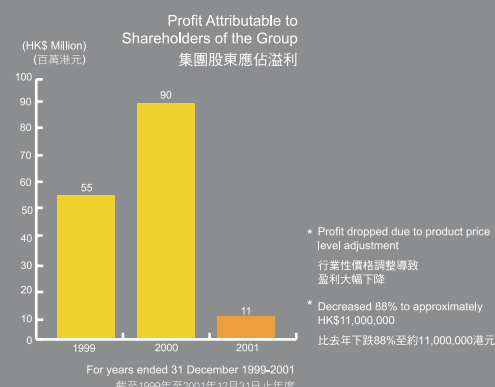
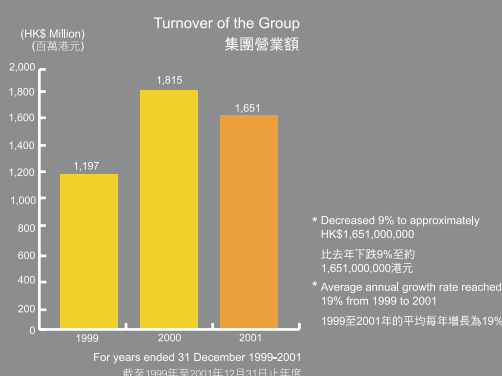




FUTURE DEVELOPMENT STRATEGIES

未來發展策略

The Group will further expand the market share of its air conditioner and refrigerator businesses in both the PRC and overseas markets, with an aim to achieve its corporate goal of being one of the major household appliance corporations in the PRC through adopting modern management model.

本集團在未來將致力擴大集團之空調及冰箱在國內外的市場佔有率，務求達成企業目標，使集團在採取現代化管理模式之基礎上，成為中國主要的家電企業之一。



1. Market Exploration

To cope with the market trend, the Group will continue to consolidate the existing distribution network and further explore the domestic and overseas markets. In respect of the domestic market, the Group will keep on maintaining its market share in the Guangdong Province. Also, it will strive to explore markets outside the Guangdong Province and rural areas with a hope to expand its distribution coverage in the country. Capitalized on the edges in respects of quality products and advanced technology, the Group will seize every opportunity brought about by the entry of the PRC to the World Trade Organization ("WTO") in order to expand its export business. The export business for mini-refrigerators will significantly boost in response to the completion of export base for mini-refrigerators by the end of 2002.

1. 市場開拓

本集團將順應市場變化，在鞏固現有市場網絡之同時，不斷開拓國內及海外市場網絡。於內銷市場方面，本集團將繼續鞏固現有之廣東市場，並繼續致力拓展省外及農村市場，務求進一步擴展本集團於國內之銷售網絡。在開拓海外市場方面，本集團將把握中國加入世界貿易組織（「世貿」）的良好機遇，以高質素產品及領先技術為基礎，擴大集團之產品出口營銷業務。本集團之小冰箱出口基地預計於二零零二年底建成投產，勢將帶動集團之出口營銷業務至更高的水平。

2. Product Development

With the rapid development of the PRC's household appliance industry, the enhancement of product technology is the essential key to uphold the market position for the Group. At present, the international trend for household appliance manufacturing technology is energy saving and environmental friendly and therefore the Group will expand its equipment and facilities for the Research and Development Centre to focus on developing energy saving and environmental friendly technology. In addition, the Group will develop new products in accordance with the market trend so as to enlarge customer base.

2. 新產品之研發

隨著中國家電行業發展日趨成熟，產品技術水平之提升實為保持集團市場地位之最佳方案。現時全球家電製造業的技術發展方向為節能環保，故此本集團將積極擴充工程技術研發中心的技術設備，提高科研隊伍之技術水平，集中節能環保技術之研究及發展，同時依據市場之需要發展新產品，以吸納更多顧客。

Also, the Group will continue to establish strategic alliance with the domestic and overseas reputable research institutes such as Tsing Hua University and Mitsubishi Electric Corporation of Japan with the objectives to improve the quality of the core products, launch innovative products to meet market demand and maintain its leading position in respect of industry technology in the PRC. At present, the third phase of technology cooperation agreement has been reached between the Group's refrigerator division and Mitsubishi Electric Corporation and it is expected that the Group will develop up to 30 kinds of new models.

與此同時，本集團會加強與清華大學、日本三菱電機等國內外著名企業及大專院校、科研機構之合作，不斷優化集團核心產品之技術質素，推出更多滿足市場需要的嶄新產品，以保持本集團於國內家電行業技術之領先地位。目前，本集團之冰箱部門與日本三菱電機第三期技術合作協議已經達成。預計來年本集團開發新產品數量將達到30種。