

Organizer



Hong Kong Institute of  
**Certified Public Accountants**  
香港會計師公會

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Education Bureau  
教育局

Supporting organization



Kerry Logistics  
Network Limited  
嘉里物流網絡有限公司

# HKICPA Accounting and Business Management Case Competition cum Award Ceremony 2022-23

Saturday, 20 May 2023

9:15 a.m. - 4:00 p.m.

The Auditorium, Hong Kong Institute of CPAs



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<b>Case Competition</b>	9:15 a.m. – 9:30 a.m.	Opening
	9:30 a.m. – 9:55 a.m.	1 <sup>st</sup> team presentation, 5 mins Q&A and short break
	9:55 a.m. – 10:20 a.m.	2 <sup>nd</sup> team presentation, 5 mins Q&A and short break
	10:20 a.m. – 10:45 a.m.	3 <sup>rd</sup> team presentation, 5 mins Q&A
	10:45 a.m. – 11:00 a.m.	Recess
	11:00 a.m. – 11:25 a.m.	4 <sup>th</sup> team presentation, 5 mins Q&A and short break
	11:25 a.m. – 11:50 a.m.	5 <sup>th</sup> team presentation, 5 mins Q&A and short break
	11:50 a.m. – 12:15 p.m.	6 <sup>th</sup> team presentation, 5 mins Q&A
	12:15 p.m. – 1:30 p.m.	Recess for adjudication panel to review and discuss results
<b>Award Ceremony</b>	1:45 p.m. – 2:00 p.m.	Registration
	2:00 p.m. – 3:30 p.m.	<p>Opening remarks by <b>Mr. Paul She, Chairman of Qualification and Examinations Board, HKICPA</b></p> <ul style="list-style-type: none"> <li>- Presentation of awards to top students of the HKICPA/HKABE BAFS Mock Examination (2022-23) by <b>Mr. Eric Tai, Chairman and Mr. Wan Shiu Kee, Vice Chairman of the Hong Kong Association for Business Education Limited (HKABE)</b></li> <li>- Comment by Adjudicators</li> <li>- Presentation of souvenirs to Adjudicators</li> <li>- Presentation of case competition awards by <b>Adjudicators and Mr. Henry Lin, Chief Curriculum Development Officer, Technology Education Section, Curriculum Development Institute of Education Bureau</b> <ul style="list-style-type: none"> <li>■ Proficiency teams</li> <li>■ Merit teams</li> <li>■ 3 Outstanding performance teams</li> <li>■ Best presenter award</li> <li>■ Best business proposal award</li> <li>■ 2<sup>nd</sup> Runner-up</li> <li>■ 1<sup>st</sup> Runner-up</li> <li>■ Champion</li> </ul> </li> <li>- Group photos</li> </ul>
	3:30 p.m. – 4:00 p.m.	Tea reception
	4:00 p.m.	End of event



## Adjudication Panel

**Mr. Au Chun Keung**

Principal, Cheung Chuk Shan College

**Mr. Ellis Cheng**

Chief Financial Officer  
Kerry Logistics Network Limited

**Dr. Winnie Leung**

Assistant Dean (Undergraduate) and  
Principal Lecturer (Accounting)  
HKU Business School

**Mr. Paul She**

Chairman, Qualification and Examinations Board, HKICPA  
Partner, Audit & Assurance - Hong Kong, Mazars CPA Limited



## Competition Advisory Group

Convener: **Mr. Wan Shiu Kee**

Members: **Ms. Rami Lam**

Lecturer  
Hong Kong Institute of Vocational Education (Morrison Hill)

**Ms. Tammy Leung**

Teacher  
Maryknoll Convent School (Secondary Section)

**Dr. Olivia Lui**

Senior Programme Director  
HKU SPACE College of Business and Finance

**Mr. Jimmy Tsui**

Teacher  
STFA Cheng Yu Tung Secondary School



## Reviewers of Business Proposals

### **Mr. Arthur Cheng**

Teacher  
Caritas Chong Yuet Ming Secondary School

### **Ms. Rami Lam**

Lecturer  
Hong Kong Institute of Vocational Education (Morrison Hill)

### **Dr. Tommy Leung**

Senior Lecturer, Department of Accountancy  
The Hang Seng University of Hong Kong

### **Dr. Olivia Lui**

Senior Programme Director  
HKU SPACE College of Business and Finance

### **Mr. Tony Wong**

Part-time Course Coordinator  
Hong Kong School of Commerce

### **Dr. Arison Woo**

Senior Lecturer, College of Professional and Continuing Education  
The Hong Kong Polytechnic University



