

管理層之討論與分析 MANAGEMENT'S DISCUSSION & ANALYSIS





業務回顧

包裝印刷業務部門

經營業績

包裝印刷業務乃本集團之核心業務，其營業額約佔本集團二零零一年度之總營業額52.6%。在回顧年度內，該業務部門帶來之營業額約為337,334,000港元，較二零零零年度增加9.6%。該部門之所有銷售額均來自中國，並以人民幣（「人民幣」）計值。

在二零零一年度內，香煙之包裝印刷產品乃本集團之主要產品，其營業額約佔本集團之包裝印刷業務總營業額94.8%，亦約佔本集團總營業額49.9%。在回顧年度內，該類別業務之營業額為319,646,000港元，較上年度增加3.9%。

此外，酒類及藥品和保健產品之印刷包裝產品在二零零一年之銷售額分別為7,424,000港元及9,670,000港元。



市場概覽

煙草行業

中國國家煙草專賣行政主管部門指出，於二零零一年，中國煙草業保持卓越穩健之發展，經濟效益取得過往二十年來最佳之記錄。於二零零一年，香煙生產量約為34,000,000大箱，較往年增加約2%。中國之煙草業在二零零一年內錄得之工商溢利及稅項達人民幣115,000,000,000元。

中國煙草機關採取嚴格之措施，打擊偽造產品及非法卷煙販賣機。此外，該等機關致力改善業內企業之組織架構，並專注減少及關閉生產力弱之小型卷煙廠。

REVIEW OF OPERATIONS

PACKAGING PRINTING BUSINESS DIVISION

Operating results

The packaging printing business, which accounted for approximately 52.6% of the Group's total turnover in 2001, is the core business of the Group. During the year under review, the turnover attributable to this business division was approximately HK\$337,334,000, representing an increase of 9.6% as compared to 2000. All sales from this division were made in the PRC and were denominated in Renminbi ("RMB").

In 2001, printed packaging products for tobacco were the principal products of the Group, and accounted for approximately 94.8% of the total turnover of the packaging printing business and approximately 49.9% of the total turnover of the Group. During the year under review, the turnover from this category was HK\$319,646,000, representing an increase of 3.9% over last year.

In addition, the sales from printed packaging products for wine and for pharmaceutical and health goods in 2001 were HK\$7,424,000 and HK\$9,670,000 respectively.

Market overview

Tobacco industry

The State Tobacco Monopoly Administration of the PRC stated that the PRC's tobacco industry maintained a sound and stable development in 2001, with economic returns achieving the best record over the past 20 years. Approximately 34,000,000 master cartons of tobacco were produced in 2001, representing an increase of approximately 2% over the previous year. The PRC's tobacco industry achieved RMB115,000,000,000 of industrial and commercial profits and taxes in 2001.

The tobacco authorities in the PRC took strict measures to fight against counterfeit products and illegal cigarette machines. In addition, the authorities made efforts to improve the organisational structure of enterprises within the industry, with a focus on eliminating and closing small cigarette factories which suffered from backward production capabilities.

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藥品及保健產品行業

隨著中國人民之生活水準日益改善及可動用收入增加，對優質藥品及保健產品之需求亦與日俱增。根據中國國家藥品監督管理局（「國家藥監局」）進行之調查，於一九九九年十二月，中國藥品行業約有6,000家製造商、16,000家批發商及110,000家零售商。

中國醫療保險制度改革（例如企業與僱員分擔基本醫療保險費，鼓勵病況不重之市民自行買藥）大大提高對藥品之需求。在二零零一年，中國藥品業之產量總額約為人民幣175,000,000,000元。

餐酒及酒精類行業

中國白酒（「白酒」）及餐酒行業為本集團預期將其業務目標作多元化發展之潛在市場分部。

於二零零一年，中國白酒及餐酒之年產量分別超過5,020,000噸及500,000噸。該等行業之發展方向為增加銷售渠道、打擊偽造產品、改良產品及服務之質素、提高品牌知名度及增加產品種類。

Pharmaceutical & health care medical products industries

Along with the improvement in living standards and in disposable income for the population of the PRC, demand for high quality pharmaceutical and health care products has increased. According to a research conducted by The State Drug Administration of the PRC ("SDA"), there were approximately 6,000 manufacturers, 16,000 wholesalers and 110,000 retailers in the PRC's pharmaceutical industry in December 1999.

Reform of the medical insurance system in the PRC, such as sharing the basic medical insurance expenses by the enterprises and employees and encouraging people with mild illnesses to buy medicines by themselves, has accelerated the demand for pharmaceutical products. In 2001, the total output volume of the PRC's pharmaceutical industry was approximately RMB175,000,000,000.

