

2018 Financial Review

Financial Highlight

HKD'M	FY2018	FY2017	Diff 2018/2017
Revenue	369.5	399.6	-7.5%
The PRC	292.7	319.2	-8.3%
TW	73.3	77.2	-5.1%
Gross profit	222.9	305.1	-27.0%
Gross profit margin	60.3%	76.4%	-21.0%
Profit before tax	39.2	146.7	-73.3%
Profit for the period	25.9	105.4	-75.4%
Basic EPS(HK cents)	1.3	5.3	-75.6%

Consolidated Statement of Profit or Loss

東森自然美 natural beauty
肌膚修護調理專家

HKD'000	2018 Audited	As % of T/O	2017 Audited	As % of T/O	2018vs 2017 Diff	Diff%
Revenue	369,525	100.0%	399,579	100.0%	(30,054)	-7.5%
Cost of sales						
- Cost of sales	(133,881)	-36.2%	(85,012)	-21.3%	(48,869)	57.5%
- Deprecation	(12,783)	-3.5%	(9,455)	-2.4%	(3,328)	35.2%
Gross profit	222,860	60.3%	305,112	76.4%	(82,252)	-27.0%
Other income	8,077	2.2%	12,879	3.2%	(4,803)	-37.3%
Impairment Losses, net of reversal	2,267	0.6%	(3,457)	-0.9%	5,724	-165.6%
Distribution and selling expenses						
- Distribution and selling	(116,354)	-31.5%	(96,563)	-24.2%	(19,791)	20.5%
- Deprecation	(3,847)	-1.0%	(4,383)	-1.1%	536	-12.2%
Administrative expenses					0	
- Administrative expense	(61,016)	-16.5%	(53,528)	-13.4%	(7,488)	14.0%
- Deprecation	(8,964)	-2.4%	(7,929)	-2.0%	(1,035)	13.1%
- Management option		0.0%		0.0%		
Other expenses	(3,865)	-1.0%	(5,393)	-1.3%	1,528	-28.3%
Profit before taxation	39,157	10.6%	146,738	36.7%	(107,580)	-73.3%
Taxation	(12,898)	-3.5%	(41,350)	-10.3%	28,452	-68.8%
Profit for the period	26,259	7.1%	105,388	26.4%	(79,128)	-75.1%

Consolidated of Balance Sheet

HKD'000	2018 Dec	2017 Dec	Diff%	Remark
Inventories	74,313	85,077	(12.7%)	Raw material 32.7 M, finished products 40.4M
Trade and other receivables	88,969	110,538	(19.5%)	Trade receivable 71 M; prepayment and others 18M
Bank balances and cash	181,024	288,903	(37.3%)	
Pledged bank deposits	3,479	7,338	(52.6%)	
Non-Current assets	331,380	286,029	15.9%	Plant and other fixed asserts 197M
Total Assets	679,165	777,885	(12.7%)	
Trade and other payables	93,501	91,283	2.4%	Trade payable 20.5M; Deposit and other payables 32.6M; Accrual 27.9M
Deferred income	22,616	5,981	278.1%	
Taxation payable	9,894	18,389	(46.2%)	
Non-Current Liabilities	1,299	11,487	(88.7%)	Defined benefit1.3M
Total liabilities	127,310	127,139	0.1%	
Share capital	200,210	200,210	0.0%	
Reserves	351,645	450,536	(21.9%)	Retained earnings 26.3M
Total Equity	551,855	650,746	(15.2%)	

Consolidated of Cash Flow

HKD'000	2018	2017	Diff%
OPENING CASH BALANCE at January 1st	288,903	428,633	(32.6%)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	39,157	146,738	(73.3%)
Interest income	3,020	4,325	(30.2%)
Depreciation	24,361	20,587	18.3%
Income taxes paid	(37,305)	(41,550)	(10.2%)
Change in working capital	29,948	(104,599)	(128.6%)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(31,298)	(32,290)	(3.1%)
Placement of pledged bank deposits		(3,669)	(100.0%)
Deposit for land use right and Others		(369)	(100.0%)
Net cash outflows on acquisition of subsidiaries	(18,923)		NA
Dividends paid	(96,101)	(160,568)	(40.1%)
Foreign Exchange Effect	(20,738)	31,665	(165.5%)
CLOSING CASH BALANCE at December 31st	181,024	288,903	(37.3%)

Key Ratio

	2018	2017	2016	差異	
HK\$M	全年	全年	全年	17/16	18/17
Basic EPS (HK cents)	1.3	5.3	7.4	(29.0%)	(75.3%)
Dividend approved	29.0	112.1	247.7	(54.7%)	(74.1%)
Bank balances and cash	181.0	288.9	428.6	(32.6%)	(37.3%)
A/R turnover days	84 days	78 days	44 days	34 days	6 days
A/P turnover days	52 days	82 days	53 days	27 days	-29 days
Inventory turnover days	223 days	261 days	325 days	-64 days	-37 days
Note: FY Turnover days=365*average(beginning+balance)/FY revenue(or COGS)					