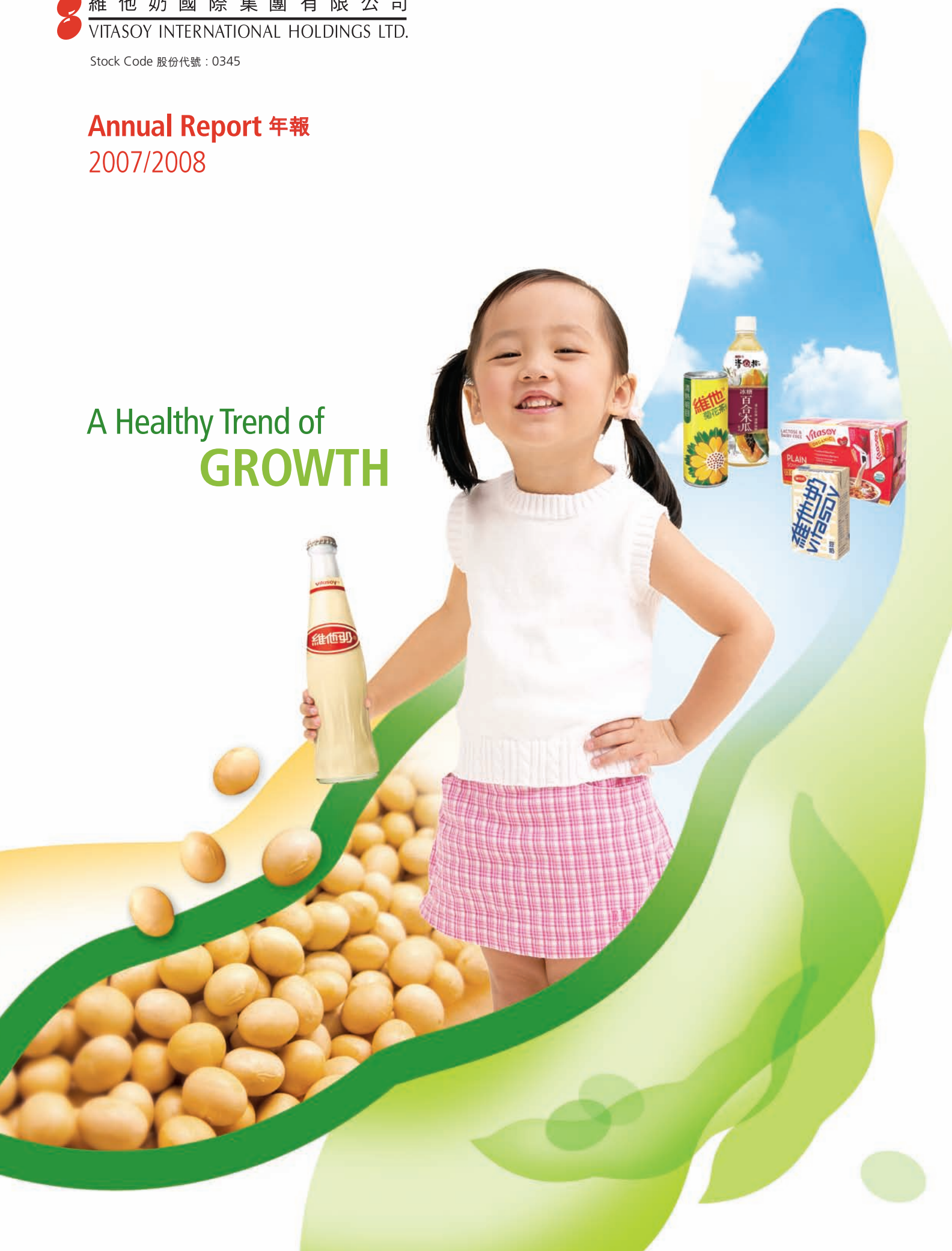


 維他奶國際集團有限公司
VITASOY INTERNATIONAL HOLDINGS LTD.

Stock Code 股份代號 : 0345

Annual Report 年報
2007/2008

A Healthy Trend of
GROWTH



香港 Hong Kong

Leading the market with innovation with a record number of new and healthier products

憑藉創新意念穩站市場領導地位，多種創新及健康產品以破紀錄數目相繼面市



North 北美洲 America

Growing sales and rationalizing operating cost by re-focusing on core competencies and extending to new distribution channels

重新部署核心強項，拓展全新分銷渠道，達致開源節流之目的



新加坡

Acquiring Unicurd as a strategic move to grow the Group's business there

通過收購統一食品等策略性部署，擴展本集團於當地之業務

Singapore



中國內地 Mainland China

Growing sales remarkably through strong brand building and the expansion of market presence
致力建立品牌，擴大市場份額，獲取驕人銷售增長



澳洲·新西蘭 Australia · New Zealand

Leveraging brand equity and product development capabilities with a notable market share growth
藉著品牌價值及產品發展能力之優勢，市場份額錄得顯著增幅

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DIRECTORS AND CORPORATE INFORMATION

董事及集團資料

BOARD OF DIRECTORS

Executive Chairman

Mr. Winston Yau-lai LO

Independent Non-executive Directors

Dr. The Hon. Sir David Kwok-po LI

Mr. Iain F. BRUCE

Mr. Jan P. S. ERLUND

Non-executive Directors

Ms. Myrna Mo-ching LO

Ms. Yvonne Mo-ling LO

Executive Directors

Mr. Ambrose Kam-shing CHAN (resigned on 25th July, 2007)

Mr. Laurence P. EISENTRAGER (appointed on 20th July, 2007)

Mr. Eric Fat YU

Mr. John Shek-hung LAU (retired on 1st December, 2007)

COMPANY SECRETARY

Ms. Paggie Ah-hing TONG

QUALIFIED ACCOUNTANT

Mr. William Chi-chung LO

REGISTERED & HEAD OFFICE

No. 1 Kin Wong Street, Tuen Mun,
New Territories, Hong Kong

AUDITORS

KPMG

PRINCIPAL BANKERS

The Bank of East Asia, Limited

Citibank, N.A.

The Bank of Tokyo-Mitsubishi, Limited

Australia and New Zealand Banking Group Limited

Rabobank

BNP Paribas

Bank of China (Hong Kong) Limited

董事會

執行主席

羅友禮先生

獨立非執行董事

李國寶爵士

布魯士先生

Jan P. S. ERLUND先生

非執行董事

羅慕貞女士

羅慕玲女士

執行董事

陳錦勝先生(於二零零七年七月二十五日辭任)

黎信彥先生(於二零零七年七月二十日獲委任)

余發先生

劉錫鴻先生(於二零零七年十二月一日退休)

公司秘書

湯亞卿小姐

合資格會計師

羅志聰先生

註冊辦事總處

香港新界
屯門建旺街一號

核數師

畢馬威會計師事務所

主要來往銀行

東亞銀行有限公司

花旗銀行

東京三菱銀行

Australia and New Zealand Banking Group Limited

荷蘭合作銀行

法國巴黎銀行

中國銀行(香港)有限公司

DIRECTORS AND CORPORATE INFORMATION (CONTINUED)

董事及集團資料(續)

PRINCIPAL LAWYER

Stephenson Harwood & Lo

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
46/F., Hopewell Centre, 183 Queen's Road East,
Wanchai, Hong Kong

WEBSITE ADDRESSES

Vitasoy International Holdings Limited
– www.vitasoy.com (English & Chinese)
– www.vitasoy.com.hk (English & Chinese)

Vitaland Services Limited
– www.vitaland.com.hk (Chinese only)

Hong Kong Gourmet Limited
– www.hkgourmet.com.hk (Chinese only)

Shenzhen Vitasoy (Guang Ming) Foods and Beverage
Company Limited
Vitasoy (Shanghai) Company Limited
– www.vitasoy-chn.com (Chinese only)

Vitasoy USA Inc.
– www.vitasoy-usa.com (English only)

Vitasoy Australia Products Pty. Ltd.
– www.vitasoy.com.au (English only)

KEY DATES

Closure of Register

25th August, 2008 (Monday) to
28th August, 2008 (Thursday)

Annual General Meeting

at 3:00 p.m., 28th August, 2008 (Thursday),
Concord Rooms 2 & 3, 8/F,
Renaissance Harbour View Hotel Hong Kong,
1 Harbour Road, Wanchai, Hong Kong

Final and Special Dividends Payable

11th September, 2008 (Thursday)

主要法律顧問

羅夏信律師行

股份過戶登記處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心46樓

網址

維他奶國際集團有限公司
– www.vitasoy.com (中英文)
– www.vitasoy.com.hk (中英文)

維他天地服務有限公司
– www.vitaland.com.hk (中文)

香港美食有限公司
– www.hkgourmet.com.hk (中文)

深圳維他(光明)食品飲料有限公司
維他奶(上海)有限公司
– www.vitasoy-chn.com (中文)

Vitasoy USA Inc.
– www.vitasoy-usa.com (英文)

Vitasoy Australia Products Pty. Ltd.
– www.vitasoy.com.au (英文)

重要日期

暫停辦理股份過戶登記

二零零八年八月二十五日(星期一)至
二零零八年八月二十八日(星期四)

股東週年大會

於二零零八年八月二十八日(星期四)下午三時正
假座香港灣仔港灣道一號
萬麗海景酒店
八樓海景廳二及三

派發末期及特別股息

二零零八年九月十一日(星期四)



FINANCIAL HIGHLIGHTS

財務摘要

Year Ended 31st March 截至三月三十一日止年度

| Results 業績 | | 2008 HK\$ million 港幣百萬元 | 2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|------------------------|-------------------------------|-------------------------------|-------------------|
| * Turnover | * 營業額 | 2,416 | 2,109 | 15 |
| * Gross Profit | * 毛利 | 1,131 | 979 | 16 |
| EBITDA | 未計利息、稅項、折舊 及攤銷費用前盈利 | 391 | 344 | 14 |
| Profit Attributable to Equity Shareholders of the Company | 本公司股權持有人 應佔溢利 | 211 | 174 | 21 |
| Basic Earnings per Share (HK cents) | 每股基本盈利(港仙) | 20.9 | 17.3 | 21 |
| # Dividends per Share (HK cents) | # 每股股息(港仙) | 21.5 | 19.5 | 10 |

Including special dividend

包括特別股息

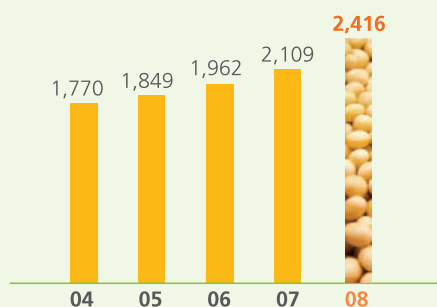
At 31st March 於三月三十一日

| Financial Position 財務狀況 | | 2008 HK\$ million 港幣百萬元 | 2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|--------------------|-------------------------------|-------------------------------|-------------------|
| Total Assets | 總資產 | 2,021 | 1,878 | 8 |
| Net Cash Balance | 現金淨額 | 444 | 368 | 21 |
| Total Equity Attributable to Equity Shareholders of the Company | 本公司股權持有人 應佔權益總額 | 1,305 | 1,254 | 4 |

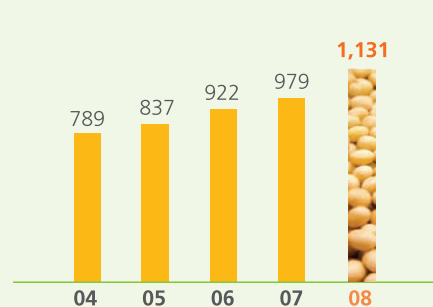
Year Ended 31st March 截至三月三十一日止年度

HK\$ million 港幣百萬元

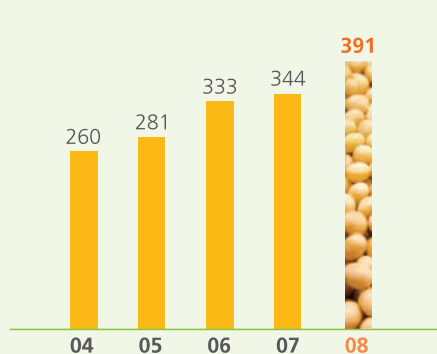
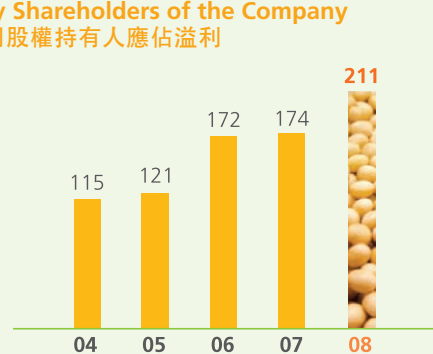
* Turnover 營業額



* Gross Profit 毛利



EBITDA 未計利息、稅項、折舊及攤銷費用前盈利

Profit Attributable to
Equity Shareholders of the Company
本公司股權持有人應佔溢利

* In line with the industry practice, the Group began to show its turnover figure on net sales basis (i.e. gross sales less return, rebate and discount) in Fiscal 2007/2008. Comparative figures for previous fiscal years were restated accordingly.

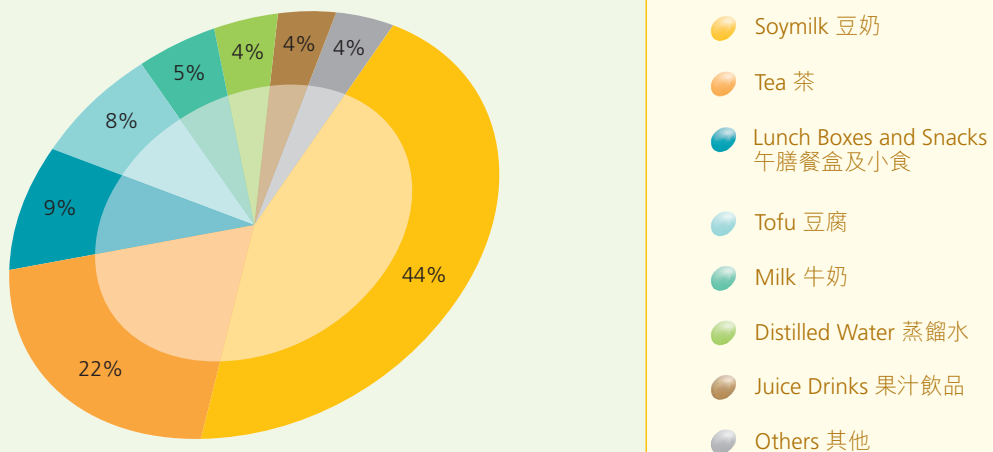
* 本集團自二零零七／二零零八財政年度起，採納了銷售淨額(即營業額扣除退貨、回扣及折扣)作為財務報表內營業額之計算標準，以符合行業慣例。同時，過往財政年度之營業額及毛利亦已作出相應之調整。

FINANCIAL HIGHLIGHTS (CONTINUED)
財務摘要 (續)

Sales Analysis by Categories

銷售額分析 (按產品種類)

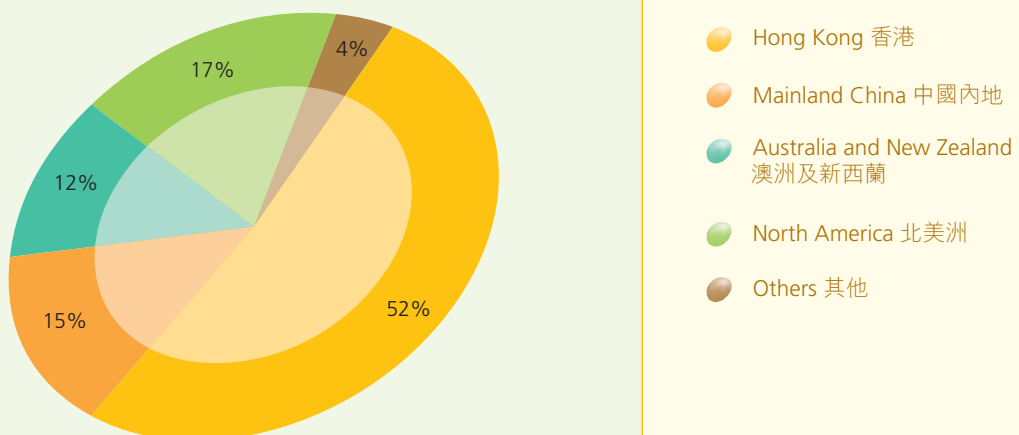
Year Ended 31st March
截至三月三十一日止年度



Sales Analysis by Location of Customers

銷售額分析 (按顧客所在地)

Year Ended 31st March
截至三月三十一日止年度



CHAIRMAN'S STATEMENT 主席報告書

I am pleased to report that we once again delivered growth in sales revenue and profit in the last fiscal year. For the year ended 31st March, 2008, the Group's profit attributable to equity shareholders of the Company was HK\$211 million, representing an increase of 21% year-on-year. Total net sales revenue increased by 15% to HK\$2,416 million, versus HK\$2,109 million in Fiscal 2006/2007. The Group's gross profit increased to HK\$1,131 million, up 16% from the previous year. Earnings per share were HK20.9 cents. The Group's EBITDA stood at HK\$391 million, up 14%, while EBITDA margin to net sales was maintained at 16%.

本人欣然匯報，本集團於上一財政年度之銷售收入及溢利均再度取得增長。本集團截至二零零八年三月三十一日止年度之本公司股權持有人應佔溢利為港幣211,000,000元，按年計增長21%。總銷售收入淨額由二零零六／二零零七財政年度之港幣2,109,000,000元增加15%至港幣2,416,000,000元。本集團之毛利增至港幣1,131,000,000元，較去年上升16%。每股盈利為20.9港仙。本集團之未計利息、稅項、折舊及攤銷費用前盈利(EBITDA)為港幣391,000,000元，上升14%，而EBITDA利潤則佔銷售淨額之16%。



CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

The Board of Directors of the Company is recommending a final dividend of HK8.7 cents per ordinary share at the Annual General Meeting on 28th August, 2008. This, together with the interim dividend of HK2.8 cents per ordinary share, will mean that the Group's total dividend for Fiscal 2007/2008 will be HK11.5 cents per ordinary share (2006/2007 total dividend: HK9.5 cents per ordinary share). In addition, the Board is recommending a special dividend of HK10.0 cents per ordinary share (2006/2007 special dividend: HK10.0 cents per ordinary share). This is the sixth consecutive year that special dividend is paid. This decision of the Board speaks for our healthy financial status and is in line with the Company's dividend policy which duly reflects our commitment to generate higher value for shareholders.

GENERAL REVIEW

The Group's encouraging sales performance last year is an apt reflection of our effective business strategy, the implementation of which was aided by the prevalence of a largely favourable operating environment in nearly all our major markets.

In accordance with our strategies announced at this time last year, we forged ahead with product innovation by developing and launching a wide variety of new and trendy products with higher added value, growing our market presence through brand building, deepening our market penetration through channel development, and re-focusing on core competencies where necessary to maximise gain. Naturally all these efforts have been supported by our innovative marketing and sales effort that unflinchingly delivers superior results and breaks new ground for us. As a result, we achieved strong sales growth and expanded our market presence in Mainland China, Australia and New Zealand and Hong Kong. At the same time, having re-adjusted our business focus in North America, we attained a single-digit sales growth and achieved the primary goal of narrowing operating loss substantially.

I would like to report here that in early April 2008, we have acquired the entire equity of Unicurd Food Co. (Private) Limited ("Unicurd"), which is a leading soyfood manufacturer and marketer in Singapore. This acquisition represents a major step taken by the Group in enhancing its market presence in Singapore. I will elaborate on this initiative in a separate part of this Statement.

To stay in line with industry practice, we started to show the turnover figures on net sales basis by deducting rebates and discounts from gross sales revenue beginning Fiscal 2007/2008. We believe that this brings our financial statements to international standard and makes benchmarking more easily. Prior year numbers have been adjusted accordingly in the interest of consistency.

本公司董事會將於二零零八年八月二十八日舉行之股東週年大會上建議派發末期股息每股普通股8.7港仙。連同已派發之中期股息每股普通股2.8港仙，本集團於二零零七／二零零八財政年度之全年股息總額達每股普通股11.5港仙(二零零六／二零零七年度股息總額：每股普通股9.5港仙)。此外，董事會建議派發特別股息每股普通股10.0港仙(二零零六／二零零七年度特別股息：每股普通股10.0港仙)。這是連續第六年派發特別股息。董事會這項決定切合本集團穩健之財務狀況，亦反映本公司承諾為股東帶來更高回報之股息政策。

概覽

本集團去年之銷售表現令人鼓舞，反映本集團之業務策略相當奏效，而本集團大部分主要市場之理想營商環境亦有助策略之推行。

為配合去年同期宣佈之策略，本集團繼續產品創新並開發及推出不同種類具高增值之潮流新產品、透過品牌建立擴大市場份額、通過開發分銷渠道進一步開拓市場，以及重新專注於核心強項以增加收益。憑著一貫創新之市場推廣及銷售努力，令本集團之業績表現卓越，更創高峰。因此，本集團於中國內地、澳洲及新西蘭以及香港等市場均錄得強勁銷售增長，而市場份額亦有所擴大。同時，經重新部署北美洲之業務策略後，在北美洲取得單位數之溫和銷售增長及達到大幅收窄營運虧損之基本目標。

於二零零八年四月初，本集團全面收購新加坡著名之豆品製造商及分銷商——統一食品(私人)有限公司(「統一食品」)所有股份權益，反映本集團於拓展新加坡市場上更邁進一步。本人將於本報告書中另文詳述有關收購項目。

為切合行業慣例，本集團自二零零七／二零零八財政年度起將回扣及折扣從總銷售收入扣除，以銷售淨額報告營業額。本集團相信此舉令本集團之財務報表規格能達致國際水平及更容易作出比較基準。過往年度之數字已據此作出調整，以使所有呈報數字能得以作比較。

CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

Hong Kong

In Hong Kong, the growth momentum of the economy remained vigorous in the past year. Economic growth was driven by active investment in business, stock and property, exports of merchandise and services as well as inbound tourism. The retail sector flourished on the back of greater consumer confidence which was boosted by improved employment and higher labour income. Benefiting from such an operating environment, Hong Kong's non-carbonated beverage market grew in both volume and value terms. Amid strong internal demand, inflationary pressure was also increasing. While adding to operating cost, however, this also helped to some extent in justifying the increase of retail beverage prices.

I am pleased to announce that we continued to maintain our market leadership position by growing our net sales revenue by 5%. Under an aggressive product development programme, we rolled out a record number of new products and flavours to drive demand growth. As a result, our core products like Ready-To-Drink Tea, Soymilk and Distilled Water continued to perform strongly. At the same time, we developed and launched several new products to ride on the current trend of healthy dieting and succeeded in significantly reinforcing our market position in this area. On top of that, we also made considerable headway in expanding into the dessert and cooking ingredient segment by launching the organic VITASOY SAN SUI Tofu range of products and VITASOY Soya Bean Hot Pot Soup during the year, the former of which in particular has attracted very keen response from the market since its launch in May 2007.

The Group's tuck shop business in Hong Kong conducted through its subsidiary, Vitaland Services Limited ("Vitaland"), grew in sales but recorded a drop in profit because of higher operating costs. We will work closely with our business partners to protect our profit margin while keeping quality service level. The catering business of Hong Kong Gourmet Limited ("Hong Kong Gourmet") showed a slight decline while its profit was also eroded by the soaring cost of food ingredients.

The Group's exports from Hong Kong improved further, growing by 18% in value terms year-on-year.