Wine and spirits industries

The Chinese white spirit ("baijiu") and wine industries in the PRC are potential market segments that the Group expects to diversify its business focus.

In 2001, the yearly production volumes of baijiu and wine in the PRC were over 5,020,000 tons and 500,000 tons respectively. The development directions of these industries are to strengthen sales channels, to fight against counterfeit products, to improve the quality of products and services and to promote the brand awareness and variety.



有效之公司策略

本集團透過擁有當代管理技巧及認識中國當地情況之優越管理層，得以採取適當之公司及產品定位，及出色之市場推廣策略。

此外，本集團供應具防偽能力之印刷包裝產品及對客戶瞬息萬變之需求作出迅速反應，以配合中國之防偽活動。



先進生產設施

本集團於二零零一年十二月在其雲南生產廠房安裝一台六色平張柯式印刷機連一套連線紫外線上光系統及一台離線雙重紫外線上光機，實踐加強質素及生產效率之承諾。本集團之柯式印刷生產能力將由每年161,600,000大張增加約47%至237,200,000大張。

為提高樣本生產效率及有效地使用先進機器，本集團亦安裝了一台平張凹版印刷機、兩套燙金機及一台壓凸機。

此外，本集團已安裝電腦化印前工序系統，以加強生產質素及技術，尤其柯式印刷之質素及技術。

近來，本集團之雲南生產廠房設立了一套區域網絡系統，連接各個生產部門，務求有系統地控制生產工序，並適時提供準確之資料及報告。

Effective corporate strategies

Through a strong management team with contemporary management skills and domestic expertise in the PRC, an appropriate company and product positioning with outstanding marketing strategies and tactics has been implemented.

In addition, the Group has cooperated in anti-counterfeiting activities in the PRC by providing anti-falsification printed packaging products and responding quickly to the ever-changing needs of customers.

Advanced production facilities

As a commitment to enhancing quality and production efficiency, a six-colour sheet-fed offset printing press in conjunction with an on-line ultraviolet system for varnishing and an off-line double ultraviolet coating machine was installed at the Group's Yunnan production plant in December 2001. The Group's production capacity for offset printing will increase by approximately 47% from 161,600,000 sheets to 237,200,000 sheets per year.

In order to enhance the efficiency of sample production and the effective utilisation of advanced machinery, a sheet-fed gravure printing machine, two sets of hot-foil stamping machines and an embossing machine were installed.

In addition, the Group has installed a computerized pre-press system connected to the printing process to enhance production quality and techniques especially in offset printing.

Recently, the Group's Yunnan production plant established a local area network system to link up different production departments to control production workflow systematically, and to furnish accurate information and reports timely.

研究及開發能力

為保持技術、生產工藝及服務方面之競爭優勢，本集團進一步增聘研發人員。本集團已加強其技術部門及內部設計小組。此外，本集團更於雲南省昆明市及四川省成都市成立設計公司，以豐富對市場發展之認識，加強其產品開發及設計能力，令其他競爭對手無法匹敵。

於回顧年度內，本集團已進一步提高其公司信譽及產品形象。本集團已成功應用13項創新意念於技術及工藝方面，包括微壓技術、紅彩堆塑技術、大顆粒珠光印刷及膠凹紫外線綜合印刷技術，以加強其生產力、減低失敗率並減少浪費，協助市場發展。

於二零零一年，本集團之雲南生產廠房為客戶提供超過170個樣品及470款設計。由此可見，本集團擁有超卓之研發能力。

Research and development capabilities

In order to maintain its competitive edges on technologies, production workmanships and services, the Group has further increased the number of its R&D personnel. The Group has reinforced its technical department and in-house design team. In addition, the Group has already set up design houses in Kunming City, Yunnan Province and Chengdu City, Sichuan Province in order to strengthen its intelligence on market development and to enhance its product development and design capabilities that other competitors cannot match.

During the year under review, the Group has further developed its corporate reputation and product image. The Group has successfully applied 13 new innovations on technology and workmanship, including micro-embossing technology, glitter layer effect post-press technology, special pearly sheen printing and combined printing (gravure, offset and ultraviolet) technology, to enhance its production productivity, to reduce failure rate and wastage and to assist market development.

In 2001, the Group's Yunnan production plant furnished over 170 samples and 470 designs to the customers. This proves that the Group possesses distinguished R&D capabilities.



