

FOCUSED OBJECTIVES

TO CAPTURE
THE EVER-GROWING DEMAND



堅定發展目標

掌握行業持續增長的需求

Chairman's Statement

主席報告

Our production facilities have an aggregate production capacity to manufacture approximately 500 million pieces of silicone rubber based products annually.

本集團的矽膠產品年產能約達五億件



Huang Sheng-Shun
Chairman
黃勝舜
主席

On behalf of the board of directors of Ta Yang Group Holdings Limited, I am pleased to present to all shareholders the first annual report of the Group for the year ended 31 July 2007.

2007 is a fruitful year for the Group. We were one of the leading input device manufacturers in the world and the PRC in terms of production volume in 2006. The Group achieved satisfactory results across all business segments.

FINANCIAL RESULTS

For the financial year ended 31 July 2007, the Group achieved a turnover amounting to HK\$629.8 million, increased by 8.7% when compared to HK\$579.6 million in last year.

The Group's profit attributable to equity shareholders was HK\$159.6 million, represented an increase of 10.8% when compared to HK\$144.1 million last year. Basic earnings per share for the year was HK19.95 cents (2006: HK18.02 cents).

本人謹代表大洋集團控股有限公司之董事會欣然向各股東提呈本集團截至二零零七年七月三十一日止年度之首份年報。

對本集團而言，二零零七年是本集團豐盛的一年。按二零零六年的產量計算，本集團已是世界及中國其中一個主要的輸入裝置製造商。本集團整體業務均錄得理想成績。

財務業績

本集團截至二零零七年七月三十一日止財政年度的營業額為629,800,000港元，較去年的579,600,000港元上升8.7%。

本集團權益持有人應佔溢利為159,600,000港元，較去年的溢利144,100,000港元上升10.8%。本年度的每股基本盈利為19.95港仙(二零零六年：18.02港仙)。

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INITIAL PUBLIC OFFERING

The Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 8 June 2007, which representing a milestone to the Group. Upon the completion of public and placing offer, we issued 200,000,000 new shares and the amount of net proceeds was approximately HK\$635 million. The Directors believe that the successful of listing and the strong financial background would help the Group to maintain its leading position in the silicone rubber input devices business.

BUSINESS REVIEW

In order to further expand market share and production capacity, the Group completed the construction of new plant in Dongguan in January 2007, and passed the accreditation of Nokia and Motorola, becoming their qualified supplier.

The completion of new plant facilities at Huzhou in April has largely increased our production capacity for notebook keypads. The completion of the two new plants not only consolidated the Group's market position, but also laid a solid foundation for our future development.

For the consumer electronic devices segment, the Group received the accreditation from Nintendo Japan in May 2007 and became one of their major suppliers of silicone protective cover for their Wii console handheld devices "Wii Jacket", which would in turn facilitate our growth in turnover and profit.

In conclusion, despite the continuous increase in wages and appreciation of Renminbi in 2007, we achieved profit growth amid the adverse environment. It was because our turnover sustained growth as planned while production process kept on improving.

首次公開發售

本集團於二零零七年六月八日成功在香港聯合交易所有限公司(「聯交所」)主板上市，是為本集團的重要里程碑。於公開發售及配售完成後，本集團發行200,000,000股新股份，所得款項淨額約達635,000,000港元。董事相信，憑藉本集團成功上市及強健的財務背景，將有助本集團在矽膠輸入裝置業務上保持領先地位。

業務回顧

為求進一步擴大市佔率及產能，本集團於二零零七年一月建設完成東莞新廠，且順利通過Nokia和Motorola認證，成為其合資格供應商。

而四月湖州新廠的落成，對於筆記型電腦按鍵產能的增加亦產生極大幫助，此兩廠的落成既可鞏固本集團的市場地位，並為未來發展奠定強大的基礎。

至於消費性電子產品方面，本集團於二零零七年五月，獲日本任天堂公司認證，並下單成為Wii遊戲機搖控器「Wii Jacket」的矽膠保護套主要供應商之一，對營業額及獲利之增加將很有幫助。

