



**恒安國際集團有限公司**

HENGAN INTERNATIONAL GROUP COMPANY LIMITED

***Annual Results 2001***

**Corporate Presentation**

**8 March 2002**



# Agenda

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- Summary
- Financial Reviews
- Business Reviews
- Strategy
- 2002 Year Plan
- Open Forum



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# Stable Performance in a Competitive Market

	YoY Growth	
Turnover	+4.7%	HK\$1,217,754,000
Operating Profit	+6.5%	HK\$247,211,000
Net Profit	+8.6%	HK\$227,232,000
EPS – Basic	+9.1%	HK 22.8 cents
Dividend (final)	+25%	HK 10 cents
(interim)	-	HK 10 cents



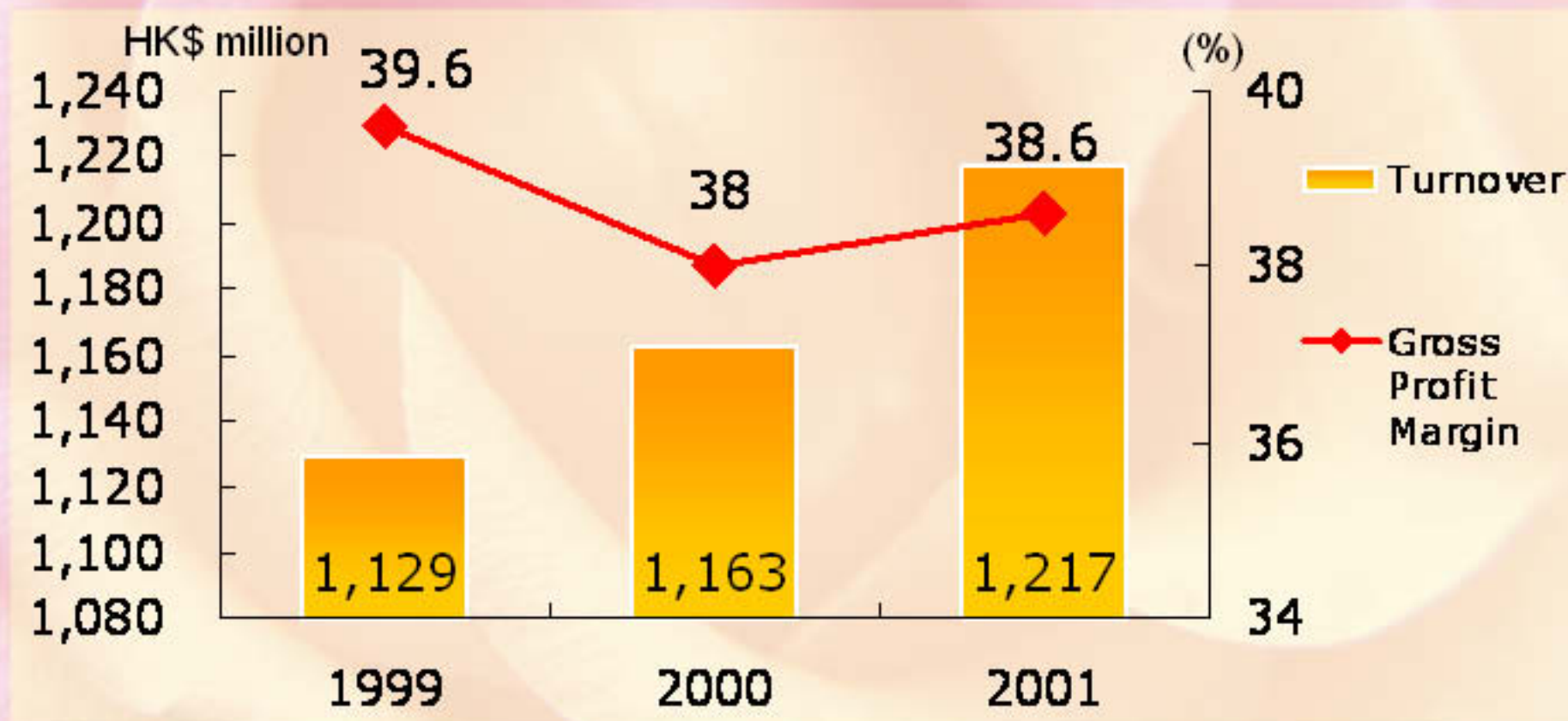


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# Financial Reviews

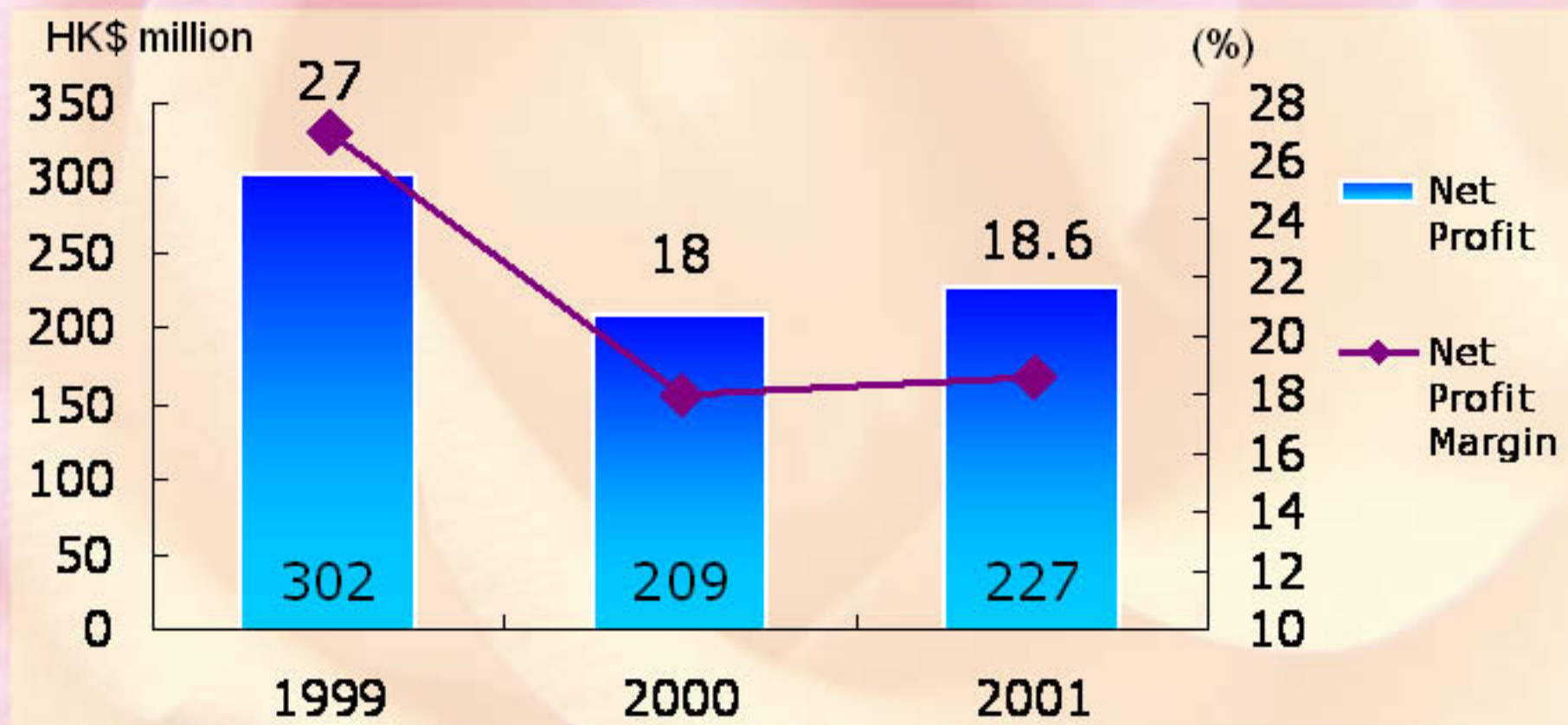


# 2001 Turnover and Gross Profit Margin



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# 2001 Net Profit and Net Profit Margin



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# Turnover Breakdown by Products

<i>Year ended December 31</i>	<i>2001 (HK\$ million)</i>	<i>2000 (HK\$ million)</i>	<i>Change (%)</i>
"Anle" Ordinary Sanitary Napkins	293	331	-11%
"Anerle" Winged Sanitary Napkins	443	442	-
Pantiliners	126	104	+21%
Baby Diapers	268	186	+44%
Others	88	99	-11%







# Healthy Financial Ratios

	2001	2000
Finished Goods Turnover	56 days	39 days
Accounts Receivable Turnover	28 days	40 days
Current Ratio	5.7 times	5.8 times
Gearing Ratio	-	-

- Net cash inflow of HK\$344,960,000 from operating activities together with a net cash of HK\$546,782,000 make a very healthy balance sheet







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# Business Review



# Factors Contributing to the Profit Rebound

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- Increase in sales of higher margin products
  - E.g. pantliners and baby diapers
- Average pulp price dropped by 20% YoY
- Prices of other raw materials also came down
- Stringent expenses control





