

Chairman's Statement 主席報告



TO OUR SHAREHOLDERS

I am pleased to present the annual results of Fujikon Industrial Holdings Limited ("the Company") and its subsidiaries ("Fujikon" or "the Group") for the year ended 31 March 2005.

On the 5th anniversary of our listing, we have registered impressive growth in almost all of our major business segments. The Group's turnover increased by 54.8% from HK\$602 million to HK\$932 million; net profit jumped by 223% from HK\$22 million to HK\$70 million and the net margin rose from 3.6% to 7.6%. Both turnover and net profit were record high since our listing in the year 2000.

致各位股東

本人謹代表董事局欣然提呈富士高實業控股有限公司(「公司」)及其附屬公司(「富士高」/「集團」)截至二零零五年三月三十一日止財政年度之全年業績報告。

踏入上市五週年，集團大部份業務均錄得理想增長。集團的營業額由602,000,000港元上升至932,000,000港元，升幅達54.8%。純利由22,000,000港元躍升至70,000,000港元，升幅高達223%。純利率則由3.6%上升至7.6%。營業額及純利均創下集團自二零零零年上市以來的新高。

Our greatest achievements in the year were the significant increase in turnover and the continuous improvement in operational efficiency. Net cash inflow from operating activities increased by 8-fold to HK\$86 million which demonstrated our success in the advancement of working capital management. Moreover, measures have been taken to strengthen the management and control of our supply chain. As a result, inventory turnover was reduced from 60 days to 48 days. Despite the rise in raw material costs triggered by the hike in global oil price, our gross margin, which bottomed out at 21.1% in the first half of the year, improved to 21.8% by the end of the financial year. All these helped to further cement the foundation for growth of our business in the future.

In terms of sales, there were a couple of accomplishments that deserved our special applause. The first was the close relationship we have with a leading European handset manufacturer has entered the stage of steady growth. The year 2003/04 was a period of investment, and the year 2004/05 was dedicated to partnership building. Our efforts were handsomely rewarded with substantial orders, as reflected in the significant growth in the Communications category. As the global demand for communication headsets continues to surge, we see plenty of room for substantial growth.

The second was the commencement of volume shipment of high quality micro speakers to one of our major Japanese customers. While the sales were registered in the Electro-Acoustic Parts category, the micro speakers were mainly used in mobile phones. As the mobile communications industry has a very promising outlook, we have good reasons to expect the demand for these acoustic transducers to sustain.

理想的營業額增長加上持續提升的營運效率是我們於年內的主要成就。過去一年，經營活動為集團所帶來的現金淨流入額增加達8倍至86,000,000港元，這反映我們於改進營運資金管理方面已取得成果。此外，我們致力加強管理及控制供應鏈的策略已見成效，庫存週轉由去年的60天減至48天。儘管全球油價高企導致物料成本價格上升，集團的毛利率亦由本財政年度上半年的21.1%上升至財政年度完結時的21.8%。以上佳績均為集團未來的業務發展奠下穩固根基。

在銷售方面，集團於年內取得兩項顯著成就。首先，富士高與歐洲具領導地位的國際流動電話製造商建立了緊密業務關係，為集團帶來穩健的業務增長。二零零三/零四年度是富士高的投資期，二零零四/零五年度集團則專注建立業務聯盟，此等策略為我們的通訊產品帶來可觀的訂單量。由於環球市場對通訊耳機的需求持續增長，集團相信此項業務仍然具有龐大的發展空間。

集團另一項於銷售方面的重大成就，是開始為其中一名主要日本客戶大量付運高質素微型揚聲器。雖然有關銷售被歸類於電聲零件業務中，然而，微型揚聲器則主要應用於流動電話方面。鑒於流動通訊行業前景非常樂觀，集團預期市場對此高質素微型揚聲器的需求將持續。

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Mobile communications for sure will remain as our major growth driver. With global mobile phone sales projected at 700 million pieces for the calendar year 2005, whether to be bundled with these new models or to go with existing phones in use, the demand for communication headsets will be stronger than ever. Booming opportunities also exist in other areas like the rapidly evolving video game industry and the budding VoIP phone arena. Fujikon is ready to capture these new demands and to ride on the next surf in the electro-acoustic business.

During the year, we have added a number of top tier customers to our portfolio, all leaders in their respective industries. Based on the positive forecast provided by our existing and new customers, the major challenge for us ahead is to quickly ramp up our production volume. The seasonal slack market in the first quarter of fiscal year 2005/06 offered us the chance to prepare ourselves. On top of systematically gearing-up of our existing production facilities, we also plan to expand our shop floor space. A newly rented 60,000 square feet factory building is currently being renovated. It is scheduled to swing into full operation by July - in time to pick up the anticipated influx of customer orders starting from the second quarter of fiscal year 2005/06.

DIVIDENDS

In the last four years since we went public, we have been sticking to an annual dividend of HK7 cents per share. Taking into consideration our positive outlook and sustainable business growth, the Board of Directors is pleased to recommend increasing annual payout to HK8 cents per share from the historical HK7 cents. Moreover, given our strong cash position well suffice working capital and capital expenditure requirements, a special dividend of HK2 cents per share has been proposed for the year to reward shareholders for their relentless support. That means an annual total dividend payment for the year amounts to HK10 cents per share.

流動通訊產品將繼續成為集團的主要增長動力。據市場估計，二零零五年的全球流動電話銷量將達700,000,000部，預期會積極帶動通訊耳機的增長，不論是配置於新增流動電話或是應用於現有流動電話上，市場對通訊耳機的需求將越來越殷切。此外，其他範疇如不斷迅速演變的視像遊戲業及嶄露頭角的VoIP電話市場亦湧現龐大的商機。富士高亦已準備就緒，抓緊潮流為電聲業務所帶來的各種機遇。

年內，我們成功取得多個著名的一級客戶，均為有關行業的翹楚。由於現有及新增客戶對未來訂單的展望均相當正面，對集團而言，當務之急是盡快提升產量，而二零零五/零六年首季雖屬淡季，卻正好為集團提供自我裝備的良機。除有系統地優化現有生產設施外，我們亦計劃擴充廠房工作間。目前，集團正為一座面積達60,000平方呎的新租廠房進行裝修工程，預計新租廠房將於本年七月全面投入運作，務求趕及應付二零零五/零六財政年度第二季開始不斷湧入的訂單。

股息

集團自四年前上市以來，全年派息一直維持在每股7港仙的水平。由於集團對前景感到樂觀，業務亦錄得持續增長，董事會欣然宣佈，將年度派息總額由以往每股7港仙增加至每股8港仙。此外，鑒於集團充裕的流動現金足以應付營運資金及資本開支的需要，董事會亦建議派發特別股息每股2港仙，以答謝股東對富士高一直以來的支持。換言之，集團全年派息總額達至每股10港仙。

APPRECIATION

I wish to thank the Board of Directors and our employees for their support and hard work, our customers for their loyalty, our shareholders for their confidence in us. On the firm foundation we have built, we will strive to realize better returns yet in the coming year.

On behalf of the Board of Directors,

Yeung Chi Hung, Johnny

Chairman

Hong Kong, 23 June 2005

致謝

本人欲向董事會及員工致以衷心謝意，感謝他們於過去一年為集團付出的努力，同時亦感謝每位客戶及股東對集團的鼎力支持及信心。憑藉富士高穩固的根基，我們定必全力以赴，為股東帶來更佳回報。

承董事會命

楊志雄

主席

香港，二零零五年六月二十三日