

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a robust financial position, with cash and bank balances of HK\$51,332,000 as at 31st December 2003 (2002: HK\$59,324,000). Basically the Group's working capital requirement has been financed by its internal resources. The Group believes that funds generated from internal operations, its existing reserve and the available banking facilities will enable the Group to meet its future cash requirements.

The Group had aggregate banking facilities of approximately HK\$225,125,000 as at 31st December 2003 (2002: HK\$199,625,000) for term loans and other trade finance facilities. Banking facilities utilised as at 31st December 2003 amounted to approximately HK\$74,566,000 (2002: HK\$72,472,000).

The Group's borrowings are mainly denominated in Hong Kong Dollars. Banking facilities were granted to the Group which bear interest at prevailing market rates.

The Group conducts its business transactions mainly in Hong Kong Dollars, US Dollars and Australian Dollars. Currency forward contracts were arranged for the transactions denominated in other currencies for hedging purposes. Forward exchange contracts amounting to HK\$8,745,000 were outstanding as at 31st December 2003 (2002: HK\$317,000).

During the year under review there was no significant deviation from the policies above.

Over 90 percent of the Group's cash is either denominated in Hong Kong Dollars or US Dollars. The exposure to exchange fluctuation is minimal.

As at 31st December 2003, the gearing ratio (total debts/total assets of the Group) was 0.16 (2002: 0.19).

### 流動資金及財政資源

本集團維持穩健之財政狀況，於二零零三年十二月三十一日之現金及銀行結餘為51,332,000港元（二零零二年：59,324,000港元）。本集團所需之營運資金基本上來自本身之財政資源。本集團相信，由本身業務產生之資金，再加上其現有儲備及可動用之銀行融資，足以應付本集團日後之現金需求。

於二零零三年十二月三十一日，本集團之銀行融資共約225,125,000港元（二零零二年：199,625,000港元），其中包括定期貸款及其他貿易融資。於二零零三年十二月三十一日，已動用之銀行融資約達74,566,000港元（二零零二年：72,472,000港元）。

本集團之借款主要以港元為單位，而獲批之銀行融資則按一般市場利率計息。

本集團之業務交易主要以港元、美元及澳元結算，並曾為以其他貨幣結算之交易安排遠期外匯合約以作對沖，於二零零三年十二月三十一日，尚有款額達8,745,000港元（二零零二年：317,000港元）之未結算遠期外匯合約。

於回顧年度，概無發生任何嚴重偏離以上政策之事件。

本集團90%以上之現金為港元或美元。匯率波動之風險較低。

於二零零三年十二月三十一日，資本負債比率（本集團之總貸款除以總資產）為0.16（二零零二年：0.19）。

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### CONTINGENT ASSETS AND POST BALANCE SHEET DATE EVENTS

In November 2002, a fire broke out in one of the Group's warehouses and stocks with a total book value of approximately HK\$18,384,000 were damaged. The Group has made an insurance claim of HK\$16 million for loss of stock of goods covered under insurance policy. As of the accounts approval date, the Group has not reached a settlement agreement with the insurance company and the claim has been undergoing an arbitration process. In January 2004, the Group received approximately HK\$5,667,000 from the insurance company. However, as the final settlement has yet to be agreed, no insurance compensation has been recognised in the accounts.

### CONTINGENT LIABILITIES

As at 31st December 2003, the Group had contingent liabilities in respect of indemnities in respect of shipping guarantees given by banks totalling approximately HK\$3,271,000 (2002: HK\$1,126,000).

### STAFF AND EMPLOYMENT

Including the Directors of the Group, as at 31st December 2003, the Group employed a total of 150 (2002: 148) full-time employees. Total staff remuneration was approximately HK\$43,149,000 (2002: HK\$43,518,000).

Remuneration is reviewed annually and certain staff members are entitled to commission. In addition to the basic salaries and contributions to the mandatory provident fund, the Group also provides staff benefits including discretionary bonus and medical scheme.

### 或然資產及結算日後事項

於二零零二年十一月，本集團其中一個貨倉發生火警，而賬面總值約18,384,000港元之存貨損毀。本集團就其保單可為損毀存貨作出賠償而申請16,000,000港元之保險賠償。於賬目核准日期，本集團尚未與保險公司達成共識，而有關申請之仲裁程序現正進行。於二零零四年一月，本集團收到保險公司付出約5,667,000港元。然而，由於尚未得出最後結果，賬目內並無確認任何保險賠償。

### 或然負債

於二零零三年十二月三十一日，本集團尚有涉及有關由銀行作出之船務擔保之賠償保證之或然負債共約3,271,000港元（二零零二年：1,126,000港元）。

### 員工及聘用情況

包括本集團董事在內，於二零零三年十二月三十一日，本公司共僱用150名（二零零二年：148名）全職僱員，員工酬金共約43,149,000港元（二零零二年：43,518,000港元）。

酬金每年檢討一次，部份員工亦享有佣金收入。除基本薪金及強積金供款外，本集團並提供酌情花紅及醫療計劃等員工福利。