

# Management Discussion and Analysis

## 管理層討論及分析

### Financial Review

#### 財務回顧

Triggered by the strong growth in composite components, the Group achieved satisfactory results with turnover surging 36.5% from HK\$396,955,000 in 2002 to HK\$541,809,000 in 2003. Profit attributable to shareholders grew to HK\$76,045,000, up 20.4% from HK\$63,145,000 reported in 2002. These results have incorporated a deficit of HK\$2,424,000 on the revaluation of land and buildings as disclosed in the Section "Subsequent events" in the accountants' report to the Company's prospectus dated 24 June 2003 (the "Prospectus"). Excluding this deficit, profit attributable to shareholders increased by 24.3%.

In view of the drastic outbreak of the SARS during the first half of the year and the uncertainty as to the duration of that situation, the Group adopted a prudent approach to considering projected sales, the effect on decrease in gross margins and the cancellation of advance orders for the period to 31 December 2003. Before arriving at profit forecast set out in the Prospectus of not less than HK\$63,500,000, a significant contingency provision was included. The contingency provision was not required which together with improved contributions from the major customers in the second half of the year helped the Group achieved 19.8% more than the profit forecast.

During the year, overall gross margins decreased slightly by 0.8% from 24.7% in 2002 to 23.9% in 2003. This was mainly attributable to customers' pricing pressure and increase in materials costs during the year.

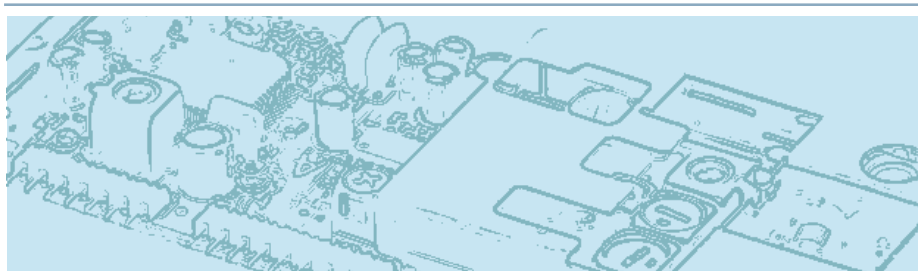
The debtor turnover decreased from 83 days at 31 December 2002 to 74 days at 31 December 2003, reflecting the Group's strengthened credit control and collection functions. At the same time, due to the Group's enhanced negotiation power for longer credit terms with suppliers, the creditor turnover increased from 63 days at 31 December 2002 to 81 days at 31 December 2003.

在複合元件業務強勁增長的帶動下，營業額由二零零二年之 396,955,000 港元上升 36.5% 至二零零三年之 541,809,000 港元，成績令人滿意。股東應佔溢利由二零零二年所報之 63,145,000 港元上升至二零零三年之 76,045,000 港元，增幅達 20.4%。此等業績已納入重估土地及樓宇虧絀之 2,424,000 港元（見本公司二零零三年六月二十四日之招股章程（「招股章程」）內會計師報告「結算日後事項」一節所披露）。倘不計該虧絀，股東應佔溢利實則增加 24.3%。

鑑於非典型肺炎於上半年期間大肆爆發，加上疫情告急所帶來之不明朗情況，本集團考慮疫情可能對截至二零零三年十二月三十一日止期間之預期營業額、毛利率之影響及已收訂單所產生的變化，採取頗為審慎之業務方針。於達致招股章程內所述不少於 63,500,000 港元之溢利預測時，已計入一項重大或然撥備。由於並無須動用該項或然撥備，加上主要客戶於本年度下半年之貢獻有所改善，使本集團取得較溢利預測高出 19.8% 之溢利。

年內，整體毛利率由二零零二年之 24.7% 輕微下降至二零零三年之 23.9%，跌幅為 0.8%，主要由於年內客戶施加價格壓力及原料成本上漲所致。

應收賬款週轉期由二零零二年十二月三十一日之 83 日減少至二零零三年十二月三十一日之 74 日，反映本集團加強信貸監控及收款功能。同時，基於本集團加強其向供應商要求較長信用期之商議實力，故應付賬款週轉期由二零零二年十二月三十一日之 63 日增加至二零零三年十二月三十一日之 81 日。



## Operating expenses

Excluding the deficit of HK\$2,424,000 on the revaluation of land and buildings, total operating expenses of the Group for the year ended 31 December 2003 was recorded at HK\$44,721,000 (2002: HK\$30,703,000). These expenses represented 8.3% of the Group's turnover for the year ended 31 December 2003 (2002: 7.7%). The percentage increment mainly reflected the enhancement in investing in research and development projects during the year.