香港

香港方面，過去一年之經濟增長動力依然強勁。憑著暢旺之商業、股市及物業投資、外銷商品及服務以及入境旅遊業等均帶動經濟增長。就業情況改善及工資收入增加均增強消費者信心，零售業亦因而興旺。受惠於此有利營商環境，本地非碳酸飲料市場之銷售量及銷售額均有所增長。但內需強勁之餘，通脹壓力亦漸增加。一方面本集團營運成本因此上升，另一方面亦在某程度上提供了飲料產品零售價格上調之空間。

本人欣然宣佈，本集團去年銷售淨額收入增長達5%，繼續保持市場領導地位。在積極進取之產品開發計劃配合下，本集團推出多款新產品及新口味以刺激需求增長。因此，本集團之核心產品如即飲茶類、豆奶及蒸餾水繼續表現強勁。同時，本集團開發及推出若干新產品以配合目前健康飲食之趨勢，並成功鞏固本集團於健康飲食產品之市場地位。此外，本集團於年內亦透過推出維他奶山水有機豆腐產品及維他奶豆乳火鍋湯，於開拓甜品及烹飪材料等產品業務方面取得相當成績，其中以二零零七年五月推出之維他奶山水豆腐產品深受市場歡迎。

本集團透過附屬公司維他天地服務有限公司(「維他天地」)經營本港學校食物部業務，在營運成本上升之情況下，儘管取得銷售增長，但溢利卻因而下跌。管理層將更緊密地與業務夥伴合作，務求在維持優質服務水平之同時，亦能保持維他天地之利潤。受食材成本大幅增加之影響下，香港美食有限公司(「香港美食」)之餐飲業務及溢利亦稍為下降。

香港之出口業務獲進一步改善，以價值計按年增加18%。



CHAIRMAN'S STATEMENT (CONTINUED)**主席報告書(續)****Mainland China**

The Chinese economy as a whole remained robust in 2007. The increasing awareness of the importance of healthy dieting, especially among higher-income urban consumers, continued to create higher demand for nutritional beverages such as soymilk in Mainland China.

This benign operating environment has been conducive to the continued execution of our "core business, core brand and core city" strategy in Mainland China. Net sales surged by a strong 59% year-on-year as we have been in a good position to harvest from our persistent and systematic investment in brand building and promoting soy benefits. The expansion of the Group's distribution channels in Mainland China has also allowed us to expand and deepen our market presence, particularly in Southern China. Meanwhile, we continued to profit from Closer Economic Partnership Agreement (CEPA) by bringing in from Hong Kong a broader range of products that have been in keen demand in the major cities. In terms of channel development, we have already succeeded in entering the school retail segment.

Australia and New Zealand

The Australian and New Zealand markets as a whole remained a high-growth market for the Group although the soymilk and rice milk markets in Australia experienced a slight decline in the early part of fiscal year while that in New Zealand had shown only modest growth last year.

Net sales revenue generated in Australia and New Zealand taken together increased by a strong 28%. Backed by our joint-venture facility in Wodonga whose production capacity has been substantially expanded since end-2006, we have been pursuing a more aggressive business expansion programme to profit from our brand equity and product innovation capabilities. The large array of new products launched in Fiscal 2007/2008 has been highly successful in driving the growth of sales and market share in this important market.

**中國內地**

中國整體經濟發展於二零零七年持續強勁。隨著尤其是較高收入之城市之消費者健康飲食意識日趨提高，中國內地對營養飲品之需求如豆奶，繼續增加。

良好之營商環境有利於本集團在中國內地持續執行「核心業務、核心品牌及核心城市」之策略。透過持續及有系統地投資建立品牌及推廣大豆益處，成效初見，銷售淨額按年度急速增長59%。本集團在中國內地拓展分銷渠道亦有助擴大及鞏固市場份額，尤其是南中國市場。同時，中國內地業務繼續受惠於更緊密經貿關係安排(CEPA)，從香港引入更多元化之產品，以滿足主要城市之殷切需求。就分銷渠道發展方面，已成功進入學校等零售點。

澳洲及新西蘭

雖然澳洲之豆奶及米奶市場在財政年度初期稍為下跌，新西蘭市場去年亦只錄得溫和增長，惟澳洲及新西蘭市場整體上仍繼續為本集團之高增長市場。

澳洲及新西蘭市場之銷售淨額收入合共錄得28%之高增長。位於烏東加市合營設施之產能自二零零六年底起大幅提升後，本集團得以憑藉其品牌價值及產品創新能力方面之優勢，推行更為進取之業務拓展計劃。於二零零七／二零零八財政年度推出之大批全新產品，在推動這主要市場之銷售增長及市場佔有率方面均十分成功。



CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

North America

I am pleased to report that, notwithstanding the prevailing economic downturn, Vitasoy USA achieved very encouraging results last year. While reversing the negative growth trend since Fiscal 2002/2003 by growing net sales in North America by 8%, we also achieved the main goal of substantially narrowing our operating loss by 53% versus Fiscal 2006/2007.

By adjusting our business strategy to re-focus on core competencies, we have been able to drive the sales of most core products, including tofu, SAN SUI soymilk, pasta and imported beverages. We have also extended our presence to alternate distribution channels such as food service and club store as well as ethnic markets. Meanwhile, effective financial management and the trimming down of operating costs allowed us to drastically reduce our operating loss.

Singapore

Through our subsidiary, Vitasoy Investment (Singapore) Pte. Limited, we have acquired Unicurd for a total consideration of S\$14 million (HK\$78.6 million), which was funded entirely from the Group's internal cash resources. Upon the completion of this transaction on 2nd April, 2008, Unicurd has become one of the Group's wholly-owned subsidiaries. Unicurd is the market leader of packaged tofu in Singapore with an estimated market share of 60%. Besides tofu, it also specialises in soy desserts, soymilk, tofu puffs, noodles and pickles. Aside from domestic sales, it also exports to markets in Europe, Asia, New Zealand, South Africa and Dubai.

We consider this acquisition an important strategic move in a business segment that we know thoroughly well. It also speaks for our commitment to growing the Group's business in areas that are complimentary to and compatible with our core competencies. In the days ahead, we will maintain Unicurd's excellent manufacturing and service standards that form a key part of its corporate culture. It goes without saying that we will actively facilitate its further development with the Group's extensive global resources.

北美洲

本人欣然匯報，雖然美國經濟持續衰退，本集團美國公司於去年仍取得令人非常鼓舞之業績。除扭轉自二零零二／二零零三財政年度起負增長之趨勢而於北美洲錄得銷售淨額增長8%外，本集團亦達到大幅收窄二零零六／二零零七財政年度營運虧損53%之主要目標。

透過調整業務策略重新專注發展核心強項後，本集團成功增加主要產品如豆腐、山水豆奶、意大利麵食及入口飲料之銷售額。本集團亦擴展業務至其他分銷渠道如餐飲業、會員制折扣商店及亞裔市場等。此外，有效之財務管理及削減營運成本亦有助本集團大幅減低營運虧損。

新加坡

透過本集團之附屬公司維他奶投資(新加坡)有限公司，本集團以總代價新加坡14,000,000元(港幣78,600,000元)收購統一食品，交易透過本集團之內部現金資源全數撥支。於二零零八年四月二日交易完成當日，統一食品成為本集團之全資附屬公司。統一食品為新加坡包裝豆腐之市場領導者，估計市場佔有率為60%。除豆腐外，其亦專注製造豆腐花、豆奶、油豆腐、麵條及醃菜等。除本地銷售外，產品亦出口至歐洲、亞洲、新西蘭、南非及杜拜等市場。

本集團認為此項收購是一項重要策略性部署，除開拓本集團熟悉之業務，同時亦彰顯本集團積極拓展切合本集團持續發展核心業務之決心。日後，本集團將保持統一食品優質製造及服務水平之企業文化。不言而喻，本集團將致力運用其雄厚之全球性資源，協助統一食品之未來發展。



CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

OUTLOOK AND STRATEGY

Looking ahead, we are cautiously optimistic that the retail environment of the majority of our major markets, including Hong Kong, Mainland China and Australia and New Zealand, is likely to remain stable as their economies stay on their respective growth track. On the other hand, operating cost will be an increasingly thorny issue in view of the escalation of raw material cost, which would likely be aggravated by fluctuations in supply. Furthermore, the rise of wages and other operating expenses will accentuate the challenge of cost management while the profitability of businesses could possibly be subject to depletion in a volatile foreign exchange market.

In Hong Kong, our key business emphasis in the current year will be to engage in active product innovation and aggressive marketing to drive business growth, although sales growth might be at a relatively slower pace after a buoyant 2007.

In June 2008, we have revamped the VITASOY logo and product package in Hong Kong and Macau to refresh and rejuvenate the VITASOY brand. The new package gives a more modern look by combining the brand's Chinese and English trademarks and embracing the bilingual culture of Hong Kong. The colours and graphics are meant to appeal to the consuming public at large, particularly the younger generation. In the months ahead, we are launching a series of marketing and advertising activities to support the revamping programme and to reinforce the market position of the VITASOY brand. I will elaborate on this programme in the extended part of this Statement.

Regarding our tuck shop business in Hong Kong under Vitaland, we will take a more selective approach in business development by focusing on the quality instead of quantity of business partners to ensure better profitability. Steps have been taken to streamline operation by automating the ordering process to speed up transactions. Needless to say, we will also strive to manage costs pragmatically, for example, by adopting a more effective procurement strategy.

Mainland China is expected to remain a high-growth market for us in the foreseeable future. Robust domestic consumption is expected to drive GDP growth and enliven the prospects for the sale of consumer products. However, rising inflation and thus higher operating cost in this market should be regarded as a major challenge. Besides, the promulgation of new labour protection legislation will no doubt have extra cost implications for business operators.

展望及策略

展望未來，本集團保持審慎樂觀態度，相信大部分之主要市場，包括香港、中國內地以及澳洲及新西蘭之經濟仍持續發展，零售環境預期將保持穩定。另一方面，由於原材料價格攀升加上供應波動，營運成本問題將漸趨嚴重。此外，工資及其他營運開支上升將增加對成本管理之挑戰，而業務之盈利能力亦可能因外匯市場反覆波動而備受影響。

香港方面，本集團本年度之業務重點將以產品創新及積極市場推廣策略推動業務增長，但其增長步伐可能未及經濟蓬勃之二零零七年，而有所放緩。

本集團已於二零零八年六月在香港及澳門市場革新維他奶品牌標誌及產品包裝，務使維他奶品牌更清新、更時尚。新包裝把中、英文品牌之商標拼貼在一起，令設計更時尚，並且切合香港之雙語文化。採用之顏色及圖案均迎合大眾消費者，尤其是年青一代。未來數月，本集團將推出一系列廣告宣傳及市場推廣活動作配合，並藉以鞏固維他奶品牌之市場地位。本人將於本報告書延續部份詳述有關品牌革新事宜。

就維他天地於香港經營之學校食物部業務而言，本集團在業務發展方面，將更嚴謹挑選業務夥伴，務求重質不重量，確保更佳之盈利能力。本集團已採取更精簡之營運模式，將落單過程自動化以加快交易速度。本集團亦致力進行實效之成本管理，例如採納更具效益之採購策略。

預期中國內地在可見將來將繼續成為本集團之高增長市場。強勁之國內消費將推動國內生產總值增長，並帶動消費品之銷售。然而，上升之通脹壓力及經營成本之增加均成為本集團面對之重要挑戰。此外，新勞動保障法之頒佈將無可避免令業務經營者之成本增加。



CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

With rising affluence especially in the major cities and consumers' increasing health awareness, our systematic effort in brand building and soy benefit education should continue to pay off in terms of sales growth, brand loyalty and market penetration in Mainland China. In the coming year, we will deepen the execution of our "core business, core brand and core city" to drive the growth of sales and market share by expanding our distribution channels and introducing a broader range of products.

We believe the operating environment in Australia and New Zealand will be positive in the coming year as their respective economy continues to grow, although rising costs and intense competition on price will remain major issues. To spur sales growth, our strategic focus will be on product innovation and revamping product packaging. For instance, a new one-litre refrigerated product, VITASOY Rice Milk, will be launched together with other new one-litre aseptic varieties. Notwithstanding severe competition, we will maintain our premium retail shelf price to defend our brand's premium market position while adhering to our current promotion strategy to drive both volume consumption and consumer trial. At the same time, we will fortify our market position by maintaining superior product and service quality.

In the North American market, we will drive the sales of existing products, including tofu and pasta, in traditional business channels, expand our private-label tofu business, focus on alternate channels such as food service, club store and so on, and continue to develop the supermarket and "natural" businesses. New product growth will be driven by the launch of single-serve Aseptic Soymilk and the development of innovative seasonal and specialty soymilk products. With a view to further improving our bottom line, we will focus on cost management by enhancing trade spending efficiency. In view of the rise in raw material costs, we might consider to raise the price of our products where possible during the year.

Globally, the development of the supply situation in the commodity market over the last twelve months has been challenging. The prices of oil and key agricultural products such as soyabean, wheat and corn have seen significant surges and have become volatile, thus making materials procurement and business planning more important.

Such uncertainty has been caused by a multitude of factors, including erratic climates (droughts, floods, extreme cold, etc.), bio-fuel development, increasing demand of food from emerging economies and, last but not least, speculative activities in the worldwide commodity market.

隨著主要城市之生活水平日益富裕，及消費者健康意識日高，按計劃推行之建立品牌及宣傳大豆益處等工作，於中國內地之銷售增長、品牌忠誠度以及市場拓展方面，漸見成果。本集團將於來年進一步執行「核心業務、核心品牌及核心城市」策略，透過擴展分銷渠道及推出更多元化產品，增加銷量及市場佔有率。

澳洲及新西蘭方面，雖則仍存在成本上漲及價格競爭加劇等問題，但因其各自之經濟仍能持續增長，故本集團對這兩個市場之經營環境仍相當樂觀。為刺激銷售額增長，本集團之重點策略將集中創新產品及革新產品包裝，例如，推出全新一公升鮮凍維他奶米奶產品及一系列一公升無菌紙包裝新產品。儘管面對激烈競爭，但本集團仍會維持較高零售價以保持本集團品牌之優越市場定位，並貫徹現有宣傳策略以提高銷量及吸引消費群。同時，本集團將會透過維持優質產品及服務質素鞏固市場地位。

在北美洲市場方面，本集團會在傳統銷售渠道提高現有產品包括豆腐及意大利麵食之銷售額、擴充自家品牌豆腐業務、集中拓展其他銷售渠道如餐飲業、會員制折扣商店等以及繼續拓展超級市場及「天然」食品店等。新產品之增長將由單次飲用無菌包裝豆奶以及發展嶄新之季節性及特色豆奶產品所帶動。為進一步改善盈利，本集團注重成本管理，並會透過提升零售點之宣傳推廣費用之效益達成目標。由於原材料成本上漲，本集團將會在可行情況下考慮於本年度提高產品價格。

全球商品市場於過去十二個月之供應發展情況仍具挑戰。由於燃油及主要農產品如大豆、小麥、玉米之價格大幅上升及波動，故本集團更為著重原材料採購及業務計劃。

究其不穩定局面之原因，包括不穩定氣候如旱災、水災及嚴寒天氣等，生物燃料之發展，發展中地區對食品增加之需求，以及最後但同樣重要之原因是環球商品市場之投機活動。

CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

It is therefore imperative for us to ensure a high degree of flexibility in our pricing policy. We will also step up our effort in materials procurement in order to mitigate the adverse impact of raw material price increase.

BOARD OF DIRECTORS

On reaching the retirement age, Mr. John Shek-hung LAU resigned from the Board as Executive Director and from the Group as Senior Director — Finance and Administration with effect from 1st December, 2007. On behalf of the Board, I would like to thank Mr. Lau for his loyalty and valuable contribution in an illustrious tenure of 19 years and to wish him all the best.

Mr. Ambrose Kam-shing CHAN resigned as Executive Director of the Board and Chief Executive, Asia with effect from 25th July, 2007. We thank him for his past contribution to the Company and wish him continued success.

Mr. Laurence P. EISENTRAGER was appointed an Executive Director of the Board with effect from 20th July, 2007. On 1st August, 2007, Mr. Eisentrager was promoted from his former position of Chief Executive, Hong Kong to the newly created position of Group Chief Executive Officer to take up most of the executive responsibilities for the Group's major markets and operating units. This is a major step taken by the Group to be in line with one of the best practices in corporate governance by separating the roles of the board chairman and chief executive officer to ensure more effective checks and balances.

CONCLUSION

In concluding, I wish to thank the Board of Directors for their wise counsel and guidance. I also wish to thank our shareholders, customers and business partners for their continued support. Last but not least, I must extend my heartfelt appreciation to all my colleagues whose devotion, ingenuity and hard work have been and will remain crucial to the Company's good performance.

Winston Yau-lai LO

Executive Chairman

3rd July, 2008

故此本集團會致力採取高度靈活性之價格政策。本集團亦會於材料採購方面作出努力，以減低因原材料價格上升帶來之不利影響。

董事會

劉錫鴻先生因屆滿退休年齡，於二零零七年十二月一日起退任董事會執行董事及本集團財務及行政高級總監職務。本人謹代表董事會向劉先生表示衷心謝意，感謝其在任十九年間對本公司之忠誠及所作之寶貴貢獻，並謹祝其萬事勝意。

陳錦勝先生於二零零七年七月二十五日起辭任董事會執行董事及亞洲區行政總裁職務。本集團謹此向陳先生表示謝意，感謝其過去對本公司作出之貢獻，並祝其事事順利。

黎信彥先生於二零零七年七月二十日起獲委任為董事會執行董事。於二零零七年八月一日，黎信彥先生由香港區行政總裁晉升至集團行政總裁，肩負本集團主要市場及營運單位之大部份行政職責。此乃本集團為符合企業管治最佳守則而達成之重要一步，用意是區分董事會主席與行政總裁角色，確保達致更具效益之制衡機制。

總結

總括而言，本人謹此衷心感謝董事會之寶貴意見及指導，以及股東、客戶及業務夥伴對本集團之不斷支持。最後但同樣重要的是，本人對全體同事深表謝意，本集團過往及未來之成功實有賴他們之熱忱、創意及努力。

羅友禮

執行主席

二零零八年七月三日

CHAIRMAN'S STATEMENT (CONTINUED)
主席報告書(續)

VITASOY REVAMP IN HONG KONG MARKET

Growing up with Hong Kong people, VITASOY has always shared a sense of friendliness and warmth with us. People – be they children, teenagers or adults – always feel warm when they see the brand, to such an extent a strong emotional relationship has been gradually built up between VITASOY and its consumers. Over the years, VITASOY has walked hand-in-hand with Hong Kong people and has become a widely-known brand, a brand that Hong Kong people are truly proud of.

Upholding the "Vitasoy Spirit", VITASOY always encourages Hong Kong people to pursue continuous progression and improvement. For this reason, VITASOY is staging a major campaign in Fiscal 2008/2009 including a new TV commercial, a new packaging design and various new products to meet consumers' diverse needs. This VITASOY campaign seeks to motivate Hong Kong people in a positive way and encourages everyone to go for improvement and better things in life.

維他奶於香港市場之品牌革新

陪伴香港人成長的維他奶，總給人親切友善的感覺，不論小朋友、年青人或成年人，看見維他奶無不會心微笑，兩者不知不覺間建立起深厚感情。維他奶多年來與香港人並肩向前，成功打造家喻戶曉的品牌形象，是香港人引以為傲的典範。

維他奶貫徹這種「維他奶精神」，支持香港人不斷創新、追求進步的態度。因此，本集團於二零零八／二零零九財政年度為品牌展開龐大宣傳計劃，包括推出全新電視廣告、嶄新包裝設計及迎合消費者需求的新產品。維他奶的宣傳攻勢一浪接一浪，不斷力求創新，正面推動香港人，鼓勵大家走出一大步，追求進步。



CHAIRMAN'S STATEMENT (CONTINUED)

主席報告書(續)

ALL-NEW VITASOY PACKAGING

The new VITASOY packaging not only provides a whole new refreshing look, it also serves to preserve VITASOY's strong connection with Hong Kong people.

- The designer has skillfully combined VITASOY's Chinese and English trademarks, making the design look more contemporary and in line with the bilingual culture of Hong Kong.
- The new packaging highlights the VITASOY brand emphasizing VITASOY as a successful local brand with a leading position in the beverage industry.
- Original packaging colours of Regular and Malted flavour of VITASOY are retained to preserve the familiar feeling with VITASOY.
- Soymilk is a natural and healthy drink. The designer has brought out this characteristic by using a pure-white colour background for flavour range of VITASOY. The special ingredients and colours for each flavour illustrate the enjoyment of a variety of tastes.
- Targeted at teenage consumers, the new VITASOY packaging design uses vivid graphics of the ingredients to feature each flavour, in turn portraying a sense of youthfulness and vitality.

維他奶包裝新面貌

維他奶豆奶一系列全新包裝，除了帶來精彩新面貌外，更保留了維他奶與香港人心連心的聯繫。

- 設計師巧妙地把中、英文的維他奶、VITASOY商標拼在一起，令設計更時尚，而且切合香港的雙語文化。
- 新包裝彰顯了維他奶商標，肯定了維他奶作為成功香港品牌及於飲品行業的領導地位。
- 保留了原味維他奶及麥精維他奶的原有色系，保持熟悉的感覺。
- 豆奶，是純正健康的天然飲品，設計師便以純白顏色襯托，將這個特點於新口味維他奶的包裝中表現出來，配以每款口味的獨特配料及顏色，呈現互相融合的美味享受。
- 為迎合年青消費者，一系列新口味維他奶更活潑地展示各自的配料圖案，動感十足地環繞整個包裝，充滿年輕活力。





MANAGEMENT REPORT

管理層報告書

To stay in line with industry practice, we started to show the turnover figures on net sales basis by deducting rebates and discounts from gross sales revenue beginning Fiscal 2007/2008. We believe that this brings our financial statements to international standard and makes benchmarking more easily. Prior year numbers have been adjusted accordingly in the interest of consistency.

為切合行業慣例，本集團自二零零七／二零零八財政年度起將回扣及折扣從總銷售收入扣除，以銷售淨額報告營業額。本集團相信此舉令本集團之財務報表規格能達致國際水平及更容易作出比較基準。過往年度之數字已據此作出調整，以使所有呈報數字能得以作比較。





Organic
& Fresh

**MANAGEMENT REPORT (CONTINUED)****管理層報告書(續)****TURNOVER**

The Group's net sales revenue in Fiscal 2007/2008 was HK\$2,416 million, up 15% from HK\$2,109 million in Fiscal 2006/2007. This growth was attributable mainly to the steady to strong performance of the Hong Kong, Mainland China and Australian and New Zealand operations respectively as well as North America's positive sales growth.

In Hong Kong, net sales increased steadily by 5% against the backdrop of a robust retail market as the Group continued to roll out a large array of new products to drive demand growth and expand market share. In Mainland China, under the "core business, core brand and core city" strategy, net sales grew strongly by 59%, which speaks for the Group's incessant and strenuous effort in brand building, distribution network expansion and market penetration. The Australian and New Zealand operation delivered consistently impressive results by growing its net sales by 28% year-on-year as it continued to benefit from the Group's brand equity and product innovation capabilities. Notwithstanding a general decline in market demand, the Group's North American operation resumed its growth momentum by recording a moderate growth of 8% after re-focusing on core competencies, developing alternate distribution channels and penetrating into the ethnic market segment.

GROSS PROFIT

The Group's gross profit for the year was HK\$1,131 million, up HK\$152 million or 16%. Owing to stringent control of cost of sales, gross profit margin was able to be maintained at 46%.

OPERATING EXPENSES

Total operating expenses were up by 14% to HK\$892 million, representing 37% of net sales. Marketing, selling and distribution expenses stood at HK\$541 million, up 16% as a result of more promotions and marketing activities to reinforce the Group's brands as well as investment to expand and strengthen the distribution capability.

EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION EXPENSES ("EBITDA")

EBITDA for the year was HK\$391 million, up HK\$47 million or 14%. EBITDA margin to net sales was maintained at 16%.

