



During the year, the business environment remained tough for electronic industry, but the market started showing recovery signs with accelerating demands towards digital products. Given the Group's established foundations, turnover of the Group for 2005 rose by 5.7% over last year to HK\$648,559,000 (2004: HK\$613,607,000). Profit for the year was HK\$25,561,000, dropped by 29.8% as compared to profit of HK\$36,412,000 for 2004. Basic earnings per share were HK8.16 cents (2004: HK11.62 cents).

FINANCIAL REVIEW

Turnover

The turnover was originated from two business streams namely, composite components and unit electronic components.

In view of the launching of new models of composite components, a modest increase of 5.2% when compared to last year was founded in the Group's composite components business. Turnover of composite components increased to HK\$520,269,000 (2004: HK\$494,449,000). This amount represented 80.2% of the turnover (2004: 80.6%).

Turnover of unit electronics components also grew by 7.7% to HK\$128,290,000 (2004: HK\$119,158,000), representing 19.8% of the turnover (2004: 19.4%).

Gross Profit

During the year under review, the competition was still fierce. Electronic components suppliers in general faced substantial pressure on products price. Facing prolonged price-hike of raw materials, percentage of raw materials consumed to turnover increased from 67.8% in 2004 to 69.8% in 2005. Surging labour costs driven by labour-



年內，儘管電子行業的營商環境仍然困難，惟市場已開始出現復甦跡象，消費者對數碼產品的需求亦逐漸提升。憑藉穩固的業務基礎，本集團於二零零五年的營業額較去年上升5.7%至648,559,000港元（二零零四年：613,607,000港元）。年內溢利為25,561,000港元，較二零零四年的36,412,000港元下降29.8%。每股基本盈利為8.16港仙（二零零四年：11.62港仙）。

財務回顧

營業額

本集團營業額主要來自兩項核心業務—複合元件及單位電子元件。

新型號複合元件之推出為本集團複合元件業務的營業額帶來5.2%增長，達520,269,000港元（二零零四年：494,449,000港元），佔本集團總營業額80.2%（二零零四年：80.6%）。

單位電子元件的營業額亦上升7.7%至128,290,000港元（二零零四年：119,158,000港元），佔本集團總營業額19.8%（二零零四年：19.4%）。

毛利

於回顧年內，市場競爭仍然激烈。電子元件供應商普遍面對重大的產品價格壓力。在原材料價格持續高企的情況下，原材料消耗對營業額的百分比由二零零四年的67.8%增加至二零零五年的69.8%。中國內地勞工短缺導致工資上升亦增加本集團的生產成本。儘管存貨撥備下降

shortage in Mainland China also increased our production costs. In spite of the decrease in provision for inventory by HK\$8,427,000, the Group still recorded a decline in gross profit margin from 15.9% for 2004 to 13.9% for 2005.

Other Revenue

Other revenue, mainly representing bank interest income, increased to HK\$4,051,000 (2004: HK\$1,172,000), as a result of increase in interest rate.

Operating Expenses

Operating expenses increased by 13.2% from HK\$57,425,000 for 2004 to HK\$65,000,000 for 2005 due to the increase in research and development expenses. As the directors recognizes that research and development is key to sustaining growth and success of the Group, the Group further increased its research and development investment by 63.5% to HK\$28,922,000, representing 4.5% of turnover for 2005 (2004: 2.9%). The expenses were used to support and improve the quality of existing products and to develop new products.

Taxation

The Group recorded a provision for income tax of HK\$3,430,000 for the year, an effective tax rate of 11.8% as compared to a HK\$4,690,000 provision for income tax and 11.4% effective tax rate for the previous year. The rise in effective tax rate was mainly due to increase in PRC income tax in respect of the subsidiary.

Profit for the Year

As a result of the combined effects of the above, the profit of HK\$25,561,000 for the year was recorded, as compared to the profit of HK\$36,412,000 in the previous year.

Working Capital

The Group is committed towards better capital management. With implementation of new enterprise resource planning system, the Group has provided a solid foundation for better financial and operational control. During the year, the Group managed to improve its average inventory turnover days from 71 days in 2004 to 57 days in 2005 and average debtor turnover from 92 days in 2004 to 85 days in 2005.