## Taxation

Taxation expenses amounted to HK\$7,840,000 for the year ended 31 December 2003 (2002: HK\$5,517,000). The effective tax rate was 9.3% (2002: 8.0%).

## Dividend

The Board has recommended a final dividend of HK\$0.055 per share in respect of the year ended 31 December 2003 (2002: Nil) for approval by shareholders at the Annual General Meeting to be held on 23 April 2004.

As the Directors considered that the existing cash balances and future cash flows will be sufficient to meet the Group's foreseeable capital and operating needs, the Directors intend to increase the dividend payout ratio to approximately 30% of the net profit for each financial year from approximately 25%, as set out in the Prospectus. In view of the Group's positive results and in return for our shareholders' support, the final dividend representing approximately 30% of the net profit after taking into account the special dividend of HK\$5,469,000 was being recommended.

The share register will be closed from Monday, 19 April 2004 to Friday, 23 April 2004, both dates inclusive, during which period, no transfer of shares will be registered, dividend cheques will be dispatched to shareholders on or about Wednesday, 28 April 2004. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Standard Registrars Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong not later than 4:00 p.m. on 16 April 2004.

## 經營開支

倘扣除因重估土地及樓宇所產生之虧絀 2,424,000 港元，本集團截至二零零三年十二月三十一日止年度錄得之經營開支總額為 44,721,000 港元（二零零二年：30,703,000 港元）。截至二零零三年十二月三十一日止年度，此等開支佔本集團營業額之 8.3%（二零零二年：7.7%）。該百分比之升幅主要反映集團年內增加研究與開發項目之投資。

## 稅項

截至二零零三年十二月三十一日止年度，稅項開支為 7,840,000 港元（二零零二年：5,517,000 港元）。實際稅率為 9.3%（二零零二年：8.0%）。

## 股息

董事會建議派發截至二零零三年十二月三十一日止年度之末期股息每股 0.055 港元（二零零二年：零港元），惟須待股東在即將於二零零四年四月二十三日舉行之股東週年大會上批准後方告作實。

由於董事認為本集團現有之現金結餘及日後之現金流量足以應付其於可見將來之資本及營運所需，董事擬將派息率由相當於每一個財政年度純利約 25%（見招股章程所述）增加至約 30% 之水平。鑑於本集團錄得正面業績，以及為了回饋股東之支持，末期股息相當於經計及建議分派之特別股息 5,469,000 港元後之純利約 30%。

股份過戶登記處將於二零零四年四月十九日（星期一）至二零零四年四月二十三日（星期五）（包括首尾兩日）暫停開放，期間不會辦理任何股份過戶登記手續，股息支票將於二零零四年四月二十八日（星期三）或相近日子寄發予股東。為符合收取末期股息之資格，所有填妥之股份過戶表格連同有關股票，最遲須於二零零四年四月十六日下午四時正前送達本公司之股份過戶登記處標準證券登記有限公司，地址為香港灣仔告士打道 56 號東亞銀行港灣中心地下。



# Management Discussion and Analysis

## 管理層討論及分析

### Business Review

#### Composite components business

During the year, the Group's composite components business experienced strong growth, rising 56.7% to HK\$406,585,000 as compared to HK\$259,469,000 in the previous year. This figure accounted for 75.0% of the Group's total turnover (2002: 65.4%). The significant growth in composite components business reflected that customers are changing to purchase composite components from suppliers instead of producing such components themselves. This also demonstrates the Group's strong capability in designing tailor-made composite components for different customers. The gross margin decreased slightly by 1.3% from 24.3% to 23.0% as a result of the increase in material costs, customers' pricing pressure and appreciating Yen. Despite the decrease in the gross profit margin, gross profit increased 48.2% from HK\$62,997,000 in 2002 to HK\$93,387,000 in 2003.

Included in composite components business was sales of home audio FM front-end tuner and AM/FM tuner modules of HK\$330,791,000 (2002: HK\$248,481,000), reflecting 81.4% of the composite components business during the year (2002: 95.8%). The increase represented an organic growth of HK\$82,310,000.

