

### DIVIDEND

The Board of Directors recommends a final dividend of 4 cents per share be paid in respect of the year ended 31 December 2005. The proposed final dividend will be payable on 13th June 2006, subject to approval at the Annual General Meeting, to shareholders whose name appears on the Register of Members of the Company on 23rd May 2006.

### BUSINESS REVIEW

The Group achieved both record turnover and profit attributable to shareholders for the year 2005. The Group's turnover and profit attributable to shareholders were HK\$4.6 billion and HK\$180.6 million, representing an increase of approximately 8% and 47%, respectively compared to last year, mainly because of the growth in business of the OEM Manufacturing Division.

#### Trading and Distribution (WKK Distribution)

Following record sales in 2004, the Group's Industrial Products Trading Division registered sales of HK\$1.8 billion for the year of 2005, reflecting a decrease of 11% as compared to last year as indicated in the last Chairman's statement. However, operating profits only dropped slightly in 2005 compared to 2004 due to sales mix. Driven by the growth in the high-end electronics market in Taiwan, the demand for the more sophisticated product ranges distributed by the Group's Taiwan operations (TKK) was very strong in the first half of 2005. Although demand decreased slightly in the second half of this year, the operating profit of the TKK improved 28% for the whole year in 2005. The Group continues to hold approximately 67% of TKK, which has been a public listed company in Taiwan since June 2005. All other operations of the Division continued to contribute positively to the Group's profit.

#### Manufacturing (WKK Technology)

Following an excellent performance in the first half of 2005, the Group's OEM Manufacturing Division continued to perform well in the second half of the year. This was attributable to the Group's continuous efforts in offering value-added and leading technology industry services to our customers and maintaining a high degree of production flexibility. The Division received the Global SMT & Packing Magazine for Global Technology Award 2005 this year.

### 股息

董事會建議就截至二零零五年十二月三十一日止年度派付末期股息每股四仙。待於股東週年大會批准後，建議末期股息將於二零零六年六月十三日支付予二零零六年五月二十三日名列本公司股東名冊之股東。

### 業務回顧

本集團於二零零五年度分別錄得创新高營業額及股東應佔溢利。本集團之營業額及股東應佔溢利為港幣四十六億元及港幣一億八千零六十萬元，較去年同期分別增加約8%及47%，主要是原產品製造部之業務增長所致。

#### 貿易及分銷 (王氏港建經銷)

自二零零四年銷售取得佳績後，本集團之工業產品貿易部於二零零五年度錄得港幣十八億元之銷售額，誠如去年主席報告書所述，較二零零四年下跌11%。然而，由於具備不同銷售組合，二零零五年之經營溢利較二零零四年僅輕微下跌。於二零零五年上半年，台灣高科技電子市場增長強勁，帶動本集團台灣業務(台灣港建)分銷之更精確產品系列之需求增加。儘管於本年度下半年需求量稍有下降，台灣港建於二零零五年全年之經營溢利仍上升28%。台灣港建自二零零五年六月起已成為台灣上市公司，本集團現繼續持有台灣港建約67%權益。本部門所有其他業務均對本集團溢利作出正面貢獻。

#### 製造 (王氏港建科技)

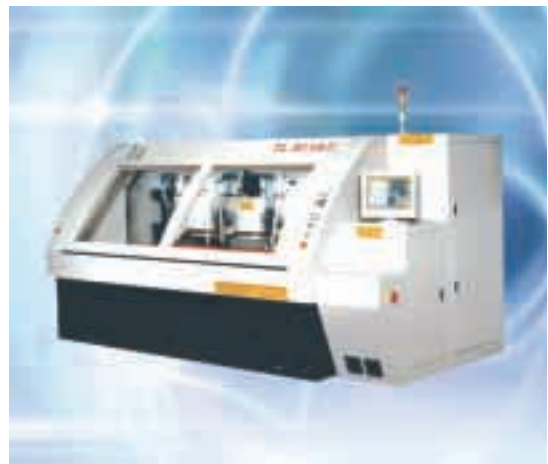
於二零零五年上半年取得驕人成績後，本集團原產品製造部於本年度下半年繼續表現良好，主要是本集團致力向客戶提供增值服務及業界領先科技服務，以及保持高生產靈活性。該部門於本年度榮獲Global SMT & Packing Magazine頒發Global Technology Award 2005。



**Vitronics Soltec**  
回流焊爐



**Yamaha YG200 Surface Mounter**  
高精度，高速度貼片機



**CNC Routing Machine**  
數控鑽床

## FINANCE

The Group has committed bank and other financing facilities totaling HK\$1,721 million, of which HK\$684 million were drawn down as at 31st December 2005. As at 31st December 2005, the Group's consolidated net borrowings amounted to HK\$466 million and its shareholders' equity amounted to HK\$832 million, resulting in a gearing ratio of 56%.

The Group obtained a HK\$380 million four-year syndicated loan in April 2005, partly for the purpose of refinancing the previous syndicated loan and partly for general working capital requirements. The Group's liquidity has been further improved by positive operating cash flow this year.

