

An Overview

For Level 2 Participants



Part 1

A comprehensive analysis of **Bonjour Group's** financial performance with interpretation 卓悅集團的財務表現及詮釋

Part 2

Formulate a business plan for **Bonjour Group's** offline and online retail business

(a) ...

(b) ...

(c) Business plan of \$10 million

- Marketing expense budget

& implementation details 營銷費用預算及實施

Part 1:

Financial Ratios 財務比率分析

Apply Average figures 平均數 :

- 2020 Average
= $\frac{1}{2}$ (31.12. 2020 + 1.1.2020)
- 2019 Average
= $\frac{1}{2}$ (31.12. 2019 + 1.1.2019)

31.12.2020

& 1.1. 2020 = 12.31.2019

=> **2020 Annual Report**

31.12.2019 = 1.1.2020

& 1.1.2019 = 12.31.2018

=> **2019 Annual Report**



綜合財務狀況表

於二零二零年十二月三十一日

Consolidated Statement of Financial Position

At 31 December 2020

			二零二零年 2020 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000
		附註 Note		
Assets 資產				
Liabilities 負債				
Equity 股東權益				
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	17	133,707	671,019
使用權資產	Right-of-use assets	18	151,746	406,260
商譽	Goodwill	19	-	5,520
其他無形資產	Other Intangible assets	20	2,313	1,236
租金及水電按金	Rental and utility deposits		9,273	34,482
以公平值計入其他 全面收益之金融資產	Financial assets at FVTOCI	21	74,736	77,838
於聯營公司之投資	Investment in an associate	22	-	-
遞延稅項資產	Deferred tax assets	33	-	1,289
			371,775	1,197,644
流動資產	Current assets			
存貨	Inventories	23	97,318	187,968
應收貿易賬款	Trade receivables	24	7,465	16,318
租金及水電按金	Rental and utility deposits		34,448	24,692
預付款項、訂金及 其他應收賬款	Prepayments, deposits and other receivables	25	14,105	14,103
應收關聯公司款項	Amounts due from related companies	26	2,885	58
銀行及現金結餘	Bank and cash balances	27	20,288	98,855
			176,509	341,994
分類為持作出售之資產	Assets classified as held for sale	28	479,262	-
			655,771	341,994

31.12.2020

1.1.2020 / 31.12.2019



Avg. Inventory 2020

Ratio Analysis

- Illustration

ABM Limited		
Consolidated Statement of Profit or Loss 綜合損益表		
For the Year Ended December 31		
	2020	2019
Turnover 營業額	\$ 450,000	\$ 300,000
Cost of goods sold 銷貨成本	380,000	250,000
Gross profit 毛利	70,000	50,000
Distribution expenses 分銷開支	7,000	6,000
Administrative expenses 行政開支	30,000	20,000
Other income and expenses 其他收入及開支	0	0
Income from operation 經營業務收入	33,000	24,000
Finance costs 利息/融資成本	1,500	1,500
Profit before tax 稅前淨利	31,500	22,500
Income tax expense 所得稅開支	5,000	3,000
Profit for the year 全年稅後淨利	\$ 26,500	\$ 19,500



Ratio Analysis


- Illustration

ABM Limited			
Consolidated Statement of Financial Position 綜合財務狀況表			
December 31			
	2020	2019	2018
ASSETS 資產			
NON-CURRENT ASSETS 非流動資產			
• Property, plant and equipment (net) 房產, 廠房及機器 (淨值)	\$ 39,000	\$ 28,500	\$ 20,000
Total non-current assets	39,000	28,500	20,000
CURRENT ASSETS 流動資產			
• Inventory 存貨	\$ 50,000	\$ 30,000	20,000
• Trade receivable (net) 應收帳款 (淨值)	100,000	85,000	81,000
• Cash 現金	1,000	1,000	4,000
Total current assets	151,000	116,000	105,000
Total assets	\$ 190,000	\$ 144,500	\$ 125,000
LIABILITIES AND EQUITY 負債及股東權益			
NON-CURRENT LIABILITIES 非流動負債			
• Interest-bearing bank borrowings 計息銀行借款	\$ 12,000	\$ 18,000	\$ 10,000
Total non-current liabilities	12,000	18,000	10,000
CURRENT LIABILITIES 流動負債			
• Trade payable 應付帳款	\$ 80,000	\$ 70,000	\$ 60,000
• Income taxes payable 利得稅應付款項	30,000	15,000	12,000
Total current liabilities	110,000	85,000	72,000
Total liabilities	\$ 122,000	\$ 103,000	82,000
SHAREHOLDERS' EQUITY 股東權益			
• Share capital 股本 (\$2 par 面值)	\$ 22,000	\$ 22,000	20,000
• Reserves 儲備	46,000	19,500	23,000
Total shareholders' equity	68,000	41,500	43,000
Total liabilities and equity	\$ 190,000	\$ 144,500	\$ 125,000

