

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Product Mix Analysis

In fiscal 2005/2006, Fujikon attained strong performance for all its different product segments, except for electro-acoustic parts that was on strategic pull out. Sizeable orders from major customers, evolving favorable market and product trends, and, last but not least, the Group's effort to apply its acoustic expertise to produce more sophisticated products across its entire portfolio were major factors underlining its good performance during the year.

While audio products continued to be the Group's largest revenue contributor, communication and multimedia products reported substantial revenue growth during the year. For the year ended 31 March 2006, the sales of audio products, communication products, multimedia products, electro-acoustic parts, and electronic products and accessories accounted for 28.8%, 25.9%, 9.3%, 10.5% and 25.5% respectively of the Group's total turnover.

Audio Products

The segment had an 11% increase in sales from last year's HK\$282 million to this year's HK\$313 million. The encouraging growth was mainly attributable to increase in sales across the Group's product lines driven by strong orders from existing clients. During the past year, continuously stimulated by the audio entertainment "on-the-go" trend in the end-user market, demand for compact and high quality audio products, such as earphones and mid-size headphones, grew consistently.

Besides products for mobile audio entertainment, there were a couple of other products that registered positive gains. The noise-cancelling headphone for frequent air travellers was one. The other was the wireless infrared (IR) headphone for in-car passenger use. The latter has the potential of developing into a sizable bundling business with top-tier automobile manufacturers. Armed with proven acoustic expertise and in collaboration with its customers, the Group developed for the audio segment products that were innovative, fashionable and of superb acoustic quality.

業務回顧

產品組合分析

除策略性地撤出電聲零件業務外，富士高於二零零五／零六年度，各項產品的銷售均表現出色。本年度集團業績理想，主要由於市況良好及主要客戶增加訂單數量，加上產品熱潮帶動龐大需求，以及集團致力運用其於電聲產品方面的專業技術，開發出各種不同類型的產品所致。

音響產品仍是集團的主要收入來源，而通訊及多媒體產品的收益於年內亦錄得大幅增長。截至二零零六年三月三十一日止年度，音響產品、通訊產品、多媒體產品、電聲零件和電子產品及配件的銷售分別佔集團總營業額的 28.8%、25.9%、9.3%、10.5% 及 25.5%。

音響產品

音響產品業務的銷售由去年 282,000,000 港元上升 11% 至本年度的 313,000,000 港元。該等業務錄得令人鼓舞的增長，主要由於現有客戶增加訂單帶動集團產品銷售所致。過去一年，消費市場繼續受到音樂娛樂「隨身聽」的潮流帶動，市場對小耳機及中型耳機等小巧及高質素的音響產品需求保持相應增長。

除配合流動音響娛樂產品的耳機外，其他產品亦錄得滿意的銷售成績，包括廣受經常乘搭飛機的旅客歡迎的消滅噪音耳機及內置於汽車的紅外線耳機。其中，紅外線耳機更有機會發展成為具規模的汽車配套設備業務。憑藉在電聲產品方面的專業技術及與客戶建立的良好合作關係，集團積極開發多款創新時尚並具備高質素的音響產品，以滿足市場需求。

BUSINESS REVIEW (Continued)

Communication Products

The segment's revenue rose 57% from HK\$179 million last year to HK\$282 million this year, powered mainly by the demand from a world-renowned European handset manufacturer. Along with this significant volume growth, the Group also effected broadening of its product offering. Having high acoustic quality has become more crucial for hands-free headsets as handsets with music and video features get more popular. This in turn, has also helped to push up average selling price of the Group's products.

In 2004, according to Gartner, 679 million new mobile handsets were sold worldwide and, in 2005, sales went up 21% to over 817 million. The Group expects sustained momentum for the segment given the thriving mobile phone market, rising headset bundling rate, and increasing sophistication of hands-free headset products. Mobile communication products will remain the Group's number one growth driver in the coming year.

