

## 業務回顧 Business Review

二零零五年度中國國民生產總值(GDP)持續成長，較去年上升9.9%，社會消費品零售總額亦較去年增長12.9%。

回顧本集團於二零零五年的總營業額較去年同期上升25.8%至1,845,609千美元。方便麵、飲品及糕餅的營業額分別較去年同期上升15.5%、46.5%及10.8%；於第四季本集團的總營業額較去年同期上升21.5%，達399,748千美元，主要來自方便麵及飲品的銷售成長。

年內，主要原材料價格雖然持續高企，但本集團透過靈活的市場策略、有效的生產管理及成本控制得宜，令整體毛利率較二零零四年上升3.7百分點至31.3%。其他淨收入較去年下降91.6%至25,706千美元，主要是由於去年出讓股權之資本利益；分銷成本因獲得有效的管理，該費用佔總營業額的比例由二

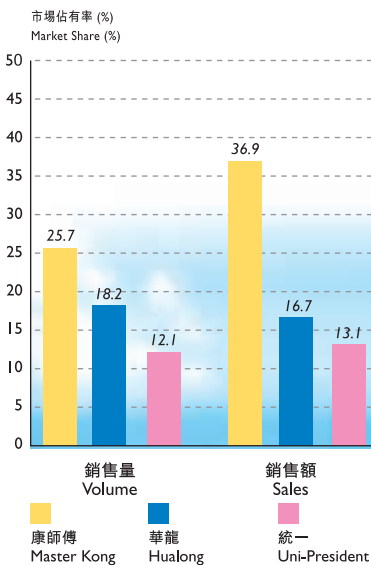
The PRC's gross domestic products (GDP) in the year 2005 achieved a growth of 9.9% and the total amount for retail market also increased by 12.9% from the previous year.

In 2005, the Group's turnover was US\$1,845.609 million, an increase of 25.8% over 2004. The growth rates for turnover of instant noodle, beverage and bakery were 15.5%, 46.5% and 10.8% respectively. In the fourth quarter, the Group's turnover was US\$399.748 million, 21.5% higher than the same period last year. The increase was mainly from sales growth in instant noodle and beverage.

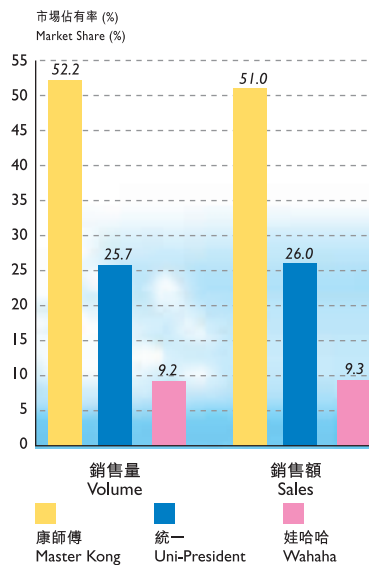
During the year, in spite of the fact that the prices for the Group's core materials continued to stand at a high level, the Group's gross margin increased 3.7ppt. to 31.3% through flexible marketing strategy, effective production management and cost control. Other net income was US\$25.706 million, sharply decreased by 91.6% from 2004. It was mainly because of the capital gain from the shares transfer last year. Due to effective management control, there was a decline of the distribution



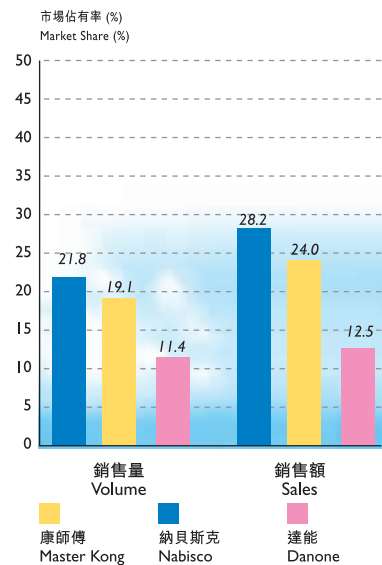
中國方便麵  
市場佔有率  
Instant Noodle Market  
Share of the PRC



