

業務回顧

截至二零零四年三月三十一日止六個月，本集團之營業額約為104,000,000港元，較去年同期增加32%，未經審核溢利淨額約為28,700,000港元，較去年同期增加145%。

本集團繼續發展新產品及拓展產品線，成績令人滿意。隨著本集團推出之產品廣受市場歡迎，本集團於回顧期間之營業額及溢利淨額大幅增加。於馬來西亞成立之新銷售代表辦事處對集團營業額帶來正面影響，並預期新銷售辦事處將繼續為本集團在此等市場增加市場佔有率及新客戶之基礎。

本集團繼續與多間日本及歐洲著名電子產品之品牌持有人合作，作為彼等之策略國際性原設備製造商。本集團將繼續積極爭取拓闊客戶層面及令其產品邁向全球化。本集團於二零零四年財政年度下半年成功招攬另一個新歐洲品牌之新客戶，並預期於本財政年度下半年反映新客戶帶來之業績。

由於銅及塑膠市場之價格不斷上漲，故此於回顧期間之六個月內原料價格大幅上升，然而本集團卻在價格上升前購入一定數量之存貨，所以能平衡所增加之成本。

BUSINESS REVIEW

For the six months ended 31 March 2004, the Group's turnover was approximately HK\$104 million, an increase of 32% over the same period last year. Unaudited net profit amounted to approximately HK\$28.7 million, an increase of 145% over the same period last year.

The Group continued to develop new products and product lines with favorable results. Strong market acceptance of the Group's products resulted in the Group's turnover and net profit for the period under review to increase considerably. The opening of a new sales representative office in Malaysia also impacted positively on the Group's turnover. It is expected that the new sales office will enable the Group to capture a wider market, thereby penetrating such market for both new customers and new products.

The Group maintained its cooperative efforts with several well-known Japanese and European consumer electronics brand name owners as their strategic international OEM manufacturers. The Group will continue to broaden its customer base and to promote its products globally. The Group was successful in attracting a new European brand name in the second half of fiscal 2004, the result of which will be seen in the second half of the fiscal period.

Prices of raw materials increased significantly during the six months under review as the prices in copper and plastic resin markets continued to rise. However, the Group was able to manage its inventory by procuring large volumes prior to the rise to compensate for such increased costs.

流動資金及財政資源

本集團一般以內部現金經營業務。於截至二零零四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約為43,500,000港元(二零零三年：22,400,000港元)。於二零零四年三月三十一日，本集團有現金及現金等值項目約48,700,000港元(二零零三年九月三十日：36,000,000港元)，而並無尚未償還之銀行貸款(二零零三年九月三十日：65,000港元)。

本集團於二零零四年三月三十一日之財務資產負債比率(根據總借貸額佔股東權益比例計算)與二零零三年九月三十日之比率0.4相比，為0.3%。

本集團大部份貨幣資產主要以港元及美元計算，極少量結餘以新加坡元計算，並考慮到港元與美元掛勾，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。

財務投資活動

於二零零四年三月三十一日，本集團持有短期投資約10,800,000港元(二零零三年九月三十日：14,400,000港元)及長期投資約198,000,000港元(二零零三年九月三十日：147,000,000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，是由於此等信貸評級較高之債券存在高效率之二手市場。

於二零零四年三月三十一日，本集團可動用之現金及現金等值項目及短期投資合共約59,000,000港元(二零零三年九月三十日：50,000,000港元)，相等於本公司股份之流動資金值每股1.16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。

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows. For the six months ended 31 March 2004, the Group generated net cash inflows from operating activities of approximately HK\$43.5 million (2003: HK\$22.4 million). As at 31 March 2004, the Group had cash and cash equivalents of approximately HK\$48.7 million (30 September 2003: HK\$36.0 million), and no bank loans was outstanding (30 September 2003: HK\$65,000).

The financial gearing ratio of the Group as at 31 March 2004, based on the total borrowings to the shareholders's equity was 0.3% as compared to 0.4% at 30 September 2003.

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

TREASURY INVESTMENT ACTIVITIES

As at 31 March 2004, the Group had short-term investments of approximately HK\$10.8 million (30 September 2003: HK\$14.4 million) and long-term investments of approximately HK\$198 million (30 September 2003: HK\$147 million) in certain equity and debt securities with favourable investment credit ratings. These investments are of high liquidity as there exist an efficient secondary market for these high credit rating bonds.

As at 31 March 2004, the Group's available balance of cash and cash equivalents together with short term investments amounted to approximately HK\$59 million (30 September 2003: HK\$50 million), representing total liquid funds of HK\$1.16 per share of the Company. The Group continues to actively seek investment opportunities and will utilize these liquid funds available to maximize the return of the Company's shareholders.

資本架構

於二零零三年十月七日，本公司與本公司之主要股東Bright Asia Holdings Limited (「BAHL」) 訂立認購協議 (「認購協議」)。根據認購協議，本公司同意配發及發行，而BAHL則同意按認購價每股2.65港元，認購本公司股本中每股面值0.50港元之5,200,000股股份。本公司因認購股份而發行5,200,000股普通股、2,600,000港元之新股本及股份溢價11,180,000港元 (未扣發行開支)。

僱員數目及薪酬

與截至二零零三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

由於在回顧期間內銅及塑膠價格急升，故此整體電子市場面對產品成本壓力。即使近期原料價格在上漲後回復至穩定水平，原料價格急升對毛利之影響將反映於二零零四年財政年度下半年中。

高密度電線排線 (「高密度電線排線」) 部門仍然未能為本集團之營業額帶來理想之貢獻。由於現時高密度電線排線市場之競爭激烈，而此部門尚處於起步階段，故在現階段而言，本集團相信此部門尚需要二至三年時間，方可步入成熟期。

本集團已於回顧期間獲得位於羅定區域之土地使用權，現正著手籌備新廠房之建築計劃，預期新廠房第一期之完成日期將為二零零五年初。

縱使本集團預期於二零零四年財政年度下半年將會面對嚴峻之產品成本壓力，但本集團貫徹其穩健的策略，並對於本財政年度之營業額及溢利充滿信心。

CAPITAL STRUCTURE

On 7 October 2003, the Company and Bright Asia Holdings Limited ("BAHL"), a substantial shareholder of the Company, entered into a subscription agreement (the "Subscription Agreement"). Pursuant to the Subscription Agreement, the Company agreed to allot and issue, and BAHL agreed to subscribe 5,200,000 shares of the Company of HK\$0.50 each in the share capital of the Company at a subscription price of HK\$2.65 per share. The subscription of shares resulted in the issue of 5,200,000 ordinary shares of the Company, and new share capital of HK\$2,600,000 and share premium of HK\$11,180,000 (before issue expenses).

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 for the year ended 30 September 2003.

OUTLOOK

Due to the quick rise in copper and plastic resin prices over the Period, the electronics market as a whole experienced pressure on product costs. Although material prices has now plateau, it is expected that the effects of the rapid rise will be duly felt in the second half of fiscal 2004's gross profit.

The Flexible Flat Cable ("FFC") division continues to represent a negligible portion of the Group's turnover. The FFC market is currently a highly competitive market while our division remains in its infancy stage. At this point, the Group believes that it will take another 2 to 3 years for the division to achieve maturity.

The new proposed Luo Ding factory is coming together as the land use rights to the land in the area has been acquired and the Group is in the midst of construction planning. Expected completion date of Phase I of the new factory will be in early 2005.

Although the Group expects to face strong product cost pressures in the second half of fiscal 2004, the Group remains conservatively optimistic in our turnover and profit for the fiscal period.