

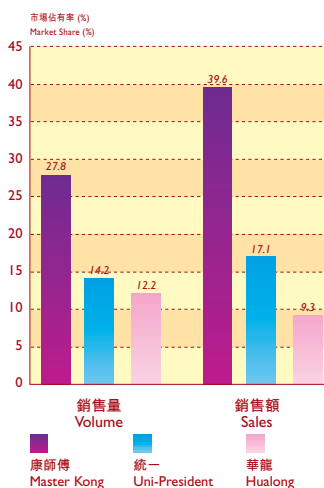
二零零二年度中國國內生產總值(GDP)持續成長，較去年上升8%，社會消費品零售總額亦較去年增長9.6%。加上中國政府相關政策的推行，如擴大內需，持續改善落後地區的生活及就業等措施，均帶動國民消費增加，亦間接造就本集團產品成長的空間。

回顧本集團於二零零二年一至九月的總營業額為869,566千美元，較去年同期上升22.86%，方便麵、飲品及糕餅的營業額分別較去年同期上升8.58%、69.57%及-6.17%；股東應佔溢利為87,819千美元，較去年同期成長83.85%。二零零二年首季度的業績表現亮麗，惟於第四季度受到方便麵主要原材料棕油價格大幅上升20%影響，以及為銜接二零零三年擴充的產能及維持產品於淡季的曝光度，飲品事業進行全國性的通路促銷活動，致第四季度的業績稍遜首三季之表現，第四季度的銷售額較去年同期下跌2.52%至230,839千美元，此外，由於本集團為糕餅事業群提列300萬美元的若干資產減值撥備是於第四季度入帳，導致第四季度股東應佔溢利為3,109千美元，較去年同期下跌75.27%。

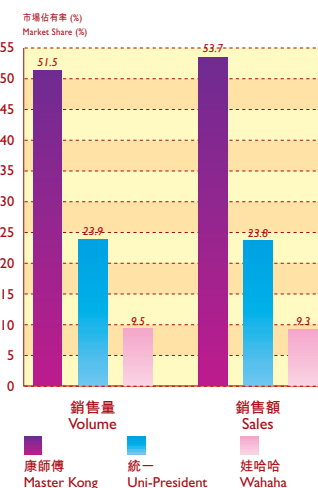
With growth of 8% in the PRC's gross domestic products (GDP) in the year 2002, the total amount for retail food market also increased by 9.6% from the previous year. The implementation of certain policies by the PRC government such as to improve living and working condition in the vast rural areas has stimulated the growth for consumer expenditures and production also benefited the growth for the Group's sales.

During the first nine months in 2002, the Group's turnover was US\$869.566 million, rose by 22.86% from the corresponding period last year. Growth rates of turnover for instant noodle, beverage and bakery were 8.58%, 69.57% and -6.17% respectively from previous year. Profit attributable to shareholders reached US\$87.819 million, representing a growth of 83.85% as compared to the corresponding period last year. The Group's first three quarterly results was satisfactory. Owing to a 20% price growth for palm oil which is core material for instant noodle, to meet the expansion in 2003 and to maintain the product exposure during slack season, beverage division have organized a nationwide channel promotion and the US\$3 million provisions for impairment loss on certain property, plant and machinery in bakery division which was accounted in the fourth quarter, the fourth quarterly result performance was affected. Turnover for the fourth quarter dropped by 2.52% to US\$230.839 million and profit attributable to shareholders dropped by 75.27% to US\$3.109 million as compared to the corresponding period last year.

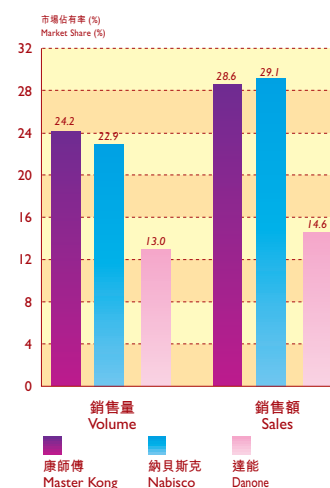
中國方便麵市場佔有率 Instant Noodle Market Share of the PRC



中國包裝茶飲品市場佔有率 RTD Tea Market Share of the PRC



中國夾心餅乾市場佔有率 Sandwich Cracker Market Share of the PRC



資料來源：ACNielsen零售研究報告—二零零二年十二月份／二零零三年一月份
Sources: ACNielsen SCAN TRACK EXPRESS - December 2002/January 2003



