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業務回顧

電源開關插頭配件產品業務

在回顧之財政年度,本集團主要製造及銷售之電源開關插頭配件產品業務,繼續為本集團主要之收入來源。由於公司就規規,垂直式生產,並擁有開發爭力價格之品。在色營銷隊伍,具市場競爭力價材料。在過去一年不斷上漲,本集團仍然維持在過去一年不斷上漲,本集團仍然維持政中,與生產工序更完善發體額及盈利也有相品、良質素。為之營業額及盈利也有相品、良質素。為之營業額及盈利也有產品,與配票。本集團有產與共產工戶更完善與相信電源開關。本集團相信電源開關係。本集團相信電源開關係。本集團相信電源開關的之件。

高密度電線排線產品業務

此業務在本財政年度下半年開始投入生產。雖然此業務市場競爭激烈及在剛起步階段,但在客戶支持下,營業額不斷上升,收益也相對增加。本集團相信在下一年度,高密度電線排線業務將會為本集團另一穩定及理想之收入來源。

五金部件產品業務

本集團為更有效地運用集團現有資源及開拓新產品市場,在本財政年度後期開始研制生產五金部件產品及積極與有關客戶治商合作。本集團相信此類型產品在電子產品製造市場有相當之需求。若全面投入生產,五金部件產品業務將為本集團提供可觀之收益。

BUSINESS REVIEW

Switches and jacks segment

During the fiscal year under review, the Group was mainly engaged in the manufacture and sale of switches and jacks which continued to be a main source of income of the Group. Due to the Group's large scale vertically integrated production method, high quality product development, outstanding sales team, highly competitive pricing and effective management, the Group was able to control its various production cost even as raw material prices increased significantly on a global basis as well as improve its production processes and product quality. With the support from its customers, turnover and profit attributable this segment resulted in a significant increase. The Group will continue to proactively develop new products, improve production process and maintain strong and long lasting relationships with its customers. The Group expects the switches and jacks segment to continue to provide a stable and satisfying source of income.

FFC segment

This segment began its operation in the latter half of the current fiscal year. Even though market competition for this segment was fierce and the segment was in its infant stage, turnover continued to rise, with the strong support from its customers. The Group believes the FFC segment will thrive and become another stable and gratifying source of income in two to three years.

Metal parts segment

In order to utilise existing resource of the Group and explore new markets for our products, the Group, in the latter half of this fiscal year, began to study the feasibility for production of metal parts and negotiated with relevant customers creating co-operations. The Group believes such products are in great demand for producers of electronic products. If in full swing, the metal parts segment will generate rewarding revenues for the Group.

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MANAGEMENT DISCUSSION AND ANALYSIS

本集團未來目標除繼續做好以上各項業務外,同時積極開發研究不同類型之產品, 使集團業務更多元化,同時提升集團在同 業間之競爭能力,務求邁向更高領導之地 位。

新廠房之需求

廣東省羅定市廠房

羅定市新廠房位於現時東莞廠房西北面附近,佔地約66,000平方米。此區之員工薪酬及能源成本相對較低。在本財政年度中,本集團已完成所有關於購入此地之手續,並已取得有關土地使用權。新廠房正興建中,預期於二零零五初完成。並可在二零零五中開始投入生產。加上現時東莞廠房之生產線,電源開關插頭配件產品生產能力將大幅提升。

The Group aims to continue to develop the above segments and, at the same time, actively develop new product lines with an attempt to step up its diversification of operations and increase its competitiveness compared to other market players to secure its leading position.

DEMAND FOR NEW PLANTS

The Group maintains its current production process at the existing plants in Dongguan. Due to a continued increase in customer purchase orders and range of products, the Group's Dongguan production line has reached its full capacity. Also, as labor supply becomes more insufficient and wages continue to rise, the resulting difficulties in hiring workers create pressure on production costs. In order to control production costs, maintain quality of products and meet the needs of customers, as well as complement the future development of the Group, the Group acquired certain land for industrial use located in Luo Ding Region, Guangdong Province and Heyuan, Guangdong Province for the construction of new plants. At the same time, studies of the implementation of semi-automation of production process have begun as a mean of, lowering the demand for labor in effort to raise productivity.

Plant in Luo Ding, Guangdong Province

The Luo Ding plant, located in an area Northwest to our current Dongguan plant, will be constructed on an approximate 66,000 square meters of land. The area is known for its cheaper labor and energy costs. During the current fiscal year, the Group completed all formalities regarding the purchase and obtained the land use right of such land. The new plant is being constructed and expected to be completed in the beginning of 2005 and commence its operation by the middle of 2005. With the current production line in Dongguan, the production capacity of switches and jacks will be greatly enhanced.

