

Management  
Discussion & Analysis  
管理層研究及分析



# 管理層研究及分析

## Management Discussion & Analysis

### 概 覽 ▶

二零零一/零二財政年度是集團充滿轉變的一年。為應付前財政年度(二零零零/零一)帶來的困難，集團採取了一系列徹底而有效的措施，以重組及整固業務。經過全體員工的努力及付出，各措施得以成功落實，並達致集團定下之目標。值得高興的是，董事局不單看到各員工能配合轉變，更能在轉變過程中提出建議。員工所提出的新意念及新方法，配合管理層制定的新策略，令集團得以順利完成業務重整，使業務運作得以改善。毫無疑問，在重整過程中，集團每一位員工須加倍努力並接受更多挑戰，但他們亦能從共同努力扭轉集團多方面的困難而獲得滿足。董事局對各員工給予集團的支持表示謝意。

### 終 止 非 核 心 業 務 ▶

終止經營虧損的業務乃重組計劃的重要一環。集團已於二零零一年八月出售集團佔60%股權的充電性電池業務。此業務過往幾年均錄得虧損，出售後除可減輕損益表的壓力，亦可令管理層的精力更集中。

傳呼機業務乃導致集團於二零零零/零一年度錄得嚴重虧損的主要原因。由於傳呼機產品迅速被流動電話取代，隨之而來的減價戰又異常激烈，令人對傳呼機業務之生存空間產生疑問。如二零零一年年報所述，管理層決定撤出傳呼機業務，並積極尋求有潛質的合作夥伴或買家，務求出售此業務。於過去一年，傳呼機業務已大幅收縮至只集中於資訊傳呼機並三個主要市場包括中國國內、俄羅斯及印度。管理層亦同時盡最大努力減低庫存，並採取所有可行的方法收回各應收賬項，包括聘用專業收賬代理及採取法律行動等。此外，集團亦嘗試

### OVERVIEW ▶

Financial year 2001/02 witnessed a year of change to the Group. In the wake of the difficulties brought forward from the previous financial year 2000/01, the Group has taken a series of fundamental and effective measures to restructure the business and to streamline the operations. Through the hardwork and dedication of all employees, these measures were successfully implemented and have generated results as planned. The Directors are particularly pleased to see that members of the staff were not only responding to the changes but were also proposing changes. New ideas and new work approach suggested by staff supplemented the new strategies set by the management and helped completing the restructuring process and were rewarded by improvement in business operations. No doubt everyone in the Group has to work harder and to take up more challenges during the process but they also have the satisfaction that through their concerted effort the Group went through the difficulties and achieved significant turn-around in many aspects. The Directors are grateful to the support from all levels of staff.

### DISCONTINUANCE OF NON-CORE BUSINESS ▶

One of the important aspects of the restructuring plan is discontinuance of loss-making businesses. During the year, the Group has disposed of the rechargeable battery business in August 2001. The business, in which the Group held 60%, had been making loss in previous years and the disposal of it could save not only the negative impact to the accounts but also the management resources in running the operation.

A major reason of the substantial loss in 2000/01 is pager business. Due to the rapid substitution of pager products by cellular phones and the severe competition in pricing, the viability of pager business became questionable. As reported in 2001 Annual Report, the management had decided to phase out the business and to actively seek potential partners or buyers to take it up. During the year, the operation was substantially scaled down to concentrating only on information pagers and three major markets namely mainland China, Russia and India. The management had also spent enormous effort in collecting trade receivable and reduction of inventories. All possible means had been sought to in collecting debts including professional collecting agents and legal actions. Surplus and obsolete inventories were sold at

## 管理層研究及分析(續)

## Management Discussion &amp; Analysis (continued)

以成本價或低於成本價出售多餘及過時的庫存，但效果未算理想。去年七月，管理層曾與一潛在買家洽妥出售傳呼機業務事宜，但由於在簽訂正式合約前發生了「九一一」事件，故買賣計劃亦中途夭折。此後，集團仍繼續尋求買家。