Taking into account the improved cash and cash equivalents as well as no bank borrowings, the Group's liquidity position remains strong and the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

Liquidity and Financial Resources

The Group continued to maintain healthy financial position with cash and cash equivalents reached HK\$173,234,000 as at 31 December 2005 (2004: HK\$130,821,000). As at the year end, banking facilities amounting to approximately HK\$104,000,000 were available (2004: HK\$104,000,000). The Group continued to operate under a debt-free model with no bank borrowings as at the year end.

The Group had net current assets of HK\$264,613,000 as at 31 December 2005 (2004: HK\$248,345,000). Shareholders' funds further increased from HK\$327,936,000 as at 31 December 2004 to HK\$350,738,000 as at 31 December 2005.

Current ratio, being the ratio of current assets to current liabilities, was maintained at a strong level of 3.96 (2004: 4.66). Gearing ratio, in terms of total liabilities to total assets, stood at 0.21 (2004: 0.17). As the Group's strong liquidity and financial position continues to be strong, the board of directors 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 is exposed to foreign currency risk primarily through sales and purchases that are denominated in United States Dollars ("USD") and Japanese Yen ("JPY") and its foreign operation in Korea where the operating expenses are paid in Korean Won ("KRW").

As USD is pegged to Hong Kong dollars ("HKD"), the Group does not expect any significant movements in the USD/HKD exchange rate. For other currencies like JPY and KRW, the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

As the Group's production plants are based in the People's Republic of China (the "PRC"), most wages and salaries and factory overheads are mainly denominated in RMB. A 2% appreciation of RMB at the end of July 2005 has certain effect on the Group's production costs. As the fluctuation in RMB has been only preliminary and mild for the time being, the directors are of the view that it is not necessary for the Group to purchase any foreign exchange futures or options contract to hedge against exchange risks, but will closely monitor the fluctuations in exchange rates of the currencies.

Investing Activities

The Group did not have any material acquisition or disposal of subsidiary and associated company during the year ended 31 December 2005.

8,427,000港元，惟本集團的毛利率仍由二零零四年的15.9%下降至二零零五年的13.9%。

其他收益

由於利率上升，主要由銀行利息收入組成的其他收益增加至4,051,000港元（二零零四年：1,172,000港元）。

經營開支

由於研發開支增加，本集團的經營開支由二零零四年的57,425,000港元增加13.2%至二零零五年的65,000,000港元。董事深明研發是維持本集團增長及業務成功的關鍵，因此本集團進一步加大研發的投資至28,922,000港元，升幅為63.5%，佔二零零五年營業額的4.5%（二零零四年：2.9%）。此投資主要用作支援及提升現有產品的質素及開發新產品。

稅項

本集團年內的所得稅撥備為3,430,000港元，實際稅率為11.8%，而去年的所得稅撥備則為4,690,000港元，實際稅率為11.4%。實際稅率上升主要由於本集團附屬公司所繳交之中國利得稅增加所致。

年內溢利

在上述各項因素帶動下，本集團年內錄得25,561,000港元溢利，去年則為36,412,000港元。

營運資金

本集團致力實行更有效的資金管理，透過全面應用新企業資源規劃系統，建立起一個更穩固的財務及營運監控基礎。年內，本集團得以把平均存貨周轉天數由二零零四年的71天改善至二零零五年的57天及平均應收賬款周轉天數由二零零四年的92天改善至二零零五年的85天。

鑒於有所提升的現金及現金等價物及並無任何銀行借貸，本集團繼續保持穩健的流動資金狀況，並擁有充裕的財務資源以應付營運資金需求。

流動資金及財務資源

於二零零五年十二月三十一日，本集團維持穩健的財務狀況，現金及現金等價物達173,234,000港元（二零零四年：130,821,000港元）。於年結日，可動用銀行備用信貸額約為104,000,000港元（二零零四年：104,000,000港元）。本集團繼續以無債務模式經營，於年結日並無任何銀行借貸。

本集團於二零零五年十二月三十一日的流動資產淨值為264,613,000港元（二零零四年：248,345,000港元）。股東資金進一步由二零零四年十二月三十一日的327,936,000港元增加至二零零五年十二月三十一日的350,738,000港元。

流動比率（即流動資產與流動負債的比率）維持在3.96（二零零四年：4.66）的強勁水平，而負債比率（即負債總額與資產總額的比率）為0.21（二零零四年：0.17）。由於本集團的流動資金及財務狀況持續強勁，董事會認為本集團有足夠的財務資源以應付未來資本開支計劃的資本所需。

