

## 2 CHAIRMAN'S STATEMENT



**CHEN Wai Yuk**, *Chairman*

### STRENGTHEN OUR FOUNDATIONS, PREPARE FOR PROSPEROUS GROWTH

On behalf of the board ("Board") of Directors ("Directors"), I am pleased to present the annual results of Wang Sing International Holdings Group Limited ("Wang Sing International" or the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2002.

2002 signified an important year for Wang Sing International, and also marked a major milestone for the Group since its establishment in 1995. The Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 2389) on 26 April 2002, broadening the Group's horizons in its business development. At the same time, I am very honoured to have received the "Young Industrialist Award of Hongkong 2002" presented by the "Federation of Hong Kong Industries" in November 2002. This award not only represents a personal honour, but also indicates both industrial and communal recognition of our achievements, which have been possible only by the cooperation and teamwork of everyone at Wang Sing International. Additionally, it has consolidated the Group's position within the electric power tools manufacturing industry.

The slowdown of the global economy in 2002 struck a heavy blow to every single industry. The Group was able to maintain a stable business performance over the past year in view of our efforts and the establishment of a solid customer base even under the slack economy. According to forecasts by the professional magazine "Electric Times", the export of PRC manufactured power tools is estimated to grow at an annual rate of approximately 16% to a total value of US\$1.6 billion in 2005. This represents huge growth potential for PRC's electric power tools manufacturing industry. In view of this immense market potential for development, we are every confidence in the prospects of the electric power tools industry.

To cater for the growing demand for power tools, Wang Sing International took a series of strategic business development measures



over the year. The Group's products are either manufactured by our own facilities or outsourced. In the year under review, the Group actively restructured our production model, shifting our past reliance on outsourcing and subcontracting to enhance the proportion of our own manufactured products. We established a brand new factory in Hai An County, Jiangsu Province with advanced production facilities installed. Riding on our effort for over a year, the factory commenced operations and we will keep upgrading the facilities so as to complement the Group's future development and satisfies the needs of the market and customers.

Capitalising on the Group's flexible and scaleable production facilities, high quality products, professional research and development capabilities and established business network in Europe, the Group aims to become the world's leading electric power tools manufacturer. Apart from developing more innovative products, we are diligently enhancing our "one-stop" production model, aiming to provide total solution services which embrace product design and development, international standards compliance, product manufacturing, quality assurance as well as export and after-sales supporting services of supply chain management. We strongly believe that these advantages will facilitate Wang Sing International's abilities to attain further achievements. We expect the Group to develop rapidly in the next two years, becoming a leading export-oriented distributor and manufacturer for electric power tools in the People's Republic of China ("PRC"), and also commanding a major position in the international market.

#### APPRECIATION

On behalf of the Board, I would like to express my heartfelt gratitude to all our customers, investors and business associates for their continuous support. I would also like to take this opportunity to thank the management and all staff for their tremendous efforts and contributions in the past year. Looking ahead, the Group will grasp every business opportunity to enhance the Group's competitiveness and bring lucrative returns to our shareholders.

**Chen Wai Yuk**

*Chairman*

Hong Kong, 24 April 2003