集團於二零零二年七月八日與一家總部設於北京的公司（其亦為本集團其中一聯營公司的股東）簽訂不具法律效力的意向書，協議以30,000,000港元出售集團所有傳呼機業務，包括所有資產、負債、知識產權、業務合約及轉讓合約員工。根據意向書，兩家公司將於簽妥意向書起30天內簽訂正式合約，管理層據此為傳呼機業務作出永久減值，因出售的資產主要是應收賬及庫存，故集團將其兩者賬面值減去30,000,000港元的交易作價後，分別作出9,800,000港元及96,000,000港元的減值。董事局強調，是次為此業務永久減值作出105,800,000港元的撥備對集團的現金流轉沒有任何影響，而集團今次已為整個傳呼機業務作全數撥備。

**策略性業務單位 (SBU) ▶**

集團的SBU在年內實施了不同的整固措施，務求加強各SBU的競爭力及改善其盈利表現。與單純擴大營業額相比，集團對業務的盈利能力更為看重。各SBU管理層嚴格地評估旗下的產品及客戶，以確保其資源分配能與盈利能力互相匹配。而集團對開拓新業務採取了謹慎的策略，只有在詳細探討市場具相當大的潛力及有可靠的當地合作夥伴的情況下，才開拓新的市場。而管理層亦定期檢討各SBU的損益表及資產負債表的表現。

除營業額及盈利外，SBU亦須為應收賬、應付賬及庫存向董事會問責，而人力資源及會計等支援工作則由集團的中央部門提供，而成本則由各SBU攤分。

cost or below cost but the result is less satisfactory. In July 2001 the management were able to identify a potential buyer for the business but the deal was aborted by the party in September because of the "9.11" event just before the definitive agreements were to be executed. The process of finding a buyer continued.

On 8th July 2002, the Group entered into a non-binding letter of intent ("LOI") with a Beijing-based company, which is also a shareholder of one of our associated companies, to dispose of the entire pager business at a consideration of HK\$30.0 million. The deal includes sale of all assets, liabilities, intellectual properties, business contracts and assignment of personnel. According to the LOI, the parties shall execute definitive agreements within 30 days from the date of the LOI. Based on this LOI, the management decided to make a provision for permanent impairment in the value of the pager business. Trade receivable and inventories are the major assets to be disposed of and therefore their carrying amounts were written down by HK\$9.8 million and HK\$96.0 million respectively to the recoverable consideration of HK\$30.0 million. The Directors wish to emphasize that this provision for permanent impairment of HK\$105.8 million does not create any impact to the cash flow of the Group and by doing it, the entire pager business has been provided for.

**STRATEGIC BUSINESS UNITS ▶**

For the three strategic business units ("SBUs"), the management had implemented different consolidation measures to strengthen their competitiveness and to improve bottom-line results. More focus is put on profitability than business volume. The SBU management critically evaluate their product offerings and customer lists to make sure that resources allocation will be in line with profitability. New businesses are being conducted in a very cautious manner after careful studies and new markets are explored only if there are strong and reliable local partners. The SBUs are subject to regular review of the management on their performance on both income statement and balance sheet.

Besides turnover and operating result, SBUs are also being held accountable for collection of trade receivable, payment of suppliers and management of inventories. Central support such as human resources and accounting are provided by

## 管理層研究及分析(續)

### Management Discussion & Analysis (continued)



“Green” Phone e688將傳統手機一分為二，透過藍牙技術保持無線聯繫，達到減低輻射及珍惜地球資源的目的。  
“Green” Phone e688 splits a conventional cellular phone into two parts but maintains wireless connectivity via Bluetooth in order to reduce radiation and material wastage.