外匯風險、對沖及賬外金融工具

本集團的外匯風險主要來自銷售與採購，其貨幣為美元（「美元」）及日圓（「日圓」），而韓國營運支出為韓圓（「韓圓」）。

由於美元與港元（「港元」）掛鈎，本集團預期美元兌港元匯率不會出現重大波動，就日圓及韓圓等其他外幣而言，集團在有需要情況下按即期匯率購入或出售外幣以處理短期不均衡情況，藉以確保風險淨額維持於可接受之水平。

由於本集團的生產廠房均位於中華人民共和國（「中國」），大部分薪酬及工資以及廠房日常支出均以人民幣為單位，因此人民幣於二零零五年七月底升值2%對本集團的生產成本構成若干影響。然而，到目前為止人民幣的波動僅屬輕微，故董事認為本集團毋須認購任何外匯期貨或期權合約以對沖外匯風險，但本集團仍將密切監察匯率波動。

投資活動

截至二零零五年十二月三十一日止年度，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。

Charges on Assets

As at 31 December 2005, there were no assets pledged to bank to secure banking facilities of HK\$104,000,000 (2004: HK\$104,000,000).

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 December 2005 and 2004.

Dividend

The board of directors has recommended the payment of final dividend of HK1.9 cents per share in respect of the year ended 31 December 2005 (2004: HK1.4 cents) to shareholders whose names appear in the register of members on 18 May 2006. The final dividend is subject to the approval of shareholders at the Annual General Meeting to be held on 19 May 2006.

The Group's long-term dividend policy will be not less than 30% of its net profit for each financial year. However, the board of directors will review the dividend policy from time to time in order to provide an attractive return to our shareholders.

Closure of Register of Members

The Company's share register will be closed from 15 May 2006 to 18 May 2006, both dates inclusive. During which, no transfer of shares will be registered. Dividend cheques will be dispatched to shareholders on or about 26 May 2006. 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 share registrar, Standard Registrars Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong not later than 4:00 p.m. on 12 May 2006.

BUSINESS REVIEW

Composite Component Business

This year, the Group derived almost 80.2% of its turnover from composite components business. The segment's turnover amounted to HK\$520,269,000, an increase of 5.2% when compared with last year's HK\$494,449,000. The continuing rise in demand for composite components reflected that the Group has successfully jumped on the bandwagon of the outsourcing market trends in electronic components business.

The tuner modules for car audio and portable devices took the lead in the Group's growth during the year. The tuner modules for car audio continued to deliver encouraging growth of 32.6%, recording a turnover of HK\$73,410,000.

This amount reflected 14.1% of composite components business during the year. Tuner modules for portable devices reported a turnover of HK\$54,657,000, a steady increase of 7.8% in line with the wider and more prevalent use of portable devices, such as MP3 players in the market. Turning to the home audio market, sales of tuner modules for home audio totalled HK\$304,813,000, constituting the largest portion of 58.6% in the segment's total sales. Given the price pressure on existing products from customers, the growth of tuner modules for home audio was hindered, and the sales of home audio FM front-end tuners and AM/FM tuner modules dropped 9.2%. However, the tuner modules for home audio continued to lever the existing market position, contributing car audio and portable devices business.

Apart from continuing growth of existing products, with power and amplifier technologies integrated, the Group successfully launched a new product of wireless speaker systems for home theater in-a-box in April 2005. Accordingly, sales of wireless solutions increased by 195.1% to HK\$42,327,000 and its contribution is expected to increase in 2006.

Backed by active research and development for the compact size of the switching mode power supply ("SMPS"), the Group started shipment of a SMPS for LCD TV in September 2005. Although it brought in a small portion of the total turnover this year, it is expected to attain steady growth in 2006. During the year, SMPS for LCD TV and audio recorded a turnover of HK\$14,853,000, representing 2.9% of composite component business.

Turning to the digital tuner modules, the Group completed the long engineering process for the tuner modules for digital audio broadcasting ("DAB") and digital multimedia broadcasting ("DMB") during the year. With the advent of new demand for the digital products, the Group made material progress to launch the long incubated products of the digital tuner modules for DAB and DMB in 2006.

Unit Electronic Component Business

The Group's unit electronic component business recorded a turnover HK\$128,290,000 in 2005, representing a rise of 7.7% compared to HK\$119,158,000 in 2004 and its contribution to total turnover increase from 19.4% in 2004 to 19.8% in 2005. The growth was mainly due to increase in sales of antennae and ceramic components.

