

### CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations by internal resources and external facilities or borrowings.

As at 31st March 2005, the Group had net assets of approximately HK\$75.6 million, including cash and bank balances and borrowings and financing from authorised financial institutions (including obligations under finance leases) totalling HK\$1.9 million and HK\$54.9 million respectively. The Group's borrowings, excluding bank overdrafts of approximately HK\$12.7 million, of which HK\$35.1 million were payable within one year. The remaining were repayable in the second to fifth years inclusive.

As at 31st March 2005, the Group had aggregate credit facilities of approximately HK\$47.8 million, out of which approximately HK\$32.4 million had been utilized.

The Group's gearing ratio, as calculated by its total debts over its total assets, was approximately 58.7%.

Taking into consideration of the existing financial resources and facilities available to the Group under existing operating conditions, it is anticipated that the Group should have adequate financial resources to meet its ongoing operation.

### ACQUISITIONS AND DISPOSALS OF CAPITAL INVESTMENTS

Up to the date of this report, the Group has not entered into any material transactions or significant investment which are classified as notifiable transactions as defined under Chapter 14 and Chapter 14A of the Listing Rules.

### FOREIGN EXCHANGE EXPOSURE

Most of the Group's operating transactions, assets and liabilities are primarily denominated in either US dollar, Renminbi or Hong Kong dollar, the Directors believes that US dollar and Renminbi will remain relatively stable against Hong Kong dollar in the foreseeable future and therefore considered the Group's present exposure to exchange risk is relatively minimal. Currently, no financial arrangements have been implemented for hedging purpose. Nevertheless, the Directors will, from time to time, closely monitor and reassess the exchange risk exposures of the Group and will enter into non-speculative hedging arrangements as required.

### 資本結構、流動資金及財務資源

本集團一般以內部資源以及對外借貸融資作其營運資金。

截至二零零五年三月三十一日，本集團之資產淨值約75,600,000港元，其中包括現金及銀行結餘合共約1,900,000港元，以及由認可財務機構提供之借款及融資（包括融資租約項下承擔）合共約54,900,000港元。本集團之借款（不包括銀行透支約12,700,000港元）當中35,100,000港元須於一年內償還，餘額則須於第二至五年內償還。

截至二零零五年三月三十一日，本集團有綜合信貸融資額度總額約47,800,000港元，已動用當中約32,400,000港元。

本集團之資產負債比率（按負債總額除資產總值計算）約為58.7%。

若現時經營環境不變，計及本集團現有的財務資源以及融資額度後，預計本集團應具備足夠財務資源應付其持續經營業務所需。

### 收購及出售資本性投資

截至本報告日期，本集團並無訂立任何根據上市規則第十四章及第十四A章所界定須予披露之重要交易或重大投資事項。

### 外匯風險

本集團大部分業務交易、資產及負債主要以美元、人民幣或港元支付結算。董事會相信，於可見未來，美元及人民幣兌港元之匯率仍將維持相對穩定水平，故本集團目前之外匯風險相對甚微。故此，本集團目前並無採取任何對沖財務措施。然而，董事會將不時密切監督及評估本集團的外匯風險水平，在需要時將訂立非投機性對沖風險安排。



### SEGMENTAL INFORMATION

Segmental information of the Group was disclosed in note 3 to the financial statements.

### EMPLOYEES

As at 31st March 2005, the Group employed a total of approximately 440 staff for its operations in Hong Kong and the PRC. An additional work force of approximately 1,052 were provided by Sha Jing Subcontractors for the production facilities situated in Sha Jing pursuant to the Processing Agreement.

The Group adopts a competitive remuneration package for its employees. Promotion and salary adjustments are assessed based on a performance related basis. Share options may also be granted to staff with reference to the individual's performance.

### 分部資料

本集團之分部資料於財務報表附註3披露。

### 僱員

於二零零五年三月三十一日，本集團就香港及國內之業務合共聘用約440名員工。此外，根據加工協議，沙井加工廠商額外提供約1,052名員工於沙井生產設施工作。

本集團為僱員提供具競爭力的薪酬待遇，而晉升機會以及薪酬調整則按員工個人表現而定。員工更有機會按工作表現獲授購股權。