Apart from the organic growth, increase in sales was also contributed by satisfactory development of the newly developed car audio FM front-end tuners and AM/FM tuner modules, representing turnover of HK\$36,805,000 (2002: HK\$10,988,000). Its contribution to composite components business thus increased from 4.2% in 2002 to 9.1% in 2003.

In June 2003, the Group received QS 9000 certification for its production and services to car tuners from the Cerei Certification Body. Products have developed rapidly and trial orders of car audio FM front-end tuners and AM/FM tuner modules were dispatched to one of the largest automobile car audio manufacturers in Korea during the second quarter. Samples have also been sent to two other large-scale Korean car audio manufacturers for reliability tests and initial orders are expected to be placed during the second quarter of 2004.

### 業務回顧

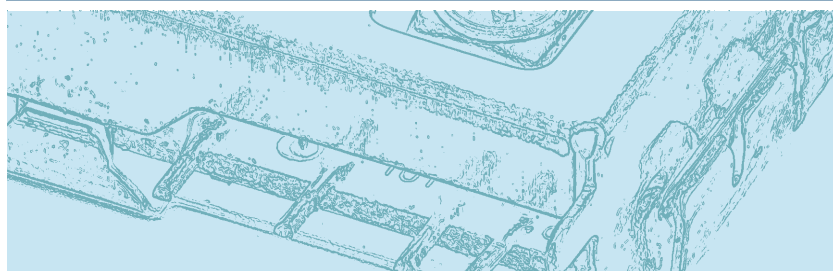
#### 複合元件之業務

年內，集團的複合元件業務錄得強勁增長，由去年 259,469,000 港元增加 56.7% 至 406,585,000 港元。此數字佔本集團總營業額之 75.0% (二零零二年：65.4%)。複合元件業務大幅增長，反映客戶正轉向供應商購買複合元件，而不再自行生產該等元件。此增幅亦顯示本集團為不同客戶設計訂製複合元件之雄厚實力。在原料成本上升、客戶施加之價格壓力及日圓升值之影響下，毛利率由 24.3% 輕微下跌至 23.0%，跌幅為 1.3%。儘管毛利率減少，惟毛利總額由二零零二年之 62,997,000 港元增加 48.2% 至二零零三年之 93,387,000 港元。

在複合元件業務內，家用音響之 FM 前端調諧器及 AM/FM 調諧器模組之銷售額為 330,791,000 港元 (二零零二年：248,481,000 港元)，佔年內複合元件業務之 81.4% (二零零二年：95.8%)。該升幅相當於 82,310,000 港元之本體增長。

除了本體增長外，銷售額增加亦由於新開發的汽車音響 FM 前端調諧器及 AM/FM 調諧器模組業務的發展令人滿意，營業額錄得 36,805,000 港元 (二零零二年：10,988,000 港元)。其對複合元件業務的貢獻因此由二零零二年之 4.2% 增至二零零三年之 9.1%。

於二零零三年六月，本集團的汽車調諧器生產及服務獲 Cerei Certification Body 頒發 QS 9000 認證。集團開發產品的步伐迅速，並於第二季成功向其中一家韓國最大汽車音響製造商付運一批汽車音響 FM 前端調諧器及 AM/FM 調諧器模組的試用訂單。另外亦向兩家韓國大型汽車音響製造商送出樣本供進行可靠性測試，預期首批訂單可於二零零四年第二季內付運。





With the Group's success in widening applications to portable devices, such as MP3 players and mobile phones, sales of FM front-end tuners for portable devices amounted to HK\$30,610,000 (2002: HK\$Nil). The amount reflected 7.5% of composite components business during the year (2002: Nil). In 2003, the sales for portable devices were primarily generated from the MP3 application. Furthermore, the Group secured certain initial orders from one of the largest mobile phone manufacturers in Korea during the fourth quarter of 2003.

During the year, the Group also launched a new category of composite components, switching mode power supplies, ("SMPS"). The results of this newly launched product is encouraging with turnover amounting to HK\$8,379,000 (2002: HK\$Nil), accounting for 2.0% (2002: Nil) of the composite components business.

