

業務回顧

本集團截至二零零三年三月三十一日止六個月之未經審核營業額及股東應佔純利分別約為78,800,000港元及11,600,000港元，分別較二零零二年同期上升約6.9%及70.5%。新加坡及馬來西亞之營業額分別上升14%及27%，令兩地之銷售額增加至佔總銷售額超過10%。

隨著本集團推出之新型號插座受到客戶歡迎，令本集團於回顧期間之未經審核營業額及純利較去年同期有所增長。雖然開關產品行業之間之競爭仍然激烈，並對本集團之淨邊際利潤有一定影響，但本集團之盈利能力仍有改善。

本集團繼續與多間日本及歐洲知名電子產品之品牌持有人加強業務上之合作關係，作為彼等於中國之策略性原設備製造商。本集團將繼續積極爭取擴闊客戶層面及令其產品邁向全球化。

流動資金及財政資源

本集團一般以內部現金經營業務。於截至二零零三年三月三十一日止六個月，本集團來自經營業務之現金流入淨額（扣除已付稅項）約為22,400,000港元（二零零二年：13,600,000港元）。於二零零三年三月三十一日，本集團有現金及現金等值項目約27,400,000港元（二零零二年九月三十日：38,900,000港元）、銀行貸款共約130,000港元將於一年內償還（二零零二年九月三十日：193,000港元）。

本集團於二零零三年三月三十一日之資產負債比率（根據總借貸額佔股東資金比例計算）與二零零二年九月三十日之比率相同，均為0.1%。

BUSINESS REVIEW

The Group's unaudited turnover and net profit attributable to shareholders for the six months ended 31 March 2003 were approximately HK\$78.8 million and HK\$11.6 million, respectively, representing increases of 6.9% and 70.5% respectively over the corresponding period in 2002. An increase of 14% and 27% respectively, in turnover for Singapore and Malaysia pushed sales in both regions to over 10% of total sales.

With ever increasing acceptance of the Group's new models of jacks by the customers, the Group's unaudited turnover and net profit for the period under review increased when compared to those of the previous corresponding period. Although competition in the switches industry is keen and which, to a certain extent affect the Group's net profit margin, the Group's profitability still showed improvement.

The Group continues to work closely with several well-known Japanese and European consumer electronics brandname owners as their strategic OEM manufacturers in the PRC. The Group will continue to broaden its customer base and to promote its products globally.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows. For the six months ended 31 March 2003, the Group generated net cash inflows from operating activities of approximately HK\$22.4 million, net of tax paid (2002: HK\$13.6 million). As at 31 March 2003, the Group had cash and cash equivalents of approximately HK\$27.4 million (30 September 2002: HK\$38.9 million), total bank loans of approximately HK\$130,000 which will be repayable within one year (30 September 2002: HK\$193,000).

The financial gearing ratio of the Group as at 31 March 2003, based on the total borrowings to shareholders' equity, of 0.1% has not changed compared with that at 30 September 2002.

流動資金及財政資源(續)

本集團大部份貨幣資產以港元及美元計算，極少量結餘以新加坡元計算。由於港元與美元掛勾，因此本集團認為所承受之匯率風險極低。因此，本集團毋須採用對沖策略。

投資活動

於二零零三年三月三十一日，本集團持有短期投資約3,800,000港元(二零零二年九月三十日：117,100,000港元)及長期投資145,500,000港元(二零零二年九月三十日：1,300,000港元)，主要投資於獲得優良投資信貸評級之若干股份及債務證券。該等投資之流動性高，並存在高效率之二手市場。與二零零二年九月三十日比較，短期投資顯著減少及長期投資相應增加乃由於企業投資策略改變，由短線主導改變為長線主導所致。

於二零零三年三月三十一日，本集團可動用之現金及現金等值項目及短期投資合共約31,200,000港元(二零零二年九月三十日：156,000,000港元)，相等於本公司股份之流動資金值每股0.74港元。本集團繼續積極研究任何投資機會，有效運用該等資金以增加本公司股東之投資回報。

資本架構

於二零零三年四月三日，透過於本公司之股東特別大會上通過之特別決議案，將每四股每股面值0.50港元之本公司已發行股份合併為一股每股面值2.00港元之股份，而其後藉註銷每股已發行合併股份之繳足股本1.50港元，削減本公司之已發行股本，致使本公司股本中每股已發行合併股份將視作本公司股本中面值0.50港元之一股繳足普通股。

LIQUIDITY AND FINANCIAL RESOURCES (Con't)

Most of the Group's monetary assets are denominated in Hong Kong dollars and United States dollars with minimal balances in Singapore dollars. As the Hong Kong dollar is pegged against the United States dollar, the exchange rate risk of the Group is considered to be minimal. Thus, no hedging strategy was adopted by the Group.