# Sanitary Napkins

**Decline in sales  
of ordinary  
sanitary napkins  
slowing down**

**Well response  
of medicated  
sanitary  
napkins**

**Sales of winged  
sanitary napkins  
remained stable**

**Pantliners is  
growing**

**Launched  
high-end “7  
space” sanitary  
napkins for the  
young group**



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# Diapers

**Increased production capacity to cope with the robust growth of diapers**

**Successfully launched “Comfort Soft” baby diapers series**

**“Elderjoy” adult diapers gaining acceptance**







# Management Reinforcement

**Further improve  
management,  
operation and  
production  
efficiency**

**Enhance operation  
processes, product  
quality and new  
product  
development**

**Better utilisation of  
company's resources  
and control of costs  
and expenses**

**Appoint  
Thomas Group  
as Consultant**

**Foster  
responsive  
reactions to  
market changes**

**Enhance human  
resources  
management**



# Expected Results

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# Upcoming 2002 Year Plan



# Upcoming 2002 Year Plan

- Continue to work closely with the consultants to achieve the targets
- Solidify the leading position of personal hygiene products
- Enhance R&D on new products and technology
- Further strengthen the distribution network
- Formulate and exercise new marketing strategies
- Explore new market opportunities
- Mergers and acquisition

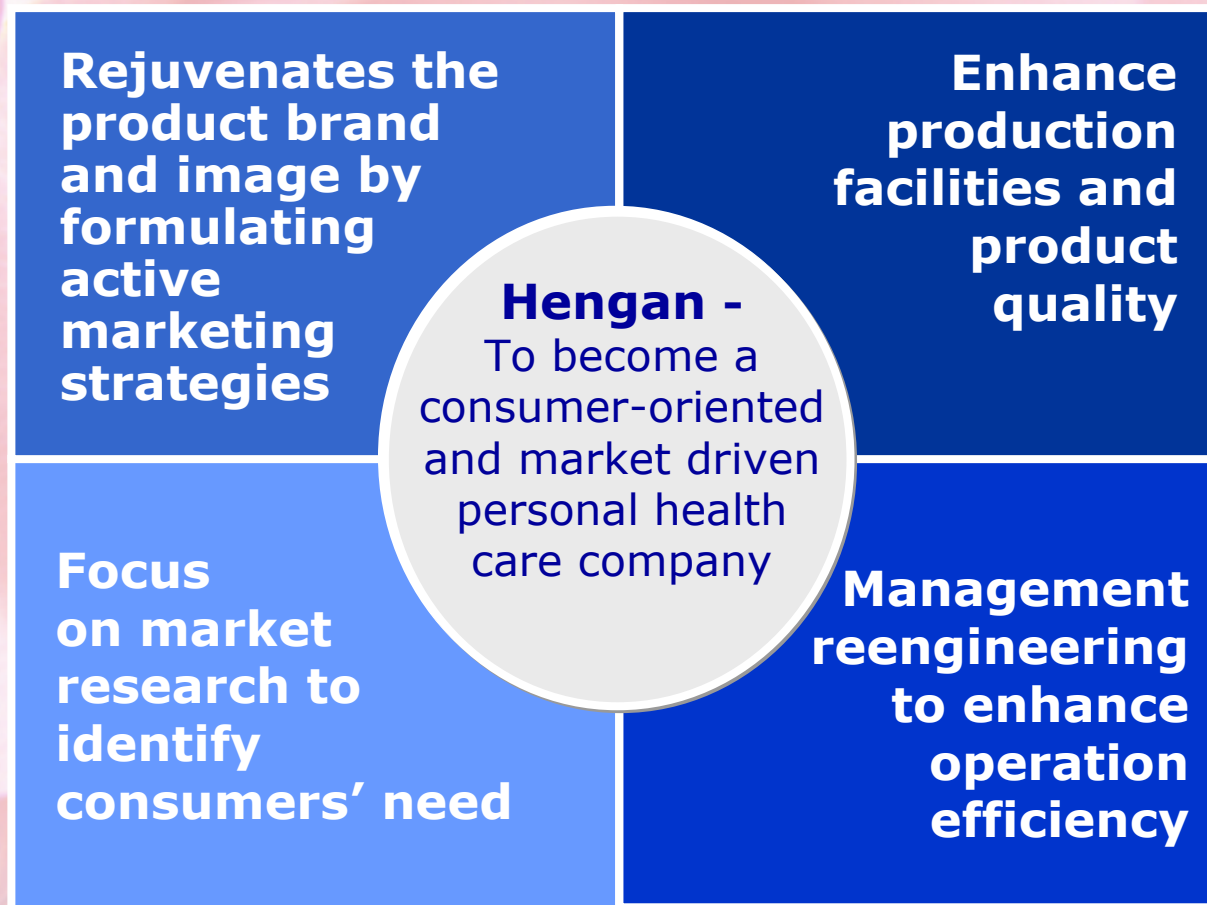


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# Overall Strategy





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**“Growing with You  
for a Better Life”**

追求健康，你我一起成長





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# Open Forum