## Speakers of Webinars

### **Mr. Ellis Cheng**

Chief Financial Officer  
Kerry Logistics Network Limited

### **Dr. Maxwell Ho**

Senior Lecturer, Department of Education Policy and Leadership  
The Education University of Hong Kong

### **Dr. Stacy Wang**

Assistant Professor  
Department of Accountancy  
The Hang Seng University of Hong Kong

The HKICPA Accounting and Business Management Case Competition 2022-2023 aims to develop the ability of senior secondary school students, especially those studying Business, Accounting and Financial Studies, in using accounting information for business development and to improve their enabling skills as required by today's business world. This year, the Competition has received a total of 516 teams with over 1,800 students from around 125 schools registered for Level 1 and Level 2 of Competition. Since its inauguration in 2002, the Competition is one of the most popular and significant annual inter-school events of its kind.

Kerry Logistics Network Limited (the Group) is the company selected for this year's case study. Participating teams are required to submit a written business proposal to analyze the Group's business performance and to give recommendations on strategies to sustain the company's growth. Students may refer to the Group's financial report to better understand the company's financial status and its overall business strategies. After reading the business proposals, the reviewers shortlisted, through a blind review, the best six teams to enter the final round of the Competition – the oral presentation.

The six finalist teams are as below:

Team No.	Team Leader	Team Members
S011	Li Yat Rex	Cheng Yat Sun Anson Chiu Ki Lung Lucas Wong Tsz Chun Keith
S028	Cheng Hei Yiu	Au Yat Kiu Aaren Hon Nim Ting Li Nok Hei
S030	Chau Man Tung	Leung Pak Yin Ng Yee Tung Zhong Yujia
S052	Pei Yuetong	Chiu Ellie Ho Cheuk Yin Lai Hiu Ching Wan Yui Ka Cynthia
S139	Xu Lok Yi	Lau Nga Kiu Shih Maan Chi Yim Sie Lam
S153	Sze Wing Ki	Chong Tan Yau Ha Tsz Ching Sze Hoi Ching

Each finalist team will have 15 minutes to present the key points of their proposals and demonstrate their analytical, problem solving and presentation skills. They are also required to answer questions from the adjudication panel after their presentations.

## Company background

Kerry Logistics Network Limited (KLN), together with its subsidiaries (hereinafter referred to as the “Group”) operates as a leading logistics service provider in Asia. Its principal activities are (i) integrated logistics (IL) services, including storage and value-added services, trucking and distribution, returns management, and various ancillary services, primarily in Asia; and (ii) international freight forwarding (IFF) services intra-Asia and between Asia and Europe to transport cargo using air freight, ocean freight, and cross-border road freight forwarding services. With a global presence across 59 countries and territories, KLN is the largest international logistics company listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code 0636.HK).

The COVID-19 pandemic has severely affected the global supply chain owing to the mismatch between supply and demand, freight capacity chokeholds, port congestions, labour shortages, the shutdown of borders, and lockdowns. Specifically, KLN’s IL business shrank in 2021, mainly due to a weak Asian market with manufacturing and consumption-related activities disrupted by many prolonged lockdowns and other pandemic measures. For example, Hong Kong’s implementation of pandemic-induced social distancing measures caused a depression in particular retail activities and led to a contraction in the Group’s IL business.

On the other hand, the Group’s IFF business extraordinarily expanded with customers relying on the Group’s in-depth industry know-how, its extensive connections to ground operations, and its global network, especially for exports from Asia to North America and Europe. The Group has experienced more urgent fulfilment orders and ever more complex demand to overcome the multifaceted hurdles in the supply chain.

For the year ended 31 December 2021, the Group recorded a revenue of HK\$78,954.7 million from continuing operations, representing a 59.1% increase from the year ended 31 December 2020 (2020: HK\$49,617.2 million, restated). The Group’s profit from continuing operations increased by 182.9%, from HK\$1,507.8 million in 2020 to HK\$4,265.1 million in 2021.

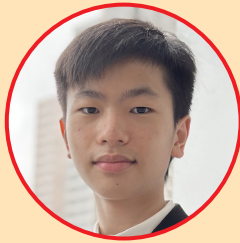
The Group entered into a strategic partnership with S.F. Holding in late 2021 to further enhance its overall competitiveness and become S.F. Holding’s platform for international business and international freight forwarding agent for international express services. Such a strategic partnership will give KLN an unparalleled advantage as Asia’s largest 3PL (third party logistics) provider to tackle the uncertain market challenges ahead.

## Business proposal

Students are required to review the Group’s overall financial performance for the past TWO years ended 31 December 2020 and 2021, conduct a SWOT analysis of the Group’s competitive position in the logistics industry, and comment on the Group’s sustainability approach.