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卓越之產品種類

本集團製造廣泛系列之優質多色包裝印刷產品，包括：

- 卷煙印刷包裝產品；
- 酒類印刷包裝產品；
- 藥品及保健產品之印刷包裝產品；
- 其他消費產品之印刷包裝產品；及
- 書刊印刷。

於二零零一年，本集團生產逾180款品牌產品。於回顧年度內，本集團透過不斷有系統地進行市場推廣工作，順利取得多個新客戶並開發新產品。本集團成功招徠多個新客戶，例如雲南昆明卷煙廠及四川什邡卷煙廠。新開發之產品包括聞名於中國煙草業之品牌：雲煙、國賓、國寶及石林。

分銷及投資部門

經營業績

為提高企業價值，擴闊收入來源及開拓更多商機，本集團在二零零零年六月開始進軍分銷業務。

經過初期一番努力後，分銷業務之經營業績獲得出色之表現。於回顧年度內，分銷業務之營業額約為302,144,000港元，較二零零零年增加54.9%，佔本集團二零零一年之營業額約47.1%。

優越之產品種類

分銷業務之主要產品為電腦和電子通訊零件、週邊產品及大宗貨物。

Strategic and superior product mix

The Group manufactures a wide range of high quality multi-colour packaging products which include:

- Printed packaging products for tobacco;
- Printed packaging products for wine;
- Printed packaging products for pharmaceutical and health products;
- Printed packaging products for other consumer products; and
- Booking printing.

In 2001, the Group produced over 180 branding products. During the year under review, the Group has developed several new customers and new products through consistent and systematic marketing efforts. The Group has successfully acquired new customers such as Yunnan Kunming Cigarette Factory and Sichuan Shifang Cigarette Factory. Yunyan, State Guests, Guobao and Stone Forest were some examples of newly developed products, which are famous brands in the PRC's tobacco industry.

DISTRIBUTION AND INVESTMENT DIVISION

Operating results

To increase enterprise value, generate supplementary revenue sources and explore additional business opportunities, the Group commenced its distribution business in June 2000.

After initial effort, the operating results of distribution business were very noteworthy. During the year under review, the turnover from this business was approximately HK\$302,144,000, representing an increase of 54.9% as compared to 2000. The division accounted for approximately 47.1% of the Group's turnover in 2001.

Excellent product mix

The major products of this division are computer and telecommunication components, peripherals and mass merchandise.

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由於本集團在年內將此項業務之資源集中於電腦及電子零件之銷售，有關業務佔分銷業務之總營業額超過94.9%。

市場概覽

根據Gartner Dataquest之統計資料，在二零零一年內，全球個人電腦（「個人電腦」）之付運量為124,800,000台，較二零零零年下跌4.3%。此外，於二零零一年內，全球半導體之總收入下跌約33%至約151,000,000,000美元。

預期本年度年中，市況會開始緩慢復甦。於二零零二年三月，Gartner Dataquest預測，全球個人電腦之付運量及半導體市場於二零零二年之年度增長率，將分別約為4.7%及3.1%。

去年，手機業受到一連串打擊，包括存貨過多、市場不接受新產品及新性能、轉移至新一代產品及服務時遇到困難，以及監管及安全方面之挑戰。iSuppli Corp.預期手機業將於二零零一年第三季末開始稍為復甦，並於二零零二年之前恢復強勢。諾基亞股份有限公司預測二零零二年之市場手機總流通量會上升10至15%達至420,000,000至440,000,000部。

靈活之營商策略

鑑於本集團之地域市場多元化，故此，本集團並無倚賴任何單一國家。主要市場為西歐、中國及香港等地區，分別佔分銷業務於二零零一年之營業額7.2%、62.4%及29.8%。

本集團已就其分銷業務實施審慎之存貨政策，務求減低風險。於二零零一年十二月三十一日，分銷業務之存貨金額僅為3,219,000港元。

Having the division focused its resources in the sales of computer and electronic components in the course of the year, the turnover from this category accounted for over 94.9% of the total turnover of the distribution business.

Market overview

According to Gartner Dataquest, the global personal computer ("PC") shipment in 2001 was approximately 124,800,000 units, representing a decrease of 4.3% when compared with 2000. In addition, the total worldwide semiconductor revenue has decreased by approximately 33% to approximately US\$151,000,000,000 in 2001.

Slow recovery is expected by the middle of this year. In March 2002, Gartner Dataquest forecasted the yearly growth rate of global PC shipment and semiconductors in 2002 would be at approximately 4.7% and 3.1% respectively.