營業額

本集團於二零零七／二零零八財政年度之銷售收入淨額為港幣2,416,000,000元，較二零零六／二零零七財政年度之港幣2,109,000,000元上升15%。此增長主要有賴於香港、中國內地、澳洲及新西蘭等市場之穩定至強勁之業績表現，以及北美洲市場之銷售增長。

在香港，銷售淨額於零售市場蓬勃之環境下錄得5%之穩健增長，原因是本集團不斷推出大量新產品以刺激需求增長及擴大市場佔有率。於中國內地則採取「核心業務、核心品牌及核心城市」之策略，令銷售淨額大幅增加59%，亦引證本集團於品牌建立、拓展分銷網絡及開拓市場方面努力不懈之成果。澳洲及新西蘭業務繼續藉著本集團之品牌價值及產品創新能力而持續錄得驕人成績，銷售淨額按年增加28%。儘管北美市場需求整體下降，本集團之北美洲業務於重新專注發展核心強項、開拓不同分銷渠道及擴大發展亞裔市場等工作後重拾增長動力，銷售錄得8%之溫和增長。

毛利

本集團於本年度之毛利為港幣1,131,000,000元，升幅為港幣152,000,000元或16%。由於嚴格控制銷售成本，毛利率得以維持於46%。

經營費用

總經營費用增加14%至港幣892,000,000元，佔銷售淨額37%。由於為強化本集團品牌而增多之宣傳及市場推廣活動，加上擴充及加強分銷能力之投資，推廣、銷售及分銷費用達港幣541,000,000元，上升16%。

未計利息、稅項、折舊及攤銷費用前盈利("EBITDA")

本年度之EBITDA為港幣391,000,000元，增長港幣47,000,000元或14%。EBITDA維持佔銷售淨額之16%。



MANAGEMENT REPORT (CONTINUED)

管理層報告書(續)

PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

For the year ended 31st March, 2008, profit attributable to equity shareholders of the Company was HK\$211 million, representing an increase of 21% from Fiscal 2006/2007.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's financial position has remained very strong. As at 31st March, 2008, the Group was in a healthy net cash position of HK\$444 million (31st March, 2007: HK\$368 million). Banking facilities available to but not used by the Group amounted to HK\$351 million.

As at 31st March, 2008, the Group's borrowings (including obligations under finance leases) amounted to HK\$105 million (31st March, 2007: HK\$132 million). The gearing ratio (total borrowings/total equity attributable to equity shareholders of the Company) was 8% (31st March, 2007: 10.5%).

The Group incurred capital expenditures totalling HK\$88 million in Fiscal 2007/2008 (Fiscal 2006/2007: HK\$135 million), which was primarily funded by cash generated from various operations.

CHARGES ON GROUP ASSETS

As at 31st March, 2008, certain assets of the Group with an aggregate carrying value of HK\$38 million (31st March, 2007: HK\$35 million) were pledged under certain loans and lease agreement.



本公司股權持有人應佔溢利

截至二零零八年三月三十一日止年度，本公司股權持有人應佔溢利為港幣211,000,000元，較二零零六/二零零七財政年度增加21%。

流動資金及財務資源

本集團之財務狀況仍然非常穩健。於二零零八年三月三十一日，本集團之現金淨額維持於港幣444,000,000元(二零零七年三月三十一日：港幣368,000,000元)之穩健水平。本集團可動用而未提取之銀行信貸達港幣351,000,000元。

於二零零八年三月三十一日，本集團之借貸(包括融資租賃之債務)為港幣105,000,000元(二零零七年三月三十一日：港幣132,000,000元)。借貸比率(借貸總額與本公司股權持有人應佔權益總額之比率)為8%(二零零七年三月三十一日：10.5%)。

本集團於二零零七/二零零八財政年度錄得之資本開支共達港幣88,000,000元(二零零六/二零零七財政年度：港幣135,000,000元)，主要以經營業務所得之現金撥付。

本集團資產之抵押

於二零零八年三月三十一日，本集團賬面值合共港幣38,000,000元(二零零七年三月三十一日：港幣35,000,000元)之若干資產已用作若干貸款及租賃協議之抵押。





MANAGEMENT REPORT (CONTINUED)

管理層報告書(續)

FINANCIAL RISK MANAGEMENT

The Group's financial management focuses on controlled management of risks, with transactions being directly related to the underlying businesses of the Group. The Group operates a central cash and treasury management system for all its subsidiaries. Borrowings are normally taken out in local currencies by the Group's operating subsidiaries to fund and partially hedge their investments.

The financial risks faced by the Group arise mainly from the fluctuation of interest rates and exchange rates. The Group makes use of financial instruments, where appropriate, to manage those risks. At the end of Fiscal 2007/2008, the Group had no significant exposures under foreign exchange contracts or financial derivatives.

EMPLOYMENT, TRAINING AND DEVELOPMENT

The Group's human resources strategy focuses on recruiting, developing, motivating and retaining the best talent needed for business growth and development. Under this strategy, the Group strives to provide a genial as well as safe and healthy working environment for employees. It also promotes a corporate culture that encourages excellence and self-actualisation at all levels.

The Group adopts a highly prudent and pragmatic approach in human resources management. During Fiscal 2007/2008, the number of full-time staff increased by 8% to 2,649. This increase was necessitated by business growth and the need to be prepared for the Group's long-term development.

In Hong Kong, to attract and retain people, the Group has introduced the Staff Provident Fund and Mandatory Provident Fund (MPF) Top-up Scheme Benefits Enhancement, the Rental Reimbursement Programme and the Medical Check-up Scheme.

財務風險管理

本集團之財務風險管理重點在於管控風險，所有交易必須與本集團之相關業務有直接關係。本集團為其所有附屬公司實行中央現金及財政管理制度。本集團之各營運附屬公司一般以當地貨幣借貸注資，因而對沖部分出資匯率風險。

本集團所面對之財務風險主要與利率及匯率波動有關。本集團於需要時利用金融工具管理該等風險。於二零零七／二零零八財政年度年結日，本集團並無有關外匯合約或衍生金融工具之重大風險。

僱員、培訓及發展

本集團之人力資源策略旨在聘用、培訓、激勵及挽留優秀人才以促進業務增長及發展。根據此策略，本集團致力為僱員提供舒適、安全及健康之工作環境。本集團亦同時推廣企業文化，鼓勵各階層僱員發揮潛能、實現自我。

本集團於人力資源管理方面採取審慎務實態度。於二零零七／二零零八財政年度，本集團之全職僱員人數增加8%，達至2,649人。此增長乃為配合業務發展所需，並為本集團之長遠發展做好準備。

於香港，為吸引及挽留人才，本集團已同時增加職工福利公積金計劃的供款及強制性公積金計劃內的額外供款，並增加租住居所津貼計劃及僱員身體檢查計劃等福利。





MANAGEMENT REPORT (CONTINUED)

管理層報告書(續)

As regards employee motivation, the Group's performance management system recognises and rewards those who contribute their best to the Company. The policies on remuneration aim at retaining the best people and encouraging them to develop a long-term career within the Group. The remuneration packages for the staff (including executive directors) comprise basic salaries, discretionary bonuses, and other long-term benefits. The variable elements are pegged to the performance of both individual employees and the Group as a whole, and are meant to reflect the value generated by everyone during the year.

In order to facilitate the cultivation of the Group's talent in Hong Kong, a Talent Management Scheme has been introduced, which provides staff with a formal channel for career enhancement and personal development. The Group encourages all staff to further develop themselves by continuous learning and to enhance their work performance by attending training programmes. A comprehensive and up-to-date set of training programmes is available internally to cater for training needs. During Fiscal 2007/2008, 225 training programmes were offered in Hong Kong with an average duration of 2.65 hours each, covering such topics as management, quality control and production. These were attended by a total 8,071 participants at all levels. At the Mainland China-based plants in Shenzhen and Shanghai respectively, a total of 372 training programmes were held with an average duration of 13.11 hours each, attended by 4,748 participants. The Group also supports employees' initiative to attend external training and education programmes, including MBA and other degree courses, by offering financial sponsorship in accordance with a set of criteria.

The Group recognises its role in ensuring and developing a safe and healthy working environment for employees. The safety and health committees established in the Group's various operations are responsible for constantly improving safety and health in the workplace. These committees carry out risk assessment of work sites regularly, establish and update policies and guidelines for improvement, and take corrective action where necessary. Regular and intensive training on safety and health is also provided for the staff.

The Group recognises the importance of developing and implementing a corporate culture that is conducive to its stakeholders, including shareholders, customers and employees. In support of this, and in order to enhance internal customer service and teamwork, a company-wide programme known as "Come Aboard the Service Excellence" has been launched during the year.

在激勵僱員方面，本集團之工作表現管理系統對本公司貢獻良多之僱員加以肯定及獎勵。薪酬政策旨在挽留優秀人才並鼓勵他們於本集團發展長遠事業。員工(包括執行董事)之薪酬福利包括基本薪金、酌情花紅及其他長期福利等。該等可變因素均與個別僱員之表現及本集團之業績掛鉤，亦藉以反映各員工於年內作出之貢獻。

為配合本集團之人才發展計劃，本集團於香港推行了一項人才管理計劃，為員工提供正式之事業及個人發展。本集團亦鼓勵所有員工透過持續學習進一步發展個人才能，並透過參加培訓計劃提升工作表現。本集團提供一系列最新且內容廣泛之內部培訓課程以配合培訓需要。於二零零七/二零零八財政年度，於香港提供225個培訓課程，平均歷時2.65小時，涵蓋管理、品質控制及生產等題目。各級別合共8,071名員工曾參加該等課程。位於中國內地之深圳及上海廠房合共舉辦了372個培訓課程，平均歷時13.11小時，共有4,748名員工參加。本集團亦根據若干準則提供財政資助，資助員工修讀外間舉辦之培訓及教育課程，包括工商管理碩士及其他學士課程。

本集團深明須為僱員確保及發展一個安全及健康之工作環境。本集團各業務分部均設有職業安全及健康委員會，專責不斷改善工作地點之安全及健康事宜。委員會定期對工作地點進行風險評估，制定及更新改善政策及指引，並在需要情況下作出糾正行動。本集團亦就職業安全及健康等環節為員工提供定期深入之培訓。

本集團深明發展及執行對權益持有人(包括股東、客戶及員工)有利之企業文化之重要性。為表支持及提升內部客戶服務及團隊精神，年內已推出涵蓋全公司「齊心趕上優質號」之計劃。



CORPORATE SOCIAL RESPONSIBILITY

The Group is committed to being a financially successful as well as a socially responsible corporation. From the corporate social responsibility perspective, it strives to integrate its contribution to society into its business activities on a day-to-day basis.

Health and Wellness

The Group promotes a healthy diet among consumers by offering a wide range of high-quality, nutritious and tasty products. One of the obvious examples is the launch of a whole series of “less sweet” or “low sugar” products during the year to address the health consciousness of consumers. The Group, through Hong Kong Gourmet, actively participated in the ‘EatSmart@school.hk’ campaign organised by the Department of Health, and conducted seminars to promote healthy eating at school.

The Group participated in several activities promoting health and wellness in the community. These included the Care for Your Heart’s charity walk, the Children’s Heart Foundation’s annual exhibition, and health talks hosted by the Chinese University of Hong Kong. In Hong Kong, the Group also supported the Hong Kong Breast Cancer Foundation’s Breast Friends Campaign to help increase the awareness of its staff and consumers to breast cancer. Meanwhile, Vitasoy USA supported the nationwide October Breast Health Month by launching an e-newsletter and organic soymilk, dubbed “Pinkies” in a specially designed pink 8-ounce package.

Community Support

In Fiscal 2007/2008, the Group continued to make cash and in-kind contributions to charitable organisations in the communities where it operates. It is a long-term supporter of the Community Chest of Hong Kong, World Vision Hong Kong, Oxfam Hong Kong, the Salvation Army, Outward Bound Hong Kong and ORBIS.

To celebrate the 10th anniversary of the establishment of HKSAR, we partnered with the Friends of Hong Kong Association and the government to provide 70,000 VITASOY coupons with a face value of HK\$10 each to school children born in 1997. The Group also supported other celebration activities, including events organised by the Hong Kong Federation of Women and the Birthday Party for Children Aged 10 held by the HKSAR Government.



企業社會責任

本集團致力成為財政穩健、具社會責任之企業。就企業社會責任而言，本集團力求將貢獻社會之精神融入為日常業務之一部分。

健康生活

本集團透過提供各種優質、營養豐富及美味可口之產品向消費者推廣健康飲食。明顯之例子是於年內推出一系列「少甜」或「低糖」產品，以回應消費者對健康意識之重視。本集團透過香港美食積極參與衛生署舉辦之「健康飲食在校園」運動，並於學校舉辦座談會推廣健康飲食。

本集團參與多項為推廣健康生活之社區活動，包括關心你的心之步行籌款、兒童心臟基金會之健康展覽及香港中文大學舉辦之健康講座。在香港，本集團亦支持香港乳癌基金會之乳癌教育計劃，並協助提高員工及消費者對乳癌之認識。同時，本集團美國公司亦響應十月份之全國乳癌認知月，推出電子通訊及特別以粉紅色設計之八安士包裝之「Pinkies」有機豆奶。



社會服務

於二零零七／二零零八財政年度，本集團繼續對其營運所在社區之慈善機構捐贈現金及實物。本集團亦為香港公益金、香港世界宣明會、香港樂施會、救世軍、香港外展訓練學校及奧比斯之長期活動贊助商。

為慶祝香港特別行政區成立十週年，本集團與香港友好協進會及政府合作向一九九七年出生之學童贈送70,000張面值各港幣10元之維他奶贈券。本集團亦贊助其他慶祝活動，包括香港各界婦女聯合協進會舉辦之活動及香港特別行政區政府特別為一班十歲之兒童舉辦之生日會。



MANAGEMENT REPORT (CONTINUED)

管理層報告書(續)

In late January 2008, Vitasoy China supported the commuters stranded at the Guangzhou train station during the blizzards and ice storms in Mainland China before the Chinese New Year by donating 50,000 VITASOY soymilk drink packs.



Our staff contributed to the community by volunteering their time to support various charitable events, including Oxfam Trailwalker, the Breast Cancer Foundation Walkathon and the Standard Chartered Hong Kong Marathon.

In education, the Group continued to support school activities and underprivileged university students through its bursary funds while continuing to be an active supporter of the HKSAR Government's School-Business Partnership Programme that aims to help foster positive attitudes towards working life among secondary school students. The Group is also a business partner of the Youth Employment Start (Y.E.S.) Programme organised by the Labour Department and provides skill training and mentorship to local young people.

Relief for Victims of Sichuan Earthquake

In a more recent development, in response to the Sichuan earthquake that occurred in May 2008, causing widespread hardship to the people in affected areas, the Group made its donations and called upon its staff to donate while at the same time pledged to match staff's donations with an equal amount. As a result, a total of over HK\$700,000 was raised to help the victims through the Red Cross.

Environment

To support environmental protection, the Group launched a paperless office campaign to encourage staff to reduce their paper use by storing documents in the Document Management System. It continues to minimise industrial waste generated from production processes, and uses an increasing number of environmentally friendly delivery trucks to reduce emissions. All lunch boxes and utensils used in the Group's catering business are made from recyclable materials.

於二零零八年一月底，本集團中國內地公司捐出 50,000 盒維他奶豆奶飲品，支援農曆年前受中國內地雪災影響滯留於廣州火車站之乘客。

本集團員工利用公餘時間參與多項慈善活動，包括樂施會毅行者、香港乳癌基金會步行籌款及香港渣打馬拉松。



教育方面，本集團透過其助學金不斷支持學校活動及資助有需要之大學生，同時繼續積極支持香港特區政府之「商校合作計劃」，該計劃旨在幫助中學生建立正面之工作態度。本集團亦是勞工處舉辦之「青年就業起點計劃」之商業夥伴，為本地年輕人提供技能培訓及指導服務。

為四川大地震災民賑災籌款

最近，於二零零八年五月發生之四川大地震令當地居民飽受災害。本集團率先捐出款項，並在呼籲員工捐獻之同時，額外捐出一筆相等於員工捐款總額之善款。最後合共籌得逾港幣 700,000 元，並透過紅十字會賑濟災民。

環境

為支持環保，本集團推出無紙工作間，鼓勵員工透過於文件管理系統儲存文件以減少用紙。本集團持續將生產過程所產生之工業廢料減至最低，並增加使用環保運輸貨車以減少排放廢氣。本集團餐飲業務採用之所有飯盒及餐具均以可循環再造物料製造。



RECOGNITION AND AWARDS

In Hong Kong, VITASOY brand was awarded the "Hong Kong Proud Corporate Brand 2007 — Panel Judge Award" in the Food Category (Miscellaneous Food & Oil Category), and "Yahoo! Emotive Brand Awards" in the Beverage Category. The award was jointly organised by The Chinese University of Hong Kong and Ming Pao, a local newspaper. The VITASOY brand was also voted one of the Top Ten Favourite Brands in a supermarket election and the "Consumers' Most Favourable Hong Kong Brands (Golden Brands) 2008".

The Group was again authorised to display the Caring Company logo by the Hong Kong Council of Social Services (HKCSS), and Vitaland was awarded the Certificate of Outstanding Performance by the Employees Retraining Board.

表揚及嘉許

在香港，維他奶品牌榮獲由香港中文大學及本地報章《明報》聯合舉辦之「香港驕傲企業品牌評選團大獎」(食品、糧油類別)及在「Yahoo! 感情品牌大獎」飲品類別中奪得殊榮。維他奶品牌亦於一超級市場選舉中獲選為「十大最受歡迎品牌」，及「2008消費者最喜愛香港名牌金獎」。

本集團再次榮獲香港社會服務聯會商界展關懷之嘉許，而維他天地則獲僱員再培訓局頒發僱主優異獎。





Energetic & Healthy





MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

HONG KONG

香港

Production Efficiency

生產效率

| By Location of Assets (Production Plant) 按資產(生產廠房)所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|---------|------------------------------------|------------------------------------|-------------------|
| Revenue | 收入 | 1,281 | 1,099 | 17 |
| Segment Result | 分部業績 | 235 | 222 | 6 |
| Segment Net Operating Assets | 分部淨營運資產 | 474 | 475 | (0.2) |

The Group's production plant in Tuen Mun supports both domestic sales and exports to markets in Europe, Macau, Southeast Asia and the Americas. For the year ended 31st March, 2008, net sales revenue generated by this plant and the Group's catering business reached HK\$1,281 million, increasing by 17% over the previous year. The segment result for the year was HK\$235 million (2006/2007: HK\$222 million).

本集團之屯門生產廠房供應本地市場，以及分佈歐洲、澳門、東南亞及美洲之出口市場。截至二零零八年三月三十一日止年度，該廠房及本集團餐飲業務之銷售收入淨額為港幣1,281,000,000元，較去年上升17%。本年度之分部業績為港幣235,000,000元(二零零六/二零零七年：港幣222,000,000元)。

Market Performance

市場表現

| By Location of Customers 按客戶所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|---------------|------------------------------------|------------------------------------|-------------------|
| Revenue — Hong Kong Domestic Market | 收入—香港本銷 市場 | 1,259 | 1,195 | 5 |
| Revenue — Export Markets | 收入—出口市場 | 100 | 84 | 19 |



MANAGEMENT REPORT (CONTINUED)

管理層報告書(續)

HONG KONG (CONTINUED)

Market Performance (continued)

(1) Hong Kong Domestic Market

The Hong Kong economy sustained above-trend growth in 2007 with real GDP rising by 6%. The performance of the retail sector was robust as demand continued to rise with an improved job market and higher labour income. At the same time, however, inflationary pressure was intensifying as a result of higher domestic demand and the volatility of the foreign exchange market that led to more costly imports.

The non-carbonated beverage sector flourished last year as consumption grew in both volume and value terms. The obvious upward trend of the Consumer Price Index helped justify increment in the retail prices of beverage products. As a result, the growth in the total value of related beverage consumption outpaced that of volume, though only by a small margin.

Supported by its strong brand equity, product innovation, and marketing and sales prowess, the Group's Hong Kong operation continued to maintain its leading market position. In terms of product offerings, the core categories — Ready-To-Drink Tea, Soymilk and Distilled Water — performed strongly while the introduction of a record number of new products and tastes also boosted sales. These new products include VITASOY Jasmine Soya Bean Milk, reformulated VITASOY Chocolate Soya Bean Milk, VITA Double Chocolate Milk, VITA Biluochun Tea, VITA Osmanthus Oolong Tea, VITA Pear Chrysanthemum Tea, VITA Mango and Orange Juice Drinks and various new flavours under the GOR YIN HAI, TSING SUM ZHAN and CHA T DIN brands. A seasonal product, Ginger VITASOY Soya Bean Milk was also introduced with good response during the last winter season. More importantly, through product innovation to address the healthy diet trend, the Group's market position has been significantly reinforced by the introduction of such new products as "Less Sweet" VITA Lemon Tea, "Low Sugar" VITASOY Soya Bean Milk and the CALCI-PLUS Fresh Soya drink range.

On top of those, the Group also pioneered the organic VITASOY SAN SUI Tofu range which immediately drew enthusiastic response from the market when first launched in May 2007 and has since been capturing a substantial slice of the packaged tofu market. The range now includes Silken Tofu, Pan-fried Hard Tofu, and Tofu Dessert with different flavours. Meanwhile, the Group launched VITASOY Soya Bean Hot Pot Soup in November 2007. These initiatives represent a significant step taken by the Group to establish a presence in the cooking ingredient and dessert segments.

香港(續)

市場表現(續)

(1) 香港本銷市場

香港經濟於二零零七年維持高增長水平，實際本地生產總值上升6%。隨著就業市場改善及薪酬提升帶動需求增加，零售業表現暢旺。然而，由於本地需求增加及外匯市場波動導致出口成本上升，通脹壓力亦漸增加。

去年，由於消費量及消費額均有所增長，令非碳酸飲品行業競爭激烈。消費物價指數上升之趨勢亦證明飲料產品零售價格之升幅。因此，相關飲料消費額雖屬輕微增長但仍超逾消費量。

憑藉品牌價值、產品創新以及推廣及銷售方面之雄厚實力，本集團香港業務持續保持市場領導地位。就產品供應而言，重要產品類別如即飲茶類、豆奶及蒸餾水等均表現出色，而以破紀錄數目推出之新產品及新口味產品亦有助刺激銷量上升。該等新產品包括維他奶茉莉香豆奶、新配方維他奶朱古力豆奶、維他特濃朱古力奶、維他碧螺春茶、維他桂花烏龍茶、維他雪梨菊花茶、維他芒果橙汁飲品及多款菓然系、清心棧及茶字典品牌之新口味產品等。去年冬季推出之季節性產品維他奶暖薑豆奶市場反應亦相當不俗。更重要的是透過產品創新去迎合健康飲食潮流，譬如推出「少甜」維他檸檬茶、「低糖」維他奶豆奶及鈣思寶鮮大豆飲品等全新產品均有助鞏固本集團之市場地位。

此外，本集團亦首創維他奶山水有機豆腐系列，於二零零七年五月首度面市即引起熱烈迴響，且自始一直於包裝豆腐市場穩佔重要席位。該系列目前包括水嫩豆腐、煎釀硬豆腐、以及不同口味之豆腐花。與此同時，本集團於二零零七年十一月推出維他奶豆乳火鍋湯。推出上述產品均顯示本集團於踏足烹飪材料及甜品產品方面邁進一大步。



MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

HONG KONG (CONTINUED)

Market Performance (continued)

(1) Hong Kong Domestic Market (continued)

The Group's tuck shop and food catering businesses operated by Vitaland and Hong Kong Gourmet respectively were to some extent adversely affected by rising raw material costs and wages that became increasingly evident since the beginning of the fiscal year. While overall sales increased by 3% due mainly to the winning of several institutional accounts and being food and beverage supplier to a number of major events staged at the Hong Kong Stadium and the Hong Kong Coliseum, which was partially offset by the "early" Easter holidays in March and the extension of it due to the outbreak of flu at schools, net profit was driven down 17% by inflated operating costs. We will work closely with our business partners to protect our profit margin while keeping quality service level.