Multimedia Products

The Group's multimedia products saw a remarkable 150% surge in sales attributable to the mass shipment of headsets to Microsoft for bundling with the Xbox 360™ game console. Sales for the segment grew from HK\$41 million last year to HK\$101 million this year.

Bundling headset with game console is a new development in the video game market. With new features like voice-command, on-line games and chatting becoming the mainstream, the headset will become an indispensable accessory for game players.

To the Group, the massive shipment to Microsoft means more than revenue gains, but its successful leverage of the customer's prominent presence and network in the video game market to establish its own foothold in the sector. Fujikon is apt to produce multimedia headset befitting for use with video games to give more "true to live" experience to demanding game players. Other than making video games more enjoyable, with on-line games and chatting becoming more and more popular, the Group's multimedia headsets have found more new applications. These new applications will continue to propel its advancement in the coming year.

業務回顧 (續)

通訊產品

在全球知名的歐洲手機生產商的訂單帶動下，通訊產品業務的銷售由去年的179,000,000港元，飆升57%至本年度的282,000,000港元。隨著銷量大幅增長，集團亦成功擴闊產品類別。由於具備音樂及視像功能的手機日漸普及，帶動了市場對高音響質素的免提耳機的需求，並有助提高集團產品的平均售價。

根據Gartner資料顯示，於二零零四年，全球共售出679,000,000部全新的流動電話，二零零五年銷售更上升21%至逾817,000,000部。正因流動電話市場持續蓬勃發展、耳機配套率的提升、以及對多功能免提耳機產品的殷切需求，預期流動通訊產品繼續成為集團的首要增長動力。

多媒體產品

由於微軟Xbox 360™遊戲機的配套耳機開始大量付運，多媒體產品的銷售大幅上升150%。該類產品業務的銷售額由去年的41,000,000港元升至本年度的101,000,000港元。

為遊戲機配置耳機將是視像遊戲市場發展的新方向。附設嶄新的功能如聲控、網上遊戲及聊天室等將成為新一代遊戲機的主流，預計耳機也將成為玩家不可或缺的配件。

對集團而言，微軟的訂單不僅帶來豐厚的收益，更可藉著其在視像遊戲市場的領導地位及廣闊的網絡，在該市場建立穩固基礎。富士高已準備就緒，生產供視像遊戲使用的多媒體耳機，為高要求的遊戲玩家帶來更真實的體驗。除了使玩家更能享受視像遊戲所帶來的樂趣外，集團亦有見於網上遊戲及聊天室功能日趨普及，將在來年繼續致力擴闊多媒體耳機的應用空間，以及提升產品的質素及技術水平。

BUSINESS REVIEW (Continued)

Electro-acoustic Parts

At the decision of the management to exit less profitable businesses, turnover of the segment was down from last year's HK\$217 million to HK\$115 million this year, a drop of 47%. While demand for the Group's FM transmitters remained stable during the year, micro-speakers of lower margin were strategically pulled out to free resources and production capacity for better margin businesses.

Electronic products, accessories and others

As an essential supporting business to the Group's core businesses, this segment also registered healthy sales growth for the year under review in line with the performance of the Group's other business segments. Its revenue climbed 30% to HK\$277 million from last year's HK\$214 million. Special contributions were derived from the sales of packaging materials and cable assembly. With prospects expected for other business segments of the Group in the coming year, this segment can also look forward to delivering good results.

Geographical Distribution of Sales

The Group sells to world-class customers with global presence and ship to their desired destinations or markets around the world. As such, the increased orders from customers, hence shipments, during the year, were accordingly reflected in the revenue returns from different geographical markets. As the Group does not target or rely on any specific geographical markets, conditions in individual markets have no immediate direct bearing on its business.

During the past year, sales in Asia (excluding Japan and Mainland China) Mainland China, Japan, Europe and North America accounted for 19.3%, 23.9%, 4.3%, 21.1% and 29.3% respectively.

