



主席報告 CHAIRMAN'S STATEMENT

本人謹代表永利控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）之董事會（「董事會」），欣然提呈本集團自二零零五年十月一日至二零零六年十二月三十一日止十五個月之業績。

於回顧期間內，本集團錄得收益約407,000,000港元。股東應佔溢利約為75,000,000港元。每股基本盈利為20港仙。

業願回顧

期內受惠於全球經濟增長，客戶對本集團產品之需求繼續攀升。整體銷售有所增加，然而產品售價卻未因經濟環境改善而相對調升。雖然本集團集中控制成本，但有關措施未能完全抵銷原材料價格、內地工資上漲與人民幣升值之不利影響。因此，額外材料成本及生產成本未能全面轉嫁予客戶，從而令產品毛利下降。此外，為拓展新市場而增加之銷售及分銷成本，亦一併導致本集團溢利出現相當之跌幅。

羅定市廠房已於二零零六年九月投入生產。新廠房位於中國廣東省西部，佔地約67,000平方米，共投入資金約2,000萬港元，主要為本集團製成品進行裝配工序。有關工序性質需要密集勞動力，幸而新廠房選址遠離廣東省工業發達地區，故人力資源供應相對充足及穩定。當羅定市廠房全面投入運作時，將會提升本集團之生產能力，及令本集團更有效地控制成本。

On behalf of the board of directors (the "Board"), I am pleased to present the results of Wing Lee Holdings Limited (the "Company") together with its subsidiaries (the "Group") for the fifteen months period from 1st October, 2005 to 31st December, 2006.

For the period under review, the Group achieved total revenue of approximately HK\$407 million. Profit attributable to shareholders was approximately HK\$75 million. Basic earnings per share was HK20 cents.

BUSINESS REVIEW

Benefiting from the global economic growth during the period, the demand of our products from customers continued to rise. While the overall sales had increased, however, selling prices of products were unable to adjust upward in correspondence with the changing environment. Despite that the Group had focused on cost control, the measures could not completely off-set adverse effects such as rise in raw material prices and wages, and appreciation of Renminbi of the Mainland China. As such, the extra material cost and production cost were unable to be fully charged back to customers, resulted in a drop in gross profit margin for the period. Moreover, increased expenditures were spent on sales and marketing in order to expand new markets. All these factors had contributed to the considerable decrease in the Group's profit.

The Luoding plant has commenced production in September 2006. This new plant is situated at the western part of Guangdong Province with an area of approximately 67,000 sq.m.. Total capital invested was approximately HK\$20 million. The new plant is engaged in finished goods' assembling, which is labour intensive in nature. Nevertheless, labour supply is relatively sufficient and stable, as the location is far from the developed industrial area of Guangdong. Once the Luoding plant is in full operation, it will enhance the Group's productivity and enable the Group to control production cost more effectively.



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河源市廠房為本集團正在興建之另一新廠房。新廠房位於中國廣東省東北部，佔地約為170,000平方米，直至本報告日期已投入資金約8,200萬港元，廠房計劃生產產品部件，包括製成品之金屬及塑膠部件。新廠房更會配備電鍍生產線。河源市廠房已於二零零六年十二月開始第一期運作，其餘生產線將於二零零七年內陸續裝配。預計新廠房將會大幅度提升本集團之整體生產規模，而生產流程亦將會進一步系統化及自動化。

生產及銷售插頭產品繼續為本集團帶來穩定收入之核心業務。然而，本集團致力研發新產品，包括多項專為電腦器材而設的高度密電子接駁器將在二零零七年下半年投入生產。

未來展望

本集團在不久將來仍會面對若干不利因素，如銅等主要原材料價格在二零零七年初持續出現重大波動。此外，中國經濟持續向好，人民幣升值，工資、燃料及其他以人民幣定值之開支亦相應增加，加上勞工短缺，預計本集團經營溢利將受到一定影響。

展望將來，羅定市及海源市廠房開始全面投產之後，將大大增強本集團產能、效率與成本控制能力。在拓展新市場方面，本集團已成功開拓韓國市場，並開始向若干韓國電子品牌客戶供貨。在不久將來，韓國將成為本集團之主要市場。

The Heyuan plant is another new plant which is under construction. This plant is situated at the northeastern part of Guangdong Province, which occupies an area of approximately 170,000 sq.m.. Total capital invested up to the report date was approximately HK\$82 million. The plant is intended for manufacturing of parts and components, including metals and plastics, of the finished goods. First phase of operations was commenced in December 2006, and remaining production lines will be deployed gradually during 2007. The Heyuan plant is expected to substantially increase the Group's overall scale of production with a highly systematic and automated production flow.

