升差不多兩倍，而經營溢利亦由虧轉盈。

2) 毛利

毛利率由二零零零年 3.1% 逐步上升至二零零一年 12.8%，而二零零二年之毛利率為 14%。

3) Administrative Expenses

Our cost reduction exercise continued to yield good results. Administrative expenses have been reduced from HK\$63 million in 2000 (17 months) to HK\$43.4 million in 2001 and HK\$31.8 million in 2002, a drop of 50% from 2 years ago.

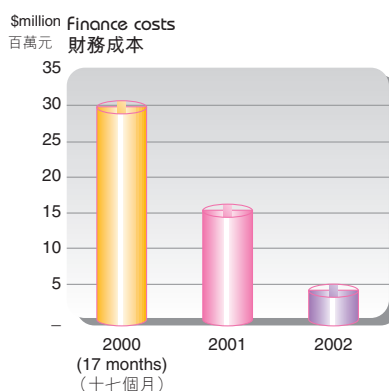


3) 行政費用

本公司之削減成本計劃繼續帶來理想效果。行政費用已由二零零零年（十七個月）63,000,000港元削減至二零零一年43,400,000港元，二零零二年則繼續削減至31,800,000港元，較兩年前下跌50%。

4) Finance Costs

Interest expenses decreased 73.4% to HK\$4.1 million, reflecting in part the partial repayment of the outstanding convertible notes.

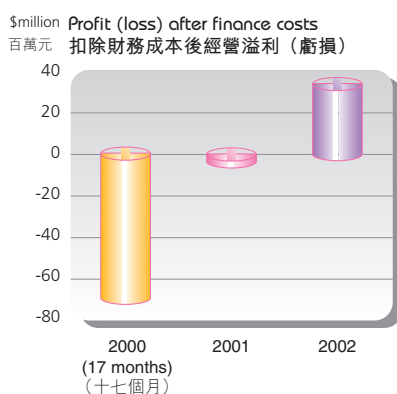


4) 財務成本

利息開支下跌73.4%至4,100,000港元，某程度上反映出部份已償還之可換股票據之影響。

5) Operating Profit (Loss) after Finance Costs

All these efforts have contributed to a significant turnaround of the operations of the company. An operating profit after finance costs of the HK\$33.4 million has been recorded against a loss of HK\$3.5 million in 2001 and a loss of HK\$69.6 million in 2000 (17 months basis).

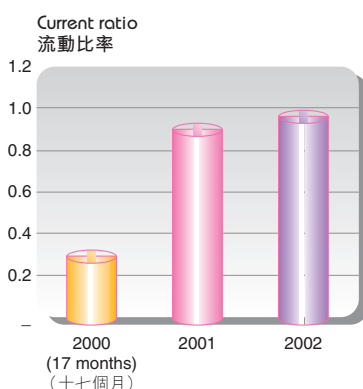


5) 扣除財務成本後經營溢利（虧損）

上述所有努力使本公司之經營業績得到重大改善。本年度錄得扣除財務成本後之經營溢利33,400,000港元，而於二零零一年則錄得虧損3,500,000港元及二零零零年更錄得虧損69,600,000港元（按17個月基準計算）。

6) Liquidity Ratio

Our liquidity position has been improved steadily with the current ratio having improved from 0.29 at 31 December 2000 to 0.96 at 31 December 2002.



In March 2003, we fully repaid the outstanding balance of the convertible notes (six months earlier than required). This repayment was made out of our own internal resources and rendered the company in effect free of bank debt for the first time in over 8 years. It is worth noting that since January 2002 we have repaid to noteholders approximately HK\$29.6 million of outstanding debt, equivalent to approximately 11 HK cents per share outstanding.

ACHIEVEMENTS

In addition to the financial achievements outlined above, we have made significant progress in a number of areas, which laid the basis for our success in 2002 and which we believe will contribute to further progress this year.