#### Unit electronic components business

In 2003, its turnover remained stable, representing a slight decrease of 1.6% as compared to the previous year. This reflected that more unit electronic components were used for production of composite components. This also illustrates the continuing trend for customers to outsource the production process of composite components to suppliers. The gross margin improved slightly from 25.4% in 2002 to 26.5% in 2003. This growth reflected the better production planning achieved by the Group during the year under review. Gross profit thus increased to HK\$35,853,000 (2002: HK\$34,887,000).

#### Prospects

The world economy has been showing recovery signs recently, while audio goods continued to proliferate in the daily lives of the general population. This trend, especially with regard to portable devices, seems set to continue. Additionally, the automobile industry continues to experience stable growth, creating strong demand for the Group's car audio products. In view of this promising market potential, the Group is approaching the year of 2004 with a positive outlook and has identified several areas, which it expects will be major potential sources of increased income in the immediate, medium and long term. The Group will be devoting greater efforts to developing and promoting them in the forthcoming years.

隨著本集團成功將應用擴展至可攜式裝置例如 MP3 播放機及流動電話，用於可攜式裝置的 FM 前端調諧器的銷售額達 30,610,000 港元（二零零二年：零港元）。該數額佔年內複合元件業務之 7.5%（二零零二年：無）。於二零零三年，可攜式裝置的銷售額主要產生自 MP3 應用。此外，本集團於二零零三年第四季期間獲得韓國最大流動電話生產商首批訂單。

年內，本集團亦推出一新種類的複合元件－開關電源器（「開關電源器」）。此項新推出產品的成績令人鼓舞，營業額為 8,379,000 港元（二零零二年：零港元），佔複合元件業務的 2.0%（二零零二年：無）。

#### 單位電子元件之業務

營業額於二零零三年維持穩定，較上年度輕微下跌 1.6%，反映有更多單位電子元件用於生產複合元件，亦說明客戶將複合元件的生產工序外判予供應商之趨勢持續。邊際毛利率由二零零二年之 25.4% 略為改善至二零零三年之 26.5%，此一提升反映本集團於回顧年度內達致較佳的生產計劃，因此，毛利增至 35,853,000 港元（二零零二年：34,887,000 港元）。

#### 前景

全球經濟近期呈現復甦跡象，而音響產品在普羅大眾日常生活中愈見普及。看來此一趨勢將會繼續，尤其就可攜式裝置而言。此外，汽車業持續錄得穩定增長，為本集團之汽車音響產品帶來龐大需求。鑑於市場潛力可觀，本集團對於二零零四年的展望較為樂觀，並認定數個範疇預期會成為即時、中期及長期收入增長的主要潛在來源。本集團將投入更多資源於未來數年發展及推廣該等業務。



# Management Discussion and Analysis

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The Group expects the organic growth of the home audio sector to continue, stimulating steady growth for the Group. This has been proven by the Group's 103.0% increase in orders on hand to HK\$68,365,000 as at 31 December 2003 (2002: HK\$33,684,000). Leveraging its long-standing relationships with internationally leading electronic corporations, the Group is confident that it will be able to capture the increasing opportunities brought outsourcing trends in the years to come.

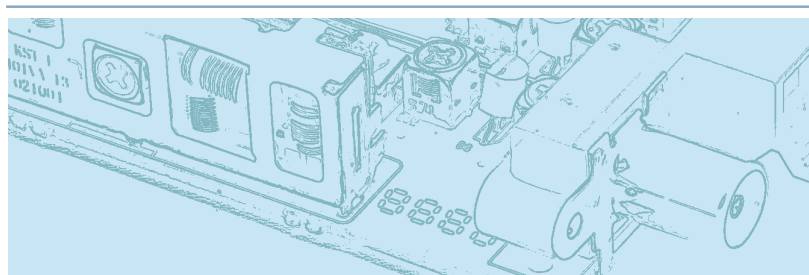
The Group's medium growth drivers are expected to come from the strong growth of FM front-end tuners and AM/FM tuner modules for car audios, as well as the widening applications of tuner modules in home audio and portable devices. Benefiting from the extensive experience and economies of scale attained by its home audio business, the Group enjoys competitive advantages over other industry players both in terms of quality and cost. This has helped the Group to quickly penetrate into the car audio markets, bringing in additional revenues that have boosted its growth. Management believes that its FM front-end tuners and AM/FM tuner modules for car audio products will become another major source of the Group's turnover in the near future.