Most of the Group's sales were conducted in the same currencies as the corresponding purchase transactions. Foreign exchange contracts were used to hedge exposures where necessary.

## HUMAN RESOURCES

As at 31st December 2005, the Group had a total of 5,913 employees, of whom 278 were based in Hong Kong, 5,399 in the PRC and 236 overseas. The remuneration packages of the Group's employees are mainly based on their performance and experience, taking into account current industry practices. In addition to the provision of a provident fund scheme, medical allowances, in-house and external training programs are also available to employees. Share options are granted to eligible staff whilst discretionary bonuses are paid to employees according to the performance of the individual and the Group. The remuneration policy and packages of the Group's employees are reviewed regularly.

## PROSPECTS

With the Group's continuous endeavors in widening product ranges to cater for market trends, it is expected that demand for the products distributed by WKK Distribution and TKK will continue to be strong for the coming year although market competition will remain tough.

## 財務

本集團已獲取銀行及其他財務融資合共港幣十七億二千一百萬元，於二零零五年十二月三十一日已動用其中港幣六億八千四百萬元。於二零零五年十二月三十一日，本集團之綜合借貸淨額為港幣四億六千六百萬元，其股東權益則為港幣八億三千二百萬元，因此資本負債比率為56%。

本集團於二零零五年四月獲得為期四年之銀團貸款，金額為港幣三億八千萬元，其中一部份金額乃用於償還先前之銀團貸款，一部份則用作一般營運資金。因年內錄得正值營運現金流量，本集團之變現能力得以進一步改善。

本集團大部份銷售以相應購買交易所用之貨幣單位進行，並已訂立外匯合約以在需要時候對沖匯率波動。

## 人力資源

於二零零五年十二月三十一日，本集團共有5,913名僱員，其中278名駐香港，5,399名駐中國，236名駐海外工作。本集團主要根據僱員之工作表現及經驗，以及考慮現行業內慣例釐定僱員薪酬待遇。除提供公積金計劃外，本集團亦為僱員提供醫療津貼、內部及外部培訓課程。本集團還向合資格僱員授出購股權，同時亦會視乎僱員之工作表現及本集團之業績表現給予僱員酌情花紅。本集團會定期檢討僱員之薪酬政策及待遇。

## 展望

由於本集團致力不斷擴大產品系列以迎合市場發展趨勢，即使來年市場競爭激烈，預期對王氏港建經銷及台灣港建之分銷產品之需求仍然強勁。



**Optical Measuring Machine**  
光學檢測儀



**i8 In-Line Printer**  
錫膏印刷機



**Multilayer Registration System**  
多層線路板對位系統

Following the record sales for the Group's OEM Manufacturing Division in 2005, it is expected that more production orders will be secured in 2006 primarily due to the Group's strength in providing its customers with high quality service and production flexibility.

The Group's OEM Manufacturing Division was awarded the industry standards of ISO 13485 Quality Management System for Medical Devices and ISO 16949 Quality Management System for Automotive Industry in early 2006, as a result of the Group's continuous efforts in advancing its technology level. The Group also plans to increase its investments in appropriate production equipment and production capacity this coming year. The Directors believe that such achievements and additional investments will help to bring more business opportunities and lead to increased profitability in the near future.

WKK Technology has successfully secured some automotive business and expects that this business will grow in the future. We are also working closely with our targeted customers for medical products business.

For the purpose minimizing the impact of possible avian flu, the Group has set up automatic temperature checks for all visitors and workers who enter our factory premises. The factory has also reserved separate rooms for possible affected workers.

On behalf of the Board, I wish to thank all employees for their loyalty, support and hard work throughout the year.

By Order of the Board

**Senta Wong**  
*Chairman*  
Hong Kong, 11th April 2006

本集團原產品製造部在二零零五年取得創新高銷售額後，預期於二零零六年可獲得更多生產訂單，主要原因為本集團加強向客戶提供高質素服務及靈活性之生產。

本集團因致力不斷提升技術水平，本集團原產品製造部於二零零六年上半年獲ISO 13485醫療設備質量管理體系及ISO 16949汽車行業質量管理體系認證為行業標準。本集團亦計劃於年內增加適當生產設備及提升產量之投資。董事會相信上述成就及額外投資將會帶來更多商機，從而在未來提升溢利能力。

王氏港建科技已成功取得若干汽車業務，預期該業務在未來將會有所發展。本集團亦在醫療產品業務方面與目標客戶緊密合作。

為盡量減少禽流感可能引致之影響，本集團已為所有進入工廠大廈之訪客及員工提供自動體溫檢查。工廠亦為可能受影響之員工預留隔離室。

本人謹代表各董事對本公司員工於全年度之忠誠、支持與努力，致以衷心感謝。

承董事會命

**王忠桐**  
*主席*  
香港，二零零六年四月十一日



■ Total assets  
 資產總額  
■ Total shareholder's funds  
 股東權益總額