本集團二零零二年的總營業額為1,100,405千美元，較去年成長16.50%；年內，在高毛利的膠瓶裝飲品之銷售比重增加帶動下，本集團的整體毛利率相較去年同期成長0.24百分點至33.89%；其他淨收入達29,142千美元，較去年同期成長92.20%；分銷成本較去年增加19.53%至211,657千美元，分銷成本增加主要來自於廣告及宣傳活動的開支及運輸費用，本集團始終認為，廣告及宣傳的花費是對「康師傅」品牌的長期投資，目的在鞏固品牌力，是建立及鞏固本集團產品之市場地位不可缺少的資源；財務費用大致維持穩定，相較去年同期上升11.89%至26,465千美元；收入與扣除利息、稅項、折舊及攤銷前盈利(EBITDA)為190,151千美元，相較去年增加22.33%；總括而言，期內股東應佔溢利為90,928千美元，即每股盈利1.63美仙，較去年成長50.93%。

方便麵業務

十三億人口的中國依然是全球最大的方便麵市場，於二零零二年中國生產了219億包方便麵，較二零零一年成長9.3%，是世界少數成長最快的地區；然而中國每年人均消費方便麵只有16包，相比亞洲其他國家的40包以上，仍有極大的發展潛力。

方便麵業務於二零零二年度的營業額為637,454千美元，相比去年同期成長7.28%，佔本集團總營業額的57.93%。在既有逐步成熟的通路布建以及不斷完善的行銷佈局與價格策略，使得全品項產品在今年都有很好的表現。在高價麵部分，持續去年的「麵霸」年輕化包裝、「珍品」增大克重裝及成功推出「巧玲龍」杯麵、「康師傅小杯麵」及不同口味的「勁拉麵」等新產品，都有良好的銷售；加上本集團的「福滿多」及「好滋味」二品牌，於佔有整體中國方便麵市場65%的平價袋麵市場已累積相當知名度；使得本集團於方便麵市場的領導地位更形鞏固。據ACNielsen二零零

In 2002, the Group's turnover was US\$1,100.405 million, rose by 16.50% from previous year. Thanks for the increase of high margin PET drinks, the Group's gross margin rose by 0.24 pp to 33.89%. Other net income increased by 92.20% to US\$29.142 million. Distribution costs rose by 19.53% to US\$211.657 million which were mainly increased from the advertising and promotion activities and transportation expenses. The investment for advertising and promotion is an essential and long-term investment for the brand of Master Kong to establish and strengthen the Group's market position. Finance cost remained largely stable, rose by 11.89% to US\$26.465 million. Earnings before interest, tax, depreciation and amortisation (EBITDA) was US\$190.151 million, increased by 22.33%. Generally speaking, the profit for the year 2002 attributable to shareholders was US\$90.928 million, representing earnings per share of US1.63 cents, an increase of 50.93% from previous year.

Instant Noodle Business

The PRC with 1.3 billion people is the biggest instant noodle market in the world. In 2002, more than 21.9 billion packs of instant noodle were produced in the PRC, represented a 9.3% volume growth when compared to the year 2001. The PRC instant noodle market is a fast growing market in the world. However, on a per capita basis, the PRC consumers only consumed 16 packs per year, one of the lowest level in Asia whose average is 40 packs. The market still has huge potential to develop.

In 2002, instant noodle segment turnover amounted to US\$637.454 million, representing a 7.28% growth from previous year and 57.93% of Group's turnover. All products have good performance during the year through the dense distribution strategy, sound management of sales network, aggressive marketing strategy and the suitable control policy of retail price. For the high-end noodles segment, continuation of the youthfully package for "Mian Ba", the increase in the size of "Luxury Series", the launch of "Master Kong" mine cup noodle, "Exquisite" cup noodle and different flavours for "Jin La Mian" (suitable to cook) have contributed satisfactory sales. For the low-end noodle market, which has 65% market share of the total PRC instant noodle market, the Group's "Fu Man Duo" and "Good Taste" series of packet noodles are highly popular in the industry. Those will further strengthen the Group's leader



方便麵業務

Instant Noodles Business



1992年：我們未曾想到「康師傅」的上市將引爆一個世界上最大的方便麵市場.....

