



CHAIRMAN'S STATEMENT 董事會主席報告書



BUSINESS REVIEW AND OUTLOOK

Business Review

In view of the continued difficult operating environment and uncertain economic outlook in the region, the Group has undertaken a thorough and critical appraisal of all its assets and the carrying value of the packaging business, and has made a prudent provision of HK\$355 million. This will not affect the future cashflow of the Group. As a result, the Group has reported a consolidated net loss after tax of HK\$369 million for the year.

Its earnings before exceptional items, interest, taxation, depreciation and amortisation (EBITDA) is HK\$114 million. The contributions from its core businesses, Food and Distribution Segments have reported improvement during the year. Our efforts in improving the quantity and quality of raw materials from the local markets have begun to show positive results.

The contributions to operating profit from the PRC market, excluding the packaging business have increased to HK\$33 million during the year. During the first half of the year, the Group has also resolved the wheat quota issue with the relevant government authorities. In December 2001, the Group's flourmill in Shekou, China was recognised by the China National Food Industry Association as one of The Ten Excellent Enterprises of Foreign Investment (Hongkong, Macao and Taiwan) in China Food Industry, from 1981 to 2001.

In Hong Kong, the Group has integrated its sales organisation since March 2001, with positive effects on customers and products synergies. In addition, the Group's net financing costs were reduced by 46% to HK\$26 million, representing an improvement of HK\$23 million to the net profit. This was the result of better working capital management and continued commitment to reduce total borrowings. At the end of 2001, the Group's net borrowings were reduced to HK\$188 million.

業務回顧及展望

業務回顧

有鑒於本區的營商環境持續困難及不明朗之經濟前景，本集團對其所有資產及包裝產品分部的賬面價值進行了徹底的評估及審慎地作出港幣355,000,000元的撥備，此項撥備並不會對本集團未來的現金流量帶來影響，因此是年度本集團錄得除稅後綜合虧損為港幣369,000,000元。

本集團未扣除特殊項目、利息支出、稅項、折舊及攤銷之經營溢利為港幣114,000,000元。是年度我們之核心業務 — 食品及產品分銷分部對本集團之貢獻均有改善。而我們在改善本地市場原料之品質及數量所付出的努力亦已開始顯示正面的成果。

是年度，國內市場（除產品包裝業務之外）對經營溢利的貢獻增長至港幣33,000,000元。在上半年度本集團已與政府有關部門解決了小麥配額問題，而在二零零一年十二月，本集團在蛇口之麵粉廠更被中國食品工業協會表彰為自一九八一年至二零零一年內中國十大食品工業傑出外商（港澳台）投資企業之一。

本集團在二零零一年三月起將香港的銷售組織合併起來，並已在顧客及產品協同上顯示出正面的影響。另一方面，本集團之淨融資費用已減少了46%至港幣26,000,000元，或對其淨溢利改善了港幣23,000,000元。這全有賴於較佳的營運資金管理及承諾持續減低總借貸額。在二零零一年末，本集團之淨借貸額已縮減至港幣188,000,000元。

Flour

麵

粉





CHAIRMAN'S STATEMENT (continued)

董事會主席報告書 (續)

財務回顧

As at 31st December
於十二月三十一日結算

		2001	2000
		二零零一年	二零零零年
Current ratio	流動比率	0.9	1.1
Net working capital (HK\$ million)	營運資金淨額 (港幣百萬元)	115	187
Net working capital to sales (%)	營運資金淨額與銷售額之比率 (百分率)	7	12
Net borrowings (HK\$ million)	借貸淨額 (港幣百萬元)	188	350
Gearing ratio (%)	負債比率 (百分率)	23	29

The Group generally finances its businesses with internally generated cash flows and banking facilities at different geographical markets as far as practicable. Financing and cash management activities of the Group are coordinated at the Corporate level.

本集團一般均盡量以不同地域市場內部產生之流動現金及銀行信貸提供營運所需資金。本集團之融資及現金管理事宜均由企業層統籌。

The Group's working capital management continued to keep tight control on credit policies and inventory planning. As at 31st December 2001, over 97% of its receivables were less than 3 months old, compared to 93% as at 31st December 2000. The Group's provision on overall receivables remained relatively unchanged. Most of the Group's trade creditors normally grant over 90 days credit to the Group.

本集團對營運資金之管理，繼續嚴謹控制信貸政策及存貨規劃。而比較起於二零零零年十二月三十一日之93%，超過97%於二零零一年十二月三十一日之應收賬款少於三個月賬齡。本集團就整體應收賬款所作出之撥備相對維持不變。而本集團絕大多數購貨客戶均給予本集團超過90天數期。

Edible Oil

食 用 油 脂





CHAIRMAN'S STATEMENT (continued)

董事會主席報告書 (續)



The debt maturity profile of the Group as at 31st December 2001 is analysed as follows:

本集團於二零零一年十二月三十一日的債務還款期分析如下：

		As at 31st December 於十二月三十一日結算	
		2001 二零零一年 HK\$'000 港幣千元	2000 二零零零年 HK\$'000 港幣千元
Repayable within one year	一年內償還	403,007	489,992
Repayable after 1 year, but within 2 years	於一年後至兩年內 償還	656	250,327
Repayable after 2 years, but within 5 years	於兩年後至五年內 償還	—	730
Total	總額	403,663	741,049

The Group managed to maintain a healthy balance sheet with its total assets of HK\$1,735 million (2000: HK\$2,400 million). The Group's gearing ratio was improved from 29% as at 31st December 2000 to 23% as at 31st December 2001, which was calculated based on the net borrowings (net of cash deposits and bank balances) of HK\$188 million (2000: HK\$350 million) and the shareholders' funds of HK\$829 million (2000: HK\$1,227 million).

本集團繼續維持一個健康的資產負債表，其總資產達港幣1,735,000,000元（二零零零年：港幣2,400,000,000元）。而本集團之負債比率已由二零零零年十二月三十一日的29%改善至二零零一年十二月三十一日的23%，此乃根據借貸淨額（已扣除現金存款及銀行結餘）之港幣188,000,000元（二零零零年：港幣350,000,000元）及股東權益港幣829,000,000元（二零零零年：港幣1,227,000,000元）計算。

As at 31st December 2001, the Group has sufficient banking facilities. As the cash deposits and bank balances of the Group amounted to HK\$215 million together with the total net working capital of HK\$115 million, the management believes that the Group has sufficient financial resources to discharge its debts and to finance its daily operations and capital expenditure.

於二零零一年十二月三十一日，本集團備有足夠之銀行信貸額。有鑒於本集團之現金存款及銀行結餘共港幣215,000,000元以及淨營運資金總額達港幣115,000,000元，管理層認為本集團具備充足財務資源償還債務及提供日常業務運作所需資金及資本支出。

Over 70% of the Group's cash deposits and bank balances are denominated in either HK Dollars or US Dollars. The exposure to exchange fluctuation is insignificant.

本集團的現金存款及銀行結餘超過70%均為港幣或美元，受貨幣兌換率波動影響的機會甚微。