這架構一直運作良好，在此架構下，各SBU能更有效率及迅速對市場之變化及顧客的反應作出回應。對管理層來說，整體業務表現則更具透明度，令管理層能更快地作出有效的決策。

#### 市場及銷售網絡 ▶

集團已於年內重組及增強了中國國內的市場及銷售網絡。總部亦由東莞遷到廣州，並委任了新的管理層。集團並關閉了規模較細的分公司，只集中經營北京、上海、廣州及深圳四個分公司。四個主要分公司負責管理區內的一切銷售、搜集市場資料，以及協調各區的推廣活動，並定期向總部匯報市場資訊，方便更深入的研究及分析，以輔助管理決策。故此分公司系統並不單是業務單位，亦可視為集團的市場情報中心。集團亦不時會委托市場研究公司向集團提供獨立的市場資訊。

而四個主要市域以外的業務則透過覆蓋全中國主要地區的分銷網絡運作。此網絡的主要分銷商數目達50多個，由駐於廣州總部約有10人的區域經理隊伍負責運作及管理，同時亦會嚴格控制零售價

the corporate office, the cost of which is being shared by the SBUs on an allocation basis. It is noted that this organizational structure is performing well because the SBUs are now much more efficient and responsive to market changes and customer feedback. To the management, business performance is more transparent and decisions could be made more timely and effective.

#### MARKETING AND SALES NETWORK ▶

The Group's marketing and sales network in mainland China had been re-organized and strengthened during the year. The headquarters was relocated to Guangzhou from Dongguan and new management was put into place. The Group maintains branch offices at Beijing, Shanghai, Guangzhou and Shenzhen and had closed down the smaller branch offices in other cities. These four offices are responsible for sales activities in their territories and collection of marketing information and co-ordination of regional promotional campaigns. Marketing information is to be feedback to the headquarters for further analysis and management decision. It is imperative for the Group to maintain such a branch office system that serves as both business unit and information centre. The Group also commissions market research firms to provide independent data on a regular basis.

Business outside the four prime cities is done through a distributor network that covers major parts of mainland China. The network is operated and managed by the Guangzhou headquarters where a team of about ten district managers are charged with the responsibility to run a total of more

## 管理層研究及分析(續)

## Management Discussion &amp; Analysis (continued)

格，以維持市場秩序及避免未經授權的貨品跨區流轉。集團亦會為正式的分銷商提供培訓、售後服務、推廣活動及市場獎勵計劃等支援。系統經重組後，集團於中國國內之零售終端已由3,000個增加至5,000多個。

**營 商 環 境** ▶

去年市場整體的營商環境並未有重大的改善，香港的本地經濟仍然疲弱，加上失業率亦攀升至歷史新高，通縮及購買力的萎縮亦對集團構成一定的壓力。而今年中國國內消費市場的快速增長亦見輕微放緩，但個別行業的市場表現則並不一致。而某些亞洲城市受亞洲金融風暴影響而經歷幾年倒退後，已呈現值得注意的增長。歐洲市場正穩步向上，但日本的本地需求則仍然非常疲弱，而北美市場仍受經濟衰退的影響，其產品價格普遍向下調，同時「九一一」事件亦於年內對美國消費市場帶來沉重的打擊。

關鍵性電子零部件的價格已穩定下來，並調整至較合理水平，此乃電腦及流動電話行業的倒退所帶來的直接結果，皆因此兩類產品對電子晶片的需求最大。可是由二零零二年初開始，某部份電子零部件價格開始變得較為不穩定，原因是個別半導體公司撤出市場，以及受到投機活動的影響。管理層將密切注意市場的發展。

than fifty major distributors. Retail prices are strictly controlled to maintain market order and to eliminate unauthorized flow of goods from one region to another. Official distributors are supported by the headquarters in training, after-sale services, promotional campaigns and marketing subsidies. After re-organization of the network during the year, the number of retail outlets in mainland China for the Group's products increased to more than 5,000 from 3,000 in previous year.

**BUSINESS ENVIRONMENT** ▶

The general business environment has not improved significantly over the year. The Hong Kong local economy was still very weak with unemployment rate climbing up to historical level. Prices of consumer goods were under pressure of deflation and consumer spending contraction. The rapid growth of the consumer sector in mainland China appeared slowing down a bit during the year but market performance was very industry specific. Several Asian countries had shown remarkable growth in the year after many years of setback since the Asian financial crisis. Middle East was sluggish because of the political tension in the region. Domestic demand in Japan was still very weak while the European markets were getting some momentum. The North American market was still hit by the economic recession and commodity prices were generally down. The "9.11" event had also created a severe damage to the U.S. consumer market for a considerable period during the year.