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：AC Nielsen零售研究報告～二零零五年十二月份／二零零六年一月份(夾心餅乾數據為二零零五年十二月)

Sources: AC Nielsen SCAN TRACK EXPRESS ~ December 2005/January 2006. (Market Share for Sandwich Cracker was in December 2005)





零零四年的20.8%下降2.5百分點至本年度的18.3%，同時，本集團亦致力控制整體廣告及宣傳費用，期內，該項費用佔總營業額的比例為10.2%，去年同期為12.5%；財務費用相較去年下降42.2%至8,597千美元，主要是由於善用出讓股權所得資金償還大部份債項，以及年內整體營運卓越，令本集團現金流量充裕所致。

二零零四年來自出讓附屬公司部份股權之資本利得為272,955千美元，扣除利息、稅項、折舊及攤銷前盈利(EBITDA)為398,945千美元，母公司股東應佔溢利為286,429千美元。二零零五年度之EBITDA為291,387千美元，股東應佔溢利為123,529千美元，每股盈利2.21美仙，與去年同期未計出售附屬公司部份權益之特殊收益前之EBITDA為125,990千美元及母公司股東應佔溢利13,474千美元相比，本年度EBITDA及母公司股東應佔溢利分別大幅上升131.3%及816.8%。

## 方便麵業務

二零零五年方便麵業務在繼續鞏固發展紅燒牛肉麵的策略下，持續加強推出地方美食特色口味，年內推出辣旋風、海陸鮮匯、江南美食、千椒百味、酸香世家等新口味；此外，以讓消費者享受亞洲美味為宗旨的「亞洲精選」，不斷推出新口味並透過包裝延伸，滿足更多消費者口味多樣化的需求。二零零五年對於副品牌的經營也投入較大資源，乾拌麵更創單月銷量新高至488,000箱，同時進一步鞏固了康師傅在高速發展的拌炒麵市場的領先地位；面霸拉麵以「行家的地道享受」持續受大眾歡迎，滿足使用優質麵條消費者的訴求，建立了市場對麵條要求的新標準。

costs as a percentage of total sales declined by 2.5ppt. to 18.3% in 2005 as compared to 20.8% from 2004. The Group also well controlled its overall advertising and promotional expenses. During the year, the portion of these expenses to total sales was 10.2%, last year was 12.5%. Finance costs decreased by 42.2% to US\$8.597 million mainly because the Group made good use of the cash from the shares transfer to repay most of the loans and the excellent annual results led to a strong cash position of the Group.

A capital gain of US\$272.955 million in 2004 was from the disposal of partial interests in subsidiaries. In 2004 earnings before interest, tax, depreciation and amortization (EBITDA) was US\$398.945 million and the profit attributable to equity holders of the parent was US\$286.429 million. In 2005 the EBITDA was US\$291.387 million and the profit attributable to equity holders of the parent was US\$123.529 million, representing earnings per share of US 2.21 cents. EBITDA and profit attributable to equity holders of the parent sharply increased by 131.3% and 816.8% respectively when compared the EBITDA and profit attributable to equity holders of the parent of US\$125.990 million and US\$13.474 million respectively before the inclusion of the exceptional income arising from disposal of partial interest in subsidiaries last year.

## Instant Noodle Business

In year 2005, under the strategy of continuous consolidating and developing the "Beef Stew Flavor" noodle, instant noodle business strengthened from the introduction of various flavors with local delicious characters such as flavors of "Sichuan Spicy", "Seafood Plus", "Best of Yangtze River", "Mixed Chili" and "Homemade Sour". In addition, with the purpose of letting consumers enjoy delicious Asian flavors, "The Best of Asian Series" continued to launch new flavors and satisfied the consumers' demands for diversified flavors by extended package. Instant noodle business also invested more resources in sub-brand operation. The sales volume of "Mixed Noodle" reached the level of 488,000 boxes and achieved a new record in a single month. The Group's leading position in high-growth Mixed Noodle market was further strengthened. "Mian-Ba La Mian" continued to be popular by its "Experts Favorite Enjoyment" and satisfied the consumers' demands for high-quality noodles and, furthermore, established a new standard of markets' requirement on noodles.