Function integration and technology crossovers are also creating new products demand for the Group. To capture these business opportunities, the Group is committed to widening its product application to portable devices, such as MP3 players, mobile phones, microphones and PDAs. The Group is also diversifying its SMPS application from DVD players and receivers to set-top boxes, DVD digital amplifier receivers, TVs, TFT displays, office appliance equipment, etc. As audio products transit to digital products, the Group expects that the demand for SMPS will increase accordingly due to the requirements for miniaturization and lightweight. The Group's strategy is to leverage its widened customer base to market new product models of SMPS. Accordingly, sales generated from these SMPS are expected to experience healthy growth. Additionally, the Group is at the final development stages of a new category of unit electronic components, multi-layer LC filters which are expected to be launched during the fourth quarter of 2004.

本集團預期家居音響業務將可保持本體增長，讓本集團取得穩定增長。這可從集團於二零零三年十二月三十一日的手頭訂單上升103.0%至68,365,000港元（二零零二年：33,684,000港元）中引證。憑藉集團與國際具領導地位之電子企業建立長久穩定關係，本集團有信心於今後多年能爭取外判生產趨勢帶來更多的商機。

本集團中期增長的動力預期來自汽車音響的FM前端調諧器及AM/FM調諧器模組之強勁增長，以及家用音響及可攜式裝置調諧器模組的更廣泛應用。受惠於有關家居音響業務的廣泛經驗和所取得的規模經濟效益，本集團得以較其他同業公司享有品質及成本方面的競爭優勢，並有助本集團迅速滲入汽車音響市場，取得推動集團增長之額外收入。管理層相信，汽車音響產品的FM前端調諧器及AM/FM調諧器模組將成為本集團另一主要收益來源。

功能整合和技術跨界亦為本集團創造新產品需求。為抓緊此等商機，本集團致力擴闊產品應用方案至可攜式裝置，例如MP3播放機、流動電話、擴音器及個人數碼助理。本集團亦將其開關電源器應用由DVD播放機及接收器，擴展至機頂盒、DVD數碼放大接收器、電視、TFT顯示屏及辦公室器材設備等。鑑於音響產品正過渡成為數碼產品，本集團預期開關電源器需求會因對微型化及輕便的要求而隨之增加。本集團的策略為利用其廣闊的客戶基礎推廣全新開關電源器產品型號。據此，該等開關電源器產品的銷售額預期會錄得健康之增長。此外，本集團全新種類之單位電子元件—多層LC過濾器已進入最後開發階段，該款產品預期於二零零四年第四季推出。



DVB digital video tuner module  
DVB 數碼視像調諧器模組

Digital products will be the Group's long-term growth driver. With the increased popularity of digital applications, more and more products are requiring digital components. Responding promptly, the Group has signed an agreement with RadioScape Limited, a leading technology provider in the UK for the licensed digital audio broadcasting technology, DAB. This licensed technology is necessary for the Group to produce digital audio components shipped to Europe. In addition, in the first half of 2004, the Group plans to sign an agreement for development of digital components with proposed DAB standard in the United States. The Group is actively testing the market by sending trial products of digital multimedia tuner modules to its customers for evaluation.

All factors combined, the Group believes that turnover continues to maintain satisfactory growth in 2004. Although margins are likely trend down arising from increasing in materials costs, customers' pricing pressure and appreciating Yen, the Group is cautiously optimistic to achieve profit growth in the future.

To further enhance its research and development capability, the Group has set up a research and development centre in Korea with initial investment of HK\$7,792,000 during the year. The Group's new research and development team in Korea moved into this centre in early February 2004 and is committed to developing multi-layer LC filters and digital products.

To cater for its increasing orders, the Group invested capital expenditure of HK\$31,527,000 during the year. Together with consolidating all manufacturing operations from composite components into additional production premises with an area of 7,553 square meters during the year, the Group is well equipped to meet the future business growth.

In view of the many opportunities ahead, the Group will further enhance its production capabilities by adding more production lines in the PRC and strengthen research and development functions in Korea. In addition, a new ERP project is expected to be completed in the second half of this year, contributing better planning and utilization of the Group's resources. With these strategies and plans in place, the Group is ideally set to capture the many opportunities ahead.

