

Chairman's Statement 主席報告



Mr. Chan Ho Sing, the Chairman of the Group
本集團主席陳浩成先生

INTRODUCTION

On behalf of the board of directors (the "Board"), I have pleasure in presenting the audited results of Man Yue International Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2004 ("FY2004").

GROUP RESULTS

I am pleased to say that the Group has made another successful breakthrough in FY2004. For three consecutive years, the Group managed to achieve new records in turnover. The Group's turnover rose by 39.0% to a new record high of HK\$870,910,000 (2003: HK\$626,453,000). Net profit attributable to shareholders also improved by 67.2% to a new record high of HK\$61,949,000 (2003: HK\$37,053,000). Basic earnings per share for FY2004 were HK16.78 cents (2003: HK9.92 cents).

緒言

本人謹代表董事會（「董事會」）欣然向股東提呈萬裕國際集團有限公司（「本公司」）及其附屬公司（合稱「本集團」）截至二零零四年十二月三十一日止年度（「二零零四年財政年度」）之經審核業績。

集團業績

本人謹欣然宣佈，本集團於二零零四年財政年度再創高峰，連續第三年錄得最高營業額。本集團之營業額增加39.0%至870,910,000港元（二零零三年：626,453,000港元），創有史以來之新高。股東應佔溢利淨額亦上升67.2%至破紀錄之61,949,000港元（二零零三年：37,053,000港元）。二零零四年財政年度之每股基本盈利為16.78港仙（二零零三年：9.92港仙）。

DIVIDEND

In appreciation to the continued support of the shareholders of the Company, the Board recommends the payment of a final dividend of HK2 cents per share (2003: nil).

BONUS ISSUE OF WARRANTS

On 23 September 2004, the Company proposed a conditional bonus warrant issue to the shareholders of the Company on the register of members on 26 October 2004. The bonus warrant issue was made in the proportion of one warrant for every six ordinary shares of the Company, resulting in



62,142,333 warrants being issued. Each warrant entitles its holder to subscribe for one ordinary share of HK\$0.10 each at a subscription price of HK\$0.48 per share, subject to amendment, from 4 November 2004 to 3 November 2006 (both days inclusive).

MARKET AND BUSINESS OVERVIEW

The global market for electrolytic capacitors experienced a mild growth of approximately 4% by volume in 2004. Some of the leading players in the global market of electrolytic capacitors were recording mild growth or no growth during 2004. On the contrary, the Group experienced a substantial growth in terms of turnover volume and revenue in FY2004. This has been attributable to the following factors. Firstly, the global trend for manufacturing outsourcing continued to intensify during 2004. Most established global brand owners continued to look for lower cost outsourcing partners in regions such as Mainland China. The Group is well equipped to work

股息

為答謝本公司股東之不斷支持，董事會建議派發末期股息，每股2港仙（二零零三年：無）。

發行紅利認股權證

二零零四年九月二十三日，本公司建議向二零零四年十月二十六日名列股東名冊之本公司股東有條件發行紅利認股權證。紅利認股權證乃按每六股本公司普通股股份獲發一份認股權證之比例發行，從而發行62,142,333份認股權證。每份認股權證授權持有人於二零零四年十一月四日至二零零六年十一月三日期間（包括首尾兩日）以認購價每股0.48

港元（可予修訂）認購一股面值0.10港元之普通股。

市場及業務概覽

全球電解電容器零件市場增長輕微，在二零零四年按銷量計上升約4%。部份在國際電解電容器市場上佔領先地位之生產商在二零零四年增長輕微，甚至沒有增長。反觀本集團，於二零零四年財政年度不論按營業額、銷量或收益皆呈大幅增長。此乃歸功於下列因素：首先，全球性外判製造之趨勢在二零零四年繼續加強，不少具規模國際性名牌公司繼續物色中國內地等地區之低成本外判夥伴。本集團早已準備就緒，與該等全球性夥伴合作生產電解電容器零件及相關產品。其

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with these global partners for the production of electrolytic capacitors components and related products. Secondly, thanks to our continuous efforts in research and development as well as our improving standards of quality and customer services, the "Samxon" brand had gained wide recognition by our customers in the region, particularly in Taiwan, Japan, Korea and Mainland China. These factors contributed significantly in helping the Group to grow its business by deepening its relationship with global customers and expanding its territories in Greater China and Asia Pacific Region.

FY2004 was not without challenges. From the operations perspective, we have seen a tightening in the supply of raw material components, particularly for aluminium foils, in the global market. The appreciation of Japanese yen against US dollar, to a certain extent, created burden to our gross margin as the majority of our raw materials, including aluminium foil, paper, and electrolytes, are mainly imported from Japan. Our Dongguan manufacturing facility continued to operate at its maximum capacity and the power supply shortage in Mainland China also, to a certain extent, limits our ability to take on more orders from our customers.

