

FSMHL jointly with Morishita Jintan Co., Ltd. of Japan (a company with over one hundred years of history) has been developing and marketing a series of health food products, including Four Seas Jintan Bifidus, Four Seas Jintan Salacia Diet and Four Seas Jintan DHA/EPA. Recently, FSMHL also launched another series of Four Seas Jintan health capsule gummy, each of the gummy coated with 350 tiny capsules containing the extract of health food nutrients. These include F&J Capsule Gummy – Lemon Tea (being good for weigh-watch), F&J Capsule Gummy – Blueberry (being good for eye-sight) and F&J Capsule Gummy – Grape Fruit (being good for skin beauty). The initial response was very encouraging. FSMHL will aggressively develop these health food products to enhance its profit margin and gain a position in this niche market.



Health foods produced by Morishita Jintan, Japan



Four Seas Jintan Capsule Gummy

### Food Manufacturing

FSMHL's manufacturing operations in Mainland China and Hong Kong continued to operate efficiently during the year. Including the new acquisition of Li Fook (Qingdao) Foods Co., Ltd. in Qingdao, specializing in the production of instant noodles, FSMHL operates a total of 16 food factories in Mainland China and Hong Kong which have laid an excellent manufacturing base for its further expansion. New products have been continuously developed by these factories and launched in the market to capitalize on



Nico Four Seas (Shantou) Co., Ltd.



Guangdong M & F Yantang Dairy Products Co., Ltd.

the ever-changing tastes of consumers. Some of the most popular products include potato chips, grilled corn sticks, prawn crackers and a series of snack products by the Calbee Four Seas factory in Hong Kong; ham and sausages by Hong Kong Ham Holdings Limited; snack seaweed by Nico Four Seas (Shantou) Co., Ltd.; milk candy by Kanro Four Seas Foods (Shantou) Co., Ltd.; premium cakes by Four Seas Yamauchi Confectionery (Shantou) Co., Ltd.; coffee and beverages by Pokka Four Seas (Suzhou) Food Co., Ltd.; Seaweed Corn Crisp by Tohato Four Seas Confectionery (Shenzhen) Co., Ltd.; snacks by Guangdong Meiji Confectionery Co., Ltd. and ice-cream and dairy products by Guangdong M&F – Yantang Dairy Products Co., Ltd.



*Kanro Four Seas Foods (Shantou) Co., Ltd.*



*The Calbee Four Seas factory in Tseung Kwan O*



*Pokka Four Seas (Suzhou) Food Co., Ltd.*

To cater for the increasing demand of Calbee snack products in the Mainland China, FSMHL has recently started to construct a purpose-built factory in Shantou to produce a series of Calbee snack products which is expected to commence production in early next year.

#### **Four Seas Branded Products**

Four Seas branded products continued to well place in the market, attributable to the brand building efforts over the past years. Four Seas branded products are now very popular among and well received by consumers in both Mainland China and Hong Kong. Four Seas Seaweed was awarded “2002 HK 10 Supermarket Favorite Brand”.



*Four Seas branded products*

Four Seas branded products have been continuously expanding, such as the new additions of Four Seas Seaweed Instant Noodle and other instant noodle products, and a series of Four Seas Jintan capsule gummy products. Other Four Seas branded products include Four Seas Seaweed, Seaweed Corn Crisp, Green Tea Candy, Camanbel Cheese Tara, Biscuit Stick, Soya Milk, Cola Candy, Fruity Jam Pie, Bubble Gum, Cake, Prawn Cracker, San Rap Ton, Plum Wine, Choco and Coffee Biscuit, Ice Mint, Fruity Bix Bar, Provita Biscuits, Daifuku Marshmallow, Assorted Biscuits, Fish Sausage, Mini Cup Noodle, Big Bowl Noodle, Fried Noodle, Japanese Udon as well as Pokka Four Seas Pulpy C Orange Juice and Coffee.

#### **Pokka Café and Restaurant**

Operated in Mainland China, Hong Kong and Macau, Pokka café and restaurant chain continued to contribute profits to FSMHL for the year. This café and restaurant chain, providing an ambience environment and fine cuisine of westernized Japanese



*Pokka Café*

food, has earned its popularity among the young generation since its establishment in 1991 and has gained a broad customer base for stable income. This operation will continue to generate profits to FSMHL.

## **COMMUNITY INVOLVEMENT AND STAFF DEVELOPMENT**

The Group has been actively participating in the activities of and making contributions to the local community. During the year, the Group sponsored in a number of charity and district activities, such as Walk for the Million, Sai Kung District Dragon Boat Racing and other community celebration activities. In addition, the Group also provided suitable training programs to the employees to sharpen their managerial and technical skills to improve operational efficiencies. Among those training programs, the Group had sponsored a group of executives to take up a part-time master degree in business administration, who completed their study and received their degrees during the year.

## PROSPECTS

Leveraging on its competitive advantage of solid experience gained over the past 60 years and well established extensive distribution network in Hong Kong, the Group believes that Hong Kong market will continue to provide sustained growth for its frozen meat trading. The accession of Mainland China to the WTO will lead to the fast growing economy which provides an immense opportunity for the Group's business development in this market. The management is optimistic about and has full confidence in the Group's future development.

## APPRECIATION

Finally, I would like to thank our fellow directors and staff for their efforts and accomplishments over the past year.

By order of the Board

**Dr. TAI Tak Fung, Stephen**

*Chairman*

Hong Kong, 24 July 2002