PROSPECTS

As mobile communication and entertainment continues to capture consumers' fancy around the world, demand for top quality acoustic products with more value-added features will also rise. Therefore, Fujikon has good reasons to be confident of continuing to deliver strong performance in the coming years.

業務回顧 (續)

電聲零件

鑑於管理層決定策略性地撤出利潤較低的業務，以致電聲零件的營業額由去年的217,000,000港元降至本年度的115,000,000港元，跌幅約47%。本年度，市場對FM傳送器仍然保持穩定的需求，而集團則策略性減少生產利潤較低的微型揚聲器，以騰出資源和產能投放在利潤較佳的業務上。

電子產品、配件及其他

作為集團核心業務的重要支援，該部分的業務與集團其他核心業務的發展一致，同樣錄得令人鼓舞的銷售增長。其收益攀升30%，由去年的214,000,000港元增至277,000,000港元，其中包裝物料及插線組件的銷售尤為理想。從集團展望來年核心業務的表現，預料此等業務將繼續締造佳績。

地域銷售分佈

集團的產品多售予業務遍佈全球的跨國企業，並按客戶要求把產品付運至指定的地點或市場。因而，隨著該等客戶的訂單增加，此模式亦反映於集團地域銷售分佈上。由於集團並沒有集中發展或依賴任何特定地域市場，因此個別市場狀況並不會對集團業務構成任何直接影響。

於回顧年內，亞洲(日本及中國內地除外)、中國內地、日本、歐洲及北美的銷售分別佔集團總營業額的19.3%、23.9%、4.3%、21.1%及29.3%。

展望

由於流動通訊及娛樂產品熱潮在全球持續向好，而市場對附加更多增值功能的高質素音響產品需求仍然殷切，因此，富士高相信來年業務將可穩步發展。

PROSPECTS (Continued)

The booming global mobile communications industry will see communication products contribute a higher percentage of the Group's revenue. Gartner's forecast has global mobile handset sales increasing at a compound annual growth rate (CAGR) of 8% to 12% between now and 2010. Furthermore, new value-added features in mobile handset like MP3, radio and mobile TVs, all demand the use of top quality hands-free headsets. These trends are bound to make the headset a must-have accessory. With its businesses closely tied to the communications industry on the up-trend and braced by its strong relationship with the leading European mobile handset manufacturer, the Group can accordingly look forward to persistent robust demands for its communication products.

Growth of audio products is expected to remain solid in the coming year. Apart from demanding the best entertainment experience at home, the popularity of compressed digital audio in the past few years has fuelled the "quality music on-the-go" trend as reflected in more consumers going for high quality earphones and sophisticated mid-size headphones that deliver superior acoustic quality. In addition to noise-canceling headphones, the wireless infrared (IR) headphones for in-car use have also been gaining mass adoption, thus presents significant growth potential. Anticipated shipment to additional tier-one automobile manufacturer will commence this year. On the other hand, the Group has already secured a sizeable order from a premium global audio equipment brand, testifying to worldwide recognition of the Group's top quality audio products enabled by its electro-acoustic expertise.

The Group has made inroads in the video game sector in the past year leveraging Microsoft's Xbox 360™. The sector, also growing, is expected to continue to buttress the Group's multimedia product segment. But, that is not all. Multimedia entertainment, with video games as one element, has become an essential constituent of modern living, and consumers expect multimedia entertainment equipment to give them maximum pleasure, including superb acoustic experience. The Group expects to derive drive from its established foothold in the video game market to tap potentials in the multimedia entertainment arena. VoIP (Voice over Internet Protocol) and other instant-messaging type voice communication applications, which are enjoying widening user support, also require complement from more refined multimedia headsets. That critical last mile in the delivery of the most pleasurable or quality consumer experience is Fujikon's expertise.