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廣東省河源市廠房

本集團在二零零四年七月五日由中國廣東 省河源市人民政府擁有之國有企業,河源 市高新技術開發區有限公司簽訂買地協 議,以現金代價人民幣8,500,000元(約港 幣8,018,900元)購入位於河源市高新技術 開發區第十一號地段一幅地盤總面績約 170,000平方米之工業用土地。本集團計 劃分兩階段共投資約港幣70,000,000元興 建新廠房及購置生產設施。並已與香港上 海滙豐銀行有限公司訂立備用貸款協議來 融資及由本集團內部資源支付。本集團預 期在二零零四年底完成收取土地使用權手 續後,第一期之廠房興建便將盡快動工。 預計在二零零五年底開始投入生產。本集 團並計劃將現時東莞廠房部份生產工序遷 移到此新廠房,以便更有效之管理。河源 市新廠房將兼顧生產本集團現時積極推廣 之五金部件產品。待河源市新廠房完全投 入生產後,本集團之生產線將更全面及完 善、生產能力將倍升及生產管理將更有效 率。本集團在當地並享有二免三減半之稅 務優惠。

財務狀況

本集團一向致力維持良好之財務狀況,同時也致力提高股東股本回報。於二零及 東九月三十日,本集團之資產負債表團 動資金狀況均非常穩健。於當日本。 團內部資金和業務營運收入為本集團,本 團內部資金和業務營運收入為本集團,本 團內部資金和業務營運收入為本集團,本 團於本年度也適當地利用資本 事於本年度也適當地利用資本 中國於本年度內,自營運業務收入 金淨流入為港幣43,000,000元。於二 完明日結餘約港幣38,000,000元、銀行 短期借貸約港幣1,000,000元。 借貸約港幣5,600,000元。

Plant in Heyuan, Guangdong Province

The Group entered into a land purchase agreement with 河 源市高新技術開發區有限公司, a State-owned company held by 中國廣東省河源市人民政府, on 5 July 2004 for a cash consideration of RMB 8,500,000 (approximately equivalent to HK\$8,018,900) for the acquisition of a piece of land for industrial use located in Lot No. 11, Heyuan Hi-tech Development Area, Heyuan City, Guangdong Province, with an area of about 170,000 square meters . The Group intends to invest HK\$70,000,000 for the construction of a new plant and to purchase equipment of which will be financed by a facility agreement entered into by the Group with the Hongkong and Shanghai Banking Corporation Limited and by internal resource of the Group. The Group expects to complete the formalities to receive the land by the end of 2004, and begin the first phase of plant construction. The plant is expected to commence its operation at the end of 2005. The Group also plans to reallocate certain production process currently operating in the Dongguan plant to the new plant for more efficient management. The new plant in Heyuan will also engage in the production of metal parts which are currently being actively promoted by the Group. After operations of the new plant in Heyuan are in full swing, the production capacity of the Group will increase significantly, become more comprehensive and more efficient. The Group is entitled to tax relief of 二兔三減半.

FINANCIAL POSITION

The Group is dedicated to maintaining a sound financial position and improving the equity return for shareholders. As at 30 September 2004, the balance sheet and cash flow are very stable. The Group had total net assets amounting to HK\$338 million. Operations and development of the Group are mainly financed by internal resources and revenues of operations of the Group. In the mean time, the Group appropriately utilized banking facilities to finance development and investment of the Group. For the year ended on 30 September 2004, net cash inflow generated from operating activities amounted to HK\$43 million. As at 30 September 2004, the Group had cash and cash equivalents of approximately HK\$38 million, bank short-term loans of approximately HK\$1 million and bank long-term loans of approximately HK\$5.6 million.

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MANAGEMENT DISCUSSION AND ANALYSIS

本集團的資產負債比率按借款總額相對股 東資金計算,由去年之0.4%上升至二零 零四年九月三十日之1.9%。

由於本集團大部份貨幣資產均以港元及美元計價及極少數以坡元計價,而港元與美元掛鈎,因此本集團認為其所承受之匯率 風險極低。

為配合本集團之業務發展,於二零零三年十月七日透過配售代理及Bright Asia Holdings Limited以先舊後新形式,以每股港幣2.65元配發5,200,000股新股份,未扣除發行開支共集資港幣13,780,000元。集資淨額全數用於業務營運用途。

因應河源市新廠房之發展資金需要,本集團除了在內部資源撥備外,在二零零四年七月六日和香港上海滙豐銀行有限公司訂立備用貸款額總值港幣50,000,000元之備用貸款協議。此貸款額將用於發展河源市新廠房及作為一般營運資金用途。截至二零零四年九月三十日止,本集團並沒有提取任何貸款額。

本集團將繼續維持良好及穩健之財務狀況。在適當之情況下運用合適之融資方法 在市場上籌集資金去發展業務及投資,務 求在安穩情況下為股東帶來理想之回報。

投資活動

本集團除了專注發展本身基本業務外,也 適當地運用本集團之資源替股東作出合適 之投資活動,以求取得更佳之股東資金回 報。

在回顧財政年度內,本集團繼續持有若干 獲優良評級及套現能力強之債務證券投 資。該等投資價格穩定且能為本集團提供 The financial gearing ratio of the Group, based on the total borrowings to the shareholders equity, has increased from 0.4% last year to 1.9% as at 30 September 2004.

