



集團總裁－劉得還先生
Group President – Mr. LAU Tak Wan

本人謹代表台和商事控股有限公司向各股東提呈截至二零零一年三月三十一日止年度之週年報告。

本人藉此機會感謝各員工對集團之貢獻及努力，共渡艱難的營商環境及確保集團於過往一年有滿意的表現。

業績及股息

截至二零零一年三月三十一日止年度，本集團除稅及少數股東權益後之綜合淨盈利為二千五百五十萬港元，每股基本盈利為16.2港仙。

在本年度，本集團之營業額達八億八千一百萬港元，比上年財政年度增長約百分之四十二。

董事局建議向於二零零一年八月二十日名列本公司股東名冊之股東派發末期股息每普通股5港仙。如股東週年大會上獲股東通過，末期股息將於二零零一年九月三日派發。本年度，中期股息每普通股派5港仙，合共八百萬港元。

On behalf of Daiwa Associate Holdings Limited, I am pleased to present to shareholders the Group's annual report for the year ended 31 March 2001.

I would like to take this opportunity to express our gratitude to the Group's staff for their contributions enabling the Group to work through a tough business environment and securing a satisfactory performance for the preceding year.

RESULTS AND DIVIDENDS

The Group has recorded a consolidated net profit after taxation and minority interests for the year ended 31 March 2001 of HK\$25.5 million. Basic earnings per share is HK16.2 cents.

During the year, the turnover of the Group reached HK\$881 million, representing an increase of approximately 42 per cent from that of the last financial year.

The Board of Directors recommended a final dividend of HK5 cents per ordinary share payable to shareholders whose names appear on the Register of Members of the Company on 20 August 2001. Subject to the shareholders' approval at the forthcoming annual general meeting, the dividend will be paid on 3 September 2001. During this year, an interim dividend of HK5 cents per ordinary share amounting to HK\$8 million was distributed.

流動資金及財務資源

在本財政年度中，本集團繼續採取審慎之財務政策。於二零零一年三月三十一日，本集團之流動資產淨值達一億二千七百萬港元。股東資本為二億五千六百萬港元而總借貸額為七千八百萬港元。儘管銷售及購貨活動上升令借貸相應地增加，本集團仍維持着穩健之財政狀況。年底現金及銀行結餘由上年底之七千四百萬港元增至本年底之九千五百萬港元，增長約百分之二十八。扣除銀行借貸後，現金及銀行結存亦維持着正數水平。

於二零零一年三月三十一日，本集團所獲總銀行信貸額接近一億八千八百萬港元，包括一千六百萬港元之銀行擔保；而仍可使用之信貸額為九千四百萬港元。在同日融資租約承擔減至七十七萬港元。

於二零零一年三月三十一日，按借貸總額扣除少數股東權益及遞延稅項後除以股東資金計算，資本負債比率為0.31。

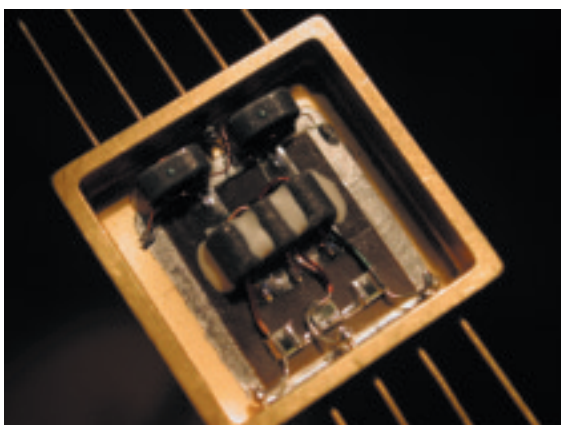
本集團之資產大部份由股東資金、應付營業賬項及銀行借貸組成。應付營業賬項及銀行借貸需於一年內償還。借貸及現金主要以港元、美元或人民幣為單位。由於這些貨幣匯率較穩定，本集團在外幣負債、資產或投資方面沒有使用任何貨幣對沖工具。取而代之，本集團持續監控與以上貨幣組合有關之負債、現金及現金等額，用以減低匯兌風險。除一筆約一千九百萬港元之貸款為固定息率外，其餘之貸款均為浮動息率。

LIQUIDITY AND FINANCIAL RESOURCES

During the fiscal year, the Group continued to exercise a prudent financial policy. As at 31 March 2001, the Group's net current assets amounted to HK\$127 million, the shareholders' funds was HK\$256 million while the total borrowings was HK\$78 million. Despite borrowings increased relatively to fund the increase in sales and purchases activities, the Group maintains a healthy financial position. The year-end cash and bank balances rose from HK\$74 million in the last fiscal year to HK\$95 million, representing a 28 per cent increase in the reported year. The cash and bank balances, net of bank borrowings, also retained at a positive level.

