

Chairman's Statement

主席報告書

董事公佈本集團於截至二零零一年十二月三十一日止年度之業績如下：

The Directors announce that the results of the Group for the year ended 31st December, 2001 were as follows:-

業務業績

BUSINESS RESULTS

		截至十二月三十一日止年度 For the Year Ended 31st December,	
		2001 港幣千元 HK\$'000	2000 港幣千元 HK\$'000
營業額	Turnover		
持續經營業務	Continued operations	2,221,624	3,296,394
已終止業務	Discontinued operations	—	723,726
		2,221,624	4,020,120
利息收入	Interest income	119,789	90,280
其他收益	Other revenue	17,335	115,505
製成品及在製品存貨之變動	Changes in inventories of finished goods and work in progress	(22,420)	(47,486)
所使用之原料及消耗品	Raw materials and consumables used	(1,778,483)	(3,045,301)
員工成本	Staff costs	(185,658)	(261,065)
折舊及攤銷支出	Depreciation and amortisation expenses	(72,599)	(120,245)
重估投資物業之虧絀	Deficit on revaluation of investment properties	(2,248)	(21,515)
持有投資證券未實現之淨虧損	Net unrealised holding loss on investments in securities	(2,291)	(1,783)
出售投資證券收益	Gain on disposal of investments in securities	213	4,521
租賃物業減值	Impairment on leasehold properties	(7,345)	—
其他經營支出	Other operating expenses	(170,335)	(348,678)
經營溢利	Profit from operations	117,582	384,353
融資成本	Finance costs	(34,580)	(41,375)
應佔聯營公司業績	Share of results of associates	1,466	2,611
墊支予聯營公司款項之減值	Impairment of loan advanced to associates	(44,884)	(13,000)
出售已終止業務之溢利(附註一)	Profit on disposal of discontinued operations (Note 1)	38,756	783,762
一間附屬公司私有化之溢利(附註二)	Profit on privatisation of a subsidiary (Note 2)	43,032	—
除稅前溢利	Profit before taxation	121,372	1,116,351
稅項(附註三)	Taxation (Note 3)	(9,838)	(30,522)
除少數股東權益前溢利	Profit before minority interests	111,534	1,085,829
少數股東權益	Minority interests	(21,500)	(263,425)
本年度純利	Net profit for the year	90,034	822,404
股息	Dividends	247,487	93,598
每股盈利(附註四)	Earnings per share (Note 4)		
基本	Basic	HK\$0.19	HK\$1.78
攤薄	Diluted	HK\$0.19	HK\$1.76

業務業績一續

附註：

- 一. 本集團已於二零零零年八月十七日完成向一名獨立人士出售其印刷電路板業務(「出售」)。本公司從出售之應佔溢利經扣除少數股東權益港幣201,819,000元後之港幣581,943,000元於二零零零年入賬。二零零一年度之出售已終止業務溢利指就出售於二零零一年所收額外花紅款項及所作若干價格調整。
- 二. 一間附屬公司私有化之溢利指私有 Wong's Circuits (Holdings) Ltd (於二零零一年十一月完成) 所收購資產淨額與支付予公眾股東之款項及產生之支出之差額。
- 三. 香港利得稅乃就年內本集團各成員公司於香港之估計應課稅溢利按利率16% (二零零零年：16%) 計算。海外附屬公司及聯營公司所得稅已按有關當地法例作撥備。遞延稅項已採用負債法按一切重大時差作撥備，預期不會於可見未來變現者則除外。
- 四. 每股基本及攤薄盈利乃根據股東應佔溢利港幣90,034,000元 (二零零零年：港幣822,404,000元) 及以下數額計算：

BUSINESS RESULTS - Continued

Notes:

1. The Group completed the sale of its printed circuit board business to an independent party ("Disposal") on 17th August, 2000. Profits attributable to the Company from the Disposal in the amount of HK\$581,943,000 after deducting the minority interests of HK\$201,819,000 were booked in 2000. Profit on disposal of discontinued operations represents an additional bonus payment received and some price adjustments booked in 2001 in relation to the Disposal.
2. Profit on privatisation of a subsidiary represents the excess of net assets acquired over the proceeds paid to public shareholders and expenses incurred in the privatisation of Wong's Circuits (Holdings) Ltd, which was completed in November, 2001.
3. Hong Kong Profits Tax has been provided for at 16% (2000:16%) on the estimated assessable profits for the year of each member of the Group in Hong Kong. Taxation on profits of overseas subsidiaries and associated companies has been provided in accordance with the relevant local laws. Deferred taxation has been provided, using the liability method, on all significant timing differences, other than those which are not expected to crystallize in the foreseeable future.
4. The calculation of the basic and diluted earnings per share is based on the profit attributable to shareholders of HK\$90,034,000 (2000:HK\$822,404,000) and the following data:

	2001	2000	
計算每股基本盈利之普通股加權平均數	Weighted average number of ordinary shares for the purposes of basic earnings per share	466,901,246	462,238,413
對普通股造成之潛在攤薄影響：	Effect of dilutive potential ordinary shares:		
購股權	Options	1,311,060	4,127,404
計算每股攤薄盈利之普通股加權平均數	Weighted average number of ordinary shares for the purposes of diluted earnings per share	468,212,306	466,365,817



股息

於二零零一年十月，本公司已支付中期股息每股3仙(二零零零年：8仙)。鑑於出售印刷電路板業務及於本年度成功將Wong's Circuits (Holdings) Ltd 私有化而於去年入賬之重大溢利，董事現建議於二零零二年六月十四日(星期五)派付末期股息共每股50仙(二零零零年：12仙)(包括末期股息每股5仙及特別末期股息每股45仙)予二零零二年五月三十一日(星期五)名列於股東名冊之股東。

DIVIDENDS

In October 2001, the Company paid an interim dividend of 3 cents per share (2000: 8 cents). In view of the substantial profits booked last year from the disposal of the printed circuit board business and the successful privatisation of Wong's Circuits (Holdings) Ltd this year, the Directors now recommend the payment of final dividend totalling 50 cents per share (2000: 12 cents) comprising a final dividend of 5 cents per share and a special final dividend of 45 cents per share on Friday, 14th June, 2002 to the shareholders on the Register of Members on Friday, 31st May, 2002.



業務回顧

由於本集團於二零零零年下半年出售印刷電路板業務，以及二零零一年全球經濟放緩影響本集團之其他業務，本集團之營業額及經營溢利分別較二零零零年下跌約44.7%及69.4%。倘僅就持續經營業務作出業績比較，本集團之營業額及經營溢利分別下跌32.6%及51.6%。

OEM電子產品裝配部（「OEM部門」）之營業額下跌33%，主要由於該部門一顧客轉讓流動電話之生產予此顧客、本集團及一間南京公司組成之合營企業（「南京合營企業」）而終止該部門生產流動電話，以及全球經濟放緩。邊際溢利亦由於銷售減少而下跌。年內，部門已實行削減經營成本措施。部門亦繼續致力建立實時資訊系統，以提升其業務過程自動化之程度及改善經營效率。

REVIEW OF BUSINESS ACTIVITIES

Due to the disposal of the printed circuit board business by the Group in the second half of 2000 and the slow-down of the global economy in 2001 which affected the Group's remaining businesses, the Group's turnover and profit from operations decreased by about 44.7% and 69.4% respectively compared to 2000. By comparing the results only in respect of the continued operations, the Group's turnover and profit from operations fell by 32.6% and 51.6% respectively.

The turnover of the OEM Electronics Products Assembly Division ("OEM Division") declined by 33% mainly due to the termination of the production of mobile phones by the customer in contemplation of the transfer of the production to a joint venture corporation in Nanjing formed by the customer, the Group and a Nanjing company (the "Nanjing JV"), and the slow-down in the global economy. The profit margin also declined because of a decrease in sales. During the year, measures have been implemented by the Division to reduce operating costs. The Division also continued its efforts to build a real time information system so as to enhance the level of automation in its business processes and to improve operational efficiency.