2002年：「康師傅」方便麵年銷售量突破60億包，並取得中國方便麵市場27.8%佔有率

In 1992: We have never thought that the launch of Master Kong's instant noodle will lead out a biggest instant noodle market in the world.....

In 2002: The annual sales volume for Master Kong's instant noodle exceeded 6 billion packs and gained 27.8% market share in the PRC instant noodle market

二年十二月／二零零三年一月的報告指出，本集團的方便麵在銷售量與銷售額的市場佔有率分別為27.8%及39.6%，超過其他方便麵生產商之市佔率的距離越見加大。

在鞏固中國競爭優勢並善用WTO開放的有利條件，本集團歷經兩年多的規劃，於二零零二年十二月開始正式投入台灣產銷方便麵，由於策略得當，產品供不應求，目前本集團於台灣的方便麵生產線已增加到三條，預期於二零零三年七月將達到六條生產線投產。對於銷售額的提升與大中華市場的佔有，將有進一步的助益。

期內方便麵事業的毛利率下降1.79百分點[△]，至26.22%，主要由於低毛利的袋裝麵的成長幅度大於高價麵，棕梠油油價於第四季上升達20%，由於棕油為方便麵主要的原材料，預期棕油價格於二零零三年度仍維持高位，這將直接影響整體方便麵行業，惟本集團的垂直組合生產系統及經濟規模效益，相比同業，本集團較能紓緩因原材料價格上升帶來的影響。此外，為配合中國政府的環保政策，容器麵的包材由原來以PSP為主漸次改用成本較高的PP、PE等材料，亦令毛利下調。年內，方便麵業務之股東應佔溢利為68,475千美元，較去年同期上升20.13%。

飲品業務

縱使於過去三年中國茶飲品的銷量已快速成長，但在消費茶飲品及果汁飲品較多的大城市，現時平均每年每人消費茶飲品及果汁飲品分別只有5.5公升及5公升，遠低於對飲品喜好相近的日本的36公升和19公升及台灣的16公升和15公升。加上中國國民收入持續增加，預期中國的茶飲品及果汁飲品市場將繼續保持顯著的成長。

position in the PRC instant noodle market. According to ACNielsen SCAN TRACK EXPRESS, for the period of December 2002/January 2003, the Group gained 27.8% market share by volume and 39.6% market share by sales in the PRC instant noodle market. The extent of market share exceeded the other instant noodle players became larger than before.

To maintain the competitiveness in the PRC market and make use of the advantage of the open policy provided by WTO, the Group formally produced and launched instant noodle in Taiwan market from the beginning of December 2002 after planning for two years by the Group. As a result of the suitable strategy, the demand for Master Kong's instant noodle exceeded supply. At present, the Group has three noodle lines commencing production. The Group plans to have six noodle lines in total commencing production in July 2003. This arrangement will further increase the Group's sales and market share in the Greater China market.

During the fiscal year 2002, the gross margin of instant noodle dropped by 1.79 pp[△] to 26.22%. The decline was mainly due to the change of product mix so that the sales growth from low-end noodle was greater than high-end noodle and the increase in the price for the core material of instant noodle palm oil by 20% in the fourth quarter. The Group expects that the price for palm oil will maintain at a high level during 2003 and directly affect the instant noodle industry. Owing to the Group's vertical integration system and the advantage in the economy of scale, when comparing to other players in the same industry, the Group can face less pressure caused by the price increase of raw materials. In addition, the decrease in gross margin was also caused by the higher package costs due to gradually shift from using PSP to using PP and PE for container noodle to meet the government's environmental regulations. Profit attributable to shareholders rose by 20.13% to US\$68.475 million from a year ago.

Beverage Business

Even though fast growth for RTD tea drinks has happened in the PRC in the past three years, on a per capita basis, the PRC consumers, even though in the big cities, only consumed 5.5 litres in RTD tea drinks and 5 litres in juice drinks per year which were far below from regions with similarity in taste preferences, such as Japan's 36 litres in RTD tea and 19 litres in juice drinks, Taiwan's 16 litres in RTD tea drinks and 15 litres in juice drinks. Together with the continuous income growth in the PRC, the RTD tea drinks and juice drinks market in the PRC will maintain a significant growth.