By the end of Fiscal 2007/2008, the number of tuck shops managed by Vitaland was 312, versus 302 a year ago and the Group continued to command a major market share of the business.

(2) Export Markets

The export sales of the Group's Hong Kong operation grew by 18% year-on-year. Major growth markets include Macau and Singapore.

香港(續)

市場表現(續)

(1) 香港本銷市場(續)

自本財政年度初期起，本集團分別由維他天地及香港美食經營之學校食物部及食物餐飲業務，某程度上受到原材料成本及工資上升影響。期間，因取得若干機構客戶及為多個於香港大球場及香港體育館舉行之大型活動供應餐飲服務，令整體銷售額上升3%，亦部份抵銷了於本財政年度提早來臨之三月份復活節假期及因學校爆發流感而須延長假期所帶來之影響，但淨純利仍因經營成本上漲而倒退17%。本集團將更緊密地與業務夥伴合作，務求在維持優質服務水平之同時，保持餐飲業務之利潤。

於二零零七／二零零八財政年度末，維他天地經營之食物部數目為312間，去年則為302間，本集團繼續佔有該業務市場絕大部份市場份額。

(2) 出口市場

本集團香港業務之出口銷售錄得18%之按年增長。主要增長市場包括澳門及新加坡。



MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

MAINLAND CHINA

中國內地

Production Efficiency

生產效率

| By Location of Assets (Production Plants) 按資產(生產廠房)所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|---|---------|------------------------------------|------------------------------------|-------------------|
| Revenue | 收入 | 512 | 474 | 8 |
| Segment Result | 分部業績 | 76 | 77 | (1) |
| Segment Net Operating Assets | 分部淨營運資產 | 233 | 218 | 7 |

The Group's production plants in Shanghai and Shenzhen support the Mainland China and Hong Kong markets. In the year under review, these two HACCP-accredited plants together generated HK\$512 million in net sales revenue, representing an increase of 8% year-on-year. The segment result was HK\$76 million (2006/2007: HK\$77 million). The flat result was due to the continued investment in marketing and brand building as described below.

本集團設於上海及深圳之生產廠房供應中國內地及香港市場。於回顧年度，此兩間獲頒發「危害分析和關鍵控制點」認證之廠房合計為本集團帶來銷售收入淨額港幣512,000,000元，按年上升8%。分部業績為港幣76,000,000元(二零零六／二零零七年：港幣77,000,000元)。業績維持平穩乃由於如下文所述持續投資於市場推廣及品牌建立。

Market Performance

市場表現

| By Location of Customers 按客戶所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|------------------------------------|-----------|------------------------------------|------------------------------------|-------------------|
| Revenue — Mainland China Market | 收入—中國內地市場 | 363 | 229 | 59 |

The Chinese economy continued to witness strong growth in 2007. General affluence in the major cities and consumers' increasing awareness of the importance of a healthy diet helped drive the demand growth of nutritional beverages such as soymilk.

中國經濟於二零零七年持續錄得強勁增長。隨著各主要城市日益富裕之生活水平以及消費者之健康飲食意識日高，豆奶等營養飲料之需求亦日益殷切。





MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

MAINLAND CHINA (CONTINUED)

Market Performance (continued)

The implementation of the Group's "core business, core brand and core city" strategy continued into Fiscal 2007/2008, proving to be consistently effective in driving sales and profit growth. The Group's systematic investment in brand building and in soy benefit promotion in Mainland China has been highly rewarding, giving rise to impressive results. Sales growth in Mainland China was also driven by the development of the Group's distribution network and the winning of certain key accounts in Shanghai and Shenzhen respectively. Market penetration in Southern China was particularly fruitful in the past year. In the year under review, net sales revenue generated from Mainland China amounted to HK\$363 million, up by a strong 59%.

The Group continued to benefit from business opportunities arising from the Closer Economic Partnership Arrangement (CEPA) with Mainland China. New CEPA products imported from Hong Kong include VITASOY Jasmine Soya Bean Milk and one-litre Organic VITASOY Creamy Original Soya Drink. These products were in keen demand in the core cities and they played a key part in driving sales growth in the past year. Another noteworthy development in Mainland China is that the Group has been successful in breaking into the school retail segment.

Meanwhile, the co-packing business in Mainland China continued to enhance the capacity utilisation of the two plants and contribute to the Group's financial performance.

中國內地(續)

市場表現(續)

本集團於二零零七／二零零八財政年度貫徹實行「核心業務、核心品牌及核心城市」之策略，在推動銷售額及溢利增長方面取得持續成效。本集團於中國內地按計劃地投資建立品牌及推廣大豆益處等，獲得甚佳成績。由於本集團積極拓展分銷網絡同時於上海及深圳等地取得若干重要客戶，亦帶動銷售增長。華南市場之拓展於去年尤為突出。於回顧年度，中國內地之銷售收入淨額達港幣363,000,000元，升幅強勁，達59%。

本集團持續受惠於與中國內地之更緊密經貿關係安排(CEPA)帶來之商機。從香港入口之新CEPA產品包括維他奶茉莉香豆奶及一公升有機特級維他奶原味豆奶。這些產品於主要城市需求殷切，成為去年銷售增長之主要因素。於中國內地另一值得注意之發展是本集團成功爭取學校零售市場。

目前，中國內地之委託加工業務持續提升兩間廠房之產能使用率及為本集團帶來財務貢獻。



MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

AUSTRALIA AND NEW ZEALAND

澳洲及新西蘭

Production Efficiency

生產效率

| By Location of Assets (Production Plant) 按資產(生產廠房)所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|---------|------------------------------------|------------------------------------|-------------------|
| Revenue | 收入 | 280 | 217 | 29 |
| Segment Result | 分部業績 | 57 | 40 | 43 |
| Segment Net Operating Assets | 分部淨營運資產 | 246 | 225 | 9 |

The Group's joint-venture plant in Wodonga, Victoria supports the Australian and New Zealand markets. In the twelve months to 31st March, 2008, the plant generated HK\$280 million in net sales revenue, representing an impressive increase of 29% despite a flat market. The segment result was HK\$57 million, increasing by HK\$17 million or 43% over the previous year.

本集團設於維多利亞省烏東加市之合營廠房供應澳洲及新西蘭市場。儘管市場發展平穩，截至二零零八年三月三十一日止十二個月，該廠房錄得銷售收入淨額港幣280,000,000元，大幅上升29%。分部業績為港幣57,000,000元，較去年增加港幣17,000,000元，增幅為43%。

Market Performance

市場表現

| By Location of Customers 按客戶所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|-------------|------------------------------------|------------------------------------|-------------------|
| Revenue — Australian and New Zealand Markets | 收入—澳洲及新西蘭市場 | 285 | 222 | 28 |

The Australian soymilk and rice milk markets recorded a small decline in the early part of Fiscal 2007/2008. The New Zealand grocery soymilk and rice milk markets, however, saw a modest growth of 3%.

澳洲豆奶及米奶市場於二零零七/二零零八財政年度初期錄得輕微下跌。然而，新西蘭豆奶及米奶市場則錄得3%之溫和增長。





MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

AUSTRALIA AND NEW ZEALAND (CONTINUED)

Market Performance (continued)

In Fiscal 2007/2008, net sales revenue generated in the Australian and New Zealand markets reached HK\$285 million, representing a strong growth of 28%. The production capacity expansion plan of the Wodonga plant was completed on schedule in 2006 and, as a result, the Group has been able to pursue a more aggressive business expansion plan by leveraging its brand equity and product innovation capabilities. The strong growth in sales in Australia was supported by the launch of a total of six new products in the market, including two new one-litre aseptic packages — VITASOY Organic and VITASOY Heart, and four new portion packs of 250ml aseptic soymilk, namely, VITASOY Lush Chocolate, VITASOY Lush Vanilla, VITASOY SOY MILKY Regular and VITASOY SOY MILKY Lite. These new products were mostly successful, accounting for a significant part of the Vitasoy Australia's volume growth in the year under review while contributing to the expansion of the Group's market share. Besides soymilk products, rice milk also saw very encouraging growth during the same period.

NORTH AMERICA

Production Efficiency

| By Location of Assets (Production Plant) 按資產(生產廠房)所在地 | | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|---------|------------------------------------|------------------------------------|-------------------|
| Revenue | 收入 | 344 | 319 | 8 |
| Segment Result | 分部業績 | (23) | (49) | 53 |
| Segment Net Operating Assets | 分部淨營運資產 | 184 | 182 | 1 |

The Group's production plant in Ayers, Massachusetts supports the North American market. During the year, the plant generated HK\$344 million in net sales revenue, a healthy increase of 8%. Operating loss narrowed substantially by 53% to HK\$23 million (versus HK\$49 million in Fiscal 2006/2007).

澳洲及新西蘭(續)

市場表現(續)

於二零零七／二零零八財政年度，澳洲及新西蘭市場之銷售收入淨額達港幣285,000,000元，增幅高達28%。烏東加市廠房之產能擴充計劃已於二零零六年如期竣工，因此，本集團能夠藉著其品牌價值及產品創新能力之優勢進行更進取之業務擴充計劃。澳洲銷售額之強勁增長有賴於六款新產品，包括兩款新一公升無菌紙包裝豆奶包括維他奶Organic及維他奶Heart，以及四款新獨立包裝之250毫升無菌紙包裝豆奶包括維他奶Lush朱古力、維他奶Lush雲呢拿、原味維他奶SOY MILKY及輕怡維他奶SOY MILKY。這些新產品均非常成功，於回顧年度不單推動本集團澳洲公司銷量之增長，並助其擴大市場佔有率。除豆奶產品外，米奶亦於同一期間錄得令人鼓舞之增長。

北美洲

生產效率

本集團位於麻省艾爾市之生產廠房供應北美洲市場。年內，該廠房之銷售收入淨額為港幣344,000,000元，穩健上升8%。經營虧損大幅下降53%至港幣23,000,000元(相比二零零六／二零零七財政年度：港幣49,000,000元)。



MANAGEMENT REPORT (CONTINUED)
管理層報告書(續)

NORTH AMERICA (CONTINUED)

Market Performance

| By Location of Customers 按客戶所在地 | 2007/2008 HK\$ million 港幣百萬元 | 2006/2007 HK\$ million 港幣百萬元 | % Change 變動 |
|--|------------------------------------|------------------------------------|-------------------|
| Revenue — North American Market 收入—北美洲市場 | 409 | 379 | 8 |

Despite the prevailing economic downturn, total soy food sales in the US registered a slight increase from the preceding year. According to market survey data, consumption of soymilk grew by 7% while tofu sales dropped by 3%.

The Group's net sales revenue generated from the North American market was HK\$409 million, up 8%, thus reversing Vitasoy USA's negative growth situation since 2002/2003. By the re-adjustment of business strategy to focus on core competencies, the Group was able to achieve sales growth for the majority of its core products. The Group's sales performance was also the result of its effort to penetrate alternate distribution channels such as the food service and club store channels which account for a substantial portion of soy food sold in the US. At the same time, focus was diverted to re-packaging, line item reduction, and launching the first single-serve soymilk in a plastic bottle. The development of private-label tofu has been underway and active steps have been taken to expand into other business channels, including ethnic markets.

Mostly notably, while attaining positive results in business development, the Group also achieved the important goal of significantly narrowing its operating loss by 53%.

北美洲(續)

市場表現

儘管正值經濟倒退時期，惟美國大豆食品總銷售額自去年起仍錄得輕微上升。市場調查顯示，豆奶銷量增加7%而豆腐銷量則減少3%。

本集團來自北美洲之銷售收入淨額為港幣409,000,000元，上升8%，扭轉本集團美國公司自二零零二／二零零三年度起之負增長狀況。透過調整業務策略以專注發展核心強項，本集團能於大部分主要產品中錄得銷售增長。本集團之銷售表現亦有賴於努力拓展其他銷售渠道，例如佔美國出售大豆食品重要部份之餐飲業及會員制折扣商店等。同時，本集團轉而著重新包裝產品、減產同類產品及推出首次以膠樽包裝之單次飲用豆奶。發展自家品牌豆腐亦在進行中，並採取積極行動擴充至其他業務渠道，包括亞裔市場。

最為可喜的是，本集團於業務發展取得理想成績之同時，亦能達致大幅降低經營虧損53%之重要目標。



CORPORATE GOVERNANCE REPORT 企業管治報告書

CORPORATE GOVERNANCE PRACTICES

We are firmly committed to compliance of statutory and regulatory corporate governance standards and adherence to the principles of corporate governance emphasising transparency, independence, accountability, responsibility and fairness. The Board of Directors reviews the corporate governance practices from time to time to ensure alignment of interests and expectations from our shareholders, the investing public and the other stakeholders.

The Company has, throughout the year ended 31st March, 2008, complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except for the Code Provision A.2.1 for the separation of the roles of Executive Chairman and Chief Executive Officer.

企業管治常規

本集團奉行及遵守法定及監管企業管治標準，並時刻遵循注重透明度、獨立、問責、負責與公平之企業管治原則。董事會不時檢討企業管治常規，確保有關常規能符合各股東、公眾投資者及其他利益人士之利益與期望。

本公司於截至二零零八年三月三十一日止年度一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則中之守則條文，惟守則條文第A.2.1條有關執行主席與行政總裁角色區分之守則除外。



Natural & Refreshing



CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

BOARD OF DIRECTORS

The general management of the Company's business is vested in the Board. The Board has established various committees to manage and oversee the specified affairs of the Company. The Board has delegated the day-to-day management power of the Company to the Executive Directors and senior management of the Company.

The Board is committed to the Company's mission to creating value for our shareholders. The Board is responsible for developing the strategic directions for the Company and continuous monitoring of the performance of the general management of the Company. Therefore strategic planning has become a very crucial part of the Board's function and a lot of focus and attention has been devoted to such a plan. Strategic planning horizons are generally five years. The Board has adopted its latest Five Year Strategic Plan in fiscal year of 2007/2008. It is the practice of the Board to continue to review and update its Strategic Plan for the Company on a regular basis in response to changes in the business environment.

A defined schedule of matters reserved for Board decision has been adopted by the Board. Apart from the strategic planning, certain important matters involving finance and shareholders' interests are reserved for approval by the Board, including, for example, annual budget, financial statements against budget, dividend policy, material investments, material acquisitions and disposals; major financing activities and appointment of Director(s) following the recommendation(s) by the Remuneration and Nomination Committee.

BOARD COMPOSITION

The Board currently comprises five Non-executive Directors and three Executive Directors. Three of the Non-executive Directors are independent, from different business and professional fields. The Independent Non-executive Directors represent over one-third of the Board. The category, position and brief biographical information of each Director, together with the relationship amongst each other, are set out in the "Directors and Senior Management" section in this Annual Report. The Directors, including the Non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective delivery of the Board functions.

董事會

董事會負責本公司業務之整體管理工作，其已成立不同之委員會來管理及監察本公司特定範疇之事務。董事會已將本公司之日常管理權力交予本公司之執行董事及高層管理人員。

董事會致力執行為股東創造價值之使命。董事會負責制定本公司之策略方向，不斷監察本公司整體管理表現。因此，策略計劃已成為董事會職能中非常重要之一環，而本公司已將策略計劃視為焦點及重點所在。策略計劃一般涵蓋五年。董事會已於二零零七／二零零八財政年度採納最新之五年策略計劃。董事會會因應業務環境之改變，持續定期檢討及更新本公司之策略計劃。

董事會已採納一份明確之事項表，列載須要董事會作決定之事項。除策略計劃外，涉及財政及股東權益等重要事宜均須經董事會審批，舉例包括年度預算、財務報表與預算之比較、股息政策、重大投資、重大收購及出售；主要融資活動及根據薪酬及提名委員會之建議委任董事。

董事會組成

董事會現由五位非執行董事及三位執行董事組成。其中三位非執行董事為來自不同行業及專業界別之獨立人士。獨立非執行董事佔董事會人數三分之一以上。各董事所屬之類別、職位及簡歷以及彼此間之關係載於本年報「董事及高層管理人員」一節。董事們(包括非執行董事)廣泛而寶貴之業務經驗、知識及專業精神，有助董事會有效率及高效地履行其職責。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the Independent Non-executive Directors are independent.

The Company has arranged Directors' and Officers' Liability Insurance for the Directors and Officers of the Company.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 of the Listing Rules sets out that the roles of the Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Winston Yau-lai LO is the Executive Chairman of the Company. At the present stage, the roles of the Chairman of the Board and some roles of the Chief Executive Officer of the Company are performed by Mr. Winston Yau-lai LO. However, the Board of the Directors and the Executive Chairman of the Company fully recognise that the respective roles of the Chairman of the Board and the Chief Executive Officer should be separated in the course of time to ensure better checks and balances and hence better corporate governance.

On 1st August, 2007, we have promoted Mr. Laurence P. EISENTRAGER, the Chief Executive, Hong Kong to the Group Chief Executive Officer reporting to the Chairman of the Board. Mr. Laurence P. EISENTRAGER has assumed most of the executive responsibilities from the Executive Chairman for the Group's major markets and operating units and the transition has been progressing very smoothly. We are confident that the transition process of assigning the responsibilities of the Executive Chairman to the Group Chief Executive Office will be completed in fiscal year of 2009/2010.

本公司已收到各獨立非執行董事根據上市規則第3.13條就其身份之獨立性發出之週年確認書。本公司認為各獨立非執行董事確屬獨立人士。

本公司已為本公司董事及行政人員投保董事及行政人員之責任保險。

主席及行政總裁

上市規則之守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，並不應由同一人同時兼任。羅友禮先生為本公司之執行主席。在現階段，本公司董事會主席之職能及行政總裁之若干職能由羅友禮先生出任。惟本公司董事會與執行主席皆充份明白董事會主席與行政總裁之角色終需予以劃分，確保更佳之相互制衡，達致更美好之公司管治。

於二零零七年八月一日，本集團已晉升香港區行政總裁黎信彥先生為集團行政總裁，直接向董事會主席匯報。黎先生已肩負執行主席於本集團主要市場及營運單位之大部分行政職責，而職責移交之進展順利。本集團相信執行主席之職責將可於二零零九／二零一零財政年度完成移交予集團行政總裁。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

BOARD PROCEEDINGS

The Board met six times in fiscal year of 2007/2008 to mainly discuss and approve the overall business strategies, to review and monitor the financial and operating performance of the Group and its business units respectively, and to consider and approve the annual budget for the Group. In addition, the members of the Board had attended a whole-day session to consider and discuss about the Five Year Strategic Plan for the Group which lays an important road map for the business development of the Group for the coming five years.

All Directors have full and timely access to all relevant information in relation to the Company. There are established procedures for Directors to seek independent professional advice for them to discharge their duties and responsibilities, where appropriate, at the Company's expenses.

Individual attendance of each Board member at these meetings is as follows:

董事會程序

於二零零七／二零零八財政年度內董事會共開會六次，主要討論及批准整體業務策略、檢討及監察本集團及各業務單位之財務及營運表現，及審批本集團之全年預算。此外，董事會成員出席了一個全日會議審議本集團之五年策略計劃，為本集團未來五年之業務發展制定重要之方向。

各董事均可全面而適時地獲得一切有關本公司之資料。本公司已有既定程序讓董事為其履行職責及責任(若適宜的話)而諮詢獨立專業意見，費用由本公司支付。

董事會各成員於該等會議之出席率表列如下：

| | | Attendance 出席率 |
|---|---------------------------|-------------------|
| Independent Non-executive Directors | | |
| Dr. The Hon. Sir David Kwok-po LI | 獨立非執行董事 李國寶爵士 | 6/6 |
| Mr. Iain F. BRUCE | 布魯士先生 | 4/6 |
| Mr. Jan P. S. ERLUND | Jan P. S. ERLUND先生 | 6/6 |
| Non-executive Directors | | |
| Ms. Myrna Mo-ching LO | 非執行董事 羅慕貞女士 | 6/6 |
| Ms. Yvonne Mo-ling LO | 羅慕玲女士 | 5/6 |
| Executive Directors | | |
| Mr. Winston Yau-lai LO (Chairman) | 執行董事 羅友禮先生(主席) | 6/6 |
| Mr. Ambrose Kam-shing CHAN (resigned on 25th July, 2007) | 陳錦勝先生 (於二零零七年七月二十五日辭任) | 0/2 |
| Mr. Laurence P. EISENTRAGER (appointed on 20th July, 2007) | 黎信彥先生 (於二零零七年七月二十日獲委任) | 4/4 |
| Mr. Eric Fat YU | 余發先生 | 6/6 |
| Mr. John Shek-hung LAU (retired on 1st December, 2007) | 劉錫鴻先生 (於二零零七年十二月一日退任) | 4/4 |

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The appointment of a new Director is made on the recommendation by the Remuneration and Nomination Committee of the Company or by shareholders in a general meeting. Any Director who is appointed by the Board shall retire at the next General Meeting.

The Non-executive Directors of the Company do not have a specific term of appointment. Under the Company's current Articles of Association, all Directors are subject to retirement by rotation at least every three years and one-third (or the number nearest to but not exceeding one-third) of Directors shall retire from office every year at the Company's Annual General Meeting. The term of appointment of a Director cannot exceed three years.

Induction programmes are arranged for the newly appointed Directors on the general business of the Company. On appointment, new Directors will also be given an induction programme kit advising them of their responsibilities and duties as Directors under various regulatory requirements and the Board procedures, including the Terms of Reference of the Board Committees.

RESPONSIBILITIES OF DIRECTORS

Directors acknowledge their responsibilities for preparing the financial statements of the Company. Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The Annual Financial Statements for 2007/2008 are prepared on a going-concern basis. All the new accounting standards and policies adopted by the Company have been thoroughly discussed and approved at the Audit Committee before adoption by the Board.

董事之委任、重選及罷免

本公司乃根據本公司薪酬及提名委員會之建議或通過股東大會委任新董事。凡董事會委任之董事均須於下一屆股東大會上告退。

本公司之非執行董事並非以指定任期委任。根據本公司現行之章程細則，全體董事均須最少每三年輪值告退，而每年須有三分之一（或最接近但不能超越三分之一）之董事於本公司股東週年大會上退任。委任董事之年期不得超過三年。

本公司為新委任董事安排就任須知並介紹本公司業務概況。新任董事獲委任後亦會獲發一套就任須知資料，以便彼等了解董事在不同監管規定及董事會程序（包括董事委員會之職權範圍）下之責任及職責。

董事責任

董事對編製本公司財務報表承擔責任。董事並不知悉有任何重大不明朗之事件或情況可能會嚴重影響本公司持續經營之能力。二零零七/二零零八年之全年財務報表乃按持續經營基準編製。本公司採納之所有新會計準則及政策先由審核委員會經周詳討論後批准，然後再提交予董事會採納。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

The Group has adopted its own Code for Securities Transactions by Directors (the "Code") on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in Appendix 10 of the Listing Rules. A similar code has also been adopted by the Group for the specified group of employees who may possess or have access to price sensitive information. Specific enquiries was made of all Directors and the specified group of employees and all Directors and the specified group of employees have confirmed compliance with the required standard set out in the Code for the year ended 31st March, 2008.

BOARD COMMITTEES

The Board has established an Executive Committee, a Remuneration and Nomination Committee and an Audit Committee.

Executive Committee

The Executive Committee was established in 2001. Its current members include all three Executive Directors, who are:

Mr. Winston Yau-lai LO (Chairman)
Mr. Laurence P. EISENTRAGER
Mr. Eric Fat YU

The Executive Committee operates as a general management committee under the direct authority of the Board to deal with certain operational matters of the Group.