Prices of critical electronic components had become more stable and reasonable during the year. This is a direct result of the setback in computer industry and cellular phone industry because these two types of products consume the largest quantity of electronic chips. However, beginning from the earlier part of year 2002, certain component prices are becoming quite unstable due to exit of certain semi-conductor companies from the market and some speculative activities in the market. The management will continue to keep a close watch on this trend in the current year.

## 管理層研究及分析(續)

### Management Discussion & Analysis (continued)

#### 達致目標 ▶

總括來說，集團已能達致前年定下的目標——終止非核心業務；整固核心業務以達至轉虧為盈的目標；精簡架構及運作；提高生產力；集團的資產負債表更為穩健；以及為PDA業務引入新的策略性股東。

#### 財務檢討 ▶

集團全年營業額錄得977,800,000港元，相對前年同期的1,612,600,000港元減少了39.4%。收縮傳呼機業務及整固核心業務乃導致營業額下跌的原因。在全年總營業額977,800,000港元之中，三項持續經營業務，包括電子辭典、個人數碼助理（「PDA」）及原件設計生產（「ODM」）共佔891,100,000港元（91.1%），其餘的86,700,000港元（8.9%）則由傳呼機業務所產生。

三個SBU的經營溢利合共48,200,000港元，而傳呼機則錄得26,600,000港元的經營虧損。融資成本及特殊項目前之淨經營溢利為14,900,000港元，此已扣除6,700,000港元的投資撥備。達致稅前虧損的支出及撥回包括四個項目：融資成本15,500,000港元，包括利息支出8,700,000港元及優先股之贖回溢價預提6,800,000港元；攤分聯營公司之虧損5,000,000港元；出售充電性電池產品業務之淨收入5,200,000港元；及為傳呼機業務永久減值作特別撥備的105,800,000港元。稅前虧損錄得106,300,000港元。計算少數股東權益及稅項撥回後之虧損為98,100,000港元，當中包括持續經營業務帶來的盈利29,100,000港元及非持續經營業務的127,200,000虧損。

資產負債表方面，庫存及應收賬分別大幅減少了42.5%及38.4%至166,600,000港元及114,400,000港元。此乃為傳呼機應收賬及庫存作永久減值特別撥備的直接結果。同時，各SBU管理層亦於年內致力減低應收賬款及庫存。

#### ACHIEVING TARGETS ▶

In summary, the Group was able to achieve the targets that were planned in previous year: non-core business had been or are being dealt with, core business had been consolidated and returned to profitable track, operations streamlined and productivity increased, a much healthier balance sheet and new strategic investors in the Group's PDA business.

#### FINANCIAL REVIEW ▶

Turnover of the financial year is HK\$977.8 million, which is 39.4% less than the HK\$1,612.6 million of the previous year. The drop is a result of scaling down of the pager business and consolidation of the active business. Among the turnover of HK\$977.8 million, HK\$891.1 million or 91.1% is from the three continuing business of electronic dictionaries, personal digital assistants ("PDA") and original design manufacturing ("ODM") whereas the remaining HK\$86.7 million or 8.9% is from pager products.

Operating profit from the three SBUs combined is HK\$48.2 million while pagers incurs operating loss of HK\$26.6 million. Net operating profit before finance cost and special items is HK\$14.9 million, after deducting HK\$6.7 million of provision against investment. There are four items of charges/credits before arriving at the loss before taxation. Finance cost amounts to HK\$15.5 million that includes interest cost of HK\$8.7 million and accrual of redemption premium on preference shares of HK\$6.8 million. The other three items are: share of loss of associated companies of HK\$5.0 million, net gain on disposal of rechargeable battery business of HK\$5.2 million and the special provision for permanent impairment in value of pager business of HK\$105.8 million. Loss before taxation is HK\$106.3 million. After taking into account of taxation charge and minority interest, loss attributable to shareholders is HK\$98.1 million, comprising of profit from continuing business of HK\$29.1 million and loss from discontinuing business of HK\$127.2 million.

