



CAPITAL RESOURCES AND LIQUIDITY

The Group's total shareholders' funds were HK\$792.2 million, of which reserves were HK\$660.3 million at the year end. As at 31st March 2002, the Group continued to maintain a strong financial position with net cash and bank balances at HK\$652.6 million. The Group's working capital was HK\$740.5 million. With solid recurring cash flow from operations and existing cash and bank facilities, the Group has adequate financial resources to fund its future investment and expansion.

Most of the cash and bank balances were deposited in the leading banks and their returns were affected by the substantial drop of bank deposit interest rates during the year.

FINANCIAL POSITION

Total funds employed (including shareholders' funds, bank loans and overdrafts, and obligations under finance leases) for the year ended 31st March 2002 was HK\$803.0 million, which represented a 12.3% decrease over the figure of HK\$915.3 million for the year ended 31st March 2001.

The decrease in inventories from HK\$316.7 million last year to HK\$216.6 million as at 31st March 2002 enhanced the working capital of the Group.

The gearing ratio, defined as the ratio of total loans less cash balances to total assets, was nil as at 31st March 2002 and 2001.

資本及流動資金

集團股東權益達港幣七億九千二百二十萬元，其中截至年底之儲備金達港幣六億六千零三十萬元。截至二零零二年三月三十一日止，集團

之財務狀況維持穩健，銀行淨現金達港幣六億五千二百六十萬元，營運資金為港幣七億四千零五十萬元。基於來自業務營運的穩固循環現金流量、手持現金及現有銀行信貸，集團掌握充裕財務資源以應付未來投資及發展。

集團大部分現金及存款均存放於大銀行，惟其回報因年內銀行利率大幅下降而受到影響。

財務狀況

截至二零零二年三月三十一日止之年度運用資金總額（包括股東權益、銀行貸款及透支、及融資租約之承擔）為港幣八億零三百萬元，較去年同期之港幣九億一千五百三十萬元，下降百分之十二點三。

存貨由去年的港幣三億一千六百七十萬元下降至二零零二年三月三十一日之港幣二億一千六百六十萬元，令集團營運資金更穩厚。

集團於二零零二年及二零零一年三月三十一日之槓桿比率均為零。槓桿比率為總負債減去現金及存款後與總資產之比例。



TREASURY POLICIES

The Group continued to adopt a conservative approach in financial risk management. The majority of the Group borrowings were in Hong Kong dollar and were arranged on a floating rate basis. The Group does not have significant exposure to foreign exchange fluctuations as most of its assets, receipts and payments are in Hong Kong or U.S. dollars. The Group will, however, monitor its foreign exchange position and, when appropriate, the Group will hedge its foreign exchange exposure by way of forward foreign exchange contracts.

The Group's treasury management policy is not to engage in any highly leveraged or speculative derivative products.

CHARGE ON GROUP ASSETS

The assets of certain Group subsidiaries, including fixed assets with a net book value of HK\$13.0 million, have been pledged to secure general banking facilities amounting to HK\$3.6 million, of which HK\$2.6 million has currently been utilized. As at 31st March 2002, a property of a subsidiary with a net book value of HK\$3.0 million had been pledged against an installment loan.

CONTINGENT LIABILITIES

The Group's contingent liabilities as at 31st March 2002 were HK\$28.1 million, comprising letters of credit and bank guarantees issued in lieu of deposits.



庫務政策

集團於財務風險管理方面繼續維持審慎態度。集團大部分的借貸均為港元，利息以浮動利率計算。由於集團大部分資產、收款及付款均為港元或美元，所以不會大幅受到外幣匯率波動之影響。惟集團會審視其外匯狀況，並於適當時候，以遠期外匯合約對沖外幣風險。

集團的理財政策是不參與高風險之投資或投機性的衍生工具。

集團資產之抵押

集團將旗下某些附屬公司之資產（包括帳面淨值達港幣一千三百萬元之固定資產），被用作抵押，以取得港幣三百六十萬元之銀行信貸，其中已行使之款項為港幣二百六十萬元。於二零零二年三月三十一日，集團一間附屬公司一項帳面淨值為港幣三百萬元之物業亦被用作一項貸款之抵押。

或然負債

集團於二零零二年三月三十一日之或然負債為港幣二千八百一十萬元，包括信用證及取代按金之銀行擔保。





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