

WKK TECHNOLOGY PARK
王氏港建科技城

4



Administrative Building
行政大樓



Factory Outlook
廠房外貌

CHAIRMAN'S STATEMENT

BUSINESS REVIEW

The Group's turnover and profit attributable to shareholders for the year 2006 was HK\$5 billion and HK\$250 million respectively, reflecting an increase of approximately 8% and 38% compared to last year.

Trading and Distribution (WKK Distribution)

The Group's Industrial Products Trading Division achieved record sales of HK\$2.1 billion for the year of 2006, representing an increase of 18% compared to last year, achieved mainly because of the Group's superior sales force and customer service as well as its wide product range. Operating profit increased by approximately 14% compared to last year. The trading of electronic products in China recorded significant growth of approximately 34% and 96% in turnover and operating profit respectively compared to 2005. The trading of electronic products also continued to perform well in Hong Kong. The Group's operations in Taiwan suffered a slight setback in profit compared to last year. All other operations of the Division also contributed positively to the Group's overall profits.

Manufacturing (WKK Technology)

Despite an excellent performance in the first half of 2006, the Group's OEM Manufacturing Division registered a decrease in turnover in the second half of the year compared to the corresponding period last year, and, as a result, the turnover for the twelve months increased only marginally year on year. However, operating profit improved significantly mainly because of more efficient purchasing and usage of raw materials together with tighter cost control.

主席報告書

業務回顧

本集團於二零零六年度之營業額及股東應佔溢利分別為港幣五十億元及港幣二億五千萬港元，較去年同期分別增加約8%及38%。

貿易及分銷(王氏港建經銷)

本集團之工業產品貿易部於二零零六年度錄得港幣二十一億元之破紀錄銷售額，較去年同期上升18%，主要歸功於本集團之優秀銷售團隊及客戶服務，以及產品系列多樣化。二零零六年之經營溢利較去年增長約14%。中國電子產品貿易錄得大幅增長，營業額及經營溢利分別較二零零五年上升約34%及96%。香港電子產品貿易業務之表現同樣出色。本集團之台灣業務之溢利則見輕微倒退。本部門所有其他業務均為本集團帶來溢利。

製造(王氏港建科技)

本集團原產品製造部雖然於二零零六年上半年取得驕人成績，惟於本年度下半年之營業額與去年同期比較有所下跌，因此，營業額在十二個月內僅見輕微增長。相反，經營溢利卻見明顯改善，主要因為更有效地進行原材料之採購及使用，以及加強成本控制所致。



Vitronics Soltec XPM3 Reflow
回流焊接平台

6



YAMAHA
YG300 surface mounter
Modular Ultra-High-Speed Chip Shooter
模塊式超高速高精度貼片機



SHODA
Auto Cut Saw
Model: ACS-1500NC III
自動裁板機

FINANCE

The Group has committed bank and other financing facilities totaling HK\$1,749 million, of which HK\$532 million was drawn down as at 31st December 2006. The Group's consolidated net borrowings as at this date amounted to HK\$293 million and shareholders' equity amounted to HK\$1,060 million, resulting in a gearing ratio of 27.7%.

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 2006, the Group had a total of 6,217 employees, of whom 308 were based in Hong Kong, 5,674 in the PRC and 235 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, there are also medical allowances, in-house and external training programs which are 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 that of the Group as a whole. The remuneration policy and packages of the Group's employees are regularly reviewed.

財務

本集團已獲取銀行及其他財務融資合共港幣十七億四千九百萬元，於二零零六年十二月三十一日已動用其中港幣五億三千二百萬元。於二零零六年十二月三十一日，本集團之綜合借貸淨額為港幣二億九千三百萬元，其股東權益則為港幣十億零六千萬元，因此資本負債比率為27.7%。

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

於二零零六年十二月三十一日，本集團共有6,217名僱員，其中308名駐香港，5,674名駐中國，235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。



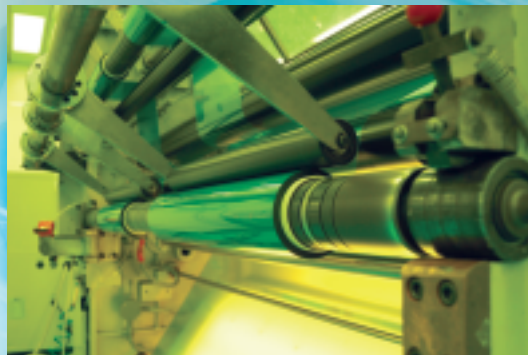
YAMAHA
Film Puncher
Model: F502-RTR
卷式冲片機



MULTILINE
Optiline PE/ATP Post Etch Punches
Model: ATP5000
內層冲孔機

CCP Longlite Dry Film
長春乾膜

- **Slitting Roll with 0.125 inches increment.**
可提供寬度精確至 0.125 寸的小卷
- **Quick Production and Fast Delivery by our own trucks.**
由接單到送貨，提供高效及快速的服務



PROSPECTS

After achieving record sales in 2006, the Group's Trading and Distribution Division expects a tougher market environment in 2007 mainly because of the slowdown of the US economy and increasingly keen competition.

The Group's OEM Manufacturing Division continues to approach new customers and broaden its product range. However, it is expected that the performance of the Division will be affected by the rising wages for workers in the PRC and the fluctuations in the cost of materials.

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, 17th April 2007

展望

本集團工業產品貿易部雖於二零零六年取得破紀錄的銷售額，但預期由於美國經濟衰退及競爭日漸激烈，二零零七年其所面對的市場環境將較為艱難。

本集團原產品製造部將繼續接洽新客戶及擴大產品範疇。然而，預期本部門之表現將受到中國工人工資上升及物料成本波動所影響。

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，致力衷心感謝。

承董事會命

王忠桐

主席

香港，二零零七年四月十七日