On the balance sheet side, inventories and accounts receivable had been substantially reduced by 42.5% and 38.4% to HK\$166.6 million and HK\$114.4 million respectively. This is a direct result of the special provision for permanent impairment in pager inventories and accounts receivable and the enormous effort of the SBU management in reducing of these two items.

## 管理層研究及分析(續)

## Management Discussion &amp; Analysis (continued)

銀行及現金結餘為185,200,000港元，比對前年的125,300,000港元增加了約47.8%，淨現金結餘(即扣除短期銀行借貸，如出入口票據及銀行透支等)為131,100,000港元，約前年的7,900,000港元的16.5倍。能鞏固現金結餘乃歸功於年內豐富的現金流入所致。由經營業務所產生的淨現金收入為72,400,000港元(二零零一年：淨現金流出66,500,000港元)，主要來自持續經營業務的盈利及庫存與應收賬之減少。其餘的兩項現金流入項目為出售租約物業所帶來的35,500,000港元以及一附屬公司發行優先股予策略性投資者的81,900,000港元。

總銀行借貸由前年的221,000,000港元，減少至133,300,000港元。大部份銀行借貸(約81.1%或108,100,000港元)為短期借貸，如出入口票據，將於一年內到期，其餘25,100,000港元的長期借貸則於一年後到期，銀行借貸的償還年期及抵押資料刊載於財務報表附註27，所有銀行借貸利息均按浮動利率計算。管理層將繼續致力與主要往來銀行維持密切關係，以確保其對集團的長期支持。

集團的負債比率，按定義為總銀行借貸除以股東權益，由前年的44.6%減低至33.6%。

集團的資產負債表已較前年更為穩健，為集團的長遠發展定下強而穩固的基礎。

Bank balances and cash amounts to HK\$185.2 million that is about 47.8% higher than the HK\$125.3 million in previous year. Net cash (i.e. after deducting short-term bank borrowings such as trade bills and bank overdraft) is HK\$131.1 million that is about 16.5 times of the position of HK\$7.9 million one year ago. The solid cash position is the result of a very strong cash flow during the year. Net cash inflow from operation is HK\$72.4 million (2001: net outflow of HK\$66.5 million) that is attributable to the profitable operation in continuing business and the reduction in inventories and accounts receivable. Two other major cash inflow items are proceeds from disposal of a surplus property of HK\$35.5 million and issue of preference shares by a subsidiary to strategic investors of HK\$81.9 million.

Total bank borrowings decreased to HK\$133.3 million from HK\$221.0 million in previous year. Majority of the bank borrowings, about 81.1% or HK\$108.1 million, are short-term borrowings such as trade bills that are to be due within a year. The remaining HK\$25.1 million are long-term finance that are to be due beyond one year. Maturity and security profile of bank borrowings is contained in note 27 to the financial statements. All bank borrowings are on floating rate basis. The management continue to maintain a very close working relationship with the Group's bankers to ensuring their continuing support.

Gearing ratio, defined as total bank borrowings divided by shareholders' funds, of the Group reduced to 33.6% from 44.6% a year ago.

It is noted that the balance sheet of the Group is much healthier than the previous year and is setting a strong and solid foundation for future growth.



Electronic  
dictionary  
電子辭典



## 管理層研究及分析(續)

## Management Discussion &amp; Analysis (continued)

## 電子辭典 ▶

## 業務回顧

SBU於二零零一/零二財政年度錄得營業額516,500,000港元，約佔持續經營業務的58.0%，仍為集團之最大收入來源。未計融資成本及投資減值前的經營溢利由前年的5,300,000港元增加至70,300,000港元。

SBU於年內致力加強採購能力、成本控制及信貸管理。透過與關鍵性零部件供應商建立策略性夥伴關係，零部件的付運及價格均有進步，尤其在旺季時，穩定而準時的零部件付運與價格同樣重要。如二零零一年年報所述，關鍵性零部件短缺的主要影響為價格飆升及付運延遲。