As at 31 March 2001, the total banking facilities of the Group were approximately HK\$188 million, including HK\$16 million in bank guarantees, of which HK\$94 million was available for use. Finance leases obligations outstanding on the same date reduced to HK\$0.77 million.

As at 31 March 2001, the gearing ratio, which is defined as total borrowings, excluding minority interests and deferred taxation to shareholders' fund, was 0.31.



Micro-Circuit component manufactured by the Group
集團生產之微電子元件

The Group's assets are mostly financed by the shareholders' funds, trade payable and bank borrowings. Trade payable and bank borrowings are repayable within one year. The borrowings and cash equivalents are mainly denominated in either Hong Kong dollars, US dollars or Renminbi. As the exchange fluctuation of these currencies is relatively stable, the Group did not use any financial instruments for hedging purpose for the foreign currency liabilities, assets or investments. Instead, the Group keeps on monitoring the mix of the borrowings and cash and cash equivalents relating to these currencies to minimize the effect of the exchange risk. The Group's borrowings are bearing interest at a floating rate except for a loan of approximately HK\$19 million.

於二零零一年三月三十一日，除了設於國內約值人民幣四千九百萬之廠房及賬面淨值約值二百萬港元之機器用作抵押以獲取銀行信貸額外，本集團並無其他抵押作銀行信貸。

在本年度內，本集團以一千萬港元作價出售在一間電腦板製造聯營公司之策略性投資，出售此項投資令本公司虧損九百一十萬港元。

業務回顧

整體製造業務

製造業務於本報告年度是卓越之一年。製造業務總營業額比去年上升百分之四十四，由去年財政年度之二億四千一百七十萬港元上升至三億四千八百九十萬港元，而此方面之盈利貢獻則上升百分之五十，由一千八百三十萬港元上升至二千七百四十萬港元。



Clean bench operation in diffusion process
擴散工序之淨化桌運作

本報告年度之市場是富挑戰性；訂單方面十分緊迫、零碎及頻密。另一方面，物料供應亦十分緊張，而付款條件則已收緊。

電子元器件製造業務

電子元器件製造業務繼續是本集團之主要生意及盈利貢獻。此方面之營業額比去年增加百分之五十一，由一億二千八百六十萬港元上升至一億九千四百八十萬港元。

As at 31 March 2001, the Group has no pledges for the granting of banking facilities except for the China factory site of approximately RMB49 million and certain machinery with an aggregate net book value of HK\$2 million.

During the year, the Group disposed of a strategic interest in a computer board manufacturing associated company for a cash consideration of HK\$10 million. Loss on disposal of this investment amounted to HK\$9.1 million.

REVIEW OF OPERATIONS

Manufacturing

The reported year was a remarkable year in the Group's manufacturing sector. The total turnover of manufacturing grew from HK\$241.7 million of last fiscal year to HK\$348.9 million representing a 44 per cent growth when compared with last year. The profit contribution of the total manufacturing sector of the Group also grew from HK\$18.3 million to HK\$27.4 million representing a 50 per cent growth.

During the reported year, market was challenging. Orders were rushed, small and frequent. Material supply was tight and payment often made on less generous terms.

Electronic Components Manufacturing

Electronic Components Manufacturing continued to be the major core business of the Group and contributor to the Group's profit. The turnover of this sector grew from HK\$128.6 million to HK\$194.8 million, representing a 51 per cent growth when compared with last year.

