

## CHAIRMAN'S STATEMENT 主席報告



Dear shareholders,

*On behalf of the Board of Directors (the "Board"), I am pleased to present the annual report of Tonic Industries Holdings Limited.*

致各股東：

本人謹代表董事會欣然提呈東力實業控股有限公司之全年業績報告。

### BUSINESS REVIEW AND OUTLOOK

The Group has successfully accomplished our two years plan to transform from an audio products manufacturing specialist to an expert in producing digital video products such as DVD players, MP3 players, satellite receivers, internet set-top boxes, video phones etc. Major capital expenditures have been invested in the construction of new factory buildings, a staff dormitory and the addition of automated machinery in the last two years. More than HK\$100 million has been spent each year for the last two years ended 31 March 2002. The resulting production facilities equip the Group with the ability and capacity to handle the increase in demand expected in digital products for the next few years.

The Group's competencies have been strengthened through the earlier research and development of digital products. Our product and engineering departments in Hong Kong, Shenzhen and Dongguan work very closely with solution providers and component suppliers. As such, Tonic is committed to manufacturing competitive products with total quality and reliability, superb features and a trendy outlook. The

### 業務回顧及展望

本集團已成功達成其兩年計劃，由音響產品製造專家轉型為數碼視像產品製造專家，如數碼光碟(DVD)機、MP3機、衛星接收器、互聯網機頂盒及視像電話等。過去兩年，大部分資本開支撥作興建新廠房、員工宿舍及添置自動化機器。截至二零零二年三月三十一日止兩個年度，每年耗資超過100,000,000港元，該等生產設施大大加強本集團之實力，配合數碼產品預期於未來數年日趨殷切的需求。

本集團早着先機，率先進行數碼產品研究及開發，成功提升本身的競爭能力。本集團設於香港、深圳及東莞的產品及工程部與方案供應商及零件供應商緊密合作，因而能夠生產優質可靠、功能超卓、款式時尚且極具競爭力的產品。本年度內，投資已開始帶來貢獻，源自數碼及相關業務的銷售佔本集團營業額約50%，反映市場發展蓬

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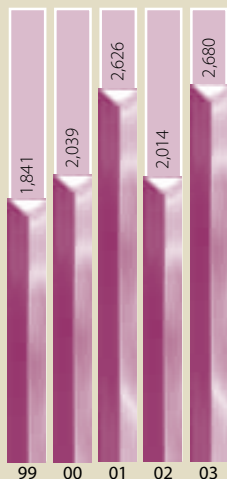
investments have started to make positive contribution during the Year, with approximately 50% of the Group's sales coming from the digital and related businesses, demonstrating the growing market and tremendous popularity of these products. We are pleased to see the significant growth in turnover and profit this Year.

We are pleased to see the encouraging growth in the business of the Home Appliance Division. The division concentrates on developing high end and unique home appliance products including steam stations, air purifiers, wine cellars, espresso/cappuccino makers etc. After several years of business experience with OEM/ODM customers, the home appliance division is now in the process of developing its own brand name products. During the Year, two marketing offices were opened, one in Japan and the other in the United States. Talented marketing people have been recruited to commence the promotion of new products directly to retail outlets. We anticipate a continuous increase in business in the coming years as the two new marketing offices become fully operational.

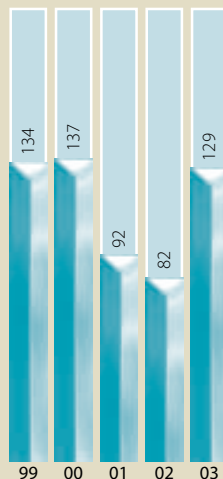
勃，該等產品大受歡迎。本集團喜見本年度營業額及溢利均獲得顯著增長。

本集團喜見家庭電器產品業務的驕人增長。該業務專注開發高檔而獨特的家庭電器產品，包括蒸氣熨斗、空氣淨化機、酒櫃和意大利濃縮／泡沫咖啡機等。憑著與OEM／ODM客戶多年累積的合作經驗，家庭電器產品部門現正開發自有品牌產品。本年度內，本集團開設兩家市場推廣辦事處，一家設於日本，而另一家則設於美國。本集團已聘得市場推廣專才，開始直接向部分選定零售店推廣新產品。本集團預期，當該兩家新市場推廣辦事處全面運作後，業務將於未來數年持續增長。