除加強採購能力外，於高階發聲電子辭典內採用專用集成電路乃另一主要減低成本的措施。採用專用集成電路的好處是可把不同功能的微型晶片，如運算、記憶、合成發聲及資料庫等，結集於一個晶片上，節省空間之餘亦能減低成本。產品在採用專用集成電路後可以更小更薄，而售價更具競爭力。本SBU現正與晶片設計公司緊密合作，務求在電子辭典產品上應用更多專用集成電路。

在高、中階產品市場建立領導地位後，再擴大低階產品市場的佔有率乃集團一貫的目標，此目標對中國國內市場尤其重要，因能更適切回應較弱的市場購買力及客戶喜好。隨著多款新產品，如EC2600、EC2280及EC3100於中國國內推出，本集團於低階市場的佔有率亦於過去十二個月內穩定地增長。

集團於去年再度踏足於三年前因亞洲金融風暴影響而撤出的南韓市場。新穎的產品設計及高質素的發聲功能，獲得分銷商及用家的一致好評。而泰國是另一個於過去兩年快速復元的市場。

## ELECTRONIC DICTIONARY SBU ▶

## Performance Review

Turnover of the SBU for the financial year 2001/02 is HK\$516.5 million, which is approximately 58.0% of total continuing business and is still the largest income contributor of the Group. Profit from operation (before finance cost and investment charges) increased to HK\$70.3 million from HK\$5.3 million in previous year.

The SBU had spent tremendous effort in supply chain management, cost reduction and credit control during the year. Through the building up of a strategic relationship with critical suppliers, both delivery and cost could be optimized. In many cases, a steady and timely delivery of components is equally, if not more, important as price, especially in high seasons. As reported previously in 2001 Annual Report, the two adverse impacts of shortage of critical electronic components in year 2000 were surge in price and highly interrupted delivery.

Besides supply chain management, use of ASIC (Application Specific Integrated Circuit) for high-end talking dictionaries is another important measure to keep product cost down. The benefit of using ASIC is that micro-chips for different functions such as calculation, memory, text-to-speech ("TTS") and database could be designed onto a single chip that could save both cost and space. Products make use of ASIC could be much slimmer in size and competitive in retail prices. The SBU is now working closely with IC (integrated circuit) design houses to come up with more ASIC for its electronic dictionary products.

It is always the Group's target to increase its share in the low-end market after a leading position has been established in the high- and mid-end markets. This is particularly relevant to the mainland China market because of purchasing power and user preference concerns. The SBU is pleased to report that market share of low-end products is steadily increasing over the past 12 months since the launch of several new models such as EC2600, EC2280 and EC3100 in mainland China.

The SBU re-entered the South Korea market in the year after its exit 3 years ago because of the Asian financial crisis. The new products had won very good response from dealers and end-users alike for product design and TTS quality. Thailand is another market that was recovering quickly over the last two years.

## 管理層研究及分析(續)

## Management Discussion &amp; Analysis (continued)



集團不斷改進電子辭典的外型及功能，務求令客戶稱心滿意。

Customers are pleased to see the Group's electronic dictionary is getting better in every new model.

受政局緊張及經濟疲弱的影響，加上燃油價格暴跌影響其國民的主要收入，導致整體消費力疲弱，中東市場於年內呈現較大幅的倒退。

The Middle East market saw significant setback during the year because of political tension and weak economy. The weak consumer spending was also aggravated by the slump in the price of petroleum that represents a major source of income in this region.

為加強軟件開發能力，本SBU已與中國國內一所著名大學建立策略性夥伴關係，開發嵌入式程式，Linux應用軟件及數碼化內容。此為集團重要的里程碑，原因是SBU可以透過經營合資公司而得到高質素軟件工程師的支援。

In order to supplement its software capability, the SBU had formed strategic partnership with a reputable university in the mainland for development of embedded solutions, Linux-based applications and digital content. This is a major milestone for the Group because the SBU could through the joint venture company gain access to a large pool of qualified software engineers.

