



## Overseas Export Market

In the development of international household appliance market, the management of the Group realizes that launching high quality products to satisfy overseas consumers is an important element in exploring overseas market and achieving the goal of market diversification. In view of this, the Group aggressively developed the overseas markets during the year by continuously enhancing the quality and techniques of export products. Meanwhile, the scale of technological research and development in export trading and export product were also enlarged, thus giving rise to a stable growth in export business.

During the year, in spite of the influence of economic downturn in Europe and America, which led to fewer and delay of orders from these countries, the Group's export performance remained satisfactory. The total export volume of refrigerator and air-conditioner reached approximately 380,000 units during the year, representing approximately 26% increase over the year. Export value reached approximately US\$44,447,000, representing an increase of approximately 12% against last year. Of which, air conditioner business reached approximately US\$22,252,000, representing an increase of approximately 9%. For refrigerator business, export volume reached approximately 250,000 units during the year, increased by approximately 4% as compared with the corresponding period last year. Export value reached approximately US\$22,195,000, representing an increase of approximately 15%.

The Group has actively participated in influential international exhibitions such as German Household Appliance Exhibition, China International Household Appliance Exhibition, Shenzhen International Household Appliance Exhibition and Guangzhou Expo to enhance the Group's recognition in international household appliance market and further strengthen the foundation in exploring overseas markets.

## 海外業務表現

在參與國際家電市場的發展過程中，本集團管理層充分瞭解到不斷推出滿足海外消費者需求之高品質產品，對本集團拓展海外市場，以及實踐市場多元化的發展目標至為重要。有見及此，本集團於回顧期內積極促進海外市場之發展，加快出口產品的技術研發速度，同時擴充了出口貿易及出口產品技術研發部門的規模，從而使出口業務取得穩步增長。

年內，雖然受到歐美經濟衰退之影響，削弱及推遲了來自歐美的訂單，但本集團之出口業務表現依然十分理想。冰箱及空調合計出口量於年內達到約380,000台，比去年同期增加約26%；出口創匯額約達到約44,447,000美元，較去年同期上升約12%。其中空調業務佔約22,252,000美元，較去年同期增加約9%。冰箱業務方面，全年出口量約達250,000台，比去年同期上升約4%。出口創匯額達到約22,195,000美元，較去年上升約15%。

本集團於年內積極通過參加德國科隆家電展、中國國際家用電器展覽、深圳國際家電電器展、廣州博覽會等具國際影響力的展覽會，提升本集團在國際家電市場之知名度，為未來進一步拓展海外市場奠下堅實的基礎。



## Overall Operational Performance

During the year under review, the Group underwent a fierce market competition. In order to enlarge the market share, the Group implemented stringent cost control and quality control and adopted proactive market strategies. The Group was dedicated to enhance the internal operation efficiency to achieve the goal of corporate growth, which could further facilitate the Group's future development.

### Stringent Cost Control

Since the technique and market of household appliances in the PRC are getting more mature whilst overseas enterprises of electrical appliances are also aggressively exploring the PRC market, the fierce competition further lower the product prices. The Group believes that the situation will persist in the coming year. Cost advantage is the key to success in order to sustain in this competitive market. In view of this, the Group further adopted cost control in the areas of production, procurement, research and development and warehouse management. The result was satisfactory. Furthermore, the Group achieved economy of scale in purchasing by setting up a purchasing platform, the refrigerator and air conditioner unit cost further decreased by 6% during the year, on top of 8% decrease in last year, and this strengthened the price competitiveness of the Group's products and expand the profit potential.

### Enhance Operating Efficiency

The aforementioned cost control measures are the keys to survive, while the overall operating efficiency will be the enterprise's key to success. In order to improve the efficiency of management and to strengthen the sharing of resources and information, the Group has cooperated with the renowned IT enterprise in the PRC, Legend Holdings Limited, to implement the Enterprise Resource Planning ("ERP") System for the Group's air conditioner business. The current progress is satisfactory and the initial phase of the implementation will be completed in the first half of 2002. The operation will start after the completion and the ERP System will be implemented to the refrigerator business afterwards. In the meantime, the Guangzhou Municipal Government has subsidized RMB 1,100,000 to the ERP System. The setting up and implementation of the ERP System could improve the overall corporate management standard and the dissemination of information in production, supply, sales, procurement and financial aspects. The System could also enhance the management's decision-making efficiency and strengthen the Group's competitiveness.

## 整體營運表現

於回顧年內，本集團面對國內競爭激烈的市場環境，積極地加強成本控制及質量管理，以及推行進取之市場策略，努力擴大產品於市場上的佔有率。與此同時，致力提高企業內部的營運效率，並達致業務增長之企業目標，為本集團未來進一步之發展提供了有利的條件。

### 嚴格控制成本

隨著中國家電產品技術及市場進一步趨向成熟，再加上國外家電企業積極拓展國內市場，激烈之市場競爭令產品價格不斷下調，集團董事會相信未來一年，該狀況將仍然持續，故此，成本優勢已經成為市場競爭制勝及企業生存的重要一環。有鑑於此，本集團於回顧期內近一步把成本控制引入生產製造、原料採購、技術研發及庫存管理等各個管理環節，實施全方位成本控制措施，並取得良好之成效。此外，集團透過籌組採購平台以達規模採購，令成本進一步下降。年內冰箱及空調單台成本在上年下降8%的基礎上，又再下調了6%左右，從而使本集團產品價格之競爭力以及盈利空間得以增強與擴展。

### 營運效率的提高

上述提到成本控制為企業生存之道，企業整體之營運效率則是企業致勝之道。為了提升管理工作效率及加強資訊及資源分享，集團運於回顧期內與國內著名IT企業聯想集團有限公司合作於華凌空調公司建設企業資源規劃〈ERP〉計劃，目前進展順利，2002年上半年將完成首期工程並開始運行，隨後亦將於冰箱公司推行。ERP計劃同時亦得到廣州市政府1,100,000元人民幣的無償資金支援。實施企業資源規劃ERP計劃能改善本集團之經營管理模式，對消除本集團在生產、供應、銷售以及庫存和財務資訊等屏障、提高管理決策效率、以及提升集團競爭力帶來決定性而深遠的影響。