展望 (續)

在全球流動通訊業蓬勃發展下，預料通訊產品將佔集團業務更大的比重。根據Gartner的預測，由現時起至二零一零年，全球流動電話銷售的複合年增長率將達8%至12%。加上手機的新增值功能，如MP3、收音機及流動電視等均需配備優質免提耳機，這市場趨勢將令耳機成為手機的必備配件。鑑於集團的業務與通訊行業的發展息息相關，並在與歐洲具領導地位的手機製造商的穩固關係支持下，集團預料市場對富士高的通訊產品需求將繼續強勁。

至於音響產品方面，預計在來年繼續穩步上揚。現今消費者除了追求更優質的家居音響娛樂設備外，過去數年壓縮數碼音響也日趨普及，引發了隨身享受優質音樂的潮流，這正好反映在越來越多消費者選用高質素小耳機及中型耳機上。除了消滅噪音耳機外，汽車內置紅外線耳機亦開始為大眾廣泛使用。集團預料在本年度開始付運紅外線產品予另一家一級汽車製造商，顯示了該市場具有龐大的增長空間。另一方面，集團已成功獲取一家世界知名的優質音響設備品牌的大額訂單，足以證明集團在電聲產品方面的專業技術深受業界翹楚的認同。

乘著微軟Xbox 360™的熱潮，集團於去年已成功進軍視像遊戲市場。此市場現正不斷增長，預期將成為集團多媒體產品業務的重要增長動力。不僅如此，隨著多媒體娛樂漸成為現代生活不可或缺的一部份，消費者冀望該等設備能為他們帶來最高的享受，當中包括更優質的聽覺體驗。因此，集團希望藉著在視像遊戲市場所建立的優勢，涉足其他多媒體娛樂範疇。此外，由於VoIP (Voice over Internet Protocol)及其他即時信息類型的語音通訊已獲廣泛應用，需要配備更優質的多媒體耳機。而富士高的專長正是為消費者提供一流音響效果的產品。

PROSPECTS (Continued)

With over 20 years of experience in the industry and known for its acoustic expertise – its core competence, Fujikon will seek to exploit global market and product trends that are gathering momentum braced by consumers' quest for quality. The Group will step up research and development efforts to further sharpen and ensure versatility of application of its acoustic expertise. The Group is prepared to fully apply its production capabilities and ability to flexibly ramp up or down production in prompt response to customers' time to market requirement. Fujikon sees solid demands in the coming year and positive outlook for its core audio, communication and multimedia product segments. To grow its business, the Group is ready to capitalize on the new markets emerging as industrial segments converge and crossover. However, it will not be overly aggressive in expanding its business, but will aim for managed and sustainable growth, the most efficient application of resources and to continue its uncompromising pursuit of quality riding on its proven strengths.

FINANCIAL REVIEW

For the year under review, the Group achieved a breakthrough in turnover of HK\$1.089 billion, representing an increase of 16.9% against HK\$932 million in the previous year. This was mainly attributable to the continuously growing demands for our communication and multimedia products. The profit attributable to equity holders of the Company and basic earning per share also reached record-high of HK\$86 million (2005 (restated): HK\$66 million) and HK23 cents (2005 (restated): HK18 cents), representing a surge of 29% and 28%, respectively.

展望 (續)

富士高在業內已累積逾20年經驗，其電聲專業技術更是享負盛名。未來，集團將致力開拓環球市場，並掌握因應消費市場對高質素產品需求的趨勢。集團亦將加強研發能力，以進一步把電聲的專業技術應用在不同的層面上。集團已在產能方面準備就緒，有能力迅速回應急劇變化的生產要求，以配合客戶需要。富士高預料來年的需求將持續增長，並對其核心產品業務如音響、通訊和多媒體產品的前景均非常樂觀。為促進業務增長，集團已準備把握由跨行業發展及匯聚所帶來的商機。然而，集團不會過分擴張業務，並將致力維持穩定及持久的增長，以及善用本身的優勢，有效利用資源以繼續提升產品質素。