硅晶圓片擴散

本集團已成功發展及掌握生產整流二極管之三吋硅晶圓片擴散程序並已全面投產，足以供應本集團內部製造業務所需。此項發展在芯片需求熾熱時，能使本集團較少依賴外界供應，而芯片之成本因此相對降低。

與此同時，開關二極管硅晶片之擴散技術現已展開研究及預期下年度年底能完成。

二極管、三極管及混頻器

本集團大量生產DO-41整流二極管已超過十年，及已能夠全面掌握有關技術。本集團現正發展一項用於表貼裝配之全新SMA產品。

本集團已安排擴大玻璃封裝二極管及SOT23表貼裝配三極管之生產能力。本集團為了全面運用製造玻璃封裝二極管之生產能力，現已安裝作為製造Zener二極管及Schottky二極管所需儀器。本集團亦開始發展用於表貼裝配之MELF玻璃封裝二極管。

另外，混頻器之需求十分穩定。因本集團擁有應付緊迫訂單之能力，使本集團能接到一些額外及有可觀回報之訂單。

Silicon Wafer Diffusion

The Group has successfully developed and mastered the process of Diffusion of 3-inch Silicon Wafers for the application of Rectifier Diode and has launched it in commercial scale of production, supplying to the Group's internal manufacturing plants. The success in the Diffusion Manufacturing makes the Group's production in Rectifier Diodes less reliant on outside supply of Silicon Dices, particularly during the period of peak demand, reducing the cost of the production.

At the same time, the development of the diffusion of the dice of Silicon Switching Diodes has already commenced and is expected to be finished by the end of the coming fiscal year.

Diodes, Transistors and Frequency Mixer

The Group has produced DO-41 Rectifier Diodes in commercial scale for more than 10 years, and has fully mastered the relevant technologies. The Group is now developing a new SMA type of packages for surface mounted applications.

For the Glass Sealed Diodes and SOT23 surface mounted Transistors, the Group has already made arrangements to expand the production capacity of these products. To fully utilize the capacity in Glass Sealed Diodes, the Group has already installed the necessary equipment for the manufacturing of Zener Diodes and Schottky Diodes. The Group is also developing a MELF type package of Glass Sealed Diodes for surface mounted assembling.

The demand for the Frequency Mixer is steady. The capability of the Group to fill rush orders enables the Group to receive extra orders at good margin.



Loud-Speaker elements manufactured by the Group
集團生產之揚聲器單元

揚聲器、五金及電線生產項目

揚聲器之生產方面，本集團原先只致力增加銷售予需要個別設計之原設備製造 (OEM) 及原設計製造 (ODM) 業務之客戶。由於競爭激烈，本集團已成立一個獨立生產線來應付只需要標準產品之客戶。

五金車間由於接到內部生產部門之訂單，已獲得穩定盈利。此車間不單沖壓微調電阻、可變電阻及原設備製造之金屬配件，還負責生產新型號揚聲器之模具、金屬配件及電線端子。同時，並有一專責組別現正研究生產用於整流二極管之銅導線及用於玻璃封裝二極管之雙金屬銅包線。

電線生產之業務持續穩定增長。管理層具信心於明年可獲取大多數如 UL、CSA、CUL 及 CCEE 等之國際安全標準。成功獲取此類安全證書可增加本集團於北美及中國電源線市場之銷售額。

為了對顧客作出迅速回應及降低物料成本，本集團已安裝生產設備，使用 PVC 樹脂、化學品及顏料生產電線包膠體之 PVC 膠粒。

微調電阻及可變電阻

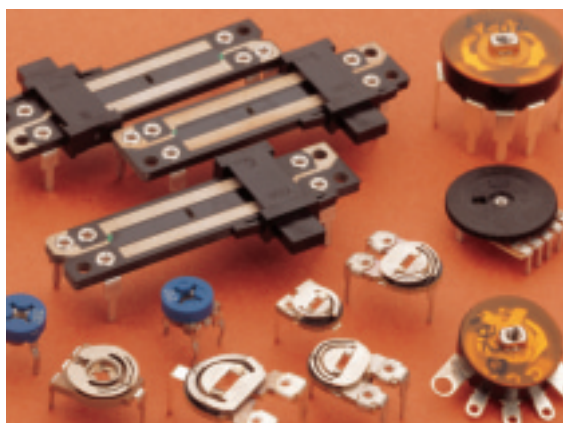
經過多年製造微調電阻及可變電阻之經驗，本集團現已開始以新底材介質及化學品開發新型號產品來應付較精密之應用。除傳統之插孔式型號外，本集團正致力發展用於通訊及微型線路應用之表貼裝配新型號。

Loudspeaker, Metalwork, Wire and Harnesses

In the area of Loudspeaker Manufacturing, the Group has primarily aimed to increase sales to OEM and ODM customers by leveraging on its product design and feature capabilities and workmanship. Due to keen competition, the Group has established a separate production line to serve customers requiring standard solutions products.