With regard to the low temperature co-fired ceramic ("LTCC") technology, the Group successfully launched new products called the multilayer LC filters during the year. Currently, the production capacity is limited to expand the sales and marketing for this product, however, with multilayer circuit boards to be utilized by LTCC technology for FM transmitters and digital tuner modules cautiously examined, the Group will consider further expansion of manufacturing facilities applying LTCC technology.

資產抵押

於二零零五年十二月三十一日，本集團並無抵押任何資產予銀行，以取得104,000,000港元之銀行備用信貸額（二零零四年：104,000,000港元）。

或然負債

本集團於二零零四年及二零零五年十二月三十一日並無任何重大或然負債。

股息

董事會建議派付截至二零零五年十二月三十一日止年度末期股息每股1.9港仙（二零零四年：1.4港仙）予於二零零六年五月十八日記錄在股東名冊上的股東。末期股息須待股東在即將於二零零六年五月十九日舉行的股東週年大會上批准後方告作實。

本集團的長期股息政策將為不少於每個財政年度溢利淨額30%。然而，董事會將不時檢討股息政策，以為股東提供更吸引的回報。

暫停辦理股份過戶登記手續

股份過戶登記處將於二零零六年五月十五日至二零零六年五月十八日（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，股息支票將會於二零零六年五月二十六日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，最遲須於二零零六年五月十二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，地址為香港皇后大道東1號太古廣場3座25樓。

業務回顧

複合元件業務

年內，本集團近80.2%的營業額是來自複合元件業務。此業務之營業額為520,269,000港元，較去年的494,449,000港元上升5.2%。複合元件之需求持續上升，反映集團已成功掌握電子零件的外判趨勢。

年內，汽車音響及可攜式裝置調諧器模組為本集團之增長動力。汽車音響調諧器模組業務繼續錄得32.6%的可觀增長，營業額達73,410,000港元，佔年內複合元件業務營業額的14.1%。隨著市場廣泛流行使用可攜式裝置如MP3播放機，可攜式裝置調諧器模組錄得7.8%的穩定增

長，營業額達54,657,000港元。至於家用音響元件市場方面，銷售總額為304,813,000港元，佔複合元件業務總銷售額58.6%，為該業務的最主要收入來源。客戶對現有產品的價格壓力影響家用音響調諧器模組的增長，使家用音響之FM前端調諧器及AM/FM調諧器模組的銷售額下降9.2%。集團於生產家用音響調諧器模組方面經驗豐富，有助加強汽車音響及可攜式裝置調諧器模組之業務。

除發展現有產品外，本集團亦透過綜合能源及擴音技術，於二零零五年四月推出應用於家庭影院的全新無線擴音器系統。因此，源自無線方案的營業額增長195.1%至42,327,000港元，預期無線方案將於二零零六年為本集團帶來更可觀的營業額貢獻。

本集團於研究及發展小型電源開關器方面的努力已取得成果，並於二零零五年九月開始大量付運用於液晶電視的電源開關器。儘管此產品僅佔本年度總營業額的一小部份，惟本集團預期此項業務將於二零零六年穩步增長。年內，用於液晶電視及音響設備的電源開關器之營業額為14,853,000港元，佔複合元件業務營業額的2.9%。

數碼調諧器模組業務方面，本集團已於年內完成全面的數碼音響廣播（「DAB」）及數碼多媒體廣播（「DMB」）模組工程。本集團預期市場對有關產品的需求將非常殷切，並已準備就緒，於二零零六年推出DAB及DMB數碼調諧器模組產品。

單位元件業務

於二零零五年，本集團的單位電子元件業務的營業額為128,290,000港元，較二零零四年的119,158,000港元增加7.7%。此業務對本集團總營業額的貢獻則由二零零四年的19.4%上升至二零零五年的19.8%。該增長主要由於增加天線及陶瓷元件之銷售所引致。

在低溫共燒陶瓷技術方面，集團於年內推出名為多層LC過濾器的新產品。儘管本集團目前的生產力有限，不足以支持此產品之銷售增長，惟隨著愈來愈多FM接收器及數碼調諧模組的多層電路板利用低溫共燒陶瓷技術，本集團將密切留意市況，並考慮擴充應用低溫共燒陶瓷技術的相關生產設施。

Prospects

The Group expects that the market will move towards digitalization more actively in 2006 onwards. Accordingly, the main thrusts of our strategies are to continue to introduce new products and strive for better market penetration and seizing profitable opportunities. With distinctive capabilities and technical know-how, the Group will step up development of digital module components for DAB and DMB for commercialization, which are generally applied in all kinds of audio and video products including home audios, car audios, and portable and mobile devices such as personal multimedia players ("PMPs"), personal data assistants ("PDAs") and mobile handsets.