Over the last year, the handset industry has suffered a series of blows, including bloated inventories, market rejection of new products and features, difficulties in migrating to next-generation products and services as well as regulatory and safety challenges. iSuppli Corp. has anticipated a modest recovery beginning toward the end of the third quarter of 2001 and a gain in strength by 2002. Nokia Corporation has predicted the total market volumes will rise by 10 – 15% to 420,000,000 – 440,000,000 units in 2002.

Flexible business strategies

In light of geographical diversification, the Group does not rely on any single country. The major markets are Western Europe, the PRC and Hong Kong, which accounted for 7.2%, 62.4% and 29.8% respectively of the turnover of the distribution business in 2001.

The Group has implemented a prudent inventory policy for its distribution business in order to mitigate the risks. As at 31st December, 2001, the inventory amount of distribution business was only HK\$3,219,000.

流動資金及財政資源

流動資產淨值

於二零零一年十二月三十一日，本集團約有流動資產淨值129,000,000港元。於二零零一年十二月三十一日，流動資產包括存貨約87,000,000港元，應收貿易賬款、短期貸款及其他應收賬款約196,000,000港元，及銀行存款、銀行結餘及現金約104,000,000港元。流動負債包括應付貿易賬款及其他應付賬款約59,000,000港元、應付股息及稅項約6,000,000港元，及短期借貸約193,000,000港元。

銀行借貸及融資

於二零零一年十二月三十一日，本集團約有銀行融資總額321,000,000港元，其中約234,000,000港元已動用，約198,000,000港元以本集團提供之公司擔保及交叉擔保抵押，及約109,000,000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。

董事對財政資源之意見

本集團之財政狀況較二零零零年有所改善。於二零零一年十二月三十一日，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40.4%下降至37.6%。本集團未計淨利息支出、稅項、折舊及攤銷之盈利(簡稱EBITDA)對利息支出淨額之利息盈利率為7.2倍，較二零零零年之8.5倍輕微下跌。

董事會認為，計及本集團可動用之財政資源(包括內部資金及可動用之銀行融資)，本集團備有充足之營運資金，應付目前之需要。

LIQUIDITY AND FINANCIAL RESOURCES

Net current assets

As at 31st December, 2001, the Group had net current assets of approximately HK\$129,000,000. The current assets as at 31st December, 2001 comprised inventories of approximately HK\$87,000,000, trade, short-term loans and other receivables of approximately HK\$196,000,000, as well as bank deposits, bank balances and cash of approximately HK\$104,000,000. The current liabilities comprised trade and other payables of approximately HK\$59,000,000, dividend and tax payable of approximately HK\$6,000,000 and short-term borrowings of approximately HK\$193,000,000.

Bank borrowings and facilities

As at 31st December, 2001, the Group had total banking facilities of approximately HK\$321,000,000, approximately HK\$234,000,000 of which had been utilised, approximately HK\$198,000,000 of which was secured by corporate guarantees and cross guarantees given by the Group, and approximately HK\$109,000,000 of which was secured by the assets of a Company's subsidiary in the PRC according to the terms of the relevant loan agreements.

Director's opinion on financial resources

The Group has improved its financial position as compared with 2000. As at 31st December, 2001, the net debt to equity ratio (Interest bearing liabilities less cash/Shareholders' equity plus minority interests) was reduced from 40.4% to 37.6%. The interest coverage ratio of the Group's earnings before net of interest expenses, tax, depreciation and amortisation (EBITDA) to net interest expenses was 7.2 times, which was slight decline from 8.5 times in 2000.

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

展望

中國之經濟及煙草業前景秀麗

隨著中國加入世貿，中國於二零零二年之國內生產總值預期增長約7%，以及大舉開發中國西部，消費產品市場前景樂觀。

根據世貿有關最惠國待遇之規則，中國產品可享有134個締約國之優惠。此項規則大大改善了中國產品之營商環境，並為中國卷煙產品提供更多機會加入國際市場競爭。

根據中國國家經濟貿易委員會制定之計劃，二零零二年之香煙產量總額將為34,500,000大箱。該計劃促使煙草機關採取步驟，關閉年產量少於100,000大箱之小型卷煙廠，以提高在國際市場之競爭力。

預期煙草機關會透過應用科學及技術創新意念（例如研究可減低焦油含量之技術），實施鞏固煙草行業之策略。該等機關旨在發展多個高科技含量之香煙品牌，並加快發展多個國際馳名品牌。

中國之藥品行業發展蓬勃

在中國經濟增長穩健而購買力提高之情況下，約達1,300,000,000龐大人口之成長及老化無疑可增加對擁有較佳包裝之優質藥品及保健產品之需求。



FUTURE PROSPECTS

Promising developments in the PRC's economy and tobacco industry

With the PRC's entry into the WTO, the estimated growth rate of approximately 7% for the PRC's gross domestic product in 2002 and massive development of the western region of the PRC, the consumer products market foresees a prosperous future.

