



安徽僑豐包裝印刷有限公司鳥瞰圖
Bird's eye view of Anhui Qiaofeng Package Printing Co., Ltd.

於二零零四年，本集團在安徽省
成立了一家新合營公司，
主要從事印刷及製造
優質多色包裝產品。

In 2004, the Group has
established a new joint venture
company in Anhui Province
which will principally engage in
the printing and manufacturing
of high quality and multi-colour
packaging products.



EFFECTIVE COST CONTROL measures

概覽

本集團於截至二零零四年十二月三十一日止年度錄得令人滿意的業績。總營業額達1,188,531,000港元，較二零零三年增加25.5%。此外，年度純利亦增加至40,939,000港元，較二零零三年增加16.1%。

於二零零四年，包裝印刷業務營業額減少了11.2%，主要因為產品組合改變之影響。然而，透過實施有效成本控制措施，包括嚴格控制物料成本，包裝印刷業務之毛利率維持在約26.2%之穩定水平。因此，在紙張物料價格大幅上升時，本集團仍可以在年內維持毛利率。

於回顧年度內，由於開發歐洲市場，分銷業務部門之毛利率由1.3%增加至2.9%。

OVERVIEW

The Group reported satisfactory results for the year ended 31st December, 2004. Total sales turnover was HK\$1,188,531,000 representing an increase of 25.5% as compared to 2003. In addition, net profit for the year increased to HK\$40,939,000, representing an increase of 16.1% over 2003.

In 2004, turnover of the package printing business reduced by 11.2% mainly due to the change in the product mix. However, the gross profit margin of the package printing business remained steady at approximately 26.2% through effective cost control measures, including extensive controls on material costs. Accordingly, the Group was able to maintain its gross profit margin during the year when prices of paper materials increased substantially.

During the year under review, the gross profit margin of the distribution business division increased from 1.3% to 2.9% due to the development of the European markets.



SOLID

financial foundation



財務表現

於截至二零零四年十二月三十一日止年度，雖然包裝印刷部門之產品組合有所改變，惟本集團之股東應佔溢利達到雙位數字增長，錄得40,939,000港元。表現穩定乃因為下列因素：

1. 本集團持續投資於先進機器及設備，以增強其競爭優勢。
2. 透過卓越的研發努力，本集團發展出領先技術及工藝，尤其在打擊贗品及印後作業方面。
3. 本集團能透過成立新合營企業開發新市場，擴大國內之覆蓋範圍。
4. 本集團與主要客戶建立更緊密之關係。
5. 本集團成功在其他行業開發新市場，例如藥品及口腔護理產品業。

FINANCIAL PERFORMANCE

For the year ended 31st December, 2004, the Group achieved a double-digit increase in profit attributable to shareholders of HK\$40,939,000, despite the impact from the change in product mix in the package printing division. The steady performance was attributable to the following factors:

1. The Group continuously has invested in advanced machinery and equipment to strengthen its competitive edges.
2. Through competent R&D efforts, the Group has developed leading techniques and workmanship, especially in the areas of anti-counterfeiting and post-press operation.
3. The Group has been able to develop new markets by setting up a new joint venture to enhance national coverage.
4. The Group has cemented closer relationships with major customers.
5. The Group has successfully developed new markets in other industries, such as the pharmaceutical and oral-care product industries.



Bank balances and cash
HK\$156.7 m

6. 於過去數年，本集團的包裝印刷部門藉以下措施成功將毛利率穩定在大約26.2%：
- 將紙張物料成本之增加轉嫁至客戶，從而成功減輕其影響；
 - 採取嚴緊之營運資金管理措施，以減低存貨水平及應收賬款結餘；
 - 持續開發新技術及採用先進機器，以精簡生產程序，減低物料使用及生產損耗；
 - 實施更嚴緊之成本控制，尤其是物料成本及一般行政成本；
 - 藉靠近主要客戶，減少運輸成本；及
 - 採取有力的財務控制措施，且有能力與主要銀行磋商優惠條款。
6. The Group has successfully achieved a steady gross profit margin for the package printing division at approximately 26.2% over the past few years by:
- successfully minimising the effects from the increasing costs of paper materials by passing to customers;
 - Adopting tight working capital management in order to minimise the inventory level and the accounts receivable balances;
 - Persistently developing new techniques and utilising advanced machinery to streamline the production process so as to minimise materials usage and production wastage;
 - Implementing tighter cost controls, especially for materials costs and general administrative costs;
 - Enjoying proximity to major customers to minimise transportation costs; and
 - Exerting strong financial control and ability to negotiate preferential terms with major banks.

