



## CHAIRMAN'S STATEMENT 董事會主席報告書

### BUSINESS REVIEW AND OUTLOOK

#### Business Review

In view of the continued difficult operating environment and uncertain economic outlook in the region, the Group has undertaken a thorough and critical appraisal of all its assets and the carrying value of the packaging business, and has made a prudent provision of HK\$350 million. This will not affect the future cashflow of the Group. As a result, the Group has reported a consolidated net loss after tax of HK\$219 million for the year.

Its earnings before exceptional items, interest, taxation, depreciation and amortisation (EBITDA) is HK\$127 million. The contributions from its core businesses, Food and Distribution Segments have reported improvement during the year. Our efforts in improving the quantity and quality of raw materials from the local markets have begun to show positive results.

The contributions to operating profit from the PRC market, excluding the packaging business have increased to HK\$34 million during the year. During the first half of the year, the Group has also resolved the wheat quota issue with the relevant government authorities. In December 2001, the Group's flourmill in Shekou, China was recognised by the China National Food Industry Association as one of The Ten Excellent Enterprises of Foreign Investment (Hongkong, Macao and Taiwan) in China Food Industry, from 1981 to 2001.

In Hong Kong, the Group has integrated its sales organisation since March 2001, with positive effects on customers and products synergies. In addition, the Group's net financing costs were reduced by 49% to HK\$24 million, representing an improvement of HK\$23 million to the net profit. This was the result of better working capital management and continued commitment to reduce total borrowings. At the end of 2001, the Group's net borrowings were reduced to HK\$110 million.



### 業務回顧及展望

#### 業務回顧

有鑒於本區的營商環境持續困難及不明朗之經濟前景，本集團對其所有資產及包裝產品分部的賬面價值進行了徹底的評估及審慎地作出港幣350,000,000元的撥備，此項撥備並不會對本集團未來的現金流量帶來影響，因此是年度本集團錄得除稅後綜合虧損為港幣219,000,000元。

本集團未扣除特殊項目、利息支出、稅項、折舊及攤銷之經營溢利為港幣127,000,000元。是年度我們之核心業務—食品及產品分銷分部對本集團之貢獻均有改善。而我們在改善本地市場原料之品質及數量所付出的努力亦已開始顯示正面的成果。

是年度，國內市場（除產品包裝業務之外）對經營溢利的貢獻增長至港幣34,000,000元。在上半年度本集團已與政府有關部門解決了小麥配額問題，而在二零零一年十二月，本集團在蛇口之麵粉廠更被中國食品工業協會表彰為自一九八一年至二零零一年內中國十大食品工業傑出外商（港澳台）投資企業之一。

本集團在二零零一年三月起將香港的銷售組織合併起來，並已在顧客及產品協同上顯示出正面的影響。另一方面，本集團之淨融資費用已減少了49%至港幣24,000,000元，或對其淨溢利改善了港幣23,000,000元。這全有賴於較佳的營運資金管理及承諾持續減低總借貸額。在二零零一年末，本集團之淨借貸額已縮減至港幣110,000,000元。

# Flour

麵粉







# CHAIRMAN'S STATEMENT *(continued)*

## 董事會主席報告書 (續)



### Financial Review

### 財務回顧

As at 31st December  
於十二月三十一日結算

		2001 二零零一年	2000 二零零零年
Current ratio	流動比率	1.0	1.2
Net working capital (HK\$ million)	營運資金淨額 (港幣百萬元)	128	214
Net working capital to sales (%)	營運資金淨額與銷售額之比率 (百分率)	8	12
Net borrowings (HK\$ million)	借貸淨額 (港幣百萬元)	110	302
Gearing ratio (%)	負債比率 (百分率)	14	29

The Group generally finances its businesses with internally generated cash flows and banking facilities at different geographical markets as far as practicable. Financing and cash management activities of the Group are coordinated at the Corporate level.

本集團一般均盡量以不同地域市場內部產生之流動現金及銀行信貸提供營運所需資金。本集團之融資及現金管理事宜均由企業層統籌。

The Group's working capital management continued to keep tight control on credit policies and inventory planning. As at 31st December 2001, over 97% of its receivables were less than 3 months old, compared to 93% as at 31st December 2000. The Group's provision on overall receivables remained relatively unchanged. Most of the Group's trade creditors normally grant over 90 days credit to the Group.