Serving internal production operations, our Metal Workshop already generates a steady profit. The workshop is not only stamping metal parts for the Semi-fixed Resistors, Variable Resistors and metal parts for OEM but it has also made tooling and metal parts for new model of Loudspeakers and terminals for the wire and harnesses. A dedicated team is now preparing for the manufacturing of copper lead-wire for the Rectifier Diodes and Dumat copper-cladded lead-wire for the Glass Sealed Diodes.

The Wire and Harness business maintains steady growth. Management is confident that the Group will obtain certificates of most of the international safety standards such as UL, CSA, CUL and the CCEE in the coming year. Upon the successful attainment of these safety certifications, the Group's sales of power cords to North America and China market will be increased.



Variable Resistors manufactured by the Group
集團生產之可變電阻

In order to quicken response to customers and to achieve savings in the cost of materials, the Group has already installed facilities for production of PVC plastic pellets from PVC resins, chemicals and color media for the wire coatings.

Semi-fixed Resistors and Variable Resistors

With many years of experience in manufacturing of Semi-fixed Resistors and Variable Resistors, the Group has started developing new models by new base media and chemicals to allow for more precise applications. Instead of the through-hole models, the Group is making a concerted effort to develop Surface Mounted Models for telecommunication and mini-circuit applications.

電子消費產品製造業務

雖然電子消費產品之市場氣氛較為困難，但管理層及員工之專注努力，因而此方面之營業額比去年財政年度仍增加百分之三十六，由一億一千三百一十萬港元增至一億五千四百一十萬港元。

於競爭市場中，本集團現致力以高技術結合微型控制器組合以發展新型號電子消費品，此類產品系列需付出更大努力及時間來建立客戶較強之依附性。

以流暢生產配合有效率採購之程序，本集團已推出鐳射唱盤、手提音響組合、微型音響組合、時計收音機及錄音座新型號。此等產品在設計生產時要求良好品質及價格相宜。

除了一般音響產品外，本集團已成立一專責組別來發展定位產品如MP3/VCD手攜輕便光碟機及相宜價格之數碼相機。

電子元器件經銷

本年度電子元器件之供應情況緊張。憑着本集團提供準確之購貨及產品預算，供應商得到充裕之空間為本集團之需求作準備，故供應運作暢順。連同去年第四季度購入之附屬公司，此方面之營業額比去年財政年度增加百分之四十，由三億八千一百萬港元增長至五億三千二百萬港元。

Consumer Electronics Manufacturing

As a result of the dedicated effort of management and staff, despite the tough market sentiment towards Consumer Electronics, turnover in this sector has increased by 36 per cent from HK\$113.1 million to HK\$154.1 million when compared with that of the previous reported fiscal year.

To participate in this competitive market, the Group endeavors to develop new models of Consumer Electronics by aiming at high technological input with MCU (Micro-control Unit) solutions. These categories of products require much more study and a longer time to develop customer loyalty.



CD Boombox manufactured by the Group
集團生產之手提 CD 音響

Leveraging on streamlined manufacturing and efficient procurement process, the Group has launched new models of CD players, boom boxes, music centres, clock radios and cassettes which are designed to produce with good quality at competitive prices.

Other than the general audio products, the Group has set up a dedicated team to develop niche products such as MP3/VCD portable slim Disc Players and low cost Digital Cameras.

Electronic Components Distribution

The supply condition of Electronic Components in the reported year was critically tight. With accurate purchase and product forecasts, our suppliers are well-informed of and prepared for the demand of the Group ensuring for the smooth supply to the Group, even in the times of tight supply. Together with the subsidiary acquired in the last quarter of the previous financial year, turnover in this sector has increased by 40 per cent from HK\$381 million to HK\$532 million when compared with the previous fiscal year.