Ratio Analysis

1. Profitability Ratios 盈利能力	Remark
(i) Gross profit margin 毛利率	Level 1
(ii) Net profit margin 淨利率	Level 1
(iii) Return on average assets (ROA) 平均資產回報率	

2. Management Efficiency Ratios 管理效能	Remark
(i) Average inventory turnover period 平均存貨周轉期限	
(ii) Average trade payables repayment period 平均賒購期限	
(iii) Average Total assets turnover 平均總資產周轉	Vs. Level 1

3. Liquidity Ratios 變現能力	Remark
(i) Current ratio 流動比率	Level 1
(ii) Cash ratio 現金比率	

4. Solvency Ratios 償債能力	Remark
(i) Gearing ratio 槓桿比率	Level 1
(ii) Debt to equity ratio 債務股本比率	

5. Investment Appraisal Ratios 投資評估	Remark
(i) Earning per Share (EPS) 每股盈利	Level 1

Profitability Ratios 盈利能力比率

Gross Profit Margin 毛利率

Gross Profit 毛利
Turnover 營業額

2020	2019
\$70,000/\$450,000	\$50,000/\$300,000
15.56%	16.67%

From each \$100 turnover revenue made, **less** amount was generated to cover operating and non-operating expenses than last year.

Net Profit Margin 淨利率

Net Profit (Loss) Before Tax 稅前淨利(虧損)
Turnover 營業額

2020	2019
\$31,500/\$450,000	\$22,500/\$300,000
7.00%	7.50%


A **decrease** of profit generated from turnover revenue.



Profitability Ratios 盈利能力比率

Return on Average Assets 平均資產回報

- Rate of return based on the book value of assets.
- Measures how effectively a company uses its resources/asset (資產) to generate net income.


Formula:	<u>Net profit (loss) after tax 稅後淨利 (虧損)</u> Average total assets 平均總資產	
	2020	2019
Working:	<u>\$26,500</u> $\frac{1}{2} (\$144,500 + \$190,000)$	<u>\$19,500</u> $\frac{1}{2} (\$125,000 + \$144,500)$
Results:	15.84%	14.47%
Comments:	The company is earning more profit with the existing assets in 2020 than 2019. 	



Management Efficiency Ratios 管理效能

Average Inventory Turnover Period 平均存貨周轉期限

- the average number of days the company holds its inventory before selling it.


Formula:	$\frac{\text{Average Inventory 平均存貨}}{\text{Cost of Goods Sold 銷貨成本}} * 365 \text{ days}$	
	2020	2019
Working:	$\frac{\frac{1}{2} (\$50,000 + \$30,000)}{\$380,000} * 365$	$\frac{\frac{1}{2} (\$20,000 + \$30,000)}{\$250,000} * 365$
Results:	38.42 days	36.50 days
Comments:	The average selling time of 38.42 days in 2020 is longer than that in 2019. 	



Management Efficiency Ratios 管理效能

Average Trade Payables Repayment Period 平均賒購期限


- the average number of days which a company must pay for its credit purchases.