綜觀而言，儘管二零零七年工資持續上漲及人民幣持續升值，但本集團營業額仍在預定計劃繼續成長，且製程繼續改善，因此獲利還逆勢增長，實屬難能可貴。

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PROSPECT

In the coming year (1 August 2007 – 31 July 2008), due to the decreasing selling price and the portability of notebooks, there is a market trend that notebooks will replace desktop computers. The Group anticipates that notebooks will continue its annual growth in double-digit pace. Taiwan manufacturers supply and account for over 85% of the notebooks delivered worldwide, they have established the largest global notebook supply chain in Suzhou, Shanghai etc. Our plant in Huzhou, Zhejiang has taken advantage of its geographical location to supply keypad components to customers. Leveraging on our leading position, it is expected that our business will experience rapid growth.

For the mobile phone keypads segment, as we passed the accreditation of Nokia and Motorola, the two largest mobile phone manufacturers in the world, we started to receive production orders. We have made a good start, and the Group marks this year as its foundation year. We will further increase our efforts to offer training for staff, strengthen research and development and expand our production capacity. As our market share in mobile phone keypads remains low, there is still plenty of room for further development.

For the silicone rubber keypads used in automotive components and consumer electronic devices, our strategy remains to seek for a stable growth. In addition, we have already become one of the major suppliers for the protective cover of Wii that manufactured by Nintendo Japan. Due to their prosperous sale, as shown by the orders we get, our turnover and profit will be benefited to a large extent.

It is expected that our profitability will be enhanced by the significant increase in turnover, thus marks a lucrative year for the coming year.

展望未來

在未來的一年(二零零七年八月一日 — 二零零八年七月三十一日)，由於筆記型電腦銷售價格下跌，及其攜帶的方便性，市場趨向以筆記型電腦取代桌上型電腦。本集團預期筆記型電腦將繼續以每年兩位數的速度增長，台灣生產廠商供應全球筆記型電腦的付運量超過85%，並在蘇州、上海等地區建立了全球最大的筆記型電腦供應鏈。本集團位於浙江省的湖州廠房，因地理優勢得以向客戶供應按鍵組件，加之本集團的龍頭地位，業務高度成長可期。

手機按鍵方面，去年通過世界前二大手機廠 Nokia 及 Motorola 的認證，並開始接單生產，基本上已有好的開始，今年本集團定為奠基期，繼續在人員培訓，加強研發力度，擴充產能上持續努力，由於本集團的手機按鍵市佔率還小，故尚有非常大的成長空間。

至於汽車零件及消費性電子產品的矽膠按鍵，本集團的策略還是維持穩定的成長。除此之外，本集團成為日本任天堂 Wii 遊戲機遙控器保護套的主要供應商之一，受惠於其強勁的銷售增長，依其訂單顯示將對營業額及獲利有相當助益。

綜上所述，本集團認為未來一年營業額將會大幅提升，獲利亦將隨之提高，會是豐收的一年。

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ACKNOWLEDGEMENT

Our Directors, management and staff understand it is not easy to become the leading silicone rubber keypad manufacturer. In order to maintain our momentum, we must remain committed to produce excellent quality products.

I would like to take this opportunity to express my heartfelt thanks to our shareholders, customers, suppliers and partners for their generous support, and our dedicated Directors, management and staff for their contributions in 2007. I look forward to further achieving brilliant performance in the future.

Huang Sheng-Shun

Chairman and Executive Director

致謝

本集團董事、管理層及全體員工明白能夠成為矽膠按鍵製造商之翹楚是殊非僥倖，但為了繼續保持這優勢，力臻產品完善是成功不二法門。

本人謹此感謝本集團的股東、客戶、供應商及業務夥伴的鼎力支持，同時亦對各盡心出色的董事、管理層及全體員工於二零零七年在在本集團所付出的貢獻致以衷心感謝，祈望於未來取得更彪炳的成績。

黃勝舜

主席兼執行董事