業務回顧 — 續

於二零零一年原產品開發及市場推廣部（「ODM部門」）已發展為寬頻ADSL調制解調器之能生存之供應商。已獲得多個主要顧客對產品之批准，而於年底，部門已開始獲得北美洲、中國、香港及歐洲之銷售訂單，且正與日本及拉丁美洲之若干潛在顧客進行業務磋商。已與若干供應商及顧客建立策略性聯盟，以較低成本發展表現較出色之新調制解調器，並以較短時間為大眾所接受，部門亦正繼續發展可上網電話，已屆完成之最後階段。該產品曾於美國及歐洲多個貿易展展出，且反應良好。部門已成功為其寬頻產品建立BroadMAX品牌確認。

於二零零一年全年，香港物業市場仍然疲弱。鑑於銷售率下跌及引致之利息支出增加，於回顧年度內，本集團因就其聯營公司承擔之兩項住宅發展作出額外撥備共港幣25,000,000元。此外，其中一項發展直至二零零一年年底已售單位所產生約港幣20,000,000元之虧損，已予入賬。上述合共約為港幣45,000,000元之額外撥備及虧損於業務業績一節作為「墊支予聯營公司款項之減值」顯示。

本集團於二零零一年十一月六日完成Wong's Circuits (Holdings) Ltd之私有化，產生之盈利約港幣43,000,000元已於二零零一年入賬。

REVIEW OF BUSINESS ACTIVITIES - Continued

In 2001, the Original Product Development and Marketing Division ("ODM Division") established itself as a viable supplier in the broadband ADSL modem business. Product approvals have been received from a number of major customers and, towards the end of the year, the Division started to receive sales orders from North America, China, Hong Kong and Europe while business negotiations are now being conducted with several potential customers in Japan and Latin America. Strategic alliances have been established with a number of suppliers and customers to develop new models with lower cost, better performance and a shorter time to market. The division also carried on its development of webphone, which is in the final stage of completion, and positive responses were received for the product which has been exhibited in several trade shows in the United States and Europe. The Division has also been successful in the establishment of a BroadMAX brand identity for its broadband products.

Throughout 2001, the property market in Hong Kong remained sluggish. In view of the slow rate of sale and the consequential increase in interest expense, during the year under review, the Group had made additional provisions in the total sum of HK\$25 million against the two residential developments undertaken by its associated companies. In addition, for one of those developments, a loss of about HK\$20 million has been booked for the units sold up to the end of 2001. The afore-mentioned additional provisions and loss in the total sum of approximately HK\$45 million are shown in the Business Results Section as "impairment of loan advanced to associates".

The Group completed its privatisation of Wong's Circuits (Holdings) Ltd on 6th November, 2001 and the resulting gain of about HK\$43 million was booked in 2001.

財務

於二零零一年十二月三十一日，本集團之現金存款超過其銀行借貸約港幣十四億元。於同日，本集團之負債總額（不包括少數股東權益、擬派股息及遞延稅項）約為本集團之股東資金總額約36.2%，而二零零零年十二月三十一日則為61.4%。

部分現金將用以償還未償還之銀行貸款，及董事將於適當時候決定剩餘之現金盈餘之應用方式。

本集團之材料及開支成本主要以美元或港元結算，而其銷售收益則主要以美元結算。其他貨幣開支一般會以匯合約之方式對沖。

資本結構

自二零零零年十二月三十一日以來，本集團之資本結構並無重大變動。

僱員

於二零零一年十二月三十一日，本集團聘用約2,750名僱員，其中約1,800名受僱為工人。除提供年終花紅、醫療及人壽保險外，本集團亦會因應僱員之表現提供酌情花紅及購股權。本集團僱員之酬金政策及福利計劃會獲定期審議。

於二零零一年內，本集團就有關其業務之範疇向其僱員提供定期培訓。獲甄選之僱員獲得本集團津貼，參加外部培訓計劃。

FINANCE

As at 31st December, 2001, the Group's cash deposits exceeded its bank borrowings by about HK\$1.4 billion. As at the same date, the Group's total liabilities, excluding minority interests, proposed dividends and deferred taxation, amounted to approximately 36.2% of the Group's total shareholders' funds compared to 61.4% as at 31st December, 2000.