TEAM: S011



Li Yat  
Rex  
(Leader)



Cheng Yat Sun  
Anson



Chiu Ki Lung  
Lucas



Wong Tsz Chun  
Keith

Kerry Logistics Network Limited (KLN) is an international logistics firm with a presence in 59 countries. KLN's main business segments are Integrated Logistics and International Freight Forwarding.

KLN showed a modest increase in profitability, alongside an improved management efficiency ratio, making KLN's stocks look increasingly attractive to investors with a high EPS and a low P/E. KLN's long-term solvency has increased dramatically, though its short-term liquidity position is relatively weak.

KLN's strengths lie in its sustainability initiatives and supply chain connections throughout Asia, but its centralized IT data system renders it vulnerable to adversaries, which is a key weakness. Another concern is the impact of the acquisition by S.F. Holdings on its workers and company control. Opportunities include further global expansions and greater AI integration, while threats include impacts of partnerships, sanctions, and malicious malware attacks.

To address the challenges raised, we propose our strategy –

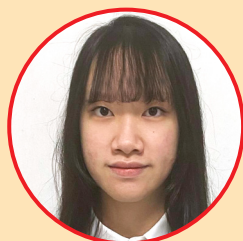
#### **SIMP – Sustainable Innovative Motivational Protocol**

The use of sustainable and new, innovative technology can decrease long-term operating costs and carbon footprint, improving brand image and market position. Moreover, implementing innovative cybersecurity defences will prevent serious consequences from cyberattacks. Lastly, motivational strategies and salary benchmarking will further improve efficiency and overall business success.





TEAM: S028



Cheng Hei Yiu  
(Leader)



Au Yat Kiu  
Aaren



Hon Nim Ting



Li Nok Hei

Kerry Logistics Network (KLN) is a leading logistics service provider based in Asia with a global presence. In 2021, the Integrated Logistics (IL) segment's profit declined due to pandemic disruptions, while the International Freight Forwarding (IFF) segment achieved excellent performance. The Group's strong network and coverage enabled it to take advantage of alternative routes and maintain freight capacity despite intense competition in the market.

There was a total revenue increase in 2021, mainly due to the growing importance of logistics during the pandemic. The Group's overall financial performance was satisfactory, but its cash ratio needs improvement.

The Group's strengths lie in its leading position in Asia and its expertise in integrated logistics. However, the Group struggles with poor customer service and the lack of its planes for air freight. While opportunities exist in the rapid development of e-commerce and cold chain delivery markets, changing consumer behavior due to the end of the pandemic may pose potential threats to the Group.

To address the issues, we proposed suggestions including investing in advanced technologies and developing an independent transportation team. These solutions can improve the Group's delivery efficiency and consolidate its position in the Asia market while developing a better global network.



**TEAM: S030**



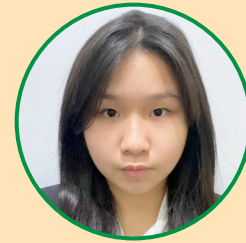
Chau Man Tung  
(Leader)



Leung Pak Yin



Ng Yee Tung



Zhong Yujia

疫情雖使嘉里物流聯網有限公司的綜合物流服務業務收縮，不過藉創新物流解決方案，集團的國際物流服務獨佔鰲頭，財務狀況呈上升狀態。但若未能妥善管理流動資產和流動負債，集團可面臨資不抵債的短期債務風險。現以可持續業績及長遠增長為方針，建議建立危機處理組及增加集團專業人才，以提升競爭力，致力為持份者創造價值。

**TEAM: S052**

Pei Yuetong  
(Leader)



Chiu Ellie



Ho Cheuk Yin



Lai Hiu Ching



Wan Yui Ka  
Cynthia

Kerry Logistics Network Limited is an Asia-based logistics provider with a strong global network that concentrates on two business segments – Integrated Logistics and International Freight Forwarding. Our proposal aims to analyze the Group’s performance by considering both financial and non-financial aspects.

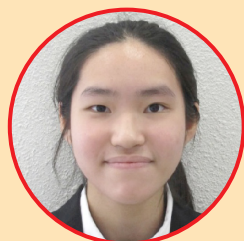
Though KLN obtained a satisfying level of profitability through collaboration with SF Holding and fully utilizing its strengths, the Group still faces challenges due to insufficient automation. Moreover, the prevailing trend of ESG investing has made promoting sustainability inevitable for the continuous development of a logistics company.