#### 展望

中國國內市場繼續是中文產品的主要增長動力，台灣市場繼連續兩年較差的表現後將會從後趕上，而香港市場則大致上不過不失。中國國內的增長乃源自國民對優質外語學習工具的需求，尤其是英語，此需求正不斷增加。再加上經濟開放、外貿增加及海外留學的普及，為語言學校、自修課程及語言學習工具等，創造了一個非常龐大的英語學習市場。憑著集團家傳戶曉的品牌及強大的產品開發能力，本SBU已定下策略，務求將電子辭典提升為多功能的語言學習工具。將來的產品不單能協助用家解決難題，更能在用家的事業發展及終身學習方面扮演重要的角色。

#### Outlook

The mainland China market continues to be the main driving force for business growth for the Group's Chinese-based products whereas Taiwan is going to pick up significantly after two years of under-performance and Hong Kong will be more or less steady. The growth in the mainland is fueled by the ever increasing demand for good learning aids for foreign languages especially English. Opening up of the economy and foreign trade and growing popularity of studying abroad have created a very huge ESL (English as Second Language) market for language schools, self-learning programs and electronic language devices. Capitalizing on the Group's household brand and its unparalleled product development capability, the SBU has formulated a strategic plan to transform electronic dictionaries to versatile language learning devices. In future, the devices are not only providing solutions to problems but are also playing an important role in career development and lifetime learning.

## 管理層研究及分析(續)

## Management Discussion &amp; Analysis (continued)



集團與八所小學合作研究電子書在教育上的應用。

The Group works with eight primary schools to study the use of eBook for education purpose.

連接互聯網乃另一重要的產品發展方向，在資訊瞬息萬變的時代，將客戶與資訊連結乃是非常重要的。SBU在去年投放了大量資源，建立了一個包含各式各樣數碼化內容的專用網站，供電子辭典的用戶使用。本SBU亦將繼續與大中華區內的內容供應商及出版商合作，力求爭取更多數碼化內容供用戶下載，藉此令客戶更滿意、更有歸屬感。

無庸置疑，本SBU在改善辭典內容及發聲系統質素方面的努力絕不鬆懈，負責版權及專利授權的部門，不停從不同途徑搜尋更好更新的辭典及發聲軟件，並積極爭取獲得授權。

南韓及泰國將是海外市場的發展重點。新產品將於本年內陸續推出市場。營業額得以提升的同時，管理層亦意識到可能有競爭對手加入。

臨近財政年度末，集團為電子書(eBook)作教育用途進行了一個研究及先導計劃，為管理層提供了非常有用的資料，得以明瞭客戶的需求及用戶的喜好，集團亦將會擴闊其研究層面，希望獲得更多更深入的資料。另一方面，管理層將會緊貼有關科技的發展及業內的趨勢，為新產品制定策略。

Another important product direction is connectivity with internet. In the information age, connecting people to information has never been more important. Over the past year, the SBU has invested a lot of resources in adding and updating digital content of all sorts to the dedicated website that is designed for use by owners of the Group's electronic dictionaries. The SBU will continue to line up with content providers and publishers in the region for digital content for users to download. Reward will be higher customer satisfaction and brand loyalty.

Needless to say, the SBU will not reduce their continuous effort in improving the dictionary database and the TTS quality. As a routine job, the staff in the licensing department look up all available sources to locate newer and better database and TTS software and once identified, will aggressively pursue to secure a possible licence.

South Korea and Thailand will be the focus of overseas marketing. A series of new products are planned to launch in current year. Business volume will grow but the SBU management is also expecting there might be competitors coming in.

Close to the end of the financial year, the Group conducted some pilot studies in eBook for education purpose. The studies provided very useful insight to the management in understanding customer requirements and user preference. Similar studies will be carried out in larger scopes in order to capture more data. On the other hand, the management will follow closely the developments in relevant technology and the industry trend in order to formulate a strategy for this category of products.