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為進一步鞏固和擴大本集團的佔有率，在城市鞏固中、高價麵市場、在鄉鎮農村加大經營平價麵的方針下，將福滿多事業獨立，專攻平價方便麵市場，並將一宛香整合為福滿多旗下品牌。

二零零五年方便麵業務的銷售額為981,796千美元，較去年同期上升15.5%，佔本集團總營業額的53.2%，成長主要來自高價袋麵和容器麵的高速成長；根據AC Nielsen二零零五年十二月／二零零六年一月的報告指出，「康師傅」方便麵銷售量與銷售額的市場佔有率分別為25.7%及36.9%。

方便麵業務全年的毛利率為23.7%，較去年上升4.4百分點，母公司股東應佔溢利較去年

In order to further strengthen and enlarge the Group's market share, under the policy of solidifying the cities' medium and high-end noodle market and expanding the rural low-end noodle market, the Fu Man Duo, which is principally engaged in the production and distribution of low-end instant noodles, has been separated into an independent business and "Yi Wan Xiang" brand has been reclassified as a sub-brand of Fu Man Duo.

In 2005, turnover for instant noodle business amounted to US\$981.796 million, grew by 15.5% from previous year and representing 53.2% of the Group's total turnover. The growth mainly came from high-end packet noodles and container noodles. According to AC Nielsen's December 2005/ January 2006 report, the Group gained 25.7% by sales volume and 36.9% market share by sales value in the PRC instant noodle market.

During the year, the gross margin of instant noodle increased by 4.4ppt. to 23.7% and profit attributable to shareholders was US\$66.194 million,



同期上升278.7%至66,194千美元，主要是由於優化銷售組合，毛利改善，以及有效控制營運成本所致。

### 飲品業務

二零零五年，本集團繼續拓展非碳酸飲料的市場地位，除以「康師傅」企業品牌為主品牌在即飲茶及包裝水兩大品類上建構平台外，順勢隨品類的擴張與成長，積極的搶佔市場份額。同時以「鮮の每日C」與「康師傅」果汁雙品牌策略進攻果汁市場。

grew by 278.7% mainly because of the improvement in gross margin led by the adjustment on products mix and effective control for operating costs.

### Beverage Business

In year 2005, the Group continued to expand the market position in non-carbonated beverage. Along with the category's expansion and growth, the Group captured the market share actively through consolidating its platform in RTD teas and bottle water by "Master Kong" as a primary brand, at the same time, the Group adopted the dual-brand strategy for "Fresh Daily C" and "Master Kong" juice to capture the juice market.





根據AC Nielsen 二零零五年十二月／二零零六年一月的報告指出，「康師傅」於中國茶飲料市場佔據52.2%銷售量及51.0%銷售額的市佔率，穩居首位；而於稀釋果汁市場亦佔據20.3%銷售量的市佔率，居第二位。年內，旗艦產品「冰紅茶」以整合「名人+音樂」的行銷策略帶動下，持續取得絕對的領導地位；隨著消費者提高對健康的重視，本集團旗下的綠茶、果汁、礦物質水以「清新、自然、健康」為切入點，強調產品的差異化，配合靈活的市場策略，成功滿足廣大消費者的訴求。新上市的茉莉清茶以「花清香茶新味」為訴求，成功把花茶口味引入即飲茶市場，帶動整體營業額屢創新高。

According to AC Nielsen's December 2005/ January 2006 report Master Kong's RTD teas had 52.2% and 51.0% market share by sales volume and sales value respectively and still kept its No.1 position in the market. The Group's diluted juice drinks gained No.2 position in the market with its 20.3% market share in sales volume. During the year, the flagship product "Ice Tea" continued to gain the absolute leading position in the market due to successful marketing strategy of "Celebrity + Music". With the increasing awareness of consumers' health concern, the Group promoted its products, including green tea, juice and mineral water, by using the "Fresh, Natural and Healthy" concept as an entry to the market. The Group also stressed product differentiation and adopted flexible marketing strategy. All these efforts had strengthen the consumers' demands successfully. The new product Jasmine Tea with appeal for "Faint scent of flowers, New flavor of tea" had succeeded in introducing the scented tea to RTD teas market and drove up the total sales to a new record.