財務回顧

於回顧年度，本集團營業額取得突破性進展達1,089,000,000港元，較去年之932,000,000港元上升16.9%，主要由於本集團之通訊及多媒體產品需求不斷上升所致。本公司股權持有人應佔溢利及每股基本盈利亦分別錄得新高86,000,000港元（二零零五年（重列）：66,000,000港元）及23港仙（二零零五年（重列）：18港仙）分別代表增加29%及28%。

FINANCIAL REVIEW (Continued)

Gross profit from operations rose from HK\$82 million last year to HK\$110 million this year. Under challenges from labour shortage, appreciation of the RMB and substantial increases in cost of raw materials, such as copper and PVC beads, the Group has managed to improve its gross margin to approximately 23% this year. This was achieved through improvement of our operational efficiency and supply chain management. Moreover, our long-term strategy in vertical integration was proved to be on the right track. The management committed to technological advancement not only in its core headset business but also in its component business to reduce the reliance on outsourced components and raise our competitiveness.

Distribution and selling expenses rose slightly by approximately 12% to HK\$33 million this year. General and administrative expenses rose by approximately 19% to HK\$112 million this year. Despite the increase in profit-linked bonus, the welfare cost, such as the pension obligation cost, in connection with the expansion in production workforce also contributed to the rise in general and administrative expenses.

FINANCIAL POSITION AND LIQUIDITY

Net assets as at 31 March 2006 accumulated to approximately HK\$420 million (2005 (restated): HK\$357 million). Moreover, net current assets as at 31 March 2006 amounted to approximately HK\$186 million (2005 (restated): HK\$146 million). The Group's current and quick ratio (excluding inventories) were 1.58 times (2005: 1.71 times) and 0.92 times (2005: 1.20 times) respectively. The Group strategically ramped up its stock level to meet the increasing demand in the coming few months. Moreover, there has been significant growth in sales during the second half of the financial year and accounts receivable balance rose accordingly. These inevitably tightened up the funds in working capital and therefore cash and bank deposits dropped by 30% from approximately HK\$94 million last year to HK\$65 million as at 31 March 2006. About 37.1%, 6.4% and 36.5% of the total cash and bank deposits were denominated in Chinese Renminbi, Japanese Yen and US dollars respectively and the remainder in Hong Kong dollars.

財務回顧 (續)

經營溢利由去年82,000,000港元增至本年度110,000,000港元。在勞工短缺、人民幣升值及原材料如銅及PVC膠粒之成本大幅上漲之重重挑戰下，本集團亦能夠將本年度之毛利率改善至約23%。此乃透過改善本集團之營運效率及供應鏈管理達致。此外，本集團縱向整合之長期策略已證明為一正確方向。管理層致力於其核心耳機業務及零件業務之技術革新，以減少依賴外判零件及提升集團競爭力。

分銷及銷售支出於本年度微升約12%至33,000,000港元。一般及行政支出於本年度增加約19%至112,000,000港元。原因為盈利相關花紅增加，福利成本如退休金責任成本連同擴充生產人手亦導致一般及行政開支增加。

財務狀況及流動資金

於二零零六年三月三十一日，資產淨值累積至約420,000,000港元（二零零五年（重列）：357,000,000港元）。此外，於二零零六年三月三十一日，流動資產淨值約為186,000,000港元（二零零五年（重列）：146,000,000港元）。本集團之流動及速動比率（不包括存貨）分別為1.58倍（二零零五年：1.71倍）及0.92倍（二零零五年：1.20倍）。本集團有策略地增加存貨，以應付未來數月不斷上升之需求。此外，於本財政年度之下半年度，銷售額大幅上升，而應收款項結餘亦因而增加。上述各項佔用營運資金，因而使現金及銀行存款由去年之94,000,000港元下降30%至二零零六年三月三十一日之65,000,000港元。約37.16%、6.4%及36.5%之現金及銀行存款分別以中國人民幣、日圓及美元計值，餘款則以港元計值。

FINANCIAL POSITION AND LIQUIDITY (Continued)

The Group has access to significant uncommitted banking facilities as back up for expansion and development. As at 31 March 2006, the Group had aggregate banking facilities of approximately HK\$366 million (2005: HK\$579 million) from several banks for overdrafts, loans, trade financing and foreign exchange contract, with an unused balance of approximately HK\$296 million (2005: HK\$528 million).