6) 流動資金比率

本公司之流動資金比率已逐步得到改善，流動比率已由二零零零年十二月三十一日之 0.29，上升至二零零二年十二月三十一日之 0.96。

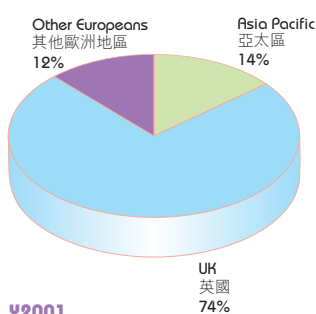
於二零零三年三月，本公司較預定還款期提前六個月全數償還可換股票據之未償還餘額。還款由本公司本身之內部資源撥付，令本公司於過去八年來首次錄得並無銀行債務。值得注意的是自二零零二年一月以來，本公司已償還約 29,600,000 港元予票據持有人，相當於已發行每股約 11 港仙。

成就

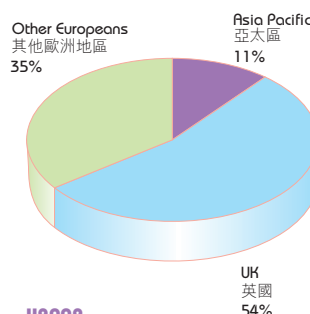
除上文所述之財務成就外，本公司亦於多方面取得重大進展，為本公司於二零零二年之成功打下基礎，本公司相信將會於本年度取得進一步進展。

Analysis of our sales by geographical region and product type are as follows:
按照銷售地區及產品種類的分析大致如下：

By Region:
地區分類：

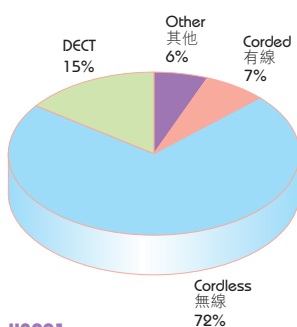


Y2001
2001年

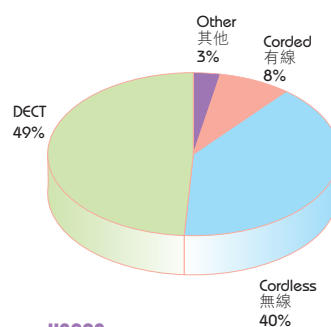


Y2002
2002年

By Product:
產品分類：



Y2001
2001年



Y2002
2002年

Sales growth and mix

Perhaps more important than the overall growth in sales is the change in composition of those sales since the previous year. We made great progress in increasing the diversity and number of our customers. In 2001 one customer accounted for over 70% of our sales. In 2002 those numbers changed significantly. Our largest customer now accounts for less than 55% of sales and we now have more than 6 customers who each represent more than 5% of sales. Our efforts to broaden our customer base are still in the early stages of a co-ordinated program. The diversity of the base increased from quarter to quarter during the year. In the middle of the year we started to provide product in significant quantities to several new major customers. In addition, we signed up a number of newer customers in countries that we had not previously serviced. This trend has continued into 2003, reflected for example in the recent announcement of a major contract to start supplying our innovative DECT with short messaging service ("SMS") product to Fujitsu for Portugal Telecom. Other European telecoms in the UK, Italy and France have also selected our DECT with SMS this year.

銷售額增長與組合情況

營業額組合自去年以來之改善，可能較整體營業額增長更為重要。本公司在增加客戶多元化及數量方面不遺餘力。於二零零一年，單一客戶佔本公司營業額70%以上。於二零零二年，有關數字有很大變化。本公司之最大客戶現時佔營業額55%以下，而本公司現時有超過六名客戶，每名客戶佔營業額5%以上。本公司擴闊客戶基礎之工作，仍處於初步階段。於年中，逐季增加基礎以達致多元化。於年中，本公司陸續成功向以前未開發之市場客戶推銷產品。這趨勢於二零零三年持續，例如於近期公佈之重大合約，開始向富士通(Fujitsu)為葡萄牙電訊(Portugal Telecom)供應本公司之創新附設短訊服務(「SMS」)之DECT。於英國、意大利及法國等地之其他歐洲電訊公司，於本年度亦選擇本公司附設SMS之DECT。

Product innovation

Our investment in R&D in previous years enabled us to offer a new range of products particularly in the DECT range in 2002. We have been one of the first companies to be able to offer in Europe DECT phones with SMS functionality. These models have proven very popular. Our market share in Europe has increased during 2002 and we are now the largest independent ODM player in the residential cordless phone market in Europe.

