

中期股息

董事會宣佈，於二零零二年十月十一日或前後向於二零零二年九月三十日名列本公司股東名冊之股東，派付截至二零零二年六月三十日止六個月之中期現金股息每股1.5港仙。

暫停辦理股東登記手續

本公司將於二零零二年九月二十五日星期三至二零零二年九月三十日星期一（包括首尾兩天）暫停辦理股東登記手續，在該期間內不會登記任何股份過戶。一切股份過戶文件連同有關之股票最遲須於二零零二年九月二十四日星期二下午四時前交回本公司之香港股份過戶登記分處雅柏勤證券登記有限公司，地址為香港干諾道中111號永安中心五樓。

管理層之討論與分析

滿意之經營業績

截至二零零二年六月三十日止六個月，本集團之總營業額約為352,332,000港元，較二零零一年同期增加6.3%。包裝印刷業務乃本集團之核心業務，其營業額上升15.9%，佔本集團截至二零零二年六月三十日止六個月之總營業額59.3%。

截至二零零二年六月三十日止六個月，未計淨利息、稅項、折舊及攤銷之盈利（「EBITDA」）及股東應佔溢利分別約為58,753,000港元及21,407,000港元，較二零零一年同期分別增加10.0%及6.3%。

整體毛利率為18.3%，而包裝印刷業務之毛利率則為28.2%，在競爭劇烈之印刷及包裝業中維持合理之高水平。

INTERIM DIVIDEND

The Directors have declared the payment of an interim cash dividend of HK1.5 cents per share for the six months ended 30th June, 2002 payable on or about 11th October, 2002 to shareholders whose names appear on the Register of Members of the Company on 30th September, 2002.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 25th September, 2002 to Monday, 30th September, 2002 (both days inclusive) during which period no transfer of shares will be registered. All transfers of shares accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited, 5/F, Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on Tuesday, 24th September, 2002.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Satisfactory Operation Results

For the six months ended 30th June, 2002, the total turnover of the Group was approximately HK\$352,332,000, representing an increase of 6.3% over the corresponding period in 2001. Growth rate of turnover from the packaging printing business, which is the core business of the Group and accounted for 59.3% of the Group's total turnover for the six months ended 30th June, 2002, was 15.9%.

Earnings before net interest, tax, depreciation and amortisation ("EBITDA") and profit attributable to shareholders were approximately HK\$58,753,000 and HK\$21,407,000 respectively for the six months ended 30th June, 2002. This represents an increase respectively of 10.0% and 6.3%, as compared to the corresponding period in 2001.

Overall gross profit margin was 18.3% while gross profit margin for packaging printing business was 28.2%, maintaining a reasonably high-level in the competitive printing and packaging industry.

卓越之產品組合

本集團以成為中國首屈一指之消費產品包裝企業，並配合分銷及其他業務為目標。本集團製造各種優質多色包裝產品，尤其卷煙、酒類、藥品及保健產品之印刷包裝產品。

於回顧期內，卷煙之印刷包裝產品約佔本集團之總營業額58.2%，及約佔包裝印刷業務之總營業額98.1%。

中國煙草市場

於本年度之上半年度，中國卷煙生產量為17,821,000大箱，較去年同期上升3.3%。工商溢利及稅項增加19.6%至人民幣75,396,000,000元，其中工商溢利增加13.6%至人民幣21,925,000,000元。一般而言，卷煙生產量及銷售量之增幅相若，而溢利及稅項則大幅增長。時至今日，中國約有3,000,000家卷煙零售商。

預期中國煙草業將繼續貫徹品質監控、技術創新、原料管理、資金安排、市場規劃及提高回報等原則。中國國家煙草專賣行政主管部門將繼續加強重組煙草市場之經濟秩序及將之標準化，設立穩健之銷售網絡，重整國家分銷系統，以及提供更佳之服務。

精密之生產設施

於回顧期內，本公司已訂立有關三台印後工序生產機器之合約。一台購自瑞士Bobst SA（「Bobst」）之自動平壓燙金機（作燙金及壓凸用途）於二零零二年五月在本集團之雲南生產廠房啟用。預期另一台購自Bobst之自動平壓燙金機（作燙金及壓凸用途）及一台購自德國Steuer GmbH之滾筒燙金機將於本年之下半年度進行安裝。

Superior Product Combination

The Group aims to become the leading consumer products packaging enterprise in the PRC supplemented by distribution and other businesses. The Group manufactures a wide range of high quality multi-colour packaging products, in particular, printed packaging products for tobacco, wine, pharmaceutical and health products.