Remuneration and Nomination Committee

The Compensation Committee was established in February 1994 and was renamed as "Remuneration and Nomination Committee" on 2nd February, 2005 with increased scope of authority. This Committee now comprises three Independent Non-executive Directors and two Non-executive Directors and its current members are:

Independent Non-executive Directors

Dr. The Hon. Sir David Kwok-po LI (Chairman)
Mr. Iain F. BRUCE
Mr. Jan P. S. ERLUND

Non-executive Directors

Ms. Myrna Mo-ching LO
Ms. Yvonne Mo-ling LO

本集團已就董事之證券交易採納一套行為守則(「守則」)，其條款不比上市規則附錄10所載之上市公司董事進行證券交易之標準守則(「標準守則」)載列之規定標準寬鬆。本集團亦就相關類別員工可能擁有或得悉影響股價敏感資料而採納一套類似守則。本公司已對各董事及相關類別員工作出具體查詢，而各董事及相關類別員工於截至二零零八年三月三十一日止年度均確認遵守守則載列之規定標準。

董事委員會

董事會轄下已成立執行委員會、薪酬及提名委員會及審核委員會。

執行委員會

執行委員會於二零零一年成立，現成員包括全部三位執行董事，分別為：

羅友禮先生(主席)
黎信彥先生
余發先生

執行委員會為一般管理委員會，直屬於董事會，處理本集團部份營運事宜。

薪酬及提名委員會

薪酬委員會於一九九四年二月成立，於二零零五年二月二日改名為「薪酬及提名委員會」，其職權範圍亦加以擴大。目前，委員會成員包括三位獨立非執行董事及兩位非執行董事，其現成員為：

獨立非執行董事

李國寶爵士(主席)
布魯士先生
Jan P. S. ERLUND先生

非執行董事

羅慕貞女士
羅慕玲女士

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

The Committee was set up to consider and approve the remuneration packages of Executive Directors and Senior Management of the Group, including salaries, benefits in kind and bonuses; the bonus schemes and the other long-term incentive schemes, including share option and other plans. The Committee also reviews the structure, size and composition (including the skills, knowledge and experience) of the Board from time to time and recommends to the Board on appointments of Directors and the succession planning for Directors.

The Committee met three times in fiscal year of 2007/2008. Individual attendance of each Committee member at these meetings is as follows:

委員會之成立旨在審批本集團執行董事及高層管理人員之薪酬福利組合，包括薪金、非金錢利益及花紅；花紅計劃及其他長期獎勵計劃，包括購股權及其他計劃。委員會亦不時檢討董事會之架構、規模及組成(包括董事之技能、知識及經驗)，並就董事之委任及董事繼任計劃向董事會提出建議。

於二零零七/二零零八財政年度內委員會共開會三次。各成員於該等會議之出席率表列如下：

| | | Attendance 出席率 |
|--|------------------------|-------------------|
| Independent Non-executive Directors | | |
| Dr. The Hon. Sir David Kwok-po LI | 獨立非執行董事 李國寶爵士 | 3/3 |
| Mr. Iain F. BRUCE | 布魯士先生 | 3/3 |
| Mr. Jan P. S. ERLUND | Jan P. S. ERLUND先生 | 3/3 |
| Non-executive Directors | | |
| Ms. Myrna Mo-ching LO | 非執行董事 羅慕貞女士 | 3/3 |
| Ms. Yvonne Mo-ling LO | 羅慕玲女士 | 2/3 |
| Attendance By Invitation: | | |
| Executive Chairman | | |
| Mr. Winston Yau-lai LO | 應邀出席： 執行主席 羅友禮先生 | 3/3 |

Report of the Remuneration and Nomination Committee

The Committee has reviewed, discussed and approved the remuneration policies, remuneration of Senior Management including the Executive Directors and key executives of the Group by reference to the individuals' job responsibilities and performances, industry benchmarks and prevailing market conditions. The Committee has also approved the discretionary bonuses and the grant of share options, having given due consideration to both the Group's financial performance and the individuals' performances during the year in accordance with the performance-based compensation policy recommended by an independent consultant. No individual Executive Director has voted in deciding his own remuneration.

During the year, the Committee nominated Mr. Laurence P. EISENTRAGER as an Executive Director for approval of appointment by the Board. Mr. Laurence P. EISENTRAGER was appointed as an Executive Director of the Company on 20th July, 2007.

薪酬及提名委員會之報告

委員會已審議、討論及批准酬金政策、本集團高層管理人員(包括執行董事及主要行政人員)之酬金，當中已參考個別人士之職責及表現、同業水平及主要市場環境。委員會根據獨立顧問建議之按表現而釐定之薪酬政策，充份考慮本集團之財務表現及有關人士年內之個人表現後，已批准發放酌情花紅及授出購股權。各執行董事並無於釐定其薪酬之決策程序中投票。

年內，委員會提名黎信彥先生出任執行董事待董事會批准。黎信彥先生於二零零七年七月二十日獲委任為本公司執行董事。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

Audit Committee

The Audit Committee was established in 1999. Its current members include three Independent Non-executive Directors, who are:

Mr. Iain F. BRUCE (Chairman)
Dr. The Hon. Sir David Kwok-po LI
Mr. Jan P. S. ERLUND

The Audit Committee's terms of reference are to make recommendations to the Board on the appointment, reappointment and removal of the External Auditors and any questions of resignation or dismissal, their audit fees, matters relating to the independence of the External Auditors; to meet with the External Auditors to discuss the nature and scope of the audit, and matters of concern when requested to do so by the External Auditors; to review the interim financial report and annual financial statements before they are submitted to the Board; to discuss problems and reservations arising from the interim review and final audit, and any other matters the External Auditors may wish to discuss, and to review the External Auditors' management letter and management's response; to review the internal audit programmes and to ensure co-ordination between the Internal and External Auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Group; and to consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative, and management's response.

The Audit Committee met three times in fiscal year of 2007/2008. Individual attendance of each Committee member at these meetings is as follows:

審核委員會

審核委員會於一九九九年成立，現成員包括三位獨立非執行董事，分別為：

布魯士先生(主席)
李國寶爵士
Jan P. S. ERLUND先生

審核委員會之職權範圍包括就外聘核數師之委任、重新委任及罷免，或處理任何有關該核數師辭職或辭退該核數師、核數師酬金、外聘核數師之獨立性等事宜向董事會提供意見；與外聘核數師開會討論審核工作之性質及範圍及應外聘核數師要求處理值得關注事項；審閱中期財務報告及全年財務報表以便上呈董事會；討論源於中期審閱及年結審核過程發現之問題及保留意見，及任何其他外聘核數師欲討論之事宜；審閱外聘核數師致管理層之函件及管理層之回應；審閱內部稽核計劃並確保內部稽核師及外聘核數師間之協調；確保內部稽核職能備有足夠資源及地位；及審議自行或由董事會委派或因應管理層回應等關於內部監控等事宜之主要調查結果。

於二零零七／二零零八財政年度內審核委員會共開會三次。各成員於該等會議之出席率表列如下：

Attendance
出席率

| Independent Non-executive Directors | | 獨立非執行董事 | |
|--|--|--------------------|-----|
| Mr. Iain F. BRUCE | | 布魯士先生 | 3/3 |
| Dr. The Hon. Sir David Kwok-po LI | | 李國寶爵士 | 2/3 |
| Mr. Jan P. S. ERLUND | | Jan P. S. ERLUND先生 | 3/3 |
| Attendance by Invitation: | | 應邀出席： | |
| Executive Chairman | | 執行主席 | 3/3 |
| Group Senior Director – Finance and Administration | | 集團高級總監 – 財務及行政 | 3/3 |
| Group Internal Audit Director | | 集團內部審核總監 | 3/3 |
| External Auditors | | 外聘核數師 | 3/3 |

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

Report of the Audit Committee

The Audit Committee has reviewed the revised accounting standards, the 2007/2008 interim financial report and annual financial statements with management and the Company's External Auditors, and recommended their adoption by the Board. The Committee also reviewed with the Internal Auditor the Company's internal control systems and the periodic audit reports prepared by the Internal Auditor and approved the 2008/2009 audit plan.

The Committee has met with the External Auditors to discuss the nature and scope of the audit and reporting obligations prior to the commencement of the audit. The Audit Committee has also reviewed and considered the terms of engagement of the External Auditors, including assessing their independence and objectivity. The Audit Committee has also reviewed and approved/preapproved the audit and non-audit services provided by the External Auditors, together with their respective fees.

SYSTEM OF INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. The Group's system of internal control includes a defined management structure with limits of authority, is designed to help the achievement of business objectives, safeguard assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant legislation and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

Directors, through the Audit Committee, have conducted an annual review of the effectiveness of the system of internal control of the Group. The review covers all material controls, including financial, operational and compliance controls and risk management functions.

審核委員會報告

審核委員會已連同管理層及本公司外聘核數師審閱經修訂之會計準則、二零零七／二零零八年度之中期財務報告及全年財務報表，並建議董事會予以採納。委員會亦與內部稽核師檢討本公司之內部監控系統及審閱內部稽核師定期編製之稽核報告，並已批准二零零八／二零零九年度之稽核方案。

委員會已於審核工作開始前，與外聘核數師開會討論審核工作之性質及範疇以及匯報責任。審核委員會亦已審閱及考慮外聘核數師之委聘條件，包括評估其獨立客觀性。審核委員會已審閱並批准／預先批准外聘核數師提供之審核及非審核服務及各有關收費。

內部監控系統

董事會之整體職責是要為本集團維持良好和有效之內部監控系統。本集團之內部監控系統包括界定授權限額之清晰管理架構，旨在幫助公司達致各項業務目標、保障資產免於未經授權之挪用或處置、確保維持妥善之會計記錄以提供可靠之財務資料供內部使用或作公佈之用，以及確保遵守各項相關法律及法規。此系統提供合理（但非百分百）之保證避免營運系統出現重大錯誤或損失，並管理（而非消除）失誤之風險，為協助本集團達致目標。

董事透過審核委員會每年審閱本集團內部監控系統之有效性。有關審閱工作涵蓋所有重要之監控範疇，包括財務、營運及合規監控以及風險管理功能。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告書(續)

INTERNAL AUDIT

The Group Internal Audit Department carries out annual risk assessment on auditable areas in accordance with a Risk-based Internal Audit Rolling Plan reviewed and pre-approved by the Audit Committee. In addition to its scheduled reviews, the Group Internal Audit Department also conducts other ad hoc reviews whenever deemed necessary. The results of significant internal audit reviews (and as applicable, agreed rectification plans) are reported to the Company's senior executives and Audit Committee periodically. The Group Internal Audit Department also follows up the rectification actions to ensure that satisfactory controls are maintained.

EXTERNAL AUDITORS

KPMG has been appointed as the External Auditors of the Company by shareholders at the last Annual General Meeting. An amount of HK\$3.2 million (2006/2007 HK\$2.8 million) was charged for the fiscal year of 2007/2008 for statutory audits for the Company and subsidiaries. The amount for the other non-audit services provided by KPMG for the Company and subsidiaries during the year was HK\$0.6 million (2006/2007 HK\$2.6 million). The non-audit services mainly comprised tax advisory services.

The responsibilities of the External Auditors with respect to the 2007/2008 financial statements are set out in the section of "Independent Auditor's Report" on pages 63 and 64.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

We believe accountability and transparency are indispensable for ensuring good corporate governance and, in this regard, timely communication with our shareholders, including institutional investors, is crucial. We manage investor relations systematically as a key part of our operations.

The Company's Annual General Meeting is one of the important forums to communicate with its shareholders. During the 2007 Annual General Meeting, the Chairman of the Board briefed shareholders the business review and the outlook of the Group and answered questions raised by shareholders. The chairmen of the Remuneration and Nomination Committee and a member of Audit Committee were also there to answer questions raised by shareholders.

內部稽核

本集團之內部稽核部門根據經審核委員會審閱及事先批准以風險為本之滾動稽核計劃對可以稽核之範疇進行年度風險評估。除了此按計劃進行之審閱外，本集團之內部稽查部門亦會於有需要時進行其他專項審閱工作。重大內部稽核審閱(及協定之改善計劃(如適用))之結果會定期向本公司之高級行政人員及審核委員會匯報。本集團之內部稽核部門亦會跟進有關改善措施確保維持令人滿意之監控制度。

外聘核數師

畢馬威會計師事務所已於去屆股東週年大會上獲股東委聘為本公司外聘核數師。畢馬威會計師事務所為本公司及其附屬公司所提供之二零零七／二零零八財政年度法定審核服務之費用為港幣3,200,000元(二零零六／二零零七年：港幣2,800,000元)。畢馬威會計師事務所於年內為本公司及其附屬公司所提供之其他非審核服務費用為港幣600,000元(二零零六／二零零七年：港幣2,600,000元)。非審核服務主要包括稅務顧問服務。

外聘核數師就二零零七／二零零八年財務報表所負之責任列載於第63及64頁之「獨立核數師報告書」一節。

與股東及投資者之溝通

本集團相信問責制及透明度乃良好公司管治不可或缺之部分，故就此與股東(包括機構投資者)作適時溝通實為重要。本集團有系統地處理投資者關係並視為本集團之主要工作。

本公司之股東週年大會為其與股東溝通之重要渠道之一。於二零零七年股東週年大會上，董事會主席向股東簡報本集團之業務概況及前景並回答股東之提問。薪酬及提名委員會主席以及審核委員會一位委員亦在場回答股東之提問。

CORPORATE GOVERNANCE REPORT (CONTINUED)
企業管治報告書(續)

Separate resolutions in respect of each substantial issue, including the appointment and re-election of Directors were proposed by the Chairman at the Annual General Meeting. The Company's Articles of Association provide the rights of shareholders, and the procedures to demand a poll vote on resolutions at general meetings. Such rights and procedures were detailed in the circular relating to the Annual General Meeting, and were explained by the Chairman of the Board during the Annual General Meeting before voting on the resolutions. An independent scrutineer was appointed to count the votes and the voting results were announced at the Annual General Meeting.

We also maintain a website (www.vitasoy.com) to keep our shareholders and the investing public posted of our latest business developments, final and interim results announcements, financial reports, public announcements, corporate governance policy and practices, and other relevant shareholder information.

During the year, we continued to follow a policy of maintaining an open and regular dialogue with institutional shareholders, fund managers, analysts and the media through different means, including meetings, presentations, telephone conferences, correspondences, media briefings and press releases to distribute information on the Group's latest developments and strategies. We also continued to be proactive in responding to general enquiries raised by the investing public, individual and institutional investors and investment analysts.

股東週年大會之主席就各重要事項(包括委任及重選董事)提呈獨立決議案。本公司之章程細則訂明股東之權益及於股東大會提出以投票方式表決之程序。有關權利及程序詳列於有關股東週年大會之通函內，而董事會主席亦於股東週年大會時在提呈決議案投票前作出解釋。本公司並委任獨立監票人進行點票，而投票結果亦於股東週年大會上宣佈。

本集團亦設有網站(www.vitasoy.com)，向股東及公眾投資者匯報本集團最新業務發展概況、年度及中期業績公佈、財務報告、公告、公司管治政策及常規以及其他相關股東資訊。

年內，本集團貫徹通過不同方式與機構股東、基金經理、分析員及媒體進行公開定期對話之政策，其形式包括會面、推介會、電話會議、函件、媒體簡報會及新聞稿等，藉以發佈有關本集團最新發展及策略之資料。本集團將繼續積極回應公眾投資者、個人及機構投資者、投資分析員等所提出之一般查詢。

DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員

BOARD OF DIRECTORS

Executive Chairman

Mr. Winston Yau-lai LO, aged 67, is the Executive Chairman of the Group. Mr. Lo was appointed a Director of the Company in 1972. He is principally responsible for the Group's long-term strategic development. Mr. Lo is a member of The National Committee of the Chinese People's Political Consultative Conference, the Court of Hong Kong University of Science and Technology, and Cornell University Council. He is a fellow of The Hong Kong Institute of Directors, the vice president of the Council of Outward Bound Trust of Hong Kong and a director of The Bank of East Asia, Limited, a listed company in Hong Kong, and Ping Ping Investment Company Limited. He is the brother of Ms. Myrna Mo-ching LO and Ms. Yvonne Mo-ling LO.

Independent Non-executive Directors

Dr. The Hon. Sir David Kwok-po LI, aged 69, was appointed a Director of the Company in 1994. Sir David is the chairman and chief executive of The Bank of East Asia, Limited. He is the chairman of the Chinese Banks' Association, Limited and the Hong Kong Management Association. He is a member of the Legislative Council of the Hong Kong Special Administrative Region. He is also a member of the Banking Advisory Committee and the Council of the Treasury Markets Association. Sir David is also a director of China Merchants China Direct Investments Limited, China Overseas Land & Investment Limited, COSCO Pacific Limited, Guangdong Investment Limited, The Hong Kong and China Gas Company Limited, The Hongkong and Shanghai Hotels, Limited, Hong Kong Interbank Clearing Limited, The Hong Kong Mortgage Corporation Limited, PCCW Limited, San Miguel Brewery Hong Kong Limited, SCMP Group Limited, AFFIN Holdings Berhad and Criteria Caixa Corp., all being companies listed either in Hong Kong or overseas.

Mr. Iain F. BRUCE, aged 67, was appointed a Director of the Company in 2001. Mr. Bruce joined KPMG Hong Kong in 1964 and was its senior partner from 1991 to 1996. He is the chairman of KCS Limited, a director of Citibank (Hong Kong) Limited and is a member of the Board of Stewards of The Hong Kong Jockey Club. Mr. Bruce is a director of China Medical Technologies, Inc., Noble Group Limited, Paul Y Engineering Group Limited, Tencent Holdings Limited, Wing On Company International Limited and Yingli Green Energy Holding Company Limited, all being companies listed either in Hong Kong or overseas.

董事會成員

執行主席

羅友禮先生，六十七歲，本集團執行主席，於一九七二年獲委任為本公司董事。羅先生主要負責本集團之長期策略性發展。羅先生為全國人民政治協商會議委員會委員、香港科技大學顧問委員會成員及康乃爾大學校董會成員。彼為香港董事學會資深會員、香港外展信託基金會副會長，以及東亞銀行有限公司（香港上市公司）及平平置業有限公司之董事。彼為羅慕貞女士之胞弟，亦為羅慕玲女士之胞兄。

獨立非執行董事

李國寶爵士，六十九歲，於一九九四年獲委任為本公司董事。李爵士為東亞銀行有限公司之主席兼行政總裁。彼亦為香港華商銀行公會有限公司及香港管理專業協會之主席。李爵士亦為香港特別行政區立法會議員。李爵士亦為銀行業務諮詢委員會以及財資市場公會成員。李爵士亦出任以下於香港或海外上市之公司之董事，包括招商局中國基金有限公司、中國海外發展有限公司、中遠太平洋有限公司、粵海投資有限公司、香港中華煤氣有限公司、香港上海大酒店有限公司、香港銀行同業結算有限公司、香港按揭證券有限公司、電訊盈科有限公司、香港生力啤酒廠有限公司、SCMP集團有限公司、AFFIN Holdings Berhad 及 Criteria Caixa Corp.。

布魯士先生，六十七歲，於二零零一年獲委任為本公司董事。布魯士先生於一九六四年加入香港畢馬威會計師事務所，並由一九九一年至一九九六年擔任該會計師事務所之資深合夥人。彼為 KCS Limited 之主席，花旗銀行（香港）有限公司之董事，並為香港賽馬會之董事。布魯士先生為以下於香港或海外上市之公司之董事，包括中國醫療技術公司、Noble Group Limited、保華建業集團有限公司、騰訊控股有限公司、永安國際有限公司及英利新能源有限公司。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員(續)

Mr. Jan P. S. ERLUND, aged 69, was appointed a Director of the Company in 2006. Mr. Erlund is now a partner in Copenhagen Chambers focusing on Danish and international arbitration. He was a partner of Gorrissen Federspiel Kierkegaard, a law firm in Copenhagen, Denmark. He was the president of the Danish Bar and Law Association, president of the Danish Maritime Law Association and chairman of the Maritime and Transport Committee of the International Bar Association. Mr. Erlund is the chairman of the board of directors of Dansk Skovselskab A/S and deputy chairman of ERRIA A/S, both being listed on the Stock Exchange in Denmark.

Non-executive Directors

Ms. Myrna Mo-ching LO, aged 69, was appointed a Director of the Company in 1992. Ms. Lo is a member of the Docent Committee and Bishop White Committee of the Royal Ontario Museum in Toronto, Canada. She is the sister of Mr. Winston Yau-lai LO and Ms. Yvonne Mo-ling LO.

Ms. Yvonne Mo-ling LO, aged 60, was appointed a Director of the Company in 1993. Ms. Lo joined the Group in 1980 and was the President of Vitasoy USA Group until 2001. Ms. Lo was the president of the Soyfoods Association of North America which represents 60 soyfoods companies covering the US and Canada. She is the sister of Ms. Myrna Mo-ching LO and Mr. Winston Yau-lai LO.

Executive Directors

Mr. Laurence P. EISENTRAGER, aged 56, was appointed a Director of the Company in 2007. Mr. Eisentrager is the Group Chief Executive Officer and is currently responsible for the overall strategic planning, business development and general management of the Group's operations in Hong Kong, Australia and New Zealand and North America. Mr. Eisentrager joined the Group in 2002 and was the General Manager of the Group's operation in Australia and New Zealand until 2005. He then became the Chief Executive Officer of the Group's Hong Kong Operation and was promoted to Group Chief Executive Officer in 2007. He has very extensive experience in the food and beverage industry in Hong Kong, Australia and internationally.

Mr. Eric Fat YU, aged 58, was appointed a Director of the Company in 1989. Mr. Yu is the Group's Senior Director — Manufacturing and Project Management. He has experience in engineering works and project management whilst working previously with a number of companies overseas. He joined the Group in 1974. He is now responsible for the formulation of the Group's manufacturing policy and strategy and the management of the Group's new joint venture project.

Jan P. S. ERLUND 先生，六十九歲，於二零零六年獲委任為本公司董事。Erlund先生現為Copenhagen Chambers(主要從事丹麥當地及國際間仲裁)之合夥人。彼曾為Gorrissen Federspiel Kierkegaard(一間位於丹麥哥本哈根之律師行)之合夥人。彼曾任丹麥大律師及事務律師公會主席、丹麥海事法律師公會主席及國際大律師公會屬下海事及運輸委員會主席。Erlund先生為Dansk Skovselskab A/S之董事會主席及ERRIA A/S之副主席，此兩間公司均於丹麥之證券交易所上市。

非執行董事

羅慕貞女士，六十九歲，於一九九二年獲委任為本公司董事。羅女士為加拿大多倫多市皇家安大略省博物館之Docent Committee及Bishop White Committee成員。彼為羅友禮先生及羅慕玲女士之胞姊。

羅慕玲女士，六十歲，於一九九三年獲委任為本公司董事。羅女士於一九八零年加入本集團，並為維他奶美國集團之主席，直至二零零一年止。羅女士曾為北美大豆食品協會之主席，該會代表美國及加拿大六十間大豆食品公司。彼為羅慕貞女士及羅友禮先生之胞妹。

執行董事

黎信彥先生，五十六歲，於二零零七年獲委任為本公司董事。黎信彥先生為集團行政總裁，目前負責本集團香港、澳洲、新西蘭及北美洲業務之整體策略規劃、業務發展及日常管理。黎信彥先生於二零零二年加入本集團，於二零零五年前為本集團澳洲及新西蘭業務之總經理。彼其後擔任本集團香港區業務之行政總裁，並於二零零七年獲晉升為集團行政總裁。彼於香港、澳洲及其他國家之食品及飲品行業均擁有豐富經驗。

余發先生，五十八歲，於一九八九年獲委任為本公司董事。余先生為本集團之生產暨項目管理高級總監。彼於一九七四年加入本集團，之前曾在海外多間公司任職，擁有豐富工程及項目管理經驗。彼現時負責制定本集團之生產廠務政策及策略，以及管理本集團之新合營項目。

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

董事及高層管理人員(續)

SENIOR MANAGEMENT

Group Senior Directors

Mr. William Chi-chung LO, aged 47, Group Senior Director — Finance and Administration and also the Qualified Accountant of the Group. Mr. Lo is responsible for the finance and administration of the Group. He joined the Group in 2007. Prior to joining the Group, he served as an Executive Director and Group Finance Director of a listed property and entertainment conglomerate. He has over twenty years of experience in the fields of finance, accounting and auditing.