本集團對營運資金之管理，繼續嚴謹控制信貸政策及存貨規劃。而比較起於二零零零年十二月三十一日之93%，超過97%於二零零一年十二月三十一日之應收賬款少於三個月賬齡。本集團就整體應收賬款所作出之撥備相對維持不變。而本集團絕大多數購貨客戶均給予本集團超過90天數期。

The debt maturity profile of the Group as at 31st December 2001 is analysed as follows:

本集團於二零零一年十二月三十一日的債務還款期分析如下：

As at 31st December  
於十二月三十一日結算

		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Repayable within one year	一年內償還	403,106	550,004
Repayable after 1 year, but within 2 years	於一年後至兩年內償還	656	250,327
Repayable after 2 years, but within 5 years	於兩年後至五年內償還	—	730
Total	總額	403,762	801,061

# Edible Oil

食 用 油 脂





## CHAIRMAN'S STATEMENT (continued) 董事會主席報告書 (續)



The Group managed to maintain a healthy balance sheet with its total assets of HK\$1,853 million (2000: HK\$2,622 million). The Group's gearing ratio was improved from 29% as at 31st December 2000 to 14% as at 31st December 2001, which was calculated based on the net borrowings (net of cash deposits and bank balances) of HK\$110 million (2000: HK\$302 million) and the shareholders' funds of HK\$791 million (2000: HK\$1,033 million).

As at 31st December 2001, the Group has sufficient banking facilities. As the cash deposits and bank balances of the Group amounted to HK\$293 million together with the total net working capital of HK\$128 million, the management believes that the Group has sufficient financial resources to discharge its debts and to finance its daily operations and capital expenditure.

Over 79% of the Group's cash deposits and bank balances are denominated in either HK Dollars or US Dollars. The exposure to exchange fluctuation is insignificant.

### Employees, Training and Remuneration Policy

As at 31st December 2001, the Group has approximately 1,710 (2000: 1,760) employees. Employees are remunerated according to nature of their job and market trend, with built-in merit component incorporated in the annual increment and year end performance bonus to reward and motivate individual performance. During the year, the Group continued to remain committed to its staff training and development programme. Total staff costs for the year ended 31st December 2001 were HK\$139 million (2000: HK\$159 million).

Pursuant to the share option scheme ("the Scheme") approved by the shareholders on 26th May 2000, the directors of the Company may invite employees and directors (other than non-executive directors) of the Company or of any of its subsidiaries to take up options to subscribe for shares of HK\$1 each in the capital of the Company. The subscription price and the exercise period are determined in accordance with prescribed formula and terms. No options were granted under the Scheme during the year.

本集團繼續維持一個健康的資產負債表，其總資產達港幣1,853,000,000元（二零零零年：港幣2,622,000,000元）。而本集團之負債比率已由二零零零年十二月三十一日的29%改善至二零零一年十二月三十一日的14%，此乃根據借貸淨額（已扣除現金存款及銀行結餘）之港幣110,000,000元（二零零零年：港幣302,000,000元）及股東權益港幣791,000,000元（二零零零年：港幣1,033,000,000元）計算。

於二零零一年十二月三十一日，本集團備有足夠之銀行信貸額。有鑒於本集團之現金存款及銀行結餘共港幣293,000,000元以及淨營運資金總額達港幣128,000,000元，管理層認為本集團具備充足財務資源償還債務及提供日常業務運作所需資金及資本支出。

本集團的現金存款及銀行結餘超過79%均為港幣或美元，受貨幣兌換率波動影響的機會甚微。

### 僱員、培訓及薪酬政策

於二零零一年十二月三十一日，本集團旗下員工約1,710人（二零零零年：1,760人）。員工薪酬乃按其工作性質和市場而釐定，並於年度增薪評估內設有表現評估部分及年終獎金，以推動及獎勵個人工作表現。是年度，本集團繼續維持對員工培訓及發展計劃作出承擔。截至二零零一年十二月三十一日止年度的職工成本總額為港幣139,000,000元（二零零零年：港幣159,000,000元）。

根據股東於二零零零年五月二十六日通過的購股權計劃（「該計劃」），本公司董事可邀請本公司或其任何附屬公司的僱員及董事（不包括非執行董事）接納購股權，可認購本公司作價港幣1元的股份。該等購股權的認購價及行使期乃按照指定的計算方法及條款而釐定。是年度，該計劃並沒有授出購股權。