Part of the cash will be used to repay outstanding bank loans and the Directors will decide the way in which the remaining surplus cash will be applied in due course.

The Group's costs of materials and expenditures are mainly in U.S. dollars or Hong Kong dollars while its sales revenues are mainly in U.S. dollars. Expenditures in other currencies are normally hedged by means of forward exchange contracts.

CAPITAL STRUCTURE

There has been no material change in the capital structure of the Group since 31st December, 2000.

EMPLOYEES

As at 31st December, 2001, the Group had approximately 2,750 employees, amongst whom approximately 1,800 were employed as workers. In addition to the provision of annual bonuses and medical and life insurances, discretionary bonuses and share options may also be made available to employees based on performance. The remuneration policy and packages of the Group's employees are reviewed on a regular basis.

During the year 2001, the Group ran regular training sessions for its employees on subjects relevant to the Group's businesses. Selected employees were subsidized by the Group to attend external training programmes.

Chairman's Statement

主席報告書

前景

OEM部門預期其業務可能於二零零二年上半年仍然呆滯，但已察覺市場將於二零零二年下半年好轉之一些迹象。部門將繼續致力控制經營成本，以改善邊際溢利。其亦努力爭取獲得QS9000證書，以進一步加強其競爭力。部門將於中國蘇州興建新工廠，工廠將於二零零二年底開始運作，為中國東部地區之顧客服務。就墨西哥墨西哥卡利之合營企業工廠而言，近期已訂立一項協議，據此，部門同意購入合營企業合夥人於工廠之權益，而部門計劃強化該工廠，以向吾等之顧客提供全球性製造策略。預期蘇州及墨西哥卡利之工廠將對部門二零零三年業績作出正面貢獻。

ODM部門預期ADSL調制解調器將於二零零二年下半年開始大批交付，而可上網電話將於二零零二年第二季推出。部門將致力界定其市場及與其主要之顧客及供應商建立強大之夥伴公司。長遠而言，部門亦以成為解決方案供應商為目標。

於二零零一年十二月三十一日，本集團持有大量現金，將得以於出現投資或商機時作出考慮。

本人謹此代表各董事衷心感謝本集團僱員對本集團之忠誠及投入。本人亦謹此感謝本集團客戶、供應商及業務夥伴一向以來對本集團之信心及支持。

王忠極

主席

香港，二零零二年四月九日

PROSPECTS

The OEM Division expects that its business may remain slow in the first half of 2002 and perceives signs of market improvement in the second half of the year. The Division will continue its efforts to control operating costs in order to improve the profit margin. It is also pursuing QS9000 certification to further enhance its competitiveness. The Division will build a new factory in Suzhou, China which will commence operation by the end of 2002 to serve customers in Eastern China. As to the joint venture factory in Mexicali, Mexico, recently an agreement has been made whereby the Division agrees to buy out the joint venture partner's interest in the factory, and the Division plans to strengthen the factory with a view to providing global manufacturing strategy to our customers. Both the factories in Suzhou and Mexicali are expected to contribute positively to the results of the Division in 2003.

The ODM Division expects that volume delivery of ADSL modems will start in the second half of 2002 and that the webphone will be launched in the second quarter of 2002. The Division will focus its efforts in defining its market and building strong partnerships with its major customers and suppliers. It also aims to position itself as a solution provider in the long term future.

At 31st December, 2001, the Group held a substantial amount of cash and will be able to consider investment or business opportunities as and when they arise.

On behalf of the Directors, I would like to thank our employees for their loyalty and devotion to the Group. I would also like to thank our customers, suppliers and business partners for their continued confidence in and support for the Group.

WONG CHUNG AH, JOHNNY

Chairman

Hong Kong, 9th April, 2002