Ms. Rosemary Pik-ling LI, aged 51, Group Senior Director — Human Resources. Ms. Li is responsible for the overall strategic planning and development of human resources of the Group. Her responsibilities include formulating and implementing strategies, policies and practices for human resources management and talent development. She joined the Group in 2000. She had over twenty years of human resources experience gained from multinational and local organizations before joining the Group.

Hong Kong Operation

Mr. Charles Chung CHYI, aged 53, Chief Executive Officer, Hong Kong. Mr. Chyi is responsible for the general management and development of the Group's operations in Hong Kong. He joined the Group in early 2008 and had held senior management positions with a couple of prominent multinational companies previously in the food and beverage industry focusing on Greater China.

Mainland China Operation

Mr. Jack Jie YUAN, aged 39, Managing Director of Vitasoy (China) Investments Company Limited. Mr. Yuan is responsible for the general management and development of the Group's operation in Mainland China. Mr. Yuan joined the Group in 2004 as the General Manager of the Group's Shenzhen joint venture operation. He has extensive experience in the beverage industry and had previously worked with a number of multinational companies in Mainland China.

Australian and New Zealand Operation

Mr. Scott A. PANNELL, aged 38, General Manager of Vitasoy Australia Products Pty. Ltd. Mr. Pannell is responsible for the general management and development of the Group's operations in Australia and New Zealand. He joined the Group in 2005. He has very extensive experience in the fast moving consumer goods (FMCG) industry within Australia and New Zealand and experience in working in manufacturing businesses operating within the retail grocery, route and convenience and food service markets.

高層管理人員

集團高級總監

羅志聰先生，四十七歲，集團財務及行政高級總監兼本集團合資格會計師。羅先生負責本集團之財務及行政事宜。彼於二零零七年加入本集團。之前曾為一間地產及娛樂企業上市集團之執行董事及財務總監。彼擁有逾二十年之財務管理、會計及審計工作經驗。

李碧齡女士，五十一歲，集團人力資源高級總監。李女士負責本集團人力資源之整體策略規劃及發展。彼之職責包括制訂與執行人力資源管理及人才發展之策略、政策及守則。彼於二零零零年加入本集團，之前曾在多間跨國及本地機構任職，具有逾二十年之人力資源經驗。

香港業務

齊松先生，五十三歲，香港區行政總裁。齊先生負責管理及發展本集團之香港業務。彼於二零零八年初加入本集團，之前曾於大中華區飲品及食品業內多家知名跨國企業出任高層管理職位。

中國內地業務

袁杰先生，三十九歲，維他奶(中國)投資有限公司之董事總經理。袁先生負責管理及發展本集團在中國內地之業務。彼於二零零四年加入本集團，出任本集團深圳之合營企業之總經理。彼於飲品行業擁有豐富經驗，曾於中國內地多間跨國公司工作。

澳洲及新西蘭業務

Scott A. PANNELL先生，三十八歲，Vitasoy Australia Products Pty. Ltd.之總經理。Pannell先生負責管理及發展本集團在澳洲及新西蘭之業務。彼於二零零五年加入本集團，於澳洲及新西蘭之高流量消費品行業擁有豐富經驗。彼曾從事與零售雜貨、一般商戶、便利商店以及餐飲服務業等有關生產業務運作之經驗。

**DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)****董事及高層管理人員(續)****North American Operation**

Mr. Walter M. RIGLIAN, aged 54, President and Chief Executive Officer of Vitasoy USA Inc.. Mr. Riglian is responsible for the general management and development of the Group's operations in North America. He joined the Group in 2005. He has extensive experience in sales, marketing, and new product development. Prior to joining Vitasoy USA Inc., Mr. Riglian held numerous senior management positions with several renowned multi-national companies in the natural products, grocery and produce industries.

Singaporean Operation

Mr. Joe Chui-wah HO, aged 56, Chief Executive Officer of Unicurd Food Co. (Private) Ltd., the Group's newly acquired tofu company in Singapore. Mr. Ho is responsible for the general management and development of the Group's operation in Singapore. He joined the Group in 1996 and was responsible for overseeing the research and development and technical knowhow of the Group. He had been seconded to the Group's North American operation in 2000 and appointed as the Executive Vice President of Technical Services of the operation. Before joining the Group, he had worked in several well-known food and beverage companies.

北美洲業務

Walter M. RIGLIAN先生，五十四歲，Vitasoy USA Inc.之主席及行政總裁。Riglian先生負責管理及發展本集團之北美洲業務。彼於二零零五年加入本集團，於銷售、市場推廣及新產品開發方面擁有豐富經驗。於加入Vitasoy USA Inc.之前，Riglian先生曾先後於多間著名跨國天然食品、食品雜貨及農產品公司擔任高層管理職位。

新加坡業務

何釗華先生，五十六歲，為本集團新近於新加坡收購之豆腐公司統一食品(私人)有限公司之行政總裁。何先生負責管理及發展本集團在新加坡之業務。彼於一九九六年加入本集團，負責管理本集團之研發及專門技術工作。彼於二零零零年曾調任至本集團之北美洲分公司，獲委任為技術服務行政副總裁。在加入本集團前，彼曾在數間知名食品及飲品公司工作。

REPORT OF THE DIRECTORS

董事會報告書

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March, 2008.

PRINCIPAL PLACE OF BUSINESS

Vitasoy International Holdings Limited ("the Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at No. 1 Kin Wong Street, Tuen Mun, New Territories, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the manufacture and sale of food and beverages. The principal activities and other particulars of the subsidiaries are set out in note 14 to the financial statements.

The analysis of geographical locations of the operations of the Company and its subsidiaries ("the Group") during the financial year are set out in note 12 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

| | | Percentages of the Group's total | |
|-------------------------------------|----------|----------------------------------|------------------------------|
| | | Sales 佔本集團 銷售總額百分比 | Purchases 佔本集團 採購總額百分比 |
| The largest customer | 最大客戶 | 8% | |
| Five largest customers in aggregate | 首五大客戶合計 | 24% | |
| The largest supplier | 最大供應商 | | 28% |
| Five largest suppliers in aggregate | 首五大供應商合計 | | 39% |

At no time during the year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

董事會欣然提呈截至二零零八年三月三十一日止年度之年報及經審核財務報表。

主要營業地點

維他奶國際集團有限公司(「本公司」)為成立於香港及於香港註冊成立之公司，其註冊辦事處及主要營業地點位於香港新界屯門建旺街一號。

主要業務

本公司之主要業務為製造及銷售食品及飲品。附屬公司之主要業務及其他詳情載於財務報表附註14。

本公司及其附屬公司(「本集團」)於本財政年度內按地區劃分之業務分析載於財務報表附註12。

主要客戶及供應商

以下所載為本財政年度主要客戶及供應商分別佔本集團銷售額及採購額之資料：

各董事、彼等之聯繫人士或任何據董事會所知擁有本公司股本超過5%之本公司股東於本年度內概無擁有該等主要客戶及供應商之任何權益。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告書(續)

FINANCIAL STATEMENTS

The profit of the Group for the year ended 31st March, 2008 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 65 to 162.

TRANSFER TO RESERVES

Profit attributable to shareholders, before dividends, of HK\$235,981,000 (2007: HK\$201,312,000) has been transferred to reserves. Other movements in reserves are set out in note 25 to the financial statements.

An interim dividend of HK2.8 cents per ordinary share (2007: HK2.8 cents per ordinary share) was paid on 28th December, 2007. The Directors now recommend the payment of a final dividend of HK8.7 cents per ordinary share (2007: HK6.7 cents per ordinary share) and a special dividend of HK10.0 cents per ordinary share (2007: HK10.0 cents per ordinary share) in respect of the year ended 31st March, 2008.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK\$121,000 (2007: HK\$96,000).

FIXED ASSETS

Movements in fixed assets of the Company and the Group during the year are set out in note 13 to the financial statements.

BANK LOANS

Particulars of bank loans of the Group as at 31st March, 2008 are set out in note 23 to the financial statements.

財務報表

本集團截至二零零八年三月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於第65至162頁之財務報表內。

轉撥入儲備

股東應佔溢利(未計股息)港幣235,981,000元(二零零七年:港幣201,312,000元)已轉撥入儲備。儲備之其他變動載於財務報表附註25。

本公司已於二零零七年十二月二十八日派發中期股息每股普通股2.8港仙(二零零七年:每股普通股2.8港仙)。董事會現建議派發截至二零零八年三月三十一日止年度之末期股息每股普通股8.7港仙(二零零七年:每股普通股6.7港仙)及特別股息每股普通股10.0港仙(二零零七年:每股普通股10.0港仙)。

慈善捐款

本集團於本年度內之慈善捐款共達港幣121,000元(二零零七年:港幣96,000元)。

固定資產

本公司及本集團於本年度內之固定資產變動詳情載於財務報表附註13。

銀行貸款

本集團於二零零八年三月三十一日之銀行貸款詳情載於財務報表附註23。



REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 25 to the financial statements. Shares were issued during the year on exercise of share options.

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year.

DIRECTORS

The Directors during the financial year and up to the date of this report are set out on page 2.

In accordance with Article 104 of the Company's Articles of Association, Mr. Iain F. BRUCE and Ms. Yvonne Mo-ling LO retire from the board by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

None of the Directors proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

Non-executive Directors are appointed under the same terms for rotational retirement as other Directors, pursuant to the Articles of Association of the Company.

股本

本公司於本年度內之股本變動情況載於財務報表附註25。本公司因購股權獲行使而於本年度內發行股份。

本公司或其任何附屬公司於本年度內概無購回、出售或贖回本公司之上市證券。

董事

於本財政年度內及截至本年報之日期各董事之名單載於第2頁。

根據本公司之章程細則第104條，布魯士先生及羅慕玲女士須於應屆股東週年大會上輪值告退，並願膺選連任。

擬於應屆股東週年大會上膺選連任之董事並無與本公司或其任何附屬公司簽訂本公司或其任何附屬公司不得於一年內終止而不作出賠償(一般法定賠償除外)之服務合約。

根據本公司之章程細則，非執行董事乃按與其他董事相同之輪值告退條款獲委任。

REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

DIRECTORS' INTERESTS AND SHORT
POSITIONS IN SHARES, UNDERLYING SHARES
AND DEBENTURES

The Directors of the Company who held office at 31st March, 2008 had the following interests in the shares of the Company and subsidiaries (within the meaning of the Securities and Futures Ordinance ("SFO")) at that date as recorded in the register of directors' interests and short positions required to be kept under section 352 of the SFO:

(1) Interests in issued shares

| Name | Note | Number of ordinary shares of HK\$0.25 each 每股面值港幣0.25元之普通股數目 | | | Total number of shares held | * % of total issued shares * 佔已發行 股份總數之 百分比 |
|---|-------------|---|---------------------|------------------------------------|-----------------------------------|--|
| | | Personal interests | Family interests | Trusts and similar interests | | |
| 姓名 | 附註 | 個人權益 | 家族權益 | 信託及 同類權益 | 所持股 份總數 | |
| Mr. Winston Yau-lai LO 羅友禮先生 | (i), (iv) | 49,939,800 | 28,702,500 | 72,678,300 | 151,320,600 | 14.96 |
| Dr. The Hon. Sir David Kwok-po LI 李國寶爵士 | | 6,000,000 | – | – | 6,000,000 | 0.59 |
| Mr. Jan P.S. ERLUND Jan P.S. ERLUND先生 | | 100,000 | – | – | 100,000 | 0.01 |
| Ms. Myrna Mo-ching LO 羅慕貞女士 | (ii), (iv) | – | – | 100,653,000 | 100,653,000 | 9.95 |
| Ms. Yvonne Mo-ling LO 羅慕玲女士 | (iii), (iv) | 23,037,990 | – | 78,806,760 | 101,844,750 | 10.07 |
| Mr. Eric Fat YU 余發先生 | | 75,000 | – | – | 75,000 | 0.01 |

* This percentage has been compiled based on the total number of shares of the Company in issue (i.e. 1,011,575,500 ordinary shares) as at 31st March, 2008.

Notes:

- (i) Mr. Winston Yau-lai LO is deemed to be interested in 28,702,500 shares through interests of his wife.
- (ii) Ms. Myrna Mo-ching LO is interested in 27,974,700 shares held by Supreme Luck Holdings Limited which in turn holds such shares in trust for Myrna Lo Trust (formerly known as The Lo Kwee Seong 1987 Trust).
- (iii) Ms. Yvonne Mo-ling LO is interested in 6,128,460 shares held by Yvonne Lo Charitable Remainder Unitrust. Ms. Yvonne Mo-ling LO is a beneficiary of Yvonne Lo Charitable Remainder Unitrust and is therefore deemed to be interested in such shares.

董事於股份、相關股份及
債權證之權益及淡倉

按《證券及期貨條例》第352條規定備存之董事權益及淡倉登記冊記錄所載，於二零零八年三月三十一日在職之本公司董事於當日持有本公司及附屬公司(定義見《證券及期貨條例》)已發行股本之實際權益如下：

(1) 於已發行股份之權益

* 百分比根據本公司於二零零八年三月三十一日已發行之股份總數(即1,011,575,500股普通股)而計算。

附註：

- (i) 羅友禮先生由於其妻室擁有28,702,500股股份，故被視為擁有該等股份之權益。
- (ii) 羅慕貞女士擁有由Supreme Luck Holdings Limited持有之27,974,700股股份之權益，該公司以託管人身份為Myrna Lo Trust(前稱The Lo Kwee Seong 1987 Trust)持有該等股份。
- (iii) 羅慕玲女士擁有由Yvonne Lo Charitable Remainder Unitrust持有之6,128,460股股份之權益。羅慕玲女士為Yvonne Lo Charitable Remainder Unitrust之受益人，故被視為擁有該等股份之權益。

REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

(1) Interests in issued shares (continued)

Notes: (continued)

- (iv) Each of Mr. Winston Yau-lai LO, Ms. Myrna Mo-ching LO and Ms. Yvonne Mo-ling LO is interested in 72,678,300 shares held by The Bank of East Asia (Nominees) Limited which holds such shares as a nominee for the K.S. Lo Foundation, a charitable trust. Each of them is a trustee of the K.S. Lo Foundation and is therefore deemed to be interested in such shares.

(2) Interests in underlying shares

Certain Directors of the Company have been granted options under the Company's share option scheme, details of which are set out in the section "Share option scheme" below.

All interests in the shares and underlying shares of the Company are long positions.

Apart from the foregoing, and other than certain nominee shares in subsidiaries held by the Directors in trust for the Company, none of the Directors of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, any of its subsidiaries or other associated corporations, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code.

SHARE OPTION SCHEME

On 4th September, 2002, the Company adopted a share option scheme under which the Directors might, at their discretion, grant options to employees and Directors of the Company or any of its subsidiaries to subscribe for ordinary shares of HK\$0.25 each in the Company. This scheme was valid for 10 years ending 3rd September, 2012, unless otherwise cancelled or amended. The purpose of this scheme was to provide incentives and rewards to employees for their contribution to the Group. The principal terms of this scheme were as follows:

- The exercise price of the options is the highest of (a) the closing price of the shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of grant, which must be a business day; (b) the average of the closing prices of the shares on the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of the shares.

董事於股份、相關股份及債權證之權益及淡倉(續)

(1) 於已發行股份之權益(續)

附註：(續)

- (iv) 羅友禮先生、羅慕貞女士及羅慕玲女士均擁有由東亞銀行受託代管有限公司以代理人名義代K. S. Lo Foundation慈善基金持有之72,678,300股股份。彼等均為K. S. Lo Foundation之受託人，故被視為擁有該等股份之權益。

(2) 於相關股份之權益

本公司若干董事根據本公司之購股權計劃獲授購股權，詳情載於以下「購股權計劃」一節。

於本公司股份及相關股份中之全部權益均為好倉。

除上文所敘述及董事以託管人身份代本公司持有若干附屬公司之代理人股份外，本公司各董事或彼等之配偶或未滿十八歲之子女概無在本公司、其任何附屬公司或其他相聯公司之股份、相關股份或債權證中擁有任何權益或淡倉為記錄在根據《證券及期貨條例》第352條須存置之登記冊或須根據標準守則知會本公司。

購股權計劃

於二零零二年九月四日，本公司採納一項購股權計劃，據此，董事會可酌情向本公司或其任何附屬公司之僱員及董事授予購股權以認購本公司每股面值港幣0.25元之普通股。除非另行取消或修訂該計劃，計劃之有效期為十年，於二零一二年九月三日終止。該計劃旨在獎勵及回饋對本集團作出貢獻之僱員。該計劃之主要條款如下：

- 購股權之行使價為下列三者中之最高價：(a) 股份於授出日期(當日必須為營業日)在香港聯合交易所有限公司(「聯交所」)錄得之收市價；(b) 股份於緊接截至授出日期過去五個營業日在聯交所錄得之平均收市價；及(c) 股份之面值。

REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

SHARE OPTION SCHEME (CONTINUED)

- The options were exercisable for a period to be notified by the Directors to each option holder, such period not to exceed 10 years from the date of grant.
- There was no minimum period which an option must be held before it could be exercised, but the Directors were empowered to impose at their discretion any such minimum period at the date of offer.
- The maximum number of shares which may be issued upon exercise of all options to be granted must not exceed 10% of the shares in issue on the date of approval and adoption of the scheme.
- The maximum aggregate number of shares over which options could be granted to any one participant, when added to the number of shares issued or issuable to that participant under the share option scheme must not exceed 25% of the maximum aggregate number of shares for the time being issued and issuable under the share option scheme.
- An offer of the grant of an option remained open for acceptance by an eligible Director or employee for a period of 28 days from the date of offer or such longer or shorter period as the Directors might in their discretion determine. An eligible Director or employee had to pay HK\$10 on acceptance of the option as a consideration.
- Unless approved by shareholders of the Company in a general meeting, the total number of shares issued and which may fall to be issued upon exercise of the options granted (including exercised, cancelled and outstanding options) to any one participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

The total number of ordinary shares available for issue under the share option scheme as at 31st March, 2008 was 76,763,550 shares (including options for 20,470,000 ordinary shares that have been granted but not yet exercised), which represented 7.59% of the issued share capital of the Company at 31st March, 2008.

購股權計劃(續)

- 購股權之行使期限由董事會知會每名購股權持有人，該期限由購股權授出日期起計不得超過十年。
- 購股權毋須先行持有一段最短期限方可行使，惟董事會獲授權可酌情於要約日期時附加任何最短持有期。
- 就行使全部將授予之購股權而可予發行之股份總數，最多不得超過批准及採納計劃當日之已發行股份10%。
- 授予任何參與者之購股權所能認購之股份數目，在與根據購股權計劃已發行或可發行予該名參與者之股份數目合計，最多不得超過根據購股權計劃當時已發行及可發行之股份最高總數之25%。
- 合資格之董事或僱員可於要約認購購股權日期起計28日或董事會酌情決定之較長或較短期間內接納授出購股權之要約。合資格之董事或僱員須於接納購股權時支付港幣10元作為代價。
- 除獲本公司股東於股東大會上批准外，於截至授出日期止之任何十二個月期間內，就任何一名參與者行使授予之購股權而已發行及須予發行之股份總數(包括已行使、已注銷及未行使之購股權)，不得超過於授出日期之已發行股份1%。

於二零零八年三月三十一日根據購股權計劃可供發行之普通股總數為76,763,550股(包括已授出但尚未行使之購股權涉及之20,470,000股普通股)，佔本公司於二零零八年三月三十一日之已發行股本7.59%。



REPORT OF THE DIRECTORS (CONTINUED)

董事會報告書(續)

SHARE OPTION SCHEME (CONTINUED)

The Directors of the Company individually and other employees of the Group in aggregate had the following personal interests in options to subscribe for ordinary shares of the Company during the year and at the end of the year:

購股權計劃(續)

於本年度及年結時，個別本公司董事及其他本集團之僱員在可認購本公司普通股之購股權中擁有之個人權益如下：

| Participants | Date of grant | Period during which options are exercisable | Price per share on exercise of options | Number of Options Outstanding at the beginning of the year | Number of options granted during the year | Number of options exercised during the year | Number of options forfeited on termination of employment of eligible participants during the year | Number of options outstanding at the end of the year | * Market value per share on grant | * Market value per share on exercise of options |
|---|---------------|---|--|--|---|---|---|--|-----------------------------------|---|
| 參與者 | 授出日期 | 購股權行使期 | 行使購股權時須付之每股價格 HK\$ 港元 | 年初時尚未行使之購股權數目 | 年內授出之購股權數目 | 年內行使之購股權數目 | 於年內因合資格參與者離職而沒收之購股權數目 | 年結時尚未行使之購股權數目 | * 授出購股權時之每股市價 HK\$ 港元 | * 行使購股權時之每股市價 HK\$ 港元 |
| Directors | | | | | | | | | | |
| 董事 | | | | | | | | | | |
| Mr. Winston Yau-lai LO | 1/4/2003 | 1/4/2004 – 31/3/2013 | 1.688 | 2,220,000 | - | - | - | 2,220,000 | 1.660 | - |
| 羅友禮先生 | 1/4/2004 | 1/4/2005 – 31/3/2014 | 1.904 | 1,700,000 | - | - | - | 1,700,000 | 1.920 | - |
| | 1/6/2005 | 1/6/2006 – 31/5/2015 | 2.375 | 1,472,000 | - | - | - | 1,472,000 | 2.425 | - |
| | 5/6/2006 | 5/6/2007 – 4/6/2016 | 2.900 | 976,000 | - | - | - | 976,000 | 2.850 | - |
| | 18/7/2007 | 18/7/2008 – 17/7/2017 | 3.600 | - | 712,000 | - | - | 712,000 | 3.630 | - |
| Mr. Laurence P. EISENTRAGER | 5/6/2006 | 5/6/2007 – 4/6/2016 | 2.900 | 224,000 | - | - | - | 224,000 | 2.850 | - |
| 黎信彥先生 | 18/7/2007 | 18/7/2008 – 17/7/2017 | 3.600 | - | 592,000 | - | - | 592,000 | 3.630 | - |
| Mr. Eric Fat YU | 1/4/2003 | 1/4/2004 – 31/3/2013 | 1.688 | 738,000 | - | - | - | 738,000 | 1.660 | - |
| 余發先生 | 1/4/2004 | 1/4/2005 – 31/3/2014 | 1.904 | 450,000 | - | - | - | 450,000 | 1.920 | - |
| | 1/6/2005 | 1/6/2006 – 31/5/2015 | 2.375 | 392,000 | - | - | - | 392,000 | 2.425 | - |
| | 5/6/2006 | 5/6/2007 – 4/6/2016 | 2.900 | 316,000 | - | - | - | 316,000 | 2.850 | - |
| | 18/7/2007 | 18/7/2008 – 17/7/2017 | 3.600 | - | 304,000 | - | - | 304,000 | 3.630 | - |
| Mr. Ambrose Kam-shing CHAN# | 3/8/2004 | 3/8/2006 – 2/8/2014 | 1.910 | 900,000 | - | (900,000) | - | - | 1.910 | 3.590 |
| 陳錦勝先生# | 1/6/2005 | 1/6/2006 – 31/5/2015 | 2.375 | 1,794,000 | - | (598,000) | (1,196,000) | - | 2.425 | 3.490 |
| | 5/6/2006 | 5/6/2007 – 4/6/2016 | 2.900 | 954,000 | - | (238,000) | (716,000) | - | 2.850 | 3.490 |
| Mr. John Shek-hung LAU® | 1/4/2003 | 1/4/2004 – 31/3/2013 | 1.688 | 820,000 | - | - | - | 820,000 | 1.660 | - |
| 劉錫鴻先生® | 1/4/2004 | 1/4/2005 – 31/3/2014 | 1.904 | 500,000 | - | - | - | 500,000 | 1.920 | - |
| | 1/6/2005 | 1/6/2006 – 31/5/2015 | 2.375 | 392,000 | - | - | - | 392,000 | 2.425 | - |
| | 5/6/2006 | 5/6/2007 – 4/6/2016 | 2.900 | 316,000 | - | - | - | 316,000 | 2.850 | - |
| Eligible employees working under employment contracts | 1/4/2003 | 1/4/2004 – 31/3/2013 | 1.688 | 1,849,000 | - | (1,186,000) | (25,000) | 638,000 | 1.660 | 3.446 |
| 根據僱傭合約工作之合資格僱員 | 1/4/2004 | 1/4/2005 – 31/3/2014 | 1.904 | 2,292,000 | - | (946,000) | (34,000) | 1,312,000 | 1.920 | 3.418 |
| | 1/6/2005 | 1/6/2006 – 31/5/2015 | 2.375 | 2,534,000 | - | (530,000) | (86,000) | 1,918,000 | 2.425 | 3.327 |
| | 5/6/2006 | 5/6/2007 – 4/6/2016 | 2.900 | 2,476,000 | - | (142,000) | (154,000) | 2,180,000 | 2.850 | 3.352 |
| | 18/7/2007 | 18/7/2008 – 17/7/2017 | 3.600 | - | 2,298,000 | - | - | 2,298,000 | 3.630 | - |
| | | | | 23,315,000 | 3,906,000 | (4,540,000) | (2,211,000) | 20,470,000 | | |

The options granted to the Directors are registered under the names of the Directors who are also the beneficial owners.