有效之信貸及庫存管控，是減低應收款項及存貨之佔用資金之重要因素。雖然營業額增加，與整個行業之標準比較，相對之庫存仍處於較低水平，而收賬期亦維持在滿意水平。此方面業務之利息支出相對上是較為微小。

本集團正成功地經銷應用於影像光盤組合(VCD)、音效光盤組合(CD)、微型控制器、電流組合、空調機及一般消費電子產品之電子元器件。

在去年，本集團已與數個國際知名之品牌簽訂新經銷協議。於本財政年度末，本集團已與東芝、松下、KEC、Rohm、General Semiconductor及Sino American Silicon 簽訂經銷協議。本集團仍然努力不懈，找尋新供應商以壯大經銷產品之類別。



Discman manufactured by the Group
集團生產之隨身聽CD機

業務前景

本集團目前擁有良好之現金流量，而利息支出估計在來年亦會於低水平。

本集團將在國內各城市設立配備電腦主機之物流中心，並開放予客戶直接查詢資料。強大之國內物流支援基地能夠配合在國內生產而需要國內零件之海外生產商。本集團已接獲頗多主要供應商在這方面安排之要求。

Effective credit control and inventory control play a crucial role in reducing funding tied up in receivables and inventories. In the light of the increase in sales, inventory level is relatively low and collection days of account receivables are maintained at a satisfactory level when compared to the industry standard. Interest expenses incurred for this sector was minimal.

The Group continues to be successful in distributing electronic components in Video CD solutions, VCD solutions, CD solutions, Microcomputer Units, power solutions, air-conditioners and general consumer electronics.

In the past year, the Group has entered into new distributorship agreements with some internationally renowned brand names. As at the end of this fiscal year, the Group has entered into distributorship agreement with Toshiba, Panasonic, KEC, Rohm, General Semiconductor and Sino American Silicon. The Group continues to source for new principal suppliers to increase the variety of the distribution line.

FUTURE PROSPECTS

The Group is in a good cash flow position. Interest expenses of the coming fiscal year are expected to be lower.

The Group will set up strong logistic centres in different cities of China with computer servers which customers can directly access to our database. The strong China based logistical support provides good position among competitors in order to cater to the demand of foreign manufacturers in China who need local Chinese content in their products. The Group has also received a considerable number of requests from principal suppliers for these arrangements.

在製造業務方面，本集團預期在產品開發及研究取得滿意結果。提供予整流二極管之硅晶圓片擴散產量將加倍，以滿足本集團之大部份需求。而提供予開關二極管之硅晶圓片擴散已發展至最後階段，並將會大幅減少該產品之成本。

本集團已開始建立一個商業對商業及商業對消費者之電子元器件網站，提供平台予全球客戶查詢本集團之銷售項目。此網站亦擔任電子元器件經銷部門之渠道，令全球客戶均可透過互聯網接觸本集團各銷售辦事處。

MP3/VCD光碟機及數碼相機已發展完成並開始進行市場推廣。結合合時及低成本新產品型號，本集團期望能夠在市場低潮時，仍可取得合理市場佔有率。

本集團擁有穩健財政狀況，結合更新市場智慧，健全之國內及香港物流支援及技術支援，管理層對來年之業績抱審慎樂觀態度。

總裁

劉得還

香港，二零零一年七月十九日

In the manufacturing sector, the Group expects to derive fruitful results from its research and development activities. The Silicon Wafer Diffusion for rectifier diodes will double its production to meet a majority of the Group's demands. The Silicon Wafer Diffusion for switching diodes has come to the final stage of development and will greatly reduce the cost of the production.

The Group has started the construction of a B2B and B2C portal in electronic components. This will provide a platform for global customers to access to the Group's products. The portal also serves as a new distribution channel for the Electronic Component Distribution section allowing global customers to reach our sales offices via Internet.

The Group's development of the MP3/VCD Disc Player and Digital Camera has finished and are being marketed. Together with the new products in niche and cost saving models, the Group expects to gain a fair share of the market, even if the market is slow.

The Group is in a strong financial position. Coupled with up-to-date market intelligence, well-established logistics support in the Mainland China and in Hong Kong and strong technical support, management is cautiously optimistic about the results for the coming year.



CD-Boombox manufactured by the Group
集團生產之手提 CD 音響

LAU Tak Wan

President

Hong Kong, 19 July 2001