

Management Discussion and Analysis

管理層討論及分析

RESULTS OF OPERATION

This is the Group's first full year results after its change of financial year end date in 2005. Turnover grew by 29.6% to HK\$689 million. Profit attributable to shareholders increased by 16.7% to HK\$102 million. Earnings per share increased by 16.0% to HK12.3 cents. For the nine months ended 31 December 2005, turnover, profit attributable to shareholders and earnings per share were HK\$532 million, HK\$87 million and HK10.6 cents respectively. When compared with the full year results of 2005, turnover and profit attributable to shareholders grew by 2.1% and 0.9% respectively.

The United States market continued to be the largest market for the Group's products. Sales to the United States, Europe and other market constituted 63.9%, 32.5% and 3.6% of the Group's turnover whereas 69.5%, 24.6% and 5.9% were shared respectively for the nine months ended 31 December 2005.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total equity of the Group as at 31 December 2006 was HK\$549 million (2005: HK\$475 million).

The Group maintains a very strong financial position with a very low level of debts and a high liquidity. The Group ended the year with a current ratio of 4.3 (2005: 4.7) and zero (2005: zero) net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity).

The Group had a net cash surplus of HK\$205 million (2005: HK\$235 million) and most of the cash balance was deposited in the leading banks in Hong Kong.

Net cash inflow provided by operating activities totaled HK\$66 million (2005: HK\$104 million). The Group generally finances its operation with internally generated cash flows. The Group possesses sufficient cash and available banking facilities to meet its commitments, working capital requirements and future investments.

經營業績

此份為本集團自2005年更改年結日後首個全年業績。營業額上升29.6%至6.89億港元，股東應佔溢利上升16.7%至1.02億港元，每股盈利上升16.0%至12.3港仙。截至2005年12月31日止9個月之營業額、股東應佔溢利及每股盈利分別為5.32億港元、0.87億港元及10.6港仙。若以2005年全年業績比較，營業額及股東應佔溢利則分別上升2.1%及0.9%。

美國仍然為本集團產品之最大市場。產品銷售往美國佔本集團營業額63.9%，歐洲佔32.5%，其他市場共佔3.6%；截至2005年12月31日止9個月，產品銷往美國、歐洲及其他市場則分別佔69.5%、24.6%及5.9%。

流動資金、財務資源及資本結構

於2006年12月31日，本集團之權益總額為5.49億港元（2005：4.75億港元）。

本集團保持著一個低負債水平、高流動資金及非常穩健之財務狀況。本集團於年終的流動資產比率為4.3（2005：4.7），而淨資本負債比率（借貸總額減現金及現金等同項目除以股東權益）則為零（2005：零）。

本集團之淨現金盈餘為2.05億港元（2005：2.35億港元），而大部份現金結餘存於本港之主要銀行。

經營業務之現金流入淨額共0.66億港元（2005：1.04億港元）。本集團一般以內部產生之現金流量作為業務之營運資金。本集團具備充裕之現金及可供動用之銀行授信額以應付集團之承擔、營運資金需要及日後投資。

Management Discussion and Analysis

管理層討論及分析

HUMAN RESOURCES

At 31 December 2006, the Group had a workforce of more than 6,000 people. The Group maintains a good relationship with its employees, and provides them with proper training and competitive compensation and incentives. The staffs are remunerated based on their work performance, professional experience and prevailing market situation. Remuneration packages comprise salary and bonuses based on individual merits.

The Company has a share option scheme under which the executive directors and employees of the Company and its subsidiaries may be granted options to subscribe for ordinary shares in the Company. Up to 31 December 2006, no option was granted under the scheme.

人力資源

於2006年12月31日，本集團員工超過6,000名。本集團與員工關係一向良好，並為員工提供足夠培訓、優厚福利及獎勵計劃。員工酬金乃按彼等之工作表現、專業經驗及當時之市場狀況而釐定，除基本薪金外並按員工表現發放花紅。

本公司有一項購股權計劃。據此，本公司及其附屬公司之執行董事及僱員均可獲授認購本公司普通股份之購股權。截至2006年12月31日止，此計劃並無授出購股權。