二零零五年飲品事業的銷售額較去年同期大幅上升46.5%至702,348千美元，佔本集團總營業額之比例增加至38.1%。飲品事業群所需的主要原材料如PET膠粒及糖，其價格在年內均持續高企，然而透過本集團高效能的生產設備，以及不斷強化生產管理能力，令飲品業務毛利率維持於40.1%的高水平，去年同期為39.6%，年內母公司股東應佔溢利為46,909千美元，較去年同期大幅上升395.1%，主要是由於市場策略奏效及營運成本控制得宜所致。

In 2005, turnover for beverage business increased by 46.5% to US\$702.348 million as compared to last year. The proportion to the Group's total turnover increased to 38.1%. During the year, the prices of main raw materials for beverage business such as PET plastic resin and sugar continued to maintain at a high level. Owing to the high efficient production facilities and the continuous effort in strengthening the production management capability, the gross margin of beverage business was able to maintain at 40.1% and last year was 39.6%. Profit attributable to shareholders was US\$46.909 million, a sharp increase by 395.1% mainly because of the flexible marketing strategy and effective control over operating costs.





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### 糕餅業務

二零零五年糕餅事業群的核心產品「3+2」夾心餅乾、妙芙蛋糕及美味酥等的行銷策略運用成功，帶動二零零五年銷售額上升10.8%至92,912千美元，佔本集團總銷售額的5.0%。同時，根據AC Nielsen 二零零五年十二月之調查結果，「康師傅」於中國夾心餅乾市場的銷售量、銷售額之佔有率分別為19.1%及24.0%，居市場第二位。

由於中國糕餅市場朝品項多元化，包裝、口味多樣化發展，糕餅群善用現有設備生產不同口味的產品，以滿足消費者的需要。本年度新產品鹹味單片美味酥表現超出預期；而與日本龜田食品組成的合營企業，計劃於二零零六年第二季推出米製新產品。

### Bakery Business

In year 2005, the successful marketing policy of core products “3+2” Sandwich Crackers, Muffin and “Taste Biscuit” drove up the turnover for bakery business amounting to US\$92.912 million, by 10.8% from previous year, representing 5.0% of the Group’s total turnover. According to AC Nielsen’s December 2005 report, “Master Kong” ’s sandwich crackers gained 19.1% market share by volume and 24.0% market share by value and was No.2 in the PRC sandwich crackers market.

In view of the development of the PRC bakery market towards diversity of category and variety of package and flavor, the Group with its existing production facilities produce different flavors bakery to satisfy consumers’ demands. The new product of the year “Savory Taste Biscuit ” performed beyond expectation. The joint venture company, which was established with Japanese Kameda Seika Co., Ltd., plans to launch a kind of new rice product in the second quarter of year 2006.



二零零五年糕餅的整體毛利率為38.7%，較二零零四年增加3.9百分點，毛利率上升的主要原因為集中銷售高毛利產品及提高生產效率所致，同期轉虧為盈，母公司股東應佔溢利為1,184千美元，二零零四年股東應佔虧損為15,904千美元。

In the year of 2005, the gross margin of bakery business was 38.7%, grew by 3.9ppt. when compared to the same period last year. The growth was mainly due to the sales focus on those high margin products and improved production efficiency. During the year, bakery business experienced a turnaround and profit attributable to shareholders was US\$1.184 million, when compared to last year’s loss was US\$15.904 million.