The sales of composite components for car audio, portable devices and wireless solutions are expected to experience steady growth due to the Group's continual efforts to expand its self accessible market, which is also believed to apply leverage to contribute to the future sales of digital products. Relatively keen market competitions are expected for home audio component business. However, with good customer relationship maintained and business foundation for technical know-how being solid, the Group as a leading supplier expects to defend its market successfully.

The Group believes that its commitment to reinforce research and development and marketing for outstanding new products with diverse application such as SMPS for LCD TVs and wireless solutions including but not limited to wireless speaker systems will continue to translate into increasing turnover for the Group in 2006. Eventually, our consistent efforts to expedite new applications will present upside market potential for the Group when the new applications will converge on the products having various features.

The terrestrial digital multimedia broadcasting was initiated in Korea in December 2005 and the other countries, especially in Europe are expected to move faster forward towards digital audio broadcasting in 2006. To fully capture the lucrative opportunities arising from the development, the Group is actively discussing with its Korean and local partners regarding marketing its tuner modules for DMB and DAB in the country. At the Group's relentless marketing effort, initial orders of tuner modules for DAB and DMB were gained and the first shipments are scheduled in April 2006.

Building on the stable and solid relationship with the existing customers, the Group is planning to enter another new market for the global positioning systems ("GPS") as more portable and wireless products are expect to adopt GPS functions as new features and the GPS is more actively in transit from military use to consumer specific. The Group is planning to launch GPS engines in the 2nd half of 2006 in Korea and expects to expand its market to the European countries as the first test satellite for the European navigation Galileo was launched in December 2005, which facilitate more active developments and demand for the GPS in Europe. The target products of the Group for the GPS engines are PMPs, DMB products, mobile handsets as well as car navigation systems.

Looking ahead, the overall outlook for the Group is open for improvement opportunities. The way ahead, the Group expects to benefit from the revival of the regional economy and improved consumer sentiments with the introduction of active new products. Meanwhile, the management will continue to aggressively control its operation and asset management to improve the Group's cost structure with special focus on products that pose large potentials, thus delivering add-on value to our shareholders.

Employees and Remuneration Policies

As at 31 December 2005, the Group had about 2,092 employees of whom 41 were based in Hong Kong (2004: 37), 1,968 were based in the Group's factories in Shenzhen, PRC (2004: 1,840), and 83 were in the Group's research and development centre in Korea (2004: 32).

For the year ended 31 December 2005, staff costs increased to HK\$74,064,000 (2004: HK\$54,774,000), as more staff were hired and the Chinese Government raised minimum salary level in 2005. Our employees are remunerated according to their performance, working experiences and market conditions. In addition to basic salaries and retirement schemes, staff benefits include a medical scheme, discretionary share options and performance bonuses.

Corporate Social Responsibility

The community is a stakeholder of the Company. Kwang Sung considers itself a part of the community and recognises its responsibility as a good corporate citizen to improve the well-being of society. During the year, the Group made charitable and other donation of HK\$1,345,000.

The Group is also attentive to the health and work safety of its staff and also makes sure they are treated fairly. The Group conforms to the European Union's green requirements regarding manufacturing activities for all products to be subjected to Restriction of Hazardous Substances, and all managers and employees to be trained in health and work safety. The Group maintains appropriate safety systems and effective control to minimise staff exposure to potentially hazardous materials or adverse conditions at work. The Group also ensures that each employee enjoys equal opportunities, and no form of harassment or discrimination in respect of employment and occupation will be tolerated.

Appreciation

Finally, I thank Kwang Sung's shareholders for their support over the years. My whole-hearted thanks also go to our directors, the management team and all staff for their diligence and outstanding performance in the past year laden with challenges.