授予董事之購股權以同為實益擁有人之董事之名義登記。

* being the closing price or the weighted average closing price of the Company's ordinary shares immediately before the dates on which the options were granted or exercised, as applicable.

* 即本公司普通股於緊接購股權授出或獲行使前一日適用之收市價或加權平均收市價。

Mr. Ambrose Kam-shing CHAN resigned as an Executive Director on 25th July, 2007.

陳錦勝先生於二零零七年七月二十五日辭任執行董事。

® Mr. John Shek-hung LAU resigned as an Executive Director and retired from service to the company from 1st December, 2007. Pursuant to the share option scheme rule, Mr. John Shek-hung LAU is still eligible to exercise his share options within six months after his retirement.

® 劉錫鴻先生於二零零七年十二月一日辭任執行董事並自此退休。根據購股權計劃規則，劉錫鴻先生於退休後六個月內仍然符合資格行使其購股權。

REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

SHARE OPTION SCHEME (CONTINUED)

Information on the accounting policy for share options granted and the value per option is provided in note 1(n)(iv) and note 26 to the financial statements respectively.

Apart from the foregoing, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Note:

Except for the options granted on 3rd August, 2004, all the options are exercisable progressively and the maximum percentage of the options which may be exercised is determined in stages as follows:

購股權計劃(續)

有關已授出購股權之會計政策及每項購股權之價值之資料分別載於財務報表附註1(n)(iv)及附註26。

除上文所披露者外，在本年度之任何時間，本公司或其任何附屬公司概無參與任何安排，致使本公司董事可藉購入本公司或任何其他公司之股份或債權證而獲益。

附註：

除於二零零四年八月三日授出之購股權外，可予行使之所有購股權數目乃逐步增加，而各階段可行使購股權之百分比上限如下：

| | | Percentage of options granted 佔獲授購股權之百分比 |
|---|--------------|--|
| On or after 1st year anniversary of the date of grant | 授出日期起計一週年或其後 | 25% |
| On or after 2nd year anniversary of the date of grant | 授出日期起計二週年或其後 | another 另 25% |
| On or after 3rd year anniversary of the date of grant | 授出日期起計三週年或其後 | another 另 25% |
| On or after 4th year anniversary of the date of grant | 授出日期起計四週年或其後 | another 另 25% |



REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

**SUBSTANTIAL SHAREHOLDERS' AND
OTHER PERSONS' INTERESTS AND
SHORT POSITIONS IN SHARES AND
UNDERLYING SHARES**

**主要股東及其他人士於股份及
相關股份之權益及淡倉**

The Company has been notified of the following interests in the Company's issued shares at 31st March, 2008 amounting to 5% or more of the ordinary shares in issue. These interests are in addition to those disclosed above in respect of the Directors.

於二零零八年三月三十一日，本公司已獲知會下列佔本公司已發行普通股之5%或以上之本公司已發行股份權益。該等權益不包括上文所披露之董事權益。

| Substantial shareholders | Note | Number of ordinary shares of HK\$0.25 each 每股面值港幣0.25元之普通股數目 | | | | | Total number of shares held | * % of total issued shares * 佔已發行 股份總數 之百分比 |
|---|-----------|---|---------------------|------------------------|------------------------------------|------------|-----------------------------------|--|
| | | Personal interests | Family interests | Corporate interests | Trusts and similar interests | | | |
| 主要股東 | 附註 | 個人權益 | 家族權益 | 公司權益 | 信託及 同類權益 | 所持股份 總數 | | |
| Ms. Irene CHAN 陳羅慕連女士 | (i), (ii) | 23,514,700 | 750,000 | – | 72,678,300 | 96,943,000 | 9.58 | |
| Mr. Kai-tun LO 羅開敦先生 | (ii) | 18,508,950 | – | – | 72,678,300 | 91,187,250 | 9.01 | |
| Mr. Peter Tak-shing LO 羅德承先生 | (ii) | 7,548,000 | – | – | 72,678,300 | 80,226,300 | 7.93 | |
| Commonwealth Bank of Australia 澳洲聯邦銀行 | (iii) | – | – | 60,763,000 | – | 60,763,000 | 6.01 | |
| Arisaig Greater China Fund ("Arisaig") | (iv) | 60,600,000 | – | – | – | 60,600,000 | 5.99 | |
| Arisaig Partners (Mauritius) Limited ("Arisaig Mauritius") | (v) | – | – | 60,600,000 | – | 60,600,000 | 5.99 | |
| Mr. Lindsay William Ernest COOPER ("Cooper") COOPER先生(「Cooper」) | (vi) | – | – | 60,600,000 | – | 60,600,000 | 5.99 | |
| Matthews International Capital Management LLC | (vii) | – | – | 50,645,000 | – | 50,645,000 | 5.01 | |

* This percentage has been compiled based on the total number of shares of the Company in issue (i.e. 1,011,575,500 ordinary shares) as at 31st March, 2008.

* 百分比根據本公司於二零零八年三月三十一日已發行之股份總數(即1,011,575,500股普通股)而計算。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告書(續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Notes:

- (i) Ms. Irene CHAN is interested in 750,000 shares held for her daughter Alexandra CHAN who is under the age of 18.
- (ii) Each of Ms. Irene CHAN, Mr. Kai-tun LO and Mr. Peter Tak-shing LO is interested in 72,678,000 shares held by The Bank of East Asia (Nominees) Limited which holds such shares as a nominee for the K.S. Lo Foundation, a charitable trust. Each of them is a trustee of the K.S. Lo Foundation and is therefore deemed to be interested in such shares.
- (iii) Commonwealth Bank of Australia was taken to be interested in these 60,763,000 shares which were held by its wholly-owned subsidiaries.
- (iv) These interests are held by Arisaig in the capacity of beneficial owner.
- (v) These interests are held by Arisaig Mauritius in the capacity of investment manager of Arisaig. These interests are duplicated by the interests disclosed in Note (iv) above.
- (vi) These interests represent Cooper's interests through his indirect 33% interest in Arisaig Mauritius. These interests are duplicated by the interests disclosed in Notes (iv) and (v) above.
- (vii) These interests are held by Matthews International Capital Management LLC in the capacity of investment manager.

All interests in the shares and underlying shares of the Company are long positions.

Apart from the foregoing, no other interests required to be recorded in the register kept under section 336 of the SFO have been notified to the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company or any of its subsidiaries was a party, and in which a Director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

附註：

- (i) 陳羅慕連女士擁有代其未滿十八歲女兒Alexandra CHAN持有之750,000股股份之權益。
- (ii) 陳羅慕連女士、羅開敦先生及羅德承先生均擁有由東亞銀行受託代管有限公司以代理人名義代K.S. Lo Foundation慈善基金持有之72,678,000股股份。彼等均為K. S. Lo Foundation之受託人，故被視為擁有該等股份之權益。
- (iii) 澳洲聯邦銀行被視為於其全資附屬公司所持有之60,763,000股股份中擁有權益。
- (iv) 該等權益乃由Arisaig以實益擁有人身份持有。
- (v) 該等權益乃由Arisaig Mauritius以Arisaig之投資經理身份持有。該等權益與上文附註(iv)所述者為同一份權益。
- (vi) 該等權益乃Cooper透過間接持有Arisaig Mauritius之33%權益而擁有之權益。該等權益與上文附註(iv)及(v)所披露者為同一份權益。
- (vii) 該等權益乃由Matthews International Capital Management LLC以投資經理身份持有。

於本公司股份及相關股份中之全部權益均為好倉。

除上述者外，本公司並不獲知會有任何須紀錄在根據《證券及期貨條例》第336條而保存之登記冊內之其他權益。

公眾持股量

根據本公司所掌握之公開資料以及就本公司董事所知，於本年報日期，本公司一直保持上市規則規定之公眾持股量。

董事於合約之權益

本公司或其任何附屬公司概無於本年度終結時或年內任何時間訂立本公司董事擁有重大權益之重要合約。



REPORT OF THE DIRECTORS (CONTINUED)

董事會報告書(續)

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Directors' and officers' liability insurance was maintained during the year.

董事及行政人員之責任保險

本年度內，本公司已為董事及行政人員投保責任保險。

CONNECTED TRANSACTIONS

(1) On 21st March, 2006, the Company entered into a Milk Supply Agreement with Shenzhen Guang Ming Holdings Limited ("Guangming"), a substantial shareholder holding 30% of the registered capital of the Company's subsidiary, Shenzhen Vitasoy (Guang Ming) Foods and Beverage Company Limited ("Shenzhen Vitasoy"), under which Guangming would supply milk products and provide milk processing and packaging services to the Company for a period of 3 years commencing 1st April, 2006. During the year, HK\$2,517,000 (2007: HK\$2,515,000) was charged by Guangming.

The transactions constituted continuing connected transactions under Rule 14A.34(1) of the Listing Rules, which are only subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirement. An announcement was made by the Company on 21st March, 2006 in this respect.

The Directors, including the Independent Non-executive Directors, considered that the transactions during the year ended 31st March, 2008:

- (i) were entered into in the ordinary and usual course of business of the Company;
- (ii) were conducted on normal commercial terms or on terms no less favourable than terms available from independent third parties; and
- (iii) were conducted in accordance with the Milk Supply Agreement on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易

(1) 於二零零六年三月二十一日，本公司與深圳市光明集團有限公司(「光明」)訂立鮮奶供應協議，據此，光明將向本公司供應鮮奶產品及提供鮮奶加工及包裝服務，由二零零六年四月一日起計為期三年。光明為持有本公司附屬公司深圳維他(光明)食品飲料有限公司(「深圳維他奶」)註冊資本之30%之主要股東。年內，光明收取港幣2,517,000元(二零零七年：港幣2,515,000元)。

根據上市規則第14A.34(1)條，有關交易構成持續關連交易，並只須遵守申報及公佈規定而獲豁免獨立股東批准之規定。本公司已於二零零六年三月二十一日就此發表公佈。

董事(包括獨立非執行董事)認為有關交易於截至二零零八年三月三十一日止年度乃：

- (i) 於本公司一般日常業務過程中進行；
- (ii) 按正常商業條款或按不遜於獨立第三者給予之條款進行；及
- (iii) 按鮮奶供應協議進行，而交易條款公平合理，並且符合股東的整體利益。

REPORT OF THE DIRECTORS (CONTINUED)
董事會報告書(續)

CONNECTED TRANSACTIONS (CONTINUED)

In addition, the independent auditors of the Company confirmed that:

- (i) the transactions were approved by the board of directors;
- (ii) the transactions were entered into in accordance with the agreed prices as set out in the Milk Supply Agreement; and
- (iii) the consideration for the transactions had not exceeded the annual cap of HK\$6,000,000 for the year ended 31st March, 2008.

- (2) On 22nd March, 2007, the Company's subsidiary, Vitasoy Australia Products Pty. Ltd. ("VAP"), entered into a Services and Distribution Agreement whereby National Foods Milk Limited ("NFML"), a fellow subsidiary of National Foods Holding Limited, a substantial shareholder holding 49% of the issued share capital of VAP, would provide services to VAP in relation to soy food and beverage products manufactured, imported and/or distributed by VAP targeted for mainstream market ("VAP Products"). As part of the services provided, NFML would be the exclusive distributor in Australia of the VAP Products. In return, VAP would pay a management fee equal to 3.5% of gross sales of VAP Products distributed by NFML in Australia. The agreement commenced on 1st April, 2007 and will continue until 31st March, 2010. During the year, HK\$8,561,000 (2007: HK\$Nil) was charged by NFML.

The transactions constituted continuing connected transactions under Rule 14A.34(1) of the Listing Rules, which are only subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirement. An announcement was made by the Company on 22nd March, 2007 in this respect.

The Directors, including the Independent Non-executive Directors, considered that the transactions during the year ended 31st March, 2008:

- (i) were entered into in the ordinary and usual course of business of the Company;
- (ii) were conducted on normal commercial terms or on terms no less favourable than terms available from independent third parties; and
- (iii) were conducted in accordance with the Services and Distribution Agreement on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易(續)

此外，本公司之獨立核數師確認：

- (i) 交易已獲董事會批准；
- (ii) 交易乃根據鮮奶供應協議所載之協定價格進行；及
- (iii) 交易之代價並無超過截至二零零八年三月三十一日止年度之年度上限港幣6,000,000元。

- (2) 於二零零七年三月二十二日，本公司之附屬公司Vitasoy Australia Products Pty. Ltd. (「VAP」)訂立一項服務及分銷協議，據此，National Foods Holding Limited(持有VAP 49%已發行股本之主要股東)之同系附屬公司National Foods Milk Limited(「NFML」)將就VAP製造、進口及／或分銷之主流市場豆製食品及飲品(「VAP產品」)向VAP提供服務。作為所提供服務之一部份，NFML成為VAP產品在澳洲之獨家分銷商。VAP須就此向NFML支付相當於其在澳洲分銷之VAP產品總銷售額之3.5%作為管理費。協議於二零零七年四月一日開始，並將於二零一零年三月三十一日屆滿。年內，NFML收取港幣8,561,000元(二零零七年：港幣零元)。

根據上市規則第14A.34(1)條，有關交易構成持續關連交易，並只須遵守申報及公佈規定而獲豁免獨立股東批准之規定。本公司已於二零零七年三月二十二日就此發表公佈。

董事(包括獨立非執行董事)認為有關交易於截至二零零八年三月三十一日止年度乃：

- (i) 於本公司一般日常業務過程中進行；
- (ii) 按正常商業條款或按不遜於獨立第三者給予之條款進行；及
- (iii) 按服務及分銷協議進行，而交易條款公平合理，並且符合股東的整體利益。



REPORT OF THE DIRECTORS (CONTINUED)

董事會報告書(續)

CONNECTED TRANSACTIONS (CONTINUED)

In addition, the independent auditors of the Company confirmed that:

- (i) the transactions were approved by the board of directors;
- (ii) the transactions were entered into in accordance with the management fee percentage as set out in the Services and Distribution Agreement; and
- (iii) the consideration for the transactions had not exceeded the annual cap of AUD2,000,000 for the year ended 31st March, 2008.

EMPLOYEE RETIREMENT PLANS

Particulars of employee retirement plans of the Company and the Group are set out in note 15 to the financial statements.

FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 163 and 164 of the annual report.

AUDITORS

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Winston Yau-lai LO

Executive Chairman

Hong Kong, 3rd July, 2008

關連交易(續)

此外，本公司之獨立核數師確認：

- (i) 交易已獲董事會批准；
- (ii) 交易乃根據服務及分銷協議所載之服務費百分比進行；及
- (iii) 交易之代價並無超過截至二零零八年三月三十一日止年度之年度上限2,000,000澳元。

僱員退休計劃

有關本公司及本集團僱員退休計劃之詳情載於財務報表附註15。

五年財務摘要

本集團於過去五個財政年度之業績、資產及負債摘要載於本年報第163及164頁。

核數師

畢馬威會計師事務所任滿告退並願受聘連任。有關續聘畢馬威會計師事務所擔任本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

羅友禮

執行主席

香港，二零零八年七月三日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



Independent auditor's report to the shareholders of Vitasoy International Holdings Limited

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Vitasoy International Holdings Limited (the "Company") set out on pages 65 to 162, which comprise the consolidated and company balance sheets as at 31st March, 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

致維他奶國際集團有限公司各股東之獨立核數師報告書

(於香港註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第65頁至162頁維他奶國際集團有限公司(「貴公司」)之綜合財務報表,此綜合財務報表包括於二零零八年三月三十一日之綜合及公司資產負債表與截至該日止年度之綜合損益報表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》編製及真實而公允地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公允地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述,選擇和應用適當之會計政策,及按情況作出合理之會計估計。

核數師的責任

我們的責任是根據我們審核工作的結果,對該等財務報表發表意見。我們按照香港《公司條例》第141條的規定,僅向整體股東報告。除此之外,我們的報告書不可用作其他用途。我們概不就本報告書之內容,對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的《香港審計準則》進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告書(續)

AUDITOR'S RESPONSIBILITY (CONTINUED)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

3rd July, 2008

核數師的責任(續)

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定之程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公允地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據《香港財務報告準則》真實而公允地反映 貴公司及 貴集團於二零零八年三月三十一日的財政狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照香港《公司條例》適當地編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓

二零零八年七月三日

CONSOLIDATED INCOME STATEMENT

綜合損益報表

for the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度(以港幣計算)

| | | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|---------------------------|--------------|-------------------------------|-------------------------------|
| | | Note 附註 | | |
| Turnover | 營業額 | 2(b), 3 & 12 | 2,416,384 | 2,109,136 |
| Cost of sales | 銷售成本 | | (1,285,562) | (1,130,130) |
| Gross profit | 毛利 | | 1,130,822 | 979,006 |
| Other revenue | 其他收入 | 4 | 61,820 | 51,740 |
| Marketing, selling and distribution expenses | 推廣、銷售及分銷費用 | | (541,301) | (468,655) |
| Administrative expenses | 行政費用 | | (179,878) | (166,104) |
| Other operating expenses | 其他經營費用 | | (170,786) | (145,472) |
| Profit from operations | 經營溢利 | | 300,677 | 250,515 |
| Finance costs | 融資成本 | 5(a) | (8,865) | (8,068) |
| Profit before taxation | 除稅前溢利 | 5 | 291,812 | 242,447 |
| Income tax | 所得稅 | 6(a) | (55,831) | (41,135) |
| Profit for the year | 本年度溢利 | | 235,981 | 201,312 |
| Attributable to: | 應佔： | | | |
| Equity shareholders of the Company | 本公司股權持有人 | 9 & 25(a) | 211,208 | 173,901 |
| Minority interests | 少數股東權益 | 25(a) | 24,773 | 27,411 |
| Profit for the year | 本年度溢利 | 25(a) | 235,981 | 201,312 |
| Dividends payable to equity shareholders of the Company attributable to the year: | 應付予本公司股權持有人之本年度股息： | 10(a) | | |
| Interim dividend declared during the year | 年內宣派之中期股息 | | 28,315 | 28,197 |
| Final dividend proposed after the balance sheet date | 結算日後擬派之末期股息 | | 88,216 | 67,669 |
| Special dividend proposed after the balance sheet date | 結算日後擬派之特別股息 | | 101,398 | 100,999 |
| | | | 217,929 | 196,865 |
| Earnings per share | 每股盈利 | 11 | | |
| Basic | 基本 | | 20.9 cents 仙 | 17.3 cents 仙 |
| Diluted | 攤薄 | | 20.8 cents 仙 | 17.2 cents 仙 |

The notes on pages 74 to 162 form part of these financial statements.

第74至162頁之附註乃本財務報表之一部份。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31st March, 2008 (Expressed in Hong Kong dollars)
於二零零八年三月三十一日(以港幣計算)

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---|----------------------|---------------|------------------|---------------|-----------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 |
| Non-current assets | 非流動資產 | | | | |
| Fixed assets | 固定資產 | 13(a) | | | |
| – Property, plant and equipment | – 物業、廠房及設備 | | 757,086 | | 749,306 |
| – Investment property | – 投資物業 | | 9,352 | | 9,878 |
| – Interests in leasehold land held for own use under operating leases | – 根據經營租賃持有作自用之租賃土地權益 | | 7,505 | | 5,388 |
| | | | 773,943 | | 764,572 |
| Employee retirement benefit assets | 僱員退休福利資產 | 15(b) | 3,327 | | 2,220 |
| Deferred tax assets | 遞延稅項資產 | 16(b) | 4,249 | | 6,374 |
| Other financial asset | 其他金融資產 | 17 | – | | 14,347 |
| | | | 781,519 | | 787,513 |
| Current assets | 流動資產 | | | | |
| Inventories | 存貨 | 18 | 268,417 | | 212,298 |
| Trade and other receivables | 應收賬款及其他應收款 | 19 | 421,295 | | 392,910 |
| Current tax recoverable | 應收回現期稅項 | 16(a) | 675 | | – |
| Bank deposits | 銀行存款 | 20 | 18,962 | | 23,984 |
| Cash and cash equivalents | 現金及現金等值項目 | 20 | 529,799 | | 461,726 |
| | | | 1,239,148 | | 1,090,918 |
| Current liabilities | 流動負債 | | | | |
| Trade and other payables | 應付賬款及其他應付款 | 22 | 458,677 | | 379,533 |
| Bank loans (unsecured) | 銀行貸款(無抵押) | 23 | 47,190 | | 27,005 |
| Obligations under finance leases | 融資租賃之債務 | 24(a) | 6,873 | | 7,533 |
| Current tax payable | 應付現期稅項 | 16(a) | 19,443 | | 7,361 |
| | | | 532,183 | | 421,432 |
| Net current assets | 淨流動資產 | | 706,965 | | 669,486 |
| Total assets less current liabilities carried forward | 總資產減流動負債結轉 | | 1,488,484 | | 1,456,999 |

CONSOLIDATED BALANCE SHEET (CONTINUED)

綜合資產負債表(續)

At 31st March, 2008 (Expressed in Hong Kong dollars)
於二零零八年三月三十一日(以港幣計算)

| | Note 附註 | 2008 二零零八年 | | 2007 二零零七年 | |
|--|------------------------|---------------|------------------|---------------|--------------|
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Total assets less current liabilities brought forward | 總資產減 流動負債承前 | | 1,488,484 | | 1,456,999 |
| Non-current liabilities | 非流動負債 | | | | |
| Bank loans (unsecured) | 銀行貸款(無抵押) | 23 | 21,419 | | 69,960 |
| Obligations under finance leases | 融資租賃之債務 | 24(a) | 29,146 | | 27,773 |
| Employee retirement benefit liabilities | 僱員退休福利負債 | 15(b) | 2,034 | | 2,418 |
| Deferred tax liabilities | 遞延稅項負債 | 16(b) | 12,036 | | 11,360 |
| | | | 64,635 | | 111,511 |
| NET ASSETS | 淨資產 | | 1,423,849 | | 1,345,488 |
| CAPITAL AND RESERVES | 資本及儲備 | 25(a) | | | |
| Share capital | 股本 | | 252,894 | | 251,759 |
| Reserves | 儲備 | | 1,052,490 | | 1,002,602 |
| Total equity attributable to equity shareholders of the Company | 本公司股權 持有人應佔 權益總額 | | 1,305,384 | | 1,254,361 |
| Minority interests | 少數股東權益 | | 118,465 | | 91,127 |
| TOTAL EQUITY | 權益總額 | | 1,423,849 | | 1,345,488 |

Approved and authorised for issue by the Board of Directors on
3rd July, 2008

於二零零八年七月三日獲董事會通過並批准
發佈

Winston Yau-lai LO
Director

Laurence P. EISENTRAGER
Director

羅友禮
董事

黎信彥
董事

The notes on pages 74 to 162 form part of these financial statements.

