

## 業務回顧

截至二零零五年三月三十一日止六個月，本集團之營業額約為1億3千1百萬港元(二零零四：1億1千5百萬港元)，較去年同期增加15%。未經審核溢利約為3千2百萬港元(二零零四年：2千8百90萬港元)，較去年同期增加11%。每股盈利為19.2港仙(二零零四年：20.0港仙)。每股中期股息為2.6港仙(二零零四年：4港仙)，派息比率約為15%(二零零四年：7%)

在客戶持續支持，本集團新產品廣受客戶及市場接受下，營業額得以雙位數增長。但由於在回顧期內，主要原材料(塑膠、銅、鐵)價格大幅上揚，加上中國境內勞動人手不足，水及電力供應不穩定，使生產成本上升，導致毛利率受壓。在稅務優惠措施下，在回顧期內利潤維持一定的增幅。本集團管理層預期以上各種不利因素將持續一段時期，並會對本集團下半年的業績表現有所影響。

## 業務表現

### 電源開關插頭配件產品業務

此業務繼續為本集團之主要業務，在本期間內，表現穩定，營業額有一定的增幅。本集團會繼續開發新產品來鞏固及改善此業務之營業額及收入。

### 高密度電線排線產品業務

此業務佔本集團綜合營業額約2%。但由於此業務之市場競爭激烈，生產成本較高，導致此業務在本期間內有所虧損。但本集團相信在生產流程成熟後，定當提供合理的利潤。

### 五金部件產品業務

此業務仍在開發階段，暫時對本集團的貢獻有限。

## BUSINESS REVIEW

For the six months ended 31 March 2005, the Group's turnover was approximately HK\$131 million (2004: HK\$115 million), an increase of 15% over the same period last year. Unaudited net profit amounted to approximately HK\$31.7 million (2004: HK\$28.9 million), an increase of 11% over the same period last year. Earnings per share is HK19.2 cents (2004: HK20.0 cents). Interim dividends per share is HK2.6 cents (2004: HK4 cents), dividend payout ratio is approximately 15% (2004: 7%).

Thanks to the continued support of our customers, new product development and continued market acceptance, the Group successfully achieved a double digit growth in turnover over the same period last year. However, pressure on gross profit was experienced as increase in overhead costs was effected due to many elements; such as significant rise in material costs (plastic resin, copper, steel), labour shortage in the PRC, as well as unstable water and electricity supply. Due to PRC tax concession, the Group's net profit resulted in an increase. The Group's management expects that the above elements will persevere for sometime and will undoubtedly affect the Group's fiscal results.

## Performance by Line of Business:

### Jack and Switches

This line of business continues to be the Group's core business. In the Period, its performance remained stable and some increase in turnover was experienced. The Group will continue to develop new products to improve this line of business' results.

### Flat Flexible Cable (FFC)

The Flat Flexible Cable (FFC) line of business represented approximately 2% of total consolidated turnover. Due to intense market competition and higher production cost, this line of business experienced a net loss during the Period. However, the Group believes that upon maturity, this line of business will provide a reasonable return.

### Metal Parts

This line of business is currently under development and currently has no significant effect on the Group's results.

### 新廠房興建之進度

#### 廣東省羅定市廠房

本集團位於羅定市廠房已接近竣工。目前處於最後裝修階段。預期於二零零五年八月下旬開始運作，可增加本集團之生產能力。並主力生產電源開關插頭配件產品。

#### 廣東省河源市廠房

廣東省河源市廠房已開始建設，建造面積約為十萬平方米。預期於二零零六年五月全面投入生產。河源市廠房生產線將大幅提高自動化生產系統。從而減低勞動人手的需求及加強物料控制，以期達到更高的競爭能力為目標。此廠房預計總投資額為七千萬至一億港元，投資資金以本集團內部資源及銀行融資為主。

### 投資物業及投資組合回顧

在本期間內，本集團之投資物業及債務證券投資組合繼續帶來穩定的收入。本集團於本期間內將一香港物業一陽明山莊出售並錄得盈利。

本集團將繼續維持審慎及樂觀之投資態度去進行合適之投資，以求取得合理之回報。

### 財務回顧

在本期間內，本集團之財務狀況進一步增強。因此，本集團財務根基更為鞏固及優良。於二零零五年三月三十一日，本集團擁有資產淨值416,000,000港元（二零零四年：338,000,000港元），大幅增加百分之二十三。

### New Factory Construction Progress

#### Luo Ding, Guangdong Site

The Group's Luo Ding factory is nearing completion; it is currently in its final decorating phase. Expected operation start is late August 2005, increasing the Group's production capacity. This site will be dedicated to the production of switches.