營運資金管理與股息政策

於二零零四年十二月三十一日，本集團銀行結餘與現金維持在156,747,000港元，而營運資金仍然有效運用。本集團應收貿易賬款週轉期於二零零四年維持於62.2日（二零零三年：60.0日），而存貨週轉期則維持在低水平約33.4日（二零零三年：44.7日）。

WORKING CAPITAL MANAGEMENT AND DIVIDEND POLICY

The Group maintained bank balances and cash of HK\$156,747,000, as at 31st December, 2004 and its working capital utilisation continued to be efficient. The Group's trade receivables turnover maintained at 62.2 days (2003: 60.0 days) in the year 2004 and inventory turnover remained low at approximately 33.4 days (2003: 44.7 days).



Total banking facilities
HK\$623.6 m

本集團維持穩定之股息政策，在過去五年內每年所支付之總股息為8.0港仙。

The Group maintained a steady dividend policy by paying a total dividend of HK8.0 cents per year for the last 5 years.

流動資金及財政資源

LIQUIDITY AND FINANCIAL RESOURCES

流動資產淨值

Net current assets

於二零零四年十二月三十一日，本集團約有流動資產淨值162,947,000港元。於二零零四年十二月三十一日，流動資產包括存貨約92,921,000港元，應收貿易賬款、其他應收賬款及短期應收貸款約342,330,000港元，及銀行存款、銀行結餘及現金約156,747,000港元。流動負債包括應付貿易賬款及其他應付賬款約129,633,000港元、應付股息及稅項約3,748,000港元，及短期借貸約295,670,000港元。

As at 31st December, 2004, the Group had net current assets of approximately HK\$162,947,000. The current assets as at 31st December, 2004 comprised inventories of approximately HK\$92,921,000, trade, other and short-term loans receivables of approximately HK\$342,330,000, and bank deposits, bank balances and cash of approximately HK\$156,747,000. The current liabilities comprised trade and other payables of approximately HK\$129,633,000, dividend and tax payables of approximately HK\$3,748,000, and short-term borrowings of approximately HK\$295,670,000.

借貸及銀行融資

Borrowings and banking facilities

於二零零四年十二月三十一日，本集團約有銀行融資總額623,564,000港元，其中約326,924,000港元已經動用，約294,382,000港元以本集團提供之企業擔保及交叉擔保抵押。其中，約19,003,000港元以本公司於中國經營業務之附屬公司旗下之資產根據有關貸款協議之條款抵押。

As at 31st December, 2004, the Group had total banking facilities of approximately HK\$623,564,000, approximately HK\$326,924,000 of which had been utilised, and approximately HK\$294,382,000 of which was secured by corporate guarantees and cross guarantees given by the Group. Of this, approximately HK\$19,003,000 was secured by the assets of the Company's subsidiaries in the PRC according to the terms of the relevant loan agreements.

EBITDA to net interest expenses
16.8 times



隨著二零零四年上半年經濟放緩造成息率下降，本集團之融資成本因而下降至二零零四年之10,188,000港元。

董事對財政資源之意見

於二零零四年十二月三十一日，淨資產負債比率（即計息負債減現金／股東資金加少數股東權益）由31.9%增加至39.7%。本集團未計淨利息支出、稅項、折舊及攤銷前之盈利（簡稱EBITDA）對利息支出淨額之利息盈利率為16.8倍，較二零零三年之12.6倍大為改善。

董事會認為，經考慮本集團可動用之財政資源（包括內部產生資金及可動用之銀行融資），本集團備有充足之營運資金，應付目前之發展計劃。

匯兌風險

包裝印刷部門之所有銷售額及購貨額均以人民幣定值，而分銷部門之大部份銷售額及購貨額以美元或港元定值。透過銷貨額與購貨額之貨幣互相配合，匯兌風險得以減至最低。

Along with declining interest rates brought about by the sluggish economy in the first half of 2004, the Group achieved savings in finance cost, which amounted to HK\$10,188,000 in 2004.

Director's opinion on financial resources

As at 31st December, 2004, the net debt to equity ratio (interest bearing liabilities less cash/shareholders' equity plus minority interests) was increased from 31.9% to 39.7%. The interest coverage ratio of the Group's earnings before net of interest expenses, tax, depreciation and amortisation (EBITDA) to net interest expenses was 16.8 times, improving substantially from 12.6 times in 2003.

The Directors are of the opinion that, taking into account the financial resources available to the Group, including internally generated funds and available banking facilities, the Group has sufficient working capital for its current development plan.

EXCHANGE EXPOSURE

All the sales and purchases for the package printing division are denominated in Renminbi and most of sales and purchases for the distribution division are denominated in United States dollars or Hong Kong dollars. Through the currency match for sales and purchases, the exposure to exchange risks is minimised.