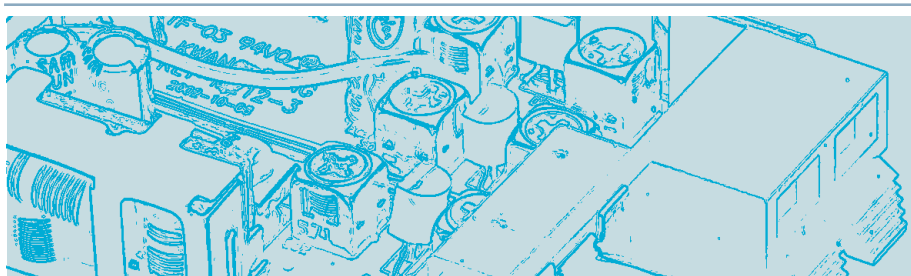


Chairman's Statement 主席報告書



Mr. YANG Jai Sung
Chairman and Chief
Executive Officer
梁在星先生
主席兼行政總裁



To Our Shareholders,

2003 was a challenging yet rewarding year for the Group. We made significant progress and initiated a number of strategic moves to generate value. I am also delighted to report that the Group was able to achieve 19.8% more than the profit forecast that we set for ourselves during our listing.

In 2003, we introduced a number of new products, including FM front-end tuners and AM/FM tuner modules for car audios, FM front-end tuners for MP3 players and mobile phones of portable devices and switching mode power supplies ("SMPS"). Early responses from the market are proving promising. We strongly believed that these new products will not only provide additional revenues to the Group, but also become another major growth drivers and contributors in the years to come.

Moving forward, we are committed to develop digital components in order to capture the tremendous opportunities generate from the emerging digitalisation era. Samples of digital multimedia tuner modules have been sent to our customers for evaluation as we believe in the importance of being a "first mover" for our rapid expansion in the future. Our aim is to be a recognised manufacturer for digital multimedia tuner modules.

Finally, the resilience, talent and dedication of those who work for Kwang Sung have been the engines driving our success. The Board of directors would like to take this opportunity to recognize our staff's efforts and express our appreciation. With the energy and devotion of our staff, I am confident that we are well on the road to creating substantial returns for our shareholders in the long-term.

By order of the Board

Yang Jai Sung

Chairman

Hong Kong, 15 March 2004

致各位股東：

二零零三年為本集團充滿挑戰而收獲豐富的一年。我們的業務獲顯著增長，亦開始了多項策略性發展為集團增值。本人亦欣然報告，本集團創下斐然成績，所錄得之溢利遠較集團於上市時定下之溢利預測高出19.8%。

二零零三年，集團推出多種新產品，包括汽車音響之FM前端調諧器及AM/FM調諧器模組、可攜式裝置如MP3播放機和流動電話等之FM前端調諧器及開關電源器。市場對此等新產品之初步反應良好，可見產品前景相當樂觀。集團深信，此等新產品不但能為本集團帶來額外收益，同時於未來數年成為集團另一主要增長原動力和帶來貢獻。

展望未來，集團將全力開發數碼元件，務求攫取新興數碼世代所帶來之無限商機。集團深明，未來業務能否迅速拓展，在於「掌握先機」一環，因此集團已向客戶送上數碼多媒體調諧器模組以作評估。集團旨在成為著名的數碼多媒體調諧器模組製造商。

最後，各光星員工充份表現了堅毅、才幹及竭誠，一直推動集團邁向成功。董事會謹藉此機會對各員工之努力深表謝意。憑藉各員工之十足幹勁及盡心盡力，本人有信心集團定必繼續穩佔優勢，長遠為股東帶來更豐盛之回報。

承董事會命

主席

梁在星先生

香港，二零零四年三月十五日