The securities held for long-term purpose as at 31 March 2006 accounted for approximately HK\$17 million (2005: HK\$24 million), of which about 43.5% and 56.5% were several structural notes issued by overseas banks and investment funds managed by overseas investment companies respectively.

CAPITAL STRUCTURE

It is the intention of the Group to maintain an appropriate mix of equity and borrowings to ensure an efficient capital structure. Additional funding was raised to finance purchase of machinery and working capital as the production scale expanded rapidly. The Group's gearing ratio as at 31 March 2006 increased slightly to 15.3% (2005 (restated): 12.2%), which was measured on the basis of total borrowings of approximately HK\$61 million (2005: HK\$42 million) as a percentage of total equity attributable to the Company's equity holders of approximately HK\$400 million (2005 (restated): HK\$343 million). The management considered the gearing was kept at healthy level.

As at 31 March 2006, the total borrowings of the Group were approximately HK\$61 million (2005: HK\$42 million), an increase of 46% and of which about 83.3%, 7.1% and 9.6% were due within one year, within one to two years and within two to three years, respectively.

These Group's borrowings consisted of an unsecured three-year bank loan of approximately HK\$4 million (2005: HK\$8 million) and a secured three-year bank loan of approximately HK\$11 million (2005: nil), being denominated in Hong Kong dollars, and short-term bank loans of approximately HK\$46 million (2005: HK\$34 million), of which about 61% and 39% were denominated in US dollars and Hong Kong dollars, respectively. These borrowings are secured by the Group's property, plant and equipment of approximately HK\$14 million (2005 (restated): property, plant and equipment of approximately HK\$14 million and leasehold land and land use rights of approximately HK\$4 million) and the Company's corporate guarantee of approximately HK\$54 million. During the year, the Group's borrowings bore interest at rates ranging from 2.75% to 5.84% (2004: ranging from 1.05% to 5.84%).

財務狀況及流動資金 (續)

本集團亦已安排大額未動用銀行信貸，以支持日後擴充及發展。於二零零六年三月三十一日，本集團之銀行融資合共約為366,000,000港元(二零零五年：579,000,000港元)，為來自多家銀行之透支、貸款、貿易信貸及外匯合約，而未動用之餘額約為296,000,000港元(二零零五年：528,000,000港元)。

於二零零六年三月三十一日，長期持有之證券約為17,000,000港元(二零零五年：24,000,000港元)，其中約43.5%及56.5%乃分別為海外銀行所發出之若干投資票據及海外投資公司管理之投資基金。

資本架構

本集團希望維持適當之股本借貸比例，確保維持有效之股本架構。由於生產規模快速擴展，本集團已籌集額外資金以撥付購買機器及一般營運資金。本集團於二零零六年三月三十一日之資本負債比率輕微上升至約15.3%(二零零五年(重列)：12.2%)，乃根據約61,000,000港元(二零零五年：42,000,000港元)之借貸總額及約400,000,000港元(二零零五年(重列)：343,000,000港元)歸屬本公司股權持有人之權益總額之百分比計算。管理層認為資本負債比率維持於健康水平。

二零零六年三月三十一日，本集團之借貸總額約為61,000,000港元(二零零五年：42,000,000港元)，增加46%，其中約83.3%、7.1%及9.6%分別於一年內、第一至二年內及第二至三年內到期。