次，得力於我們一直致力研發及加強品質及客戶服務水平，「Samxon」品牌廣受區內客戶認同，尤以台灣、日本、韓國及中國內地等地為甚。上述因素使本集團得以加深與全球客戶之間關係，讓我們在大中華地區及亞太區發展，在協助本集團發展業務方面貢獻良多。

二零零四年財政年度亦非一帆風順。在營運層面上，我們發現原材料（特別是鋁箔）供應在全球市場均很緊張。由於大部份原材料（包括鋁箔、紙張及電解質）主要由日本進口，日圓兌美元匯率上升因而為毛利率在若干程度上構成一定負擔。位於東莞之生產設施之產能持續見頂及中國內地電力供應短缺，亦在若干程度上限制了我們向客戶承接更多訂單之能力。



(Above: The new manufacturing facility being constructed in Wuxi)

(上圖：位於無錫正在興建中之廠房)



(Left: The new manufacturing facility in Dongguan being constructed by an associate of the Group)

(左圖：本集團之聯營公司在東莞興建中之廠房)

FUTURE OUTLOOK

We believe that the outlook for FY2005 will continue to be optimistic. The remarkable success in FY2003 and FY2004 proved that our present business strategies are working satisfactorily. For FY2005, we will continue to focus on our key strategies, namely: (a) to focus on higher-value capacitor business in the strongest growing electronic product segments; (b) to ensure flexible, efficient and cost effective manufacturing operations; and (c) to deepen our relationship with existing customers and develop new customer relationships in existing and new markets segments.

To address the production capacity limitations, the Group has planned for strategic expansion in its manufacturing facilities in Wuxi and Dongguan. In 2004 the Group purchased a piece of industrial land with approximately 159,368 square meters of site area in Wuxi. This site will be developed into a sophisticated manufacturing facility for the Group. The construction of the first phase of this development will be completed by mid-2005. Upon that time, we will see a 1.5 times increase in our production capacity in Wuxi area, serving the needs of customers in Eastern and North-eastern China. In early 2005 the Group entered into a shareholders' agreement with third party joint venture partners to co-develop a piece of industrial land with approximately 82,886 square meters of site area in Dongguan. The construction of the initial development phase is expected to be completed by mid-2006. Upon such completion, the Group will move the existing Dongguan manufacturing facility to this new centralized location. This will enlarge our existing Dongguan manufacturing capacity by approximately 44.4%. When the above projects are completed, the production capacity of the Group will be increased from 570 million pieces per month to 890 million pieces per month. These expansion projects will be funded primarily by internal resources. New bank loans may also be obtained to fund part of the projects as and when needed.



未來前景

我們相信，二零零五年財政年度之前景仍將樂觀。二零零三年財政年度及二零零四年財政年度之美滿成績，足證我們現行之經營策略行之有效。在二零零五年財政年度，我們將繼續集中在主要策略上，包括：(a)集中發展增長強勁之電子產品分類中的較高價值電容器業務；(b)確保生產運作靈活、有效率及具成本效益；及(c)在現有及新增市場中鞏固現有客戶群，同時與新客戶建立良好關係。

針對產能上之限制，本集團計劃策略性擴大其於無錫及東莞之生產設施。本集團於二零零四年於無錫購入一幅佔地約159,368平方米之工業用地，將發展成本集團之尖端生產設施。該發展項目之第一期工程將於二零零五年中完工，屆時我們在無錫之產能可望有1.5倍增長，得以滿足華東及東北客戶所需。二零零五年初，本集團與第三方合營夥伴訂立股東協議，合作開發一幅位於東莞、地盤面積約82,886平方米之工業用地。首期發展工程預期於二零零六年中落成，屆時本集團會將現時之東莞生產設施遷入新址，將會使現有之東莞產能提升約44.4%。上述項目完成後，本集團之產能可望由每月5.7億件增至每月8.9億件。這些擴充項目將主要以內部資源撥資。新造銀行貸款亦將於有需要時取得作部分撥資。



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In addition, the Group will continue to explore the possibility of vertically integrating its operations up-stream. This may enable the Group to ensure stable supply of raw materials as well as further enhancement in the overall gross margin.

In 2004, the Group signed a cooperation agreement with the Qinghua University in the PRC to set up a research and development centre in Shenzhen. This will enable the Group to upgrade its R&D and broaden its product innovation capabilities.

APPRECIATION

I would like to take this opportunity to thank my fellow directors and all staff members for their continuous hard work, dedication and support to the Group.

Chan Ho Sing*Chairman*

Hong Kong, 19 April 2005

此外，本集團亦當繼續發掘向上游縱向整合其營運之可能，既可確保本集團原材料供應之穩定，亦可提升其整體毛利率。

二零零四年，本集團與中國清華大學簽訂合作協議，於深圳成立研發中心。此舉將有助本集團提升研發水平，加強產品創新能力。

致謝

本人謹藉此機會，感謝董事會全人及全體員工對本集團作出之努力、貢獻及支持。

陳浩成*主席*

香港，二零零五年四月十九日