Considering sustainability as a main focus, we would like to propose two actions to expand on the Group’s current sustainability practices for the benefit of the stakeholders. Firstly, we would like to suggest a Green Logistic Plan which involves Kerry Green Space in automatic trash categorization in recycle bins by making use of machine learning. Customers can also choose environmentally friendly packaging under the plan. Secondly, we would like to implement the delivery of self-driving vehicles in order to increase the use of technologically advanced utilities.

With these initiatives, we hope to tackle the potential threat of ESG investing and make improvements in KLN’s performance. As a result, efficiency can be enhanced; customer base can be expanded and a good reputation for promoting sustainability can be established.



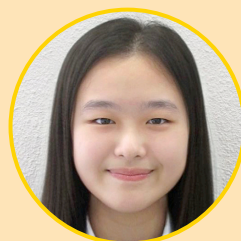
TEAM: S139



Xu Lok Yi  
(Leader)



Lau Nga Kiu



Shih Maan Chi



Yim Sie Lam

### 1.Mission

The Group aims at further developing the latest technology and utilizing resources to increase sales and productivity, simultaneously fulfilling SDGs.

### 2.Current state of business

Apart from offering integrated logistics services and international freight forwarding services, the Group has also strategically partnered with S.F. Holding and became Asia's largest 3PL provider. The Group is currently recovering from depression in business caused by the pandemic.

### 3.Key findings

#### a. Financial analysis

The Group's management efficiency, liquidity and solvency has improved, indicating that the Group is capable of increasing revenue and has a high ability in cost and expense control.

#### b. SWOT Analysis

The Group has a strong market leadership position and performs well in achieving SDGs and adopting technology. However, the application of technology is scattered. As technology develops, the Group can grab this opportunity to further develop AI-related products, enhancing business efficiency, productivity and convenience.

### 4.Key recommendations

a. "KERRY GO" app – An one-stop platform aims at raising the Group's market competitiveness and exposure by adopting Data Analysis, AI and integrating functions of original scattered measures.

b. Voicebot - A speech artificial intelligence that improves efficiency by working in employees' training, alleviating communication problems and reducing the waste of manpower.



TEAM: S153



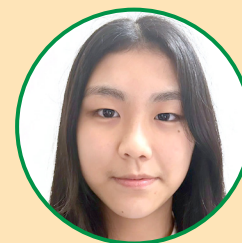
Sze Wing Ki  
(Leader)



Chong Tan Yau



Ha Tsz Ching



Sze Hoi Ching

Kerry Logistics Network Limited (KLN), as a top-rank logistics provider, mainly operates the integrated logistics (IL) and international freight forwarding (IFF) business segments and connects Asia with 58 countries and territories.

Although IL has recorded a considerable fall in segment profit of 29% in 2021 because of the prolonged lockdowns, the IFF segment, which mainly provides logistics and warehouse leasing services within Asia, has shown exponential growth from 2020 to 2021 thanks to the resumption of production and exports from the mainland.

As an international logistics company, KLN has a well-established corporate image and actively involves technology in production so as to boost its efficiency of service-providing and productivity. However, the Group still lacks promotional campaigns and possesses poor customer service. Thus, we have suggested setting up a rating system and reward and punishment system to improve service quality and build customer loyalty. KLN is also suggested to contribute to the community by supporting local charitable groups. By doing so, the Group's competitive edge can be maintained, and sustainability can be enhanced.

## Proficiency Teams

School Name	Team Leader	Members
C.C.C. Ming Yin College	Liu Ka Hei	Fong Tsz Ching Joyce Fung Man Yu Ho Angel Yau Yi Yan
Christian Alliance SC Chan Memorial College	Wan Ching Wa	Lai Lok Yi Mak Hei Tung Yeung Yu Kwai Yung Hiu Yat
Heep Yunn School	Chan Yin Ka	Poon Wing Yan Poon Lok Chun Yau Sum Yuet Li Ning Yu
Henrietta Secondary School	Wang Wing Ki	Cai Xiaoyan Yu Kaixin Chui Pak Hei
HKTA Tang Hin Memorial Secondary School	Wong Kit Ning	Fan Wing Hei Mango Chong Hoi Man Lam Lok Yiu Wong Suet Ching Rainie
Hong Kong Chinese Women's Club College	Chan Pak Lam	Chung Yan Yuet Lo Wai Chi Cheung San Yuet
	Ng Yat Long	Wan Hiu Fung Yeung Tsun Pui Shi Tsz Yam
La Salle College	Chim Tung Ni	Chen Jackey Wong Yat Kiu Wu Cheuk Hei Young Yat Hei
Ning Po No.2 College	Liu Ho Wai	Wong Ching Man Hui Yan Tung Cheung Wing Yi Xie Xing Yu
Pui Kiu College	Lee Zhi Rong	Ng Yi Ching Lo An Ting Yeh Pak Sum Chuang Zi Yue
St. Catharine's School for Girls	Tsang Tsz Yi	Mai Pui Ying Lam Karen Fong Sze Nga Chan Mei Ip
St. Paul's Convent School	Law Ho Suet Hilary	Lam Mei Ting Megan Kwan Tsz Ching
	Yip Shun Ching Alannah	Pang Yuen Ting Fong Sze Ching Chan Sze Yu
St. Stephen's Girls' College	Lee Ewa	Hui Shuk Man Cindy Fang Erjia Fang Eryu
STFA Lee Shau Kee College	Poon Wing Hong	Zhang Pui Man Sze Pui Sin So Man Hei
Tung Chung Catholic School	Yip Yik Lee	Lee Wa San Ng Hiu Yee Ngai Ching Man Choi Chung Hin