## 冷藏業務

目前，本集團的冷藏產品，只有杭州一個生產基地；在進入中國市場四年來，旗下的主產品「味全每日C」及「味全優酪乳」已分別成為上海區域純果汁市場的第一品牌及酸奶市場的第二品牌；於二零零五年第二季更將銷售網絡擴展至廣州。

本集團的冷藏產品系列是以塑造「健康、時尚、自信」的品牌形象為推廣主軸，配合高價值感產品的定位、加上產品的差異化及強化產品對消費者利益點的溝通等行銷策略，成功取得快速成長的銷售業績。年內，於原產品系列增加新口味，市場反應非常理想，帶動整體銷售額較去年同期上升50.3%。



## Refrigerated Products Business

Currently, refrigerated products business only has one production centre in Hangzhou. After entering into China market for four years, its main products – “Wei Chuan Daily C” and “Wei Chuan Yogurt Drink” – have gained No.1 brand in Shanghai’s pure fruit juice market and No.2 brand in Shanghai’s yogurt market respectively. The distribution network had expanded to Guangzhou since the second quarter of 2005.

The Group’s refrigerated products achieved a rapid increase in sales through its successful marketing strategies. These strategies included introducing the promotion theme for the brand image-building with “Health, Fashion and Confidence”, positioning the products with a sense of high value, emphasizing on product differentiation and strengthening the communication between the products and consumers’ benefits. Adding new flavors of current product series in year 2005 received good response from the market and increased the total sales by 50.3% as compared to last year.



## 財務分析

本集團的財務結構保持穩健，對應收賬款和存貨的有效控制，以及透過方便麵、飲品及糕餅銷售之季節性差異可互相彌補營運資金之季節性需求，使得本集團全年均可保持充足的現金流量。於二零零五年十二月三十一日，本集團的手頭現金及銀行存款為156,357千美元，較二零零四年同期增加28,811千美元。同期總負債為5.39億美元，相對於總資產15.49億美元，負債比例為34.8%，相較於二零零四年十二月三十一日的總負債5.17億美元，增加了約22,000千美元，負債比例下跌了2個百分點。

年內，主要的資本開支是用於增加方便麵及瓶裝水的生產設備。於二零零五年十二月三十一日，本集團借款總額較去年減少47,659千美元或23.8%約至152,528千美元，其中長短期貸款比例調整為「22%：78%」，去年同

## Financing

The Group’s healthy finance structure was mainly benefited from the stable cash flow of the Group as a result of the well-controlled accounts receivable and inventory. The seasonal fluctuation from the sales between the Group’s instant noodle, beverages and bakery also maintain the Group’s strong cash position. At the end of 2005, the Group’s cash and bank deposit amounted to US\$156.357 million, increased by US\$28.811 million from previous year. The Group’s total liabilities amounted to approximately US\$539 million, representing an increase of US\$22 million from US\$517 million as at 31 December 2004. Total assets amounted to US\$1,549 million. The gearing ratio calculated as total liabilities to total assets decreased by 2 ppt. to 34.8% as compared to 31 December 2004.

The main capital outlays were related to expenditure for acquisition of more instant noodle and bottle water production facilities. At the end of 2005, the group’s total borrowings decreased by 23.8% or US\$47.659 million to US\$152.528 million. The Group adjusted the proportion between long-term loans and short-term loans from the previous year’s



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期為「7% : 93%」。此外，本集團已於二零零五年六月運用來自經營業務及二零零四年股權轉讓之資金，償還於二零零二年發行的可換股債券之本金90,000千美元及贖回溢價9,932千美元，總還款額為99,932千美元。本年度本集團的總借貸中人民幣貸款的比例為19.5%，去年同期為31.0%。由於本集團的交易大部份以人民幣為主，而期內人民幣與美元的匯率升值2.6%，對本集團造成匯率收益共19,059千美元，分別包括於收益表內的5,337千美元及外幣換算儲備內的13,722千美元。

“7% : 93%” to 2005's “22% : 78%”. The Group has repaid the principal amount of the Group's 2002 Convertible Bonds which was due in June 2005 with a principal of US\$90 million plus a redemption premium of US\$9.932 million from operating cash and cash from the shares transfer during 2004. The total repayable amount was US\$99.932 million. In 2005, the Group's Renminbi debts represented 19.5% of total debt and at the end of 2004 was 31.0%. The Group's transactions are mainly denominated in Renminbi. Appreciation in the Renminbi in terms of US dollars 2.6% brought an exchange gain of US\$19.059 million to the Group during the year. US\$5.337 million and US\$13.722 million of the exchange gain was included in the income statement and reserves from exchange translation respectively.