Yang Jai Sung

Chief Executive Officer

Hong Kong, 11 April 2006

前景

本集團預期市場將於二零零六年及往後時間加快數碼化步伐。因此，本集團的策略將著重不斷推出新產品、加快市場滲透率及把握各項具盈利潛力的商機。憑藉超卓的實力及豐富的技術知識，本集團將加快推出 DAB 及 DMB 數碼模組元件以供商業化用途，該等模組一般應用於各項影音產品，包括家庭音響及汽車音響，以及可攜式裝置及流動裝置，如個人多媒體播放機（「PMPs」）、個人數據助理（「PDAs」）及流動電話等。

隨著本集團繼續致力擴展市場佔有率，預期汽車音響、可攜式裝置及無線方案複合元件的銷售額將於未來穩步增長。此舉亦有助推動數碼產品於未來的銷售增長。儘管預期家用音響元件業務市場的競爭將仍然激烈，憑藉與客戶所建立的良好關係及豐富的技術知識，本集團有信心將可維持其市場領導地位。

本集團相信，其於加強研發工作及為新產品推廣不同應用範疇（如應用於液晶體電視的電源開關器及包括但不限於無線擴音系統的無線方案）所作的努力，將於二零零六年繼續推動本集團營業額之增長。本集團不斷努力發掘可增加產品功能的新應用，最終將為本集團帶來龐大市場商機。

韓國已於二零零五年十二月開始進行區域數碼多媒體廣播，而其他國家，尤其是歐洲國家預期將於二零零六年加快步伐推出數碼音響廣播。為全面把握此項發展的有利商機，本集團正積極與其韓國及本地業務夥伴就於當地推廣 DMB 及 DAB 調諧器模組進行商討。憑藉於市場推廣所作的努力，本集團已取得首批 DMB 及 DAB 調諧器模組的訂單，並已訂於二零零六年四月付運。

由於預期全球定位系統模組（「GPS 模組」）將由主要作軍用用途轉為消費用途，並被廣泛應用於日常可攜式及無線產品，本集團將建基於與現有客戶的穩固關係，計劃進軍此新興 GPS 市場。集團現計劃於二零零六年第二季在韓國推出 GPS 模組，並期望擴大銷售至於二零零五年十二月見證首個歐洲導航衛星—Galileo 誕生的歐洲國家。該衛星將有助促進 GPS 於歐洲的發展並刺激需求增長。本集團的 GPS 模組主要應用於 PMPs、DMB 產品、流動電話及汽車導航系統。

展望未來，本集團整體之業務前景有著不少拓展空間。預期區內經濟復甦及消費者對新產品的消費意欲提升將有利於本集團的發展。此外，為改善成本架構，管理層將繼續積極控制及管理業務及資產，並專注發展潛力優厚的產品，從而為股東帶來更高回報。

僱員及酬金政策

於二零零五年十二月三十一日，本集團約有 2,092 名僱員，其中 41 駐守香港（二零零四年：37 名），1,968 駐守本集團位於中國深圳之廠房工作（二零零四年：1,840 名），而 83 名則駐守本集團位於韓國之研究及發展中心（二零零四年：32 名）。

截至二零零五年十二月三十一日止年度，由於本集團於年內增聘更多員工，加上中國政府於二零零五年調高最低薪酬水平，員工成本上升至 74,064,000 港元（二零零四年：54,774,000 港元）。本集團僱員之酬金是根據彼等的表現、工作經驗及市況釐定。除基本薪金及退休計劃，員工福利亦包括醫療計劃、酌情購股權及表現花紅。

企業社會責任

本公司與社會有着密切的關係，光星電子作為社會其中一分子明白承擔其作為良好企業公民的責任，並致力改善社會各階層的福利。年內，本集團作出慈善及其他捐款 1,345,000 港元。

本集團一向關注僱員的健康及安全，同時確保他們獲得平等待遇。集團的生產程序嚴格遵守歐盟環保指引，所有產品均符合有害物質限制條例的規定。本集團亦向經理及僱員提供有關健康及工作安全的培訓。此外，本集團亦設有適當的安全系統及有效控制措施，以減低僱員接觸有害物質或處於惡劣工作環境。本集團確保各僱員均享有平等機會，且不容許有關就業及職業的任何騷擾或歧視行為。

致謝

最後，本人謹此感謝各股東多年來的支持。我亦對各董事、管理團隊及全體員工於去年充滿挑戰的一年所作出的努力及卓越表現致謝。

行政總裁

梁在星

香港，二零零六年四月十一日