數碼產品將為本集團長期增長的原動力。隨著數碼應用日益普及化，愈來愈多產品採納數碼元件。對此迅速回應，集團與英國一家具領導地位的技術供應商 RadioScape Limited 已就數碼音響廣播特許技術 DAB 簽定協議，此項特許技術乃集團生產運往歐洲的數碼音響元件所必須的。此外，本集團計劃於二零零四年上半年簽署協議，從而能開發已建議使用的美國 DAB 標準數碼元件。集團已把數碼多媒體調諧器模組之試用產品付運給客戶作評估，積極測試市場反應。

綜合所有因素後，本集團相信營業額於二零零四年可繼續保持滿意增長。儘管邊際利潤可能因原料成本上漲、顧客施加價格壓力及日圓升值而趨跌，本集團對未來之盈利增長，仍抱審慎樂觀的態度。

年內，本集團已初步斥資 7,792,000 港元在韓國設立研究開發中心，以進一步提升其研發能力。本集團新組成的韓國研究開發小組已於二零零四年二月初遷入該中心，小組現時全力開發多層 LC 過濾器及數碼產品。

為應付不斷增加的訂單，本集團年內在資本開支方面已投資 31,527,000 港元，加上年內將所有複合元件之生產部門整合至面積達 7,553 平方米的生產設施，本集團已作出充份準備，應付未來業務增長。

本集團相信未來仍會湧現大量商機，因此集團將會在中國增設生產線及增強韓國的研究及開發力量，以進一步提升其生產能力。此外，一項新的企業資源計劃系統預期於本年度下半年完成，此舉有助本集團資源得到更好規劃和應用。實施此等策略和計劃後，本集團將處於理想位置以抓緊日後眾多商機。



Multi layer LC filter  
多層 LC 過濾器



VHF receiver module  
VHF 接收器模組



UHF wireless microphone  
UHF 無線咪

# Management Discussion and Analysis

## 管理層討論及分析

### Liquidity and financial resources

In view of the net proceeds of HK\$83,530,000 from the issue of 73,300,000 new shares during the year, together with the Group's ability to generate cash from its operation, the Group's cash on hand increased from HK\$58,326,000 as at 31 December 2002 to HK\$183,398,000 as at 31 December 2003. As at the year end, banking facilities amounting to approximately HK\$104,000,000 were available (2002: HK\$32,220,000). The Group continues to operate under a debt-free model with no outstanding net debt as at the year end.

The Group had net current assets of HK\$269,220,000 as at 31 December 2003 (2002: HK\$134,126,000). Shareholders' funds further increased from HK\$159,640,000 as at 31 December 2002 to HK\$313,746,000 as at 31 December 2003.

Current ratio, being the ratio of current assets to current liabilities, was maintained at a strong level of 4.0 (2002: 3.5). Gearing ratio, in terms of total liabilities to total assets, stood at 0.22 (2002: 0.25).

As the Group's strong liquidity and financial resources position continued to be strong, the Board considers that the Group has sufficient financial resources to finance future capital expenditure plans.

### Foreign exchange exposure, hedging and off balance sheet financial instruments

The Group's purchases of raw materials were principally made in HKD, USD, RMB and Yen and the Group's sales were made in USD and HKD.

As the both HKD and RMB are pegged to the USD under the current exchange rate system in Hong Kong and the PRC, the Group is not exposed to significant foreign exchange risk in HKD, RMB and USD.

During the year under review, the Group adopted prudent treasury policies via forward contract to reduce foreign exchange exposure arising from fluctuation in Yen.

### 流動資金及財務資源

鑑於因年內發行 73,300,000 股新股份而產生 83,530,000 港元之所得款項淨額，連同本集團業務產生現金之能力，本集團之手頭現金由二零零二年十二月三十一日之 58,326,000 港元增加至二零零三年十二月三十一日之 183,398,000 港元。於年終時，可動用之銀行備用信貸額約為 104,000,000 港元（二零零二年：32,220,000 港元）。本集團繼續以無債務模式經營，於年終時並無尚未償還之債項淨額。

本集團於二零零三年十二月三十一日之流動資產淨值為 269,220,000 港元（二零零二年：134,126,000 港元）。股東資金進一步由二零零二年十二月三十一日之 159,640,000 港元增加至二零零三年十二月三十一日之 313,746,000 港元。

流動比例（即流動資產與流動負債之比例）維持在 4.0（二零零二年：3.5）之強勁水平，而資本與負債比例（即負債總額與資產總額之比例）為 0.22（二零零二年：0.25）。