As most of the Group's monetary assets are denominated in Hong Kong dollars and US dollars with minimal balances in Singapore dollars, and Hong Kong dollar is pegged to US dollar, the exchange rate risks of the Group is considered to be minimal.

By way of entering into a top-up placing arrangement with the placing agent and Bright Asia Holdings Limited, 5,200,000 new shares were issued at the price of HK\$2.65 per share on 7 October 2003 in order to finance the development of the Group. The closing price per Share as quoted on the Stock Exchange on 7 October 2003 was HK\$3. The proceeds from the placing before expenses was HK\$13,780,000. The net proceed was used as working capital.

For the construction of the Heyuan plant, in addition to drawing from internal resource, the Group entered into a facility agreement with the Hongkong and Shanghai Banking Corporation Limited on 6 July 2004, according to which, the Group was given a banking facility of HK\$50,000,000 in total. Such banking facility will be used for development of the plant in Heyuan as well as general working capital. As at 30 September 2004, the Group did not draw down any amount from such banking facility.

The Group will continue to maintain a sound and stable financial position. In an effort to generate satisfactory return for shareholders, the Group will appropriately utilize various financial means to raise capital in the market to finance operating and investing activities.

INVESTING ACTIVITIES

The Group not only focused on its principal activities, but also used internal resource of the Group to invest in suitable projects on behalf of shareholders for generating returns attributable to shareholders.

During the fiscal year under review, the Group held certain quality equity and debt securities of high liquidity with favorable investment credit ratings. Prices of these

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合理之利息收入。於二零零四年九月三十日,該等投資總值為港幣200,300,000元。

配合香港經濟逐步復甦及中國對香港實行的各項優惠政策,本集團於回顧財政年度內吸納若干香港優質住宅物業作投資用途。投資資金分別來自集團內部資金及銀行按揭貸款。該等物業將為本集團提供合理之租金收入。本集團相信在香港經濟進一步復甦下,該等物業將會帶來理想之投資回報。

本集團相信透過適當之投資組合,一方面 給股東帶來理想穩定之回報,另方面也可 使集團資產更優質化。

或然負債

於二零零四年九月三十日,本集團並無重 大或然負債。

員工

於二零零四年九月三十日,本集團僱用約 2,000名員工,僱員所獲之市場薪酬包括 保險、強制性公積金計劃、酌情花紅及購 股權計劃。

展望

儘管原材料價格仍繼續上揚及市場競爭仍 然激烈,但本集團相信透過加強維持客戶 間長久良好之夥伴關係、提供更多優良產 品、並善用現有公司資源、積極洽商新客 戶、擴大現有市場佔有率和發掘新市場, 鞏固市場領導地位以及靈活增加優質之投 資組合的發展方向下,董事局對未來集團 業績充滿信心,並期望帶領集團再創高 峰,與各股東、員工一起分享未來豐碩的 成果。 investments, which provide satisfactory revenues from interest, are stable. As at 30 September 2004, the total value of these investments was HK\$200.3 million.

Due to steady recovery of the Hong Kong economy and various favorable policies taken by China for Hong Kong, during the fiscal year under review, the Group acquired certain high quality real estates of residences for investment in Hong Kong. Such investment was financed by internal resources of the Group and bank mortgages. Such properties provide the Group with satisfactory rental income. The Group believes that as the Hong Kong economy continue to steadily recover, such properties will provide reasonable returns.

The Group believes that by way of a suitable investment portfolio, the Group can have a steady source of income and improve the quality of assets held by the Group.

CONTINGENT LIABILITIES

The Group has no material contingent liabilities as at 30 September 2004.

STAFF

As at 30 September 2004, the Group employed approximately 2,000 staff at market remunerations with employee benefits such as insurance, mandatory provident fund scheme, discretionary bonus and share option scheme.

OUTLOOK

Raw material costs will continue to rise and market competition will become fiercer. However, the Group believes that as it continue to maintain strong customer relationships, improve its high quality standards, efficiently utilise its existing resource, aggressively attract new customers, continuously explore new markets, maintain its position as market leader and enhancing its investment strategies, the Board will remain optimistic with its future results. The Board has faith that the Group will achieve yet another pinnacle and share the rewards with its shareholders and staff.