During the period under review, printed packaging products for tobacco accounted for approximately 58.2% of the total turnover of the Group and approximately 98.1% of the total turnover of the packaging printing business.

The PRC Tobacco Market

In the first half of this year, tobacco output in the PRC was 17,821,000 cartons, representing an increase of 3.3% over the same period of last year. The industrial and commercial profits and taxes rose 19.6% to RMB75,396,000,000, and among which, industrial and commercial profits increased 13.6% to RMB21,925,000,000. In general, output and sale of tobacco achieved coordinated growth, while profits and taxes grew dramatically. To date, there are some 3,000,000 tobacco retailers in the PRC.

The PRC's tobacco industry is expected to continue to adhere to the principles of quality control, technological innovation, raw materials management, capital arrangement, market planning and increase of returns. The State Tobacco Monopoly Administration of the PRC continues to strengthen reorganization and standardization of the economic order of the tobacco market, to establish reliable sales network, to reform the national distribution system as well as to provide better quality of services.

Sophisticated Production Facilities

During the period under review, contracts for three production machines for post-press operations were confirmed. An automatic platen press for hot-foil stamping and embossing from Bobst SA, Switzerland ("Bobst") was deployed in the Group's Yunnan production plant in May 2002. Another automatic platen press for hot-foil stamping and embossing from Bobst and a rotary foil stamping machine from Steuer GmbH, Germany are expected to be installed in the second half of this year.

本集團之雲南生產廠房於一九九九年九月取得ISO 9002品質系統證書，而本集團之哈爾濱生產廠房亦正申請ISO 9000品質認證，務求令中國之所有生產設施盡善盡美。預期該品質證書將於本年年底前成功取得。

領先之生產技術

本集團致力提昇及改革新生產技術，以維持其企業聲譽及產品形象。除膠凹紫外線綜合印刷技術外，有關印後工序之技術，例如全息定點燙印、套燙、軟紙燙，以及燙金上膠印，亦相當重要。

為求精益求精，本集團已於中國成功開發兩項卷煙包裝之專利設計，分別為三角形包裝及梯形包裝。

穩健之分銷及投資業務

於回顧期內，分銷及投資業務之營業額約為143,279,000港元，較二零零一年同期下跌5.1%。分銷及投資業務之總營業額中有68.9%乃來自分銷電子及電腦零件，餘額則來自分銷大宗貨品及其他業務。

本集團已就分銷業務實施審慎之存貨政策，以減低營商風險。於二零零二年六月三十日，分銷業務之存貨金額僅為1,640,000港元。

適當之人力資源發展

於二零零二年六月三十日，本集團僱用合共超過800名僱員。大部份僱員乃由本集團設於中國之生產廠房所僱用。

The Group's Yunnan production plant obtained ISO 9002 quality system certificate in September 1999 and the Group's Harbin production plant is applying for ISO 9000 quality accreditation in order to perfect all the production facilities in the PRC. This quality certificate is expected to be obtained by the end of this year.

Leading Production Technology

The Group endeavours to improve and innovate new production technologies in order to maintain its corporate reputation and product image. In addition to the leading combined printing (gravure, offset and ultraviolet) technology, technologies for post-press operations, such as hologram stamping, border stamping, hot stamping on art paper and offset printing on hot stamping foil, are most noteworthy.

In pursuit of excellence, the Group has successfully developed two patent designs, namely, triangular and trapezoid form of packaging for tobacco, in the PRC.

Healthy Distribution and Investment Businesses

During the period under review, turnover from the distribution and investment businesses was approximately HK\$143,279,000, representing a decrease of 5.1% over the corresponding period in 2001. 68.9% of total turnover from this category was from the distribution of electronics and computer components, while the balance was from distribution of mass merchandise and other business.

For distribution businesses, the Group implemented a prudent inventory policy to mitigate business risks. As at 30th June, 2002, the inventory amount of distribution business was only HK\$1,640,000.

Proper Human Resources Development

As at 30th June, 2002, the Group employed a total of over 800 employees. Most were hired by the Group's production plants in the PRC.