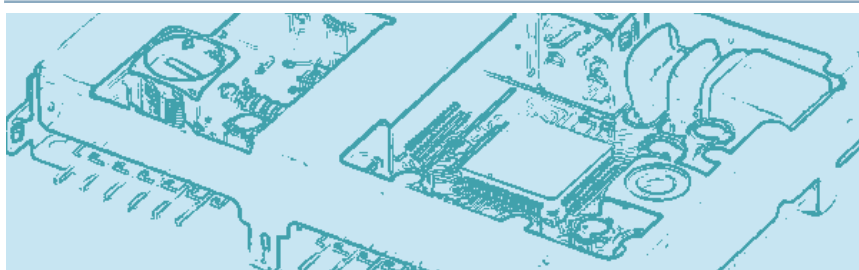
由於本集團之流動資金及財務資源狀況穩健並持續強勁，董事會認為本集團有充足財務資源應付未來資本開支計劃之資金所需。

### 外匯風險、對沖及賬外金融工具

本集團主要以港元、美元、人民幣及日圓採購原材料，而本集團之銷售則主要以美元及港元進行。

由於在香港及中國現行之匯率制度下，港元及人民幣均與美元掛鈎，故本集團並無因港元、人民幣及美元而承受重大之外匯風險。

於回顧年度內，本集團採納保守之財務政策，藉遠期合約降低因日圓波動帶來之外匯風險。





As at 31 December 2003, the Group had outstanding foreign currency forward contract of JPY 107,500,000 (equivalent to approximately HK\$8,000,000) to hedge against the exposures to foreign currency fluctuations of trade payable denominated in Yen.

### Acquisition and disposal

The Group did not have any material acquisition or disposal of subsidiary and associated company during the year.

### Charges on assets

As at 31 December 2003, there are no assets pledged to bank to secure banking facilities of HK\$104,000,000. As at 31 December 2002, assets charged as securities for banking facilities of HK\$32,220,000 included land and buildings with a carrying value of HK\$3,661,000 and bank deposits of HK\$9,000,000.

### Contingent liabilities

The Group did not have any significant contingent liabilities as at 31 December 2003 and 2002.

### Employees and remuneration policies

As at 31 December 2003, the Group had about 1,835 employees of whom 28 were based in Hong Kong (2002: 24), 1,798 were based in the Group's factories in Shenzhen PRC (2002: 1,812) and 9 were based in the Group's research and development centre in Korea (2002: Nil).

For the year ended 31 December 2003, staff costs amounted to HK\$42,135,000 (2002: HK\$38,196,000). Remuneration policies and packages for the Group's employees are based on their performance, working experiences and conditions prevailing in the industry. In addition to basic salaries, retirement schemes and medical scheme, discretionary share options and performance bonuses to eligible staff are determined according to the financial results of the Group and the performance of individual employees.

於二零零三年十二月三十一日，本集團有107,500,000日圓（相等於約8,000,000港元）尚未到期之外幣遠期合約，以對沖日圓應付貿易款項所承受之外匯風險。

### 收購及出售事項

年內，本集團並無任何收購或出售附屬公司及聯營公司之重大事項。

### 資產之抵押

於二零零三年十二月三十一日，本集團並無抵押任何資產予銀行，以取得銀行備用信貸額104,000,000港元。於二零零二年十二月三十一日，本集團為取得銀行備用信貸額32,200,000港元而押予銀行為抵押品之資產，包括賬面值3,661,000港元之土地及樓宇及為數9,000,000港元之銀行存款。

### 或然負債

本集團於二零零三年及二零零二年十二月三十一日並無任何重大或然負債。

### 僱員及酬金政策

於二零零三年十二月三十一日，本集團約有1,835名僱員，其中28名駐守香港（二零零二年：24名）、1,798名駐守本集團位於中國深圳之廠房工作（二零零二年：1,812名），而9名則駐守本集團位於韓國之研究及發展中心（二零零二年：無）。

截至二零零三年十二月三十一日止年度，員工成本為42,135,000港元（二零零二年：38,196,000港元）。本集團僱員之酬金政策及組合是根據彼等之表現、工作經驗及市況釐定。除基本薪金、退休計劃及醫療計劃外，合資格僱員更可因應本集團之業績及個別僱員之表現獲發酌情購股權及表現花紅。