## Merit Teams

School Name	Team Leader	Members
ELCHK Lutheran Secondary School	Chan Ka Yu	Law Hoi Yee Li Ming Chan Yin Chi
Elegantia College (Sponsored By Education Convergence)	Cen Long Yat	Yang Chi Fung He Yuet Ying Lu Chin Kuen Liu Hiu Tung
HKTA Tang Hin Memorial Secondary School	Fork Hoi Ning	Lee Yin Pui Yu Kwun Fung Ng Hiu Yee Hong Yan Yi Nifi
HKUGA College	Au Hoi Yiu Hillary	Lee Lok Yiu Hui Ting Hei Stanley Ngan Chun Hey
Hong Kong Chinese Women's Club College	Lau Nga Man	Chong Ching Ho Cheung Wai Hang Ng Yan Yan
SKH Bishop Mok Sau Tseng Secondary School	So Wai Kan	Lai Tsz Ling Shao Yi You Hung Ling Shan
St. Paul's Convent School	Chan Ching Ki	Wan Cheuk Ying Sze Hei Yi Yeung Ka Yan Michelle
	Cheung Yan To	Kwok Yik Man Wong Sze Ching Chiu Ka Kiu Chan Pak Wing
The Hong Kong Management Association K S Lo College	Lam Wing Sum	Liu Ting Yi Lin Wai Chun Chung Ka Yan
Ying Wa Girls' School	Chan Wing Yan Evelyn	Ma Hiu Tan Kam Chung Hei Tse Hoi Ying Poon Nok Yi

## PRIZES

Champion	HK\$4,500 cash prize, certificate and a trophy
1 <sup>st</sup> Runner-up	HK\$3,500 cash prize, certificate and a trophy
2 <sup>nd</sup> Runner-up	HK\$3,000 cash prize, certificate and a trophy
Best business proposal	HK\$1,000 cash prize, certificate and a plaque
Best presenter	HK\$500 cash prize, certificate and a plaque
Outstanding performance (3 awards)	HK\$1,000 cash prize, certificate and a plaque

## Top Students of HKICPA/HKABE BAFS Mock Examination (2022-2023)

### Papers 1 and 2A (Accounting Module)

Rank	School Name	Name
1 <sup>st</sup>	Ying Wa Girls' School	Wong Ying
2 <sup>nd</sup>	STFA Leung Kau Kui College	Lui Hoi Lok
3 <sup>rd</sup>	Diocesan Girls' School	Luo Regina
4 <sup>th</sup>	Ying Wa Girls' School	Wong Sum Yi
5 <sup>th</sup>	St. Francis Xavier's College	Chung Ho Hin
6 <sup>th</sup>	Maryknoll Convent School (Secondary Section)	Yau Tsz Kei
7 <sup>th</sup>	St. Francis Xavier's College	Chan Ka Pak
8 <sup>th</sup>	Canossa College	Fu Chunxin
9 <sup>th</sup>	La Salle College	Lau Kin Fung Leroy
10 <sup>th</sup>	Munsang College (Hong Kong Island)	Suen Ying Ching

### Papers 1 and 2B (Business Management Module)

Rank	School Name	Name
1 <sup>st</sup>	Stewards Pooi Kei College	Yim Pak Ho
2 <sup>nd</sup>	Sacred Heart Canossian College	Lai Hiu Ying
3 <sup>rd</sup>	St. Francis Xavier's College	Ng Pak Hong
4 <sup>th</sup>	Cheung Chuk Shan College	Sze Wing Sum
5 <sup>th</sup>	DMHC Siu Ming Catholic Secondary School	Choy Vivian Wan Man



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