

## Result

For the period ended 31st March 2002, the Group had faced a significant drop in PCB industry and hence a shrinking demand of electroplating equipment as well as wet processing equipment. The negative impacts of the burst of the Internet bubble in late 2000 had dragged on much longer than expected, in particular, the demand of the internet related products. Of course, the static growth in handphone and computer industries caused by the depressed general economic conditions does not help the PCB demand at all.

The satellite transmission has built up its clientele slowly. Same for timber business, it is gradually contributing cashflow into the Group. Entertainment business has made remarkable progress in turnover and profit. The turnover and the result of the entertainment production segment have increased by 50% and 17% respectively.

The Group turnover was decreased by approximately HK\$384 million or about 53%. Meanwhile, the cost of sales was also decreased by 46% leading to approximately 10% drop in gross margin. In view of this severe environment, the Directors has taken proactive steps and quickly worked out a cost streamlining plan with the management teams of each business segments. With the collective effort of the management as well as our valuable staff, the aggregate expenses was decreased by HK\$60 million, including reduction of \$14.7 million in distribution cost and \$46 million in administrative expenses, in which staff cost was decreased by \$30 million.

Net loss for the year has been greatly reduced from \$198.7 million from last year to \$132.4 million this year. Loss per share (basic and diluted) has been reduced from 3.88 cents per share from last year to 2.45 cents per share this year.

Business review by each segment will be more specifically discussed under the section "Management discussion and analysis".

## 業績

截至二零零二年三月三十一日止期間，本集團面對電路板行業嚴重衰退之市況，對電鍍設備及濕式處理設備之需求大幅減少。二零零零年底科網泡沫爆破後所帶來的負面影響，遠較預期漫長，其中與互聯網有關之產品需求最受影響。在經濟全面不景下，手機及電腦之銷量停滯不前，對電路板之需求當然有不利影響。

衛星通訊業務正逐步建立客戶基礎，雖然步伐略為緩慢。木材業務之情況亦大致相同，已逐步為本集團提供流動現金，娛樂業務之營業額及溢利均有明顯增長。娛樂業務製作部分之營業額及業績分別增加50%及17%。

本集團之營業額減少約384,000,000港元，減幅約53%。與此同時，銷售成本亦減少46%，結果毛利率下降約10%。鑒於情況嚴峻，董事採取積極措施，迅速與各類業務之管理層制定成本節約計劃。在管理人員及各位優秀僱員共同努力下，總開支減少60,000,000港元，包括減少14,700,000港元銷售費用及46,000,000港元行政費用，其中工資成本減少30,000,000港元。

本年度之虧損淨額由去年之198,700,000港元下降至本年度之132,400,000港元，每股（基本及攤薄）虧損亦由上年度3.88仙減至本年度之2.45仙。

對各類業務之回顧在「管理層討論及分析」一節中有更詳細討論。

### Future prospects

The recovery of PCB industry is very much dependent on the magnitude of the worldwide economic recovery and the sentiment of consumer spending. The trend is mass production facilities are being moved to China while US, Europe, Japan and even Taiwan PCB factories will build high-end PCB products but with less volume. As the Group has a worldwide sales network and several production bases in China, the Group will get the benefits of both worlds when the PCB demand bounces back - the high-end PCB sectors to be captured by our presence in US, Europe, Taiwan and our agent in Japan while the low-end PCB sectors to be captured by our presence in Mainland China.

In order to improve the gross margin, the Group has never steered away from the policy of investing in R&D and product development. Several exciting projects are undergoing including vertical in-line plating, microvia plating and plating equipment for IC substrates, a leading edge technology in the electronic interconnection field.

### Liquidity and financial resources

As at 31st March 2002, the Group had more than \$24.4 million of cash on hand, net current assets value being over \$123 million. Short-term loan amounted to \$55 million and long-term loan amounted to \$39.8 million. The total borrowing was therefore \$94.8 million, when comparing with net assets of \$329 million representing a gearing ratio of 28.8%. As at the year end date, the Group held a value of \$71.9 million of investment in securities which is a liquid asset.

As at 31st March 2002, the Group has pledged its land and buildings in Taiwan and the United Kingdom with an aggregate net book value of \$87 million and bank deposits of approximately \$3.6 million to secure general banking facilities to the Group.

### 前景

電路板行業之復甦在相當大程度上倚賴全球經濟復甦程度及消費者之消費信心。業界趨向將大規模生產設備遷入中國，而美國、歐洲、日本以至台灣之電路板工廠將轉為生產數量較少之高檔先進電路板產品。由於本集團擁有全球銷售網絡，在中國亦有若干生產基地，故此當電路板需求回升時，本集團在兩類市場中均會受惠。本集團在美國、歐洲及台灣據點及日本之代理將可擷取高級電路板之商機，而本集團在中國內地之據點將可擷取一般電路板業務。

為提高毛利率，本集團一直堅持投資於研究開發及產品開發的工作，現時正進行若干重要之項目，包括垂直連線電鍍機、微孔電鍍、IC substrate電鍍（最先進之電子連接技術）設備等項目。

### 流動資金及財政資源

於二零零二年三月三十一日，集團約有24,400,000港元現金，而流動資產淨值超過123,000,000港元。短期貸款為55,000,000港元，長期貸款為39,800,000港元。總負債為94,800,000港元，與資產淨值329,000,000港元比較，負債比率為28.8%。於年結日期，本集團有71,900,000港元之證券投資屬可變現資產。

於二零零二年三月三十一日，本集團將台灣及英國賬面價值合共87,000,000港元之土地及樓宇，加上銀行存款約3,600,000港元作為抵押，以擔保本集團之一般銀行信貸。

## Human Resources

As at 31st March 2002, the Group has approximately 850 employees. Remuneration for its employees is based on industry practice and performance of individual employees. The Group also adopts a share option scheme for its staff of senior grade.

## Dividend

No interim dividend (2001 interim dividend: Nil) was recommended during the year. The Board of Directors does not recommend a final dividend for this year (2001 final dividend: Nil).

On behalf of the Board, I would like to thank our customers, bankers, suppliers and friends for their continued confidence in and support for the Group. In particular, I would like to extend our warmest thank to our staff at all levels for working with our Management teams throughout this difficult period. Lastly, for those we are forced to part with during the retrenchment exercise, I wish them well and hope there is opportunity to work with them again.

**Kwok Yan Lam**

*Chairman*

Hong Kong, 24th July, 2002

## 人力資源

於二零零二年三月三十一日，本集團約有850名僱員。本集團之僱員薪酬按照同業慣例及個別僱員之表現釐定。本集團亦為高級僱員設立購股權計劃。

## 股息

本年度並無宣派中期股息（二零零一年度中期股息：無）。董事會並不建議派發本年度末期股息（二零零一年度末期股息：無）。

本人謹代表董事會感謝各位客戶、往來銀行、供應商及友好對本集團之長期信賴及支持，更特別對所有人員在此困難時期與管理層衷誠合作致以萬二分謝意。最後，對於因裁員行動而無奈離開之人員，本人致以祝福並希望能有機會再度合作。

*主席*

**藍國恩**

香港，二零零二年七月二十四日