According to the WTO's rules for most-favoured-nation treatment, the PRC's products are entitled to enjoy the benefits from 134 signatory members. This will greatly improve the trade environment for the PRC's products and will also provide more opportunities for cigarette products of the PRC to compete in international markets.

According to the programme formulated by The State Economic and Trade Commission of the PRC, the total output of tobacco will be 34,500,000 master cartons in 2002. The programme urges tobacco authorities to take steps to shut down small cigarette factories with an annual output of less than 100,000 master cartons in order to enhance international competitiveness.

The tobacco authorities are expected to implement strategies for strengthening the industry by means of the application of scientific and technological innovations such as research on the technology to cut tar level. The authorities aim to develop a number of tobacco brands with a high content of technology and to speed up the process of developing a number of internationally famous brands.

Prosperous development in PRC's pharmaceutical industry

Along with stable economic growth and improving purchasing power in the PRC, the tremendous population of approximately 1,300,000,000 that is growing and aging, is definitely a driving force behind of the demand for high quality pharmaceutical and health care products with better packaging.

管理層之討論與分析 MANAGEMENT'S DISCUSSION & ANALYSIS

根據國家藥監局制定之未來計劃，預期行業生產量將由二零零零年之人民幣200,000,000,000元增至二零一零年之人民幣800,000,000,000元。該局旨在發展中國成為藥品行業其中一個強國。

繼續投資先進生產設施

為提高印後工序之能力，本集團分別於二零零二年一月及三月與瑞士Bobst SA訂立兩份有關兩台自動平壓燙金機（作燙金及壓凸用途）之採購合約，並於二零零二年三月與德國Steuer GmbH訂立有關滾筒燙金機之合約。

本集團計劃增加添置配合凹版印刷機使用以進行顏色層次漸變印刷之靜電印刷輔助系統，以應付市場發展。

成本管理

成本管理為本集團不可缺少之政策。本集團已採取多項措施，減低原材料甚至製成品之存貨量。此外，本集團已透過完善生產程序，減少燙金紙之使用量。此項措施可每年節省數以百萬元。

鑑於雲南省昭通市（本集團雲南生產廠房之所在地）於年內開始有火車到達，預期本集團之運輸成本會大大降低。

品質保證

本集團會委派內部技術專家，並聘任首屈一指之海外印刷機製造商之專家，有系統地推行產品品質保證措施。透過適合之培訓計劃，服務範圍將會擴闊，而技術支援、生產工序及工藝亦將得以加強。

投資機會

為建立全國銷售網絡，捕捉中國市場之商機，本集團將於適當時候在合適之地點設立地區生產設施或銷售辦事處。

憑藉其雄厚之實力及豐富之資源，本集團會努力尋找可提高企業價值及拓展業務潛力之策略投資機會。

The future plans prescribed by the SDA, whose aim is to promote the PRC to become one of the strongest countries in the pharmaceutical industry, anticipates industry output to increase to RMB800,000,000,000 in 2010 from RMB200,000,000,000 in 2000.

Continuous investment in advanced production facilities

In order to enhance the capacity of its post-press operations, the Group entered into two purchase contracts for two automatic platen presses for hot-foil stamping and embossing with Bobst SA, Switzerland in January and March 2002 respectively and a contract for a rotary foil stamping machine with Steuer GmbH, Germany in March 2002.

To cope with market development, the number of electrostatic printing assist system adherent to gravure printing machine for gradually lightened printing will be planned to increase.

Cost management

Cost management is an essential policy of the Group. The Group has taken several measures to reduce the inventory level, of not only raw materials, but also finished goods. In addition, the Group has reduced the usage of aluminum foil by modifying production processes. This measure can save millions of dollars every year.

Given the commencement of the train service to the Zhaotong City, Yunnan Province this year, where the Group's Yunnan production facilities are located, the transportation costs of the Group are expected to be reduced substantially.

Quality assurance

The Group will carry out product quality assurance measures systematically by in-house technical experts and professional specialists from leading overseas machinery manufacturers. Through proper training programmes, the scope of services will be strengthened, and technical support, production workflow and workmanships will be improved.

Investment opportunity

In order to complete national sales network and capture business opportunities in the PRC, the Group may set up regional production facilities or sales offices at appropriate locations in suitable time.

With its strength and resources, the Group constantly looks for strategic investment opportunities that can increase enterprise value and explore business potential.