本集團此等借貸包括為期三年合共約4,000,000港元(二零零五年：8,000,000港元)之無擔保銀行貸款及為期三年合共約11,000,000港元(二零零五年：無)之有擔保銀行貸款，以港元結算，以及合共約46,000,000港元(二零零五年：34,000,000港元)之短期銀行貸款，其中約61%及39%分別為以美元及港元結算。此等借貸乃以本集團約14,000,000港元之物業、廠房及設備(二零零五年(重列)：約14,000,000港元之物業、廠房及設備及約4,000,000港元之租賃土地及土地使用權)作抵押，並加上約54,000,000港元之公司擔保。年內，本集團之借款按介乎2.75厘至5.84厘(二零零四年：介乎1.05厘至5.84厘)利率計息。

FOREIGN EXCHANGE EXPOSURE

Most of the Group's transactions, including borrowings, were conducted in US dollars, Hong Kong dollars or Chinese Renminbi. To mitigate the risks due to fluctuations in foreign currency exchange rates, the Group had used forward foreign exchange contracts to hedge against major currency exposures during the year. Net exchange loss was approximately HK\$2,352,000 (2005: HK\$725,000). This was mainly resulted from the appreciation of RMB.

EMPLOYMENT, TRAINING AND REMUNERATION POLICY

The Group has developed its training programs in a structural and systematic manner to its management and employees. The Group has provided regular management and technical courses to its employees during the year.

The Group has also developed its human resources policies and procedures based on performance and merit. It ensures that the pay levels of its employees are competitive and employees are rewarded on a performance-related basis within the general framework of its salary and bonus system. Discretionary bonus is linked to the profit performance of the Group as well as individual performance. Benefits include staff accommodation, medical schemes, share option scheme, Mandatory Provident Fund for employees in Hong Kong, and state-sponsored retirement plans for employees in the Mainland China.

As at 31 March 2006, the Group's operations engaged a total of over 13,500 (2005: approximately 9,100) staffs and workers. The employment costs (including the directors' emoluments) accounted for approximately HK\$202 million (2005 (restated): HK\$138 million).

COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2006, the Group had total outstanding capital commitments and operating lease commitments of approximately HK\$3 million (2005: HK\$23 million) and HK\$8 million (2005: HK\$3 million) respectively. The Group anticipates improvement in operating cash flow in the future and is confident to fulfil all these commitments without any difficulty.

As at 31 March 2006, the Company had provided guarantees of approximately HK\$202 million (2005: HK\$202 million) to several banks to secure banking facilities of its subsidiaries.

外匯風險

本集團大部份交易(包括借貸)均以美元、港元或中國人民幣進行，為減低匯率波動引起的風險，本集團於年內利用遠期外匯合約對沖主要貨幣匯兌風險。匯兌虧損淨額約為2,352,000港元(二零零五年：725,000港元)。主要由於人民幣升值所致。

招聘、培訓及薪酬政策

本集團已為管理層及僱員設立有系統之培訓計劃。本集團已於年內為僱員定期提供管理及技術課程。

本集團亦根據表現及成績制訂人力資源政策及程序，以確保僱員之薪酬水平具競爭力，並根據慣常之薪酬及花紅制度按員工表現給予員工報酬。酌情花紅視乎本集團之溢利表現及個別員工之表現而定，而僱員福利包括宿舍、醫療計劃、購股權計劃、香港僱員之強積金計劃及中國國內僱員之國家退休金計劃。

於二零零六年三月三十一日，本集團之業務共聘用超過13,500名(二零零五年：約9,100名)員工及工人。僱員成本(包括董事酬金)約為202,000,000港元(二零零五年(重列)：138,000,000港元)。

承擔及或然負債

於二零零六年三月三十一日，本集團分別有合共約3,000,000港元(二零零五年：23,000,000港元)及8,000,000港元(二零零五年：3,000,000港元)之未履行資本承擔及經營租約承擔。本集團預期營運現金流量將有改善，並有信心可在並無困難之情況下履行該等承擔。

於二零零六年三月三十一日，本公司為其附屬公司所獲銀行融資向數家銀行作出約202,000,000港元(二零零五年：202,000,000港元)擔保。