TREASURY INVESTMENT ACTIVITIES

As at 31 March 2003, the Group had short-term investments of approximately HK\$3.8 million (30 September 2002: HK\$117.1 million) and long-term investments of HK\$145.5 million (30 September 2002: HK\$1.3 million) in certain quality equity and debt securities with favourable investment credit ratings. These investments are of high liquidity as there exist an efficient secondary market. The significant decrease in short-term investment and a corresponding increase in long-term investment as compared to 30 September 2002 was due to a change in corporate investment strategy, transitioning from a short-term oriented position to a long-term oriented focus.

As at 31 March 2003, the Group's available balance of cash and cash equivalents together with short term investments amounted to approximately HK\$31.2 million (30 September 2002: HK\$156 million), representing total liquid funds of HK\$0.74 per share of the Company. The Group continues to actively seek investment opportunities and will utilize these liquid funds to maximize the return of the Company's shareholders.

CAPITAL STRUCTURE

On 3 April 2003, by a special resolution passed in a special general meeting of the Company, every 4 issued shares of the Company of HK\$0.50 each were consolidated into 1 share of HK\$2.00 each and thereafter, the issued share capital of the Company was reduced by canceling paid up capital to the extent of HK\$1.50 on each Consolidated Share in issue so that each issued Consolidated Share in the capital of the Company was treated as one fully paid up ordinary share of HK\$0.50 in the capital of the Company.

資本架構(續)

於二零零三年四月三日，根據本公司刊發之通函，本公司股東有權按1.50港元之價格，就彼等每持有兩股股份認購一股新股份。於二零零三年四月十七日，本公司配發及發行合共14,000,000股供股股份，並籌措及收到21,000,000港元之款項。自供股收悉之所得款項淨額約19,000,000港元，其中約2,800,000港元已用作申請UL approvals方案，以開發新產品線，而餘額將撥作額外營運資金。

僱員數目及薪酬

與截至二零零二年九月三十日止年度之已刊發本集團年度報告所披露資料比較，本集團僱員數目及薪酬並無出現重大變動。

展望

受到美伊戰事影響，原油及其相關原料成本急劇上升，對本集團之純利構成壓力，而有關影響預期將於本財政年度下半年浮現。爆發非典型肺炎對本集團並無直接影響。本集團深信對前景充滿信心，並預期有理想回報。

於二零零三年五月，本集團與Sony Chemical Corporation合作之高密度電線排線生產線正式開始投產。本集團已成功獲得銷售訂單及處理有關訂單。本集團相信，該項新業務將對二零零三年至二零零四年之業務業績有正面影響。

於二零零三年二月，本集團動用2,800,000港元，向一間美國公司，DM Technology Energy Inc.購買一系列交流電產品申請UL approvals方案。本集團期望運用此等UL approvals擴大產品種類，藉此為旗下產品系列作多元化發展，以及擴闊本集團之客戶基礎及提升市場佔有率。

本集團為更有效管理及精簡生產流程，本年度將投入資源於採用Oracle ERP系統。本集團相信新電腦系統將有助本集團進一步提升生產力。

CAPITAL STRUCTURE (Con't)

On 3 April 2003, the Company issued a prospectus and pursuant to which, the shareholders of the Company were given a right to subscribe for one new share at HK\$1.50 for every two shares held by them. On 17 April 2003, a total of 14,000,000 rights shares were allotted and issued. An amount of HK\$21 million was raised and received by the Company. The net proceeds received from the rights issue amounted to approximately HK\$19 million, out of which approximately HK\$2.8 million had been used to procure a package of UL approvals to develop new product lines and the remaining balance was used as additional working capital.

NUMBER AND REMUNERATION OF EMPLOYEES

The number and remuneration of employees of the Group had not changed materially from the information disclosed in the published annual report of the Group for the year ended 30 September 2002.

OUTLOOK

Due to the US-Iraq war, the cost of crude oil and its related raw materials increased tremendously, putting pressure on the Group's net profit, the effect of which is expected to be seen in the later half of the financial year. The outbreak of SARS had no direct effect on the Group. The Group firmly believes the future remains positive and its full year results will be satisfactory.

In May 2003, the Group officially began operations on the Sony Chemical Corporation flexible flat cable production line. Sales orders have been successfully received and processed. The Group believes that this new line of business will have a positive effect on the 2003-04 business results.

In February 2003, the Group spent HK\$2.8 million to purchase a package of UL approvals for a series of AC products from the American based company, DM Technology Energy Inc. The Group hopes to utilize these UL approvals to strengthen product variety, thus diversifying its product range, as well as to expand its customer base and increase market share.

As part of the Group's strategy to streamline production workflows and enhance management effectiveness, the Group will invest capital and human resources on the implementation of the Oracle ERP system. The Group believes the new computer system will enable the Group to further enhance productivity.