Formula:	$\frac{\text{Average Trade Payables 平均應付貨款}}{\text{Credit Purchase 賒購}} * 365 \text{ days}$ $\frac{\text{Cost of Goods Sold + Closing Inventory - Opening Inventory}}{\text{銷貨成本 + 期末存貨 - 期初存貨}} * 365 \text{ days}$	
	2020	2019
Working:	$\frac{\frac{1}{2} (\$80,000 + \$70,000)}{\$380,00 + \$50,000 - \$30,000} * 365$	$\frac{\frac{1}{2} (\$60,000 + \$70,000)}{\$250,000 + \$30,000 - \$20,000} * 365$
Results:	68.44 days	91.25 days
Comments:	The average settlement time for credit purchase (賒購) is 68.44 days in 2020, being 22.81 days earlier than in 2019. 	

Management Efficiency Ratios 管理效能

Average Total Assets Turnover 平均總資產周轉

- Measures how efficiently a company uses its assets to generate turnover revenue.

Formula:	Turnover 營業額 Average Total Assets 平均總資產	
	2020	2019
Working:	$\frac{\$450,000}{\frac{1}{2}(\$190,000 + \$144,500)}$	$\frac{\$300,000}{\frac{1}{2}(\$144,500 + \$125,000)}$
Results:	2.69 times	2.23 times
Comments:	The company has efficiently used its assets, more turnover sales are generated in 2020 than last year. 	

Liquidity Ratios 變現能力比率



(Same as Level 1)

Current Ratio 流動比率

Current Assets 流動資產
Current Liabilities 流動負債

2020	2019
$\frac{\$151,000}{\$110,000}$	$\frac{\$116,000}{\$85,000}$
1.37 : 1	1.36 : 1

The company **does not have** short term debt-paying **problem**.

Cash Ratio 現金比率

- for every dollar of current liabilities, the dollar amount of **CASH** the company has.
- the most conservative of all the liquidity measurement.

Formula: $\frac{\text{Cash and Cash Equivalents 現金}}{\text{Current Liabilities 流動負債}}$

	2020	2019
Working:	$\frac{\$1,000}{\$110,000}$	$\frac{\$1,000}{\$85,000}$
Results:	0.01 : 1	0.01 : 1
Comments:	There is insufficient cash on hand to pay off short-term debt in both 2019 and 2020.	

Solvency Ratios 償債能力比率

Gearing Ratio 槓桿比率

- Measures the capital structure.

Formula:

Non-current Liabilities 非流動負債

Non-current Liabilities 非流動負債 + Share Capital 股本 + Reserves 儲備


	2020	2019
Working:	$\frac{\$12,000}{\$12,000 + \$22,000 + \$46,000}$	$\frac{\$18,000}{\$18,000 + \$22,000 + \$19,500}$
Results:	15.00%	30.25%
Comments:	<p>Decline in Gearing ratio indicates the company is less debt-financing. The company has less difficulties in repaying long-term borrowings from its equity funds.</p>	

Solvency Ratios 償債能力比率

Debt to Equity Ratio 債務股本比率

- how much debt a company is using to finance its assets relative to the amount of value represented in shareholders' equity.
- Debt to equity ratio (債務股本比率) of 100% would mean that investors and creditors have an equal stake in the business assets.

Formula:	$\frac{\text{Total Liabilities 總負債}}{\text{Total Equity 總股東權益}}$	
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	2020	2019
Working:	$\frac{\$122,000}{\$68,000}$	$\frac{\$103,000}{\$41,500}$
Results:	179.41%	248.19%
Comments:	the company is less debt-financing in 2020. 	

Investment Appraisal 投資評估

Earnings Per Share (EPS) 每股盈利

- Measures the net income earned on each share of ordinary share, if all profits were distributed at the end of the year.

Formula:	Profit (Loss) Attributable to Owners of the Company 公司擁有人應佔溢利 (虧損) Weighted-average No. of Ordinary Shares 普通股加權平均數	
	2020	2019
Working:	<u>\$26,500</u> 11,000 shares	<u>\$19,500</u> 11,000 shares
Results:	\$2.41 /share	\$1.77 /share
Comments:	Much more net income is generated from each issued ordinary share in 2020 than 2019.	

(11,000 shares = \$22,000 Share Capital / \$2 par value per share)

Part 2:

Marketing Budget 營銷預算

Budget Preparation

A **budget** is a detailed quantitative plan for acquiring and using financial and other resources over a specified forthcoming time period.



Marketing Categories

Marketing Budget Major Categories





THANK
YOU!