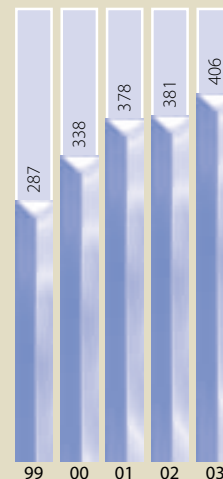
**TURNOVER** (HK\$ million)  
營業額 (百萬港元)



**PROFIT BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION** (HK\$ million)  
除利息、稅項、折舊及攤銷前溢利 (百萬港元)



**SHAREHOLDERS EQUITY**  
(HK\$ million)  
股東權益 (百萬港元)



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Looking ahead in 2003, the market environment will remain difficult. Affected by the geopolitical events earlier this year, consumers are more cautious in their spending. The effect of SARS and the subsequent travel restrictions have also delayed the conclusion of business deals for the second quarter to a certain extent. However we are delighted to see that consumer demand has rapidly picked up in recent months. While the overall global economy is still uncertain we are confident that demand for consumer electronics will remain strong in the next few years, in particular when most analogue products are going through a transition to digital products. In view of the competitive prices at which these products are available, they have become items of necessity, being least affected by any downturns in the economy. Research has shown that there will be at least 10% growth per year in demand for digital products over the next few years. As we have enhanced our production facilities in terms of product development, production ability and capacity, we are confident that the Group will achieve sustained growth.

### FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK1.5 cents for the Year (2002: HK0.5 cent) per share. Together with the interim dividend of HK1 cent per share paid on 8 January 2003, total dividend for the Year will amount to HK2.5 cents per share. Subject to the approval of the Company's members at the forthcoming Annual General Meeting, the final dividend will be paid on or before 7 October 2003 to the registered shareholders.

### CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 16 September 2003 to 18 September 2003, both days inclusive, during which period no transfer of shares will be effected. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m., on 15 September 2003 in order to qualify for the proposed final dividend.

展望二零零三年，市場環境仍然困難。受本年度較早前的地區政局影響，客戶消費更趨審慎，而非典型肺炎及因而實施之旅遊限制更在一定程度上令第二季業務交易未能及早落實。然而，客戶需求於近月迅速回升。儘管全球經濟整體仍持續不明朗，然而，於大部分模擬產品正逐步轉為數碼產品之趨勢下，本集團深信電子消費產品的需求將於未來數年持續強勁。由於該等產品價格具競爭力，亦為生活必需品，故於經濟疲弱環境下所受影響至為輕微。調查顯示，數碼產品於未來數年的需求將每年增長最少百分之十。由於本集團已提升生產設施，產品開發及生產力均具有優勢，本集團業務定能夠錄得穩步增長。

### 末期股息

董事會建議派發本年度末期股息每股1.5港仙（二零零二年：0.5港仙）。連同於二零零三年一月八日派發之中期股息每股1港仙，本年度之股息總額為每股2.5港仙。待本公司股東於應屆股東週年大會批准後，末期股息將於二零零三年十月七日或之前派發予登記股東。

### 暫停辦理股東登記手續

本公司將於二零零三年九月十六日至二零零三年九月十八日（包括首尾兩日）期間暫停辦理股份過戶登記手續，期間亦不會登記任何股份過戶。為確保可享有擬派之末期股息，所有過戶文件連同有關股票須於二零零三年九月十五日下午四時三十分前交回本公司之香港股份過戶登記處登捷時有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下。

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### APPRECIATION

On behalf of the Group, I would like to extend my ongoing gratitude to our customers and business partners for their continuous co-operation and support for the Group. I would also like to thank my fellow board members for the many contributions they have made to the Company, and my colleagues for their efforts and hard work over the past year. Their excellent work has contributed significantly to the Group's favorable results achievements. In the future, we will remain focused and committed to bringing in better returns for our investors.

#### **LING Siu Man, Simon**

*Chairman & Managing Director*

Hong Kong  
22 July 2003

### 鳴謝

本人謹代表本集團衷心感謝客戶及業務夥伴一直以來對本集團的合作與支持。此外，本人亦就過去一年董事會成員對本公司作出的貢獻及同事的辛勤努力致以謝意。全賴彼等卓越的工作表現，本集團取得理想業績表現。展望未來，本集團將繼續專心致力為投資者帶來更佳回報。

#### **凌少文**

*主席兼董事總經理*

香港  
二零零三年七月二十二日