#### Heyuen, Guangdong Site

Construction for the 100,000 m sq Heyuen factory has already begun. Expected operation start of the factory is May 2006. To target a higher level of competitiveness, the Heyuen plant will boast a highly automated production system, thus greatly reducing labour use and improve quality control. A total investment of HK\$70-100 million is expected. Funding will be provided by the Group's internal resources as well as some bank financing.

### Investment Properties and Investment Portfolio

In the Period, the Group's investment properties and investment portfolio maintained a steady income. The Hong Kong Parkview property in the Group's property portfolio was sold at a profit during the Period.

The Group expects to fully utilize any good investment opportunities to maximize the return of the Company's shareholders.

### Financial Review

In the Period, the Group's financials were strengthened. As a result, the Group's financial foundation remained stable and optimum. As at 31 March 2005, the Group has net asset value of HK\$416 million, (2004: HK\$338 million) an increase of 23% over the previous year end.

本集團一般以內部現金經營業務。於截至二零零五年三月三十一日止六個月，本集團經營業務產生之現金流入淨額約為36,300,000港元（二零零四年：43,500,000港元）。於二零零五年三月三十一日，本集團擁有現金及現金等值項目約120,000,000港元（二零零四年九月三十日：38,400,000港元）及銀行貸款總額為50,000,000港元（二零零四年九月三十日：6,600,000港元）。財務資產負債比率（根據總借貸額佔股東權益比例計算）為12%，而二零零四年九月三十日之比率為2%。

於二零零五年三月三十一日，本集團持有短期投資約21,100,000港元（二零零四年九月三十日：9,600,000港元）及長期投資約189,700,000港元（二零零四年九月三十日：190,700,000港元）。短期投資包括若干於香港交易所買賣之藍籌股。長期投資包括信貸評級為「Baa2」及以上之債務證券。此等債務證券之平均回報率為6%，及其到期期間範圍為一至九年，而若干次要證券無到期日。

於二零零五年三月三十一日，本集團可動用之現金及現金等值項目連同短期投資合共約141,000,000港元（二零零四年九月三十日：47,900,000港元），相當於本公司股份流動資金總值每股0.75港元。本集團繼續積極尋找投資機會，並有效運用該等資金以增加本公司股東之投資回報。

本集團大部份貨幣資產主要以港元及美元計算，極少量結餘以馬來西亞元計算，並考慮到港元與美元掛勾，因此本集團所承受之匯率風險極低。因此，本集團毋須採用對沖策略。

The Group generally finances its operations with internally generated cash flows. For the six months ended 31 March 2005, the Group generated net cash inflows from operating activities of approximately HK\$36.3 million (2004: HK\$43.5 million). As at 31 March 2005, the Group had cash and cash equivalents of approximately HK\$120 million (30 September 2004: HK\$38.4 million) and bank loans totaling HK\$50 million (30 September 2004: HK\$6.6 million). The financial gearing ratio of the Group as at 31 March 2005, based on the total borrowings to the shareholders' equity was 12% as compared to 2% at 30 September 2004.

As at 31 March 2005, the Group had short-term investments of approximately HK\$21.1 million (30 September 2004: HK\$9.6 million) and long-term investments of approximately HK\$189.7 million (30 September 2004: HK\$190.7 million). Short-term investments included certain blue chip stocks traded on the HKEX. Long-term investments included debt securities that are "Baa2" and above in credit ratings. These debt securities provide an average of 6% return and range in maturity periods from 1 to 9 years, while some minor securities have no maturity date.

As at 31 March 2005, the Group's available balance of cash and cash equivalents together with short term investments amounted to approximately HK\$141 million (30 September 2004: HK\$47.9 million) representing total liquid funds of HK\$0.75 per share of the Company. The Group continues to actively seek investment opportunities and will utilize these liquid funds available to maximize the return of the Company's shareholders.

As most of the Group's monetary assets are mainly denominated in Hong Kong dollars and United States dollars with minimal balances in Malaysian dollars and taking into account the fact that the Hong Kong dollar is pegged against the United States dollar, the exchange rate risk of the Group was considered to be minimal. Thus, no hedging strategy was adopted by the Group.