### 生產規模

年內方便事業新增27條生產線，並已於第四季內全線投產；新增生產線為適應快速成長之容器麵及高價袋麵之所需，及滿足日益增長農村消費者之平價麵市場，藉以加大本集團於方便麵市場的競爭力。新增的平價麵工廠位於淮安、瀏陽、南陽及唐山等地。此外，本集團於北京、南京、蘇州、石家莊及蘭州等大城市增加了12條包裝水生產線，為高成長的包裝水市場鋪路，進而提高本集團於飲品市場之競爭能力。新增的生產線已分別於年內投產。同時，糕餅事業群亦於年內新增1條單片餅乾生產線，以滿足消費者的需求。

### Production Scale

The Group has increased 27 production lines for instant noodle and all lines have been put in production in the fourth quarter of the year. The new lines will be fit for the high-growth demand of container and high-end package noodle and satisfy the continuously increased low-end instant noodle market in rural area. These efforts will enhance the Group's competitive ability in instant noodle market. The new factories, which are principally engaged in the production and distribution of low-end instant noodles, are located in Huaian, Liuyang, Nanyang and Tangshan. To face the high-growth bottle water market and further improve the Group's competitive ability in beverage market, the Group has added 12 production lines for bottle water in the big cities of Beijing, Nanjing, Suzhou, Shijiazhuang and Lanzhou and all production lines have been put into production during the year. Moreover, bakery business has increased a new production line of thin crackers to satisfy the consumers' demands.







二零零六年本集團將動用2.1億美元資本開支，主力投資於飲品及方便麵生產線；藉此以加強本集團旗下兩大事業於中國市場的競爭力及市場佔有率。

## 銷售網絡

截至二零零五年底，本集團於中國共設有361個營業所及72個倉庫，配合66,085個直營零售商的團隊運作，令本集團更快速將產品分銷及配送，鋪貨至全國各地，同時將新產品準確而迅速地滲透至適當的市場；此外，為配合大賣場及超市等現代通路的快速成長與發展，本集團亦制定相應的策略，強化此直營通路的管理並培訓相應的前線人員。銷售網絡是本集團業務發展的重要資源，因此，本集團將持續優化「通路精耕」的佈局，強化本集團在銷售方面的競爭優勢。

## 人力資源

本集團截至二零零五年十二月三十一日的員工人數為25,273名，本集團深知人力資源之重要性，故提供僱員具競爭力之薪酬及專業的教育訓練，配合保險、醫療福利及康樂活動，完善人力資源管理，以提高僱員對本集團的貢獻。

In year 2006, the Group will invest US\$210 million, which is mainly used in beverage and instant noodle production lines, in order to meet the rapid development of instant noodle and beverage markets. The expansion will strengthen the competitiveness and market share of the Group's two major business and further enhance the Group's position in PRC markets.

## Sales Network

At the end of 2005, the Group established a network with 361 sales offices, 72 warehouses and 66,085 direct retailers in the PRC. With the network, the Group's products and the new products can be distributed and launched directly to the appropriate market. In addition, to cope with the development in grand sales market and supermarkets, the Group has strengthened these direct sales networks and the training for frontline staff. The Group will continue to enhance "Better Access, Broader Reach" distribution strategy since the comprehensive sales network is the Group's valuable resources.

## Human Resources

As of 31 December 2005, the Group employed 25,273 staff. The Group realizes the importance of human resources and, therefore, arranges a competitive salary packages, professional training courses, insurance, medical benefit and amenities to employees. The Group believes that a caring management policy for human resources will enhance employees' contribution to the Group.