Manufacture and sales of jack products continued to be our core business that generated steady income to the Group. Nevertheless, the Group is committed to the research and development of new products, including various high precision electronic connectors for computer equipment, which will go into production in the second half of 2007.

PROSPECTS

The Group continues to face a number of adverse factors in the near future. The prices of major raw materials, such as copper, continue to fluctuate significantly in early 2007. Moreover, as the PRC economy continues to boom and Renminbi appreciates, the corresponding increase in costs (such as wages, fuels and other expenses denominated in Renminbi) and the shortage of labour are expected to affect the Group's operating profit to a certain extent.

Looking forward, following the commencement of full operation of plants in Luoding and Heyuan, production capacity, efficiency and ability in cost control will be considerably strengthened. On new market expansion, the Group has entered the Korean market, and begun to supply to some reputable Korean electronics brand named customers. Korea will become a major market of the Group in the near future.



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此外，本集團在本期間內在福建省上杭縣成立合營企業，主力生產黃銅帶。本集團持有合營企業80%股權。此合作能提供良好機會，將本集團之業務擴展至上游銅帶業務，因此可更保障其原料供應及減低成本。黃銅帶廠房現已動工興建，並將於二零零八年年初投產。

總括而言，本集團熱切進行全方位改善工作：以新廠方鞏固內部；透過研發新產品及拓展新市場進行平面擴張；憑藉在現有製作程序中，垂直併入電鍍製作與黃銅帶生產。各項計劃之成果最終將抵銷成本上漲，並帶給我們更多營商機會，董事局對未來充滿信心。

股息

董事會建議派發末期股息每股現金1港仙。回顧期內所宣派之股息總額合共為每股3.9港仙，如上年度，累積派息比率約為20%。該比率日後可予以調整。

暫停辦理股份過戶登記手續

本公司將於二零零七年六月二十五日至二零零七年六月二十七日(包括首尾兩天)暫停辦理股份過戶登記手續，期間將不會進行任何股份過戶。為符合資格獲派建議末期股息，所有過戶文件連同有關股票須於二零零七年六月二十二日下午四時三十分前，遞交至本公司之香港股份過戶登記分處登捷時有限公司，地址為香港皇后大道東28號金鐘匯中心26樓。

Furthermore, a joint venture at Shanghang County, Fujian Province, was established during the period, engaging principally in the production of copper strip. The Group holds an 80% equity interest in the joint venture. This is a good opportunity to expand upstream into copper strip business so as to better secure the supply for raw materials and reduce the cost. The copper strip plant is currently under construction and production will begin in early 2008.

In conclusion, the Group is eagerly to improve in all directions: internally through the enhancement of new plants; horizontally through the research and development of new products and expansion of new markets; and vertically through the integration of electroplating production and copper strip production into our existing manufacturing process. The result of our plans will override the rising costs and bring us to further business prospects. The Board is optimistic to the future.

DIVIDEND

The Board recommended the payment of a final cash dividend of HK1 cent per share. Total dividend per share declared for the period under review was HK3.9 cents per share, and the accumulated dividend payout ratio is same as last year as approximately 20%. The ratio is subject to adjustment in future.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 25th June, 2007 to 27th June, 2007, both days inclusive, during which no transfer of shares will be effected. To qualify for entitlement to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be logged with the Company's Share Registrar in Hong Kong, Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on 22nd June, 2007.



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致謝

在此，本人謹代表董事局向親愛的股東、尊貴的客戶、忠誠的供應商、專業的銀行界在過去一年全力之支持致以萬二分感謝，祈望來年得到更大的支持及合作。

各管理層及各員工的辛勞工作及全力付出，本人在此再次衷心感謝，並望繼續攜手奮進，面對未來的挑戰。

承董事會命

主席
周德雄

香港，二零零七年四月二十三日

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank all our beloved shareholders, respectable customers, honorable vendors and professional bankers for their support over the year and expect more support and closer cooperation in the coming years.

I would also like to personally thank all management and staff for their hard work and dedication to the Group and cheer them as we tackle future challenges successfully.

On behalf of the Board

Chow Tak Hung
Chairman

Hong Kong, 23rd April, 2007