Our efforts in product innovation have seen us partner with major customers and suppliers. We were fortunate to be officially recognised by two major corporations for our activities and successful relationship. Philips presented us with “An award of excellence” and British Telecom named us as one of their “Partners in success”.

產品革新

本公司於過往年度在研發方面所作出之投資，令本公司能於二零零二年推出一系列新產品（特別指DECT）。本公司為首批能夠於歐洲推出帶有短訊功能DECT之公司之一。該款電話型號十分受市場歡迎。本公司於歐洲之市場佔有率於二零零二年已經增加，本公司目前為歐洲住宅室內無線電話市場之最大獨立原設計製造公司。

本公司於產品革新方面之努力，使本公司能夠與主要客戶及供應商達成緊密合作關係，該項努力令至兩間海外大機構正式認可本公司之業務。其中飛利浦頒發「卓越成就獎」予本公司，而英國電訊（British Telecom）則稱本公司為該公司其中一名「成功合作夥伴」。



The year 2002 saw SunCorp receive an award of excellence from a key supplier.
2002年新確獲一主要供應商頒發卓越成就獎。

PLANS

Our plans for 2003 include a continuation of investing in new product development, especially in the DECT area, and the further broadening of our customer base, particularly in Europe. We will also be partnering with several international marketing and technology groups on the development of new products that will enable us to extend our product range. Our strategy to meet the challenge of maintaining our margin depends on two key initiatives: firstly our program of introducing innovative products to the market and secondly our ongoing program of improving production efficiencies and controlling supply chain costs.

計劃

本公司於二零零三年之計劃，包括繼續投資於新產品開發（特別指DECT產品），並進一步擴闊本公司特別在歐洲市場之客戶基礎。通過與多間國際市場推廣公司及技術開發公司組成合作夥伴開發新產品，本公司將有能力更進一步擴充產品種類。在維持邊際毛利率方面，本公司之策略主要在繼續率先推出新產品及改善生產效率與控制供應鏈成本。

OUTLOOK

The global economic environment is clearly problematic, with the Iraq war increasing international uncertainty. We have yet to see how this will impact growth and demand in our key markets and we are conscious of the need to monitor the situation closely. However, our sales have been very strong in the current year to date and significantly over levels of the same period last year. We are also still seeing healthy order forecasts from our customers for the balance of the year.

展望

全球經濟環境在伊拉克戰爭及國際不明朗因素下明顯前路崎嶇。這方面對本公司主要市場之增長與需求所造成之影響，仍須拭目以待，本公司明白有需要密切注意有關情況。然而，本公司本年度迄今之銷售額十分強勁，大大高出去年同期之數字。於本年度餘下期間，本公司對本公司客戶訂單預測方面仍然樂觀。



SunCorp supports the local community: students from Learning Support Class of King George V School were able to enjoy an outgoing to Pak Tam Chung Park with transport provided by SunCorp.

新確支持本地社區：英皇佐治五世學校學習支援班的學童乘坐由新確提供的交通工具，出發前往北潭涌郊野公園。

CONCLUSION

In summary, we had a successful 2002 and performance this year has so far been very encouraging. Our focus for 2003 is to continue to service our existing customers with an enhanced product range and to continue to grow our customer base. At the same time achieving further operational efficiency remains paramount.

Once again we thank our customers and suppliers for their support and our employees for their loyalty and hard work.

By Order of the Board

Peter F Amour

Chairman

Hong Kong, 16 April 2003

結論

總概而言，本公司於二零零二年取得成功，本年度迄今為止之表現亦令人感到十分鼓舞。本公司於二零零三年，仍集中在繼續為本公司之現有客戶提供服務，推出革新之產品系列，並繼續擴充本公司之客戶基礎。與此同時，進一步提高經營效率仍屬本公司最重要之事務。

本公司藉此再次對本公司客戶及供應商之支持及本公司僱員之忠誠與勤奮工作致意。

承董事會命

主席

區沛達

香港，二零零三年四月十六日