為提高營運質素，本集團為其僱員提供不同類型之內部培訓課程，涉及之範疇包括銷售管理、監督技巧、資訊科技及生產管理。此外，本集團特別聘用對印刷技術富有經驗之專才，以加強柯式印刷營運之效率。

未來展望

令人鼓舞之中國消費產品市場

中國於二零零二年之國內生產總值預期增長約7%，為全球具有最佳表現之經濟體系之一。儘管中國對吸煙影響健康日益關注，於過去十年之行業生產量及銷量均相當穩定。

在中國經濟增長穩健而生活水準提高之情況下，對優質藥品及保健產品（本集團之主要潛力市場分類）之需求逐漸增加。由二零零二年一月至五月，藥品業之行業生產總額為人民幣124,770,000,000元，較二零零一年同期增加20.8%。此外，中國保健產品之總銷量預期將於二零零五年之前超過人民幣100,000,000,000元。

繼續投資生產技術

為保持競爭力，本集團將繼續運用先進之印刷技術及工藝，以提高其生產力、令其包裝產品之外觀更優雅和更生動，以及加強其獨特之防偽能力。

透過卓越之產品質素及良好之聲譽，本集團得以從現有客戶取得大量訂單，並吸引中國各地之新客戶。事實上，本集團正為其新客戶準備若干樣本，該等新客戶均為業內之翹楚。

In order to improve the operations, the Group provides a variety of in-house training programmes for its employees in areas such as sales management, supervisory skills, information technology and production management. In addition, the Group recruits an experienced personnel in printing technology so as to enhance the efficiency of off-set printing operations.

Future Prospects

Encouraging PRC Consumer Product Market

The growth rate of PRC's gross domestic product in 2002 is expected to be around 7%, one of the best performing economies in the world. Although there is growing health concerns for smoking in the PRC, the industry output and the sales volume have been relatively stable in the past decade.

Along with stable economic growth and improving living standards in the PRC, the demand for high quality pharmaceutical and health care products, which is the major potential market segments of the Group, is increasing. From January to May 2002, the industry output of pharmaceutical industry was RMB124,770,000,000, representing an increase of 20.8% as compared to the corresponding period in 2001. In addition, total sales volume of the PRC's health care products is expected to exceed RMB100,000,000,000 by the year 2005.

Continuous Investment in Production Technology

In order to maintain its competitive edge, the Group will continue to apply advanced printing techniques and workmanships for improving its productivity, heightening its packaging products' elegance and vivification as well as enhancing its distinctive anti-counterfeit capability.

By means of its unrivaled product quality and high reputation, the Group is able to secure large orders from its existing customers and attract new clients from different regions of the PRC. In fact, the Group is preparing some samples for its new customers, which are leaders in their respective industries.

擴充營運規模及市場覆蓋率

除於現有生產廠房繼續投資先進之生產機器及設備外，本集團亦正物色機會，於中國其他地區設立生產廠房，以提高全國覆蓋率及付運網絡之效率。透過進一步擴充經濟規模，本集團可減低單位生產成本，提高競爭力及維持市場之進入障礙。

此外，本集團將為不同消費產品繼續發展新印刷包裝產品，並按地區多元化發展其客戶基礎。

企業增值及平衡發展

本集團採用靈活而積極之市場推廣及投資策略，以建立良好之聲譽，擴充產品系列，並盡量提高盈利能力。

為提高企業價值，擴闊收入來源及開拓更多商機，本集團將繼續從事分銷業務，同時審慎地物色其他投資機會。

流動資金及財政資源

本集團於期內得以維持穩健之財政狀況。於二零零二年六月三十日，淨負債資產比率（即計息負債減現金／股東資金加少數股東權益）由37.6%輕微上升至39.7%。本集團EBITDA對利息支出淨額之利息盈利率由7.2倍上升至9.6倍。可動用之手頭現金由99,744,000港元增至111,719,000港元。

Expanding Operating Scale and Market Coverage

Save for the continuous investment in advanced production machinery and equipment in its existing production plants, the Group is looking for opportunities to set up other regional production facilities in the PRC for efficient national coverage and delivery network. Through further achievement of economies of scale, the Group can reduce the unit production cost, improve its competitive advantages and secure entry barriers.

In addition, the Group will continue to develop new printed packaging products for different consumer goods and to diversify its customer base geographically.

Enterprise Value Increment and Balanced Development

The Group applies flexible and aggressive marketing and investment strategies to establish excellent reputation, broaden product range and maximise profitability.

To increase its enterprise value, generate revenue sources and search for business opportunities, the Group will continue to engage in distribution business and look for other investment opportunities in a prudent manner.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has maintained a stable financial position for the period. As at 30th June, 2002, the net debt to equity ratio (Interest bearing liabilities less cash/Shareholders' equity plus minority interests) was slightly increased from 37.6% to 39.7%. The interest coverage ratio of the Group's EBITDA to net interest expenses was increased from 7.2 times to 9.6 times. The available cash on hand was increased from HK\$99,744,000 to HK\$111,719,000.