第74至162頁之附註乃本財務報表之一部份。

BALANCE SHEET

資產負債表

At 31st March, 2008 (Expressed in Hong Kong dollars)
於二零零八年三月三十一日(以港幣計算)

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|--|-------------------|---------------|------------------|---------------|-----------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 |
| | Note 附註 | | | | |
| Non-current assets | 非流動資產 | | | | |
| Fixed assets | 固定資產 | 13(b) | | | |
| – Property, plant and equipment | – 物業、廠房及設備 | | 179,351 | | 178,659 |
| – Investment property | – 投資物業 | | 9,352 | | 9,878 |
| | | | 188,703 | | 188,537 |
| Interest in subsidiaries | 附屬公司權益 | 14 | 271,800 | | 286,763 |
| Employee retirement benefit assets | 僱員退休福利資產 | 15(b) | 3,629 | | 2,436 |
| Other financial asset | 其他金融資產 | 17 | – | | 14,347 |
| | | | 464,132 | | 492,083 |
| Current assets | 流動資產 | | | | |
| Inventories | 存貨 | 18 | 100,457 | | 84,963 |
| Trade and other receivables | 應收賬款及其他應收款 | 19 | 247,588 | | 259,335 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 21 | 220,063 | | 210,496 |
| Bank deposits | 銀行存款 | 20 | 9,963 | | 11,532 |
| Cash and cash equivalents | 現金及現金等值項目 | 20 | 387,329 | | 311,624 |
| | | | 965,400 | | 877,950 |
| Current liabilities | 流動負債 | | | | |
| Trade and other payables | 應付賬款及其他應付款 | 22 | 204,383 | | 189,521 |
| Obligations under finance leases | 融資租賃之債務 | 24(b) | 1,082 | | 936 |
| Current tax payable | 應付現期稅項 | 16(a) | 12,919 | | 4,658 |
| | | | 218,384 | | 195,115 |
| Net current assets | 淨流動資產 | | 747,016 | | 682,835 |
| Total assets less current liabilities carried forward | 總資產減流動負債結轉 | | 1,211,148 | | 1,174,918 |

BALANCE SHEET (CONTINUED)

資產負債表(續)

At 31st March, 2008 (Expressed in Hong Kong dollars)
於二零零八年三月三十一日(以港幣計算)

| | Note 附註 | 2008 二零零八年 | | 2007 二零零七年 | |
|--|-------------------|---------------|------------------|---------------|--------------|
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Total assets less current liabilities brought forward | 總資產減流動負債承前 | | 1,211,148 | | 1,174,918 |
| Non-current liabilities | 非流動負債 | | | | |
| Obligations under finance leases | 融資租賃之債務 24(b) | | 4,533 | | 5,637 |
| Employee retirement benefit liabilities | 僱員退休福利負債 15(b) | | 1,914 | | 2,283 |
| Deferred tax liabilities | 遞延稅項負債 16(b) | | 11,066 | | 10,591 |
| | | | 17,513 | | 18,511 |
| NET ASSETS | 淨資產 | | 1,193,635 | | 1,156,407 |
| CAPITAL AND RESERVES | 資本及儲備 25(b) | | | | |
| Share capital | 股本 | | 252,894 | | 251,759 |
| Reserves | 儲備 | | 940,741 | | 904,648 |
| TOTAL EQUITY | 權益總額 | | 1,193,635 | | 1,156,407 |

Approved and authorised for issue by the Board of Directors on
3rd July, 2008

於二零零八年七月三日獲董事會通過並批准
發佈

Winston Yau-lai LO
Director

Laurence P. EISENTRAGER
Director

羅友禮
董事

黎信彥
董事



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港幣計算)

| | Note 附註 | 2008 二零零八年 | | 2007 二零零七年 | |
|---|-------------------------------|---------------|------------------|---------------|--------------|
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Total equity at 1st April | 於四月一日之權益總額 | | 1,345,488 | | 1,308,934 |
| Net income recognised directly in equity: | 直接確認為權益之收入淨額： | | | | |
| Exchange differences on translation of the financial statements of foreign subsidiaries | 換算外地附屬公司財務報表所產生之滙兌差額 25(a) | | 37,308 | | 23,351 |
| Net profit for the year | 本年度溢利淨額 | | 235,981 | | 201,312 |
| Total recognised income and expense for the year | 本年度確認之收入及開支總額 | | 273,289 | | 224,663 |
| Attributable to: | 應佔： | | | | |
| – equity shareholders of the Company | – 本公司股權持有人 | | 237,470 | | 190,345 |
| – minority interests | – 少數股東權益 | | 35,819 | | 34,318 |
| | | | 273,289 | | 224,663 |
| Dividends | 股息 25(a) | | | | |
| Final dividend approved in respect of the previous year | 就上一年度批准之末期股息 | | (67,706) | | (67,404) |
| Special dividend approved in respect of the previous year | 就上一年度批准之特別股息 | | (101,054) | | (100,603) |
| Interim dividend declared in respect of the current year | 就本年度宣派之中期股息 | | (28,315) | | (28,197) |
| Dividend paid to minority shareholder | 向少數股東派發股息 | | (8,481) | | (1,757) |
| | | | (205,556) | | (197,961) |
| Movements in equity arising from capital transactions: | 因資本交易而產生之權益變動： | | | | |
| Shares issued on exercise of share options | 就行使購股權而發行股份 25(a) | | 9,295 | | 7,077 |
| Equity settled share-based transactions | 以股份為基礎之支付之交易 25(a) | | 1,333 | | 2,775 |
| | | | 10,628 | | 9,852 |
| Total equity at 31st March | 於三月三十一日之權益總額 | | 1,423,849 | | 1,345,488 |



CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度(以港幣計算)

| | Note 附註 | 2008 二零零八年 | | 2007 二零零七年 | |
|---|-------------------------|-----------------|----------------|---------------|--------------|
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Operating activities | 經營活動 | | | | |
| Profit before taxation | 除稅前溢利 | 291,812 | | 242,447 | |
| Adjustments for: | 調整： | | | | |
| – Depreciation of property, plant and equipment | – 物業、廠房及設備之折舊 | 106,851 | | 109,118 | |
| – Depreciation of investment property | – 投資物業之折舊 | 526 | | 527 | |
| – Amortisation of interests in leasehold land held for own use under operating leases | – 根據經營租賃持有作自用之租賃土地權益之攤銷 | 279 | | 227 | |
| – Interest expenses | – 利息支出 | 5,671 | | 6,899 | |
| – Finance charges on obligations under finance leases | – 融資租賃債務之財務費用 | 3,194 | | 1,169 | |
| – Interest income | – 利息收入 | (17,204) | | (16,674) | |
| – Net loss on disposal of property, plant and equipment | – 出售物業、廠房及設備之虧損淨額 | 1,086 | | 38 | |
| – Equity settled share-based payment expenses | – 以股份為基礎之支付之費用 | 1,333 | | 2,775 | |
| – Change in fair value of financial asset | – 金融資產公允值之變動 | (1,294) | | (324) | |
| – Foreign exchange loss | – 外匯虧損 | 9,186 | | 6,498 | |
| Operating profit before changes in working capital | 未計營運資金變動之經營溢利 | 401,440 | | 352,700 | |
| Increase in inventories | 存貨增加 | (56,119) | | (4,187) | |
| Increase in trade and other receivables | 應收賬款及其他應收款增加 | (28,385) | | (40,779) | |
| Increase in trade and other payables | 應付賬款及其他應付款增加 | 76,083 | | 30,690 | |
| Decrease in net employee retirement benefit liabilities | 僱員退休福利負債淨額減少 | (1,491) | | (1,286) | |
| Cash generated from operations | 經營業務所得現金 | 391,528 | | 337,138 | |
| Tax paid | 已繳稅項 | | | | |
| – Hong Kong Profits Tax paid | – 已繳香港利得稅 | (30,771) | | (35,332) | |
| – Overseas tax paid | – 已繳香港以外地區稅項 | (10,292) | | (6,409) | |
| Net cash generated from operating activities | 經營活動所得現金淨額 | | 350,465 | | 295,397 |



CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

綜合現金流量表 (續)

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港幣計算)

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---|-------------------------|---------------|------------------|---------------|------------------|
| Note 附註 | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Investing activities | 投資活動 | | | | |
| Payment for purchase of interests in leasehold land held for own use under operating leases | 購買根據經營租賃持有作自用之租賃土地權益之款項 | | (1,863) | | - |
| Payment for purchase of property, plant and equipment | 購買物業、廠房及設備之款項 | | (76,357) | | (98,372) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | | 2,013 | | 1,418 |
| Placement of bank deposits | 新造銀行存款 | | (70,267) | | (442,732) |
| Maturity of bank deposits | 到期銀行存款 | | 76,521 | | 521,318 |
| Proceeds from maturity of financial asset | 到期金融資產所得款項 | | 15,641 | | - |
| Interest received | 已收利息 | | 17,204 | | 16,674 |
| Net cash used in investing activities | 投資活動所用現金淨額 | | (37,108) | | (1,694) |
| Financing activities | 融資活動 | | | | |
| Capital element of finance lease rentals paid | 已付融資租賃租金之資本部份 | | (9,623) | | (4,112) |
| Proceeds from new bank loans | 新增銀行貸款所得款項 | | 4,354 | | 20,645 |
| Repayment of bank loans | 償還銀行貸款 | | (39,725) | | (56,925) |
| Interest element of finance lease rentals paid | 已付融資租賃租金之利息部份 | | (3,194) | | (1,169) |
| Interest paid | 已付利息 | | (5,671) | | (6,899) |
| Proceeds from shares issued on exercise of share options | 因行使購股權發行股份所得款項 | | 9,295 | | 7,077 |
| Dividends paid to equity shareholders of the Company | 向本公司股權持有人派發股息 | | (197,075) | | (196,204) |
| Dividend paid to minority shareholder | 向少數股東派發股息 | | (8,481) | | (1,757) |
| Net cash used in financing activities | 融資活動所用現金淨額 | | (250,120) | | (239,344) |

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

綜合現金流量表 (續)

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港幣計算)

| | Note 附註 | 2008 二零零八年 | | 2007 二零零七年 | |
|---|----------------------|---------------|--------------|---------------|--------------|
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Net increase in cash and cash equivalents | 現金及現金等值項目 增加淨額 | | 63,237 | | 54,359 |
| Cash and cash equivalents at 1st April | 四月一日之現金及現金 等值項目 | | 461,726 | | 402,540 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | | 4,836 | | 4,827 |
| Cash and cash equivalents at 31st March | 三月三十一日之現金及 現金等值項目 | 20 | 529,799 | | 461,726 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collectively include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing rules”). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31st March, 2008 comprise the Company and its subsidiaries (together referred to as the “Group”).

The measurement basis used in the preparation of the financial statements is the historical cost basis except that financial assets at fair value through profit or loss are stated at their fair values as explained in the accounting policy set out in note 1(d).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1 主要會計政策

(a) 遵例聲明

本財務報表是按照所有適用之《香港財務報告準則》而編製。《香港財務報告準則》一詞包括香港會計師公會頒佈之所有適用之個別《香港財務報告準則》、《香港會計準則》及詮釋，香港公認會計原則及香港《公司條例》之規定。本財務報表亦符合適用之香港聯合交易所有限公司證券上市規則（「上市規則」）之披露規定。本集團採納之主要會計政策概述如下。

香港會計師公會已頒佈若干新訂及經修訂之《香港財務報告準則》，並於本集團及本公司之本期會計期間首次生效或可供提早採納。首次應用此等適用於本集團之新訂準則所引致於當期及以往會計期間之任何會計政策變動已於本財務報表內反映，有關資料載於附註2。

(b) 財務報表之編製基準

截至二零零八年三月三十一日止年度之綜合財務報表包括本公司及其附屬公司（統稱「本集團」）。

除按公允值計量且其變動於損益確認之金融資產是以公允值列賬（詳見附註1(d)所載之會計政策之說明）外，編製財務報表時是以歷史成本作為計量基準。

管理層需在編製符合《香港財務報告準則》之財務報表時作出會影響會計政策應用，以及資產、負債、收入及支出之報告金額之判斷、估計及假設。此等估計及相關假設是根據以往經驗和管理層因應當時情況認為合理之多項其他因素作出，其結果構成當管理層在無法依循其他途徑即時得知資產與負債之賬面值時所作出判斷之基礎。實際結果可能有別於估計數額。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(b) Basis of preparation of the financial statements
(continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 33.

(c) Subsidiaries and minority interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Minority interests represent the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

1 主要會計政策
(續)

(b) 財務報表之編製基準
(續)

管理層會不斷審閱各項估計和相關假設。倘若會計估計之修訂只影響某一期間，其影響便會在該期間內確認，或如果修訂對當期和未來期間均有影響，則在作出修訂之期間和未來期間確認。

有關管理層在應用《香港財務報告準則》時所作出對財務報表有重大影響之判斷，以及作出可能在下一年度構成重大調整風險之估計之討論內容，載於附註33。

(c) 附屬公司及少數股東權益

附屬公司為本集團所控制之實體。當本集團有權決定該實體之財政及經營政策從而自其活動獲取利益，則本集團已持有該實體之控制權。於評估控制時，現時可行使之潛在投票權已計算在內。

於附屬公司之投資由該控制權開始有效日期起至結束日期止期間於本綜合財務報表綜合入賬。集團內公司之間之結餘和交易，以及交易所產生之任何未變現溢利，均於編製綜合財務報表時全數撇銷。如無減值證據，集團內公司之間之交易產生之未變現虧損按未變現收益相同之方式撇銷。

少數股東權益是指非本公司直接或透過附屬公司間接擁有之附屬公司淨資產之權益部分，而本集團並未與有關權益持有人協定任何附加條款，令本集團整體對該等權益產生符合金融負債定義之法定義務。少數股東權益在綜合資產負債表之權益部份內，與本公司股權持有人應佔權益分開呈列。少數股東所佔本集團業績之權益在綜合損益報表呈列，以顯示本年度之總溢利或虧損於少數股東權益與本公司股權持有人之間之分配。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(c) Subsidiaries and minority interests (continued)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 1(h)).

(d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognised at cost. Financial assets at fair value through profit or loss are measured at fair value at each balance sheet date, with any resultant gain or loss being recognised in profit or loss.

(e) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(h)).

Depreciation is calculated to write off the cost of investment properties, less their estimated residual values, if any, using the straight-line method over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.

Both the useful life and the residual value, if any, are reviewed annually.

1 主要會計政策
(續)

(c) 附屬公司及少數股東權益(續)

倘少數股東應佔虧損超出附屬公司權益中之少數股東權益，所超出之款額及任何少數股東應佔之進一步虧損，將於本集團之權益中扣除，惟少數股東受約束下有責任及能力作出額外投資以彌補有關虧損除外。倘附屬公司其後錄得溢利，有關溢利將全數分配予本集團，直至之前本集團所分擔之少數股東應佔虧損獲彌補為止。

本公司之資產負債表所示之附屬公司之投資，是按成本減去減值虧損(見附註1(h))後列賬。

(d) 按公允值計量且其變動於損益確認之金融資產

按公允值計量且其變動於損益確認之金融資產之初值按成本確認，並於各結算日計量其公允值，任何所得盈虧於損益內確認。

(e) 投資物業

投資物業是指為賺取租金收入及／或為資本增值而擁有或以租賃權益持有之土地及／或樓宇。

投資物業按成本值減累計折舊及減值虧損(見附註1(h))後記入資產負債表。

折舊乃將投資物業成本減其估計剩餘價值(如有)，在未屆滿租賃期及其估計可使用年期(即落成日期起計不超過50年)，兩者中較短期間以直線法計算而撇銷。

本公司會每年檢討投資物業之可使用年期及其剩餘價值(如有)。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(f) Property, plant and equipment

The following items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(h)):

- freehold land and buildings;
- land held under operating leases and buildings thereon, where the fair values of the leasehold interest in the land and buildings cannot be measured separately at the inception of the lease and the building is not held under an operating lease;
- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease; and
- other items of plant and equipment.

Gain or loss arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- (i) Leasehold land and buildings over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.

No depreciation is provided for freehold land.

- (ii) Other plant and equipment at the following rates:

| | |
|--|--------|
| Factory machinery and equipment | 6-25% |
| Fixtures, furniture and office equipment | 9-33% |
| Motor vehicles | 18-25% |

1 主要會計政策
(續)

(f) 物業、廠房及設備

下列物業、廠房及設備項目按成本值減累計折舊及減值虧損(見附註1(h))後記入資產負債表:

- 永久業權之土地及樓宇;
- 根據經營租賃持有之土地及建於其上之樓宇，而有關土地及樓宇之租賃權益之公允值無法於租賃開始時分開計量，以及有關樓宇並非根據經營租賃持有;
- 位於租賃土地而持作自用之樓宇，而樓宇之公允值可於租賃訂立時與租賃土地之公允值分開計量; 及
- 其他廠房及設備項目。

報廢或出售物業、廠房及設備項目所產生之盈虧為出售該項目所得款項淨額與該項目賬面值之差額，並於報廢或出售日在損益內確認。

折舊乃按物業、廠房及設備項目之成本減其估計剩餘價值(如有)，在其估計可使用年期採用直線法以下列方式撇銷:

- (i) 租賃土地及樓宇按未屆滿租賃期及估計可使用年期(即落成日期起計不超過50年)兩者中之較短者。

永久業權之土地不計提折舊。

- (ii) 其他廠房及設備按以下年率:

| | |
|-------------|--------|
| 工廠機器及設備 | 6-25% |
| 裝置、傢俬及辦公室設備 | 9-33% |
| 汽車 | 18-25% |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately.

Both the useful life of an asset and its residual value, if any, are reviewed annually.

(g) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

However, land held for own use under an operating lease, where the fair value of the land cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

1 主要會計政策 (續)

(f) 物業、廠房及設備(續)

倘一項物業、廠房及設備中之不同部份有不同之可使用年期，該項目之成本將合理地分配至各部份，而各部份則獨立地計提折舊。

資產之可使用年期及其剩餘價值(如有)將於每年檢討。

(g) 租賃資產

倘本集團釐定一項安排具有在協定期限內通過支付一筆或一系列款項，從而獲得使用某一特定資產或多項特定資產之權利，則該安排(由一宗交易或一系列交易組成)為租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而不論安排是否具備租賃之法律形式。

(i) *本集團承租之資產之分類*

若本集團根據租賃持有資產，而有關租賃將擁有該資產之絕大部份風險及報酬轉予本集團，有關資產歸類為根據融資租賃持有之資產。並未將擁有資產之絕大部份風險及報酬轉予本集團之租賃，則歸類為經營租賃。

然而，以經營租賃持有作自用，但無法在租賃開始時將土地之公允值與建於其上之樓宇之公允值分開計量之土地是按以融資租賃持有方式入賬，惟清楚地以經營租賃持有之樓宇除外。就此而言，租賃之開始時間是指本集團首次訂立租賃時，或自前承租人接收樓宇時。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(g) Leased assets (continued)

(ii) *Assets acquired under finance leases*

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased assets, or, if lower, the present value of the minimum lease payments of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 1(f). Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(h). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(iii) *Operating lease charges*

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term. Impairment losses are recognised in accordance with the accounting policy set out in note 1(h).

1 主要會計政策
(續)

(g) 租賃資產(續)

(ii) *以融資租賃購入之資產*

倘若本集團乃以融資租賃使用資產，便會將相當於租賃資產公允值或該等資產之最低租賃付款現值(如為較低之數額)列為物業、廠房及設備，而相應負債(不計財務費用)則入賬列為融資租賃之債務。折舊乃於相關租賃期或資產之可用年限(如本集團有可能取得資產之擁有權)內，按比率撇銷資產之成本值，詳見附註1(f)。減值虧損會根據附註1(h)所載之會計政策入賬。租賃付款內含之財務費用會計入租賃期內之損益，以使每個會計期間債務餘額之定期定額扣減比率大致上相同。

(iii) *經營租賃費用*

倘若本集團乃以經營租賃使用資產，則根據租賃支付之款項於租賃期所涵蓋之會計期間內，以等額在損益內扣除。

根據經營租賃購入之土地之成本，乃以直線法按租期攤銷。減值虧損根據附註1(h)所載之會計政策確認。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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(Expressed in Hong Kong dollars unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(h) Impairment of assets

(i) *Impairment of receivables*

Receivables that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For receivables carried at cost, the impairment loss is measured as the difference between the asset's carrying amount and the estimated future cash flows, discounted at the current market rate of return for a similar asset where the effect of discounting is material. Impairment losses are reversed if in a subsequent period the amount of the impairment loss decreases.

1 主要會計政策
(續)

(h) 資產減值

(i) *應收款之減值*

本集團於各結算日檢討按成本值或攤銷成本列賬之應收款，以確定是否出現減值的客觀證據。減值的客觀證據包括本集團注意到以下一項或多項虧損事項的顯著數據：

- 債務人有重大財務困難；
- 違反合約，如拖欠利息或本金之償還；
- 債務人可能破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境有重大改變以致對債務人造成不利影響。

倘有任何該等證據存在，則任何減值虧損按下列方式釐定及確認：

- 就按成本值列賬之應收款而言，減值虧損按資產之賬面值與其估計未來現金流量(若貼現之影響重大，估計未來現金流量則按類似資產目前之市場回報率貼現)兩者之差額計量。倘減值虧損之金額於往後之期間減少，減值虧損則予以撥回。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(h) Impairment of assets (continued)

(i) *Impairment of receivables (continued)*

- For receivables carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of the asset), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

1 主要會計政策
(續)

(h) 資產減值(續)

(i) *應收款之減值(續)*

- 就按攤銷成本列賬之應收款而言，倘貼現之影響屬重大，減值虧損則按資產之賬面值與使用資產之原訂實際利率(即首次確認資產時計算之實際利率)而貼現之估計未來現金流量之現值之間之差額計量。如按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未個別被評估為減值，則有關之評估會共同進行。金融資產之未來現金流量會根據與該等資產具有類似信貸風險特徵資產之過往虧損情況共同評估減值。

倘減值虧損之金額於往後期間減少，而有關減少可客觀地與確認減值虧損後發生之事件有聯繫，則減值虧損於損益撥回。撥回減值虧損不應引致資產之賬面值高於假若以往年度並無確認減值虧損時原應釐定之數額。

減值虧損直接與相應資產撇銷，惟就列於應收賬款及其他應收款中之應收賬款及應收票據所確認的減值虧損，其收回情況屬存疑而不渺茫者，則作別論。在此情況下，呆賬之減值虧損透過撥備賬記錄。當本集團信納收回機會渺茫，被視為無法收回的金額會直接在應收賬款及應收票據中撇銷，而任何列入撥備賬與此債項有關的金額會被撥回。其後若收回之前已在撥備賬中扣除的金額，則會在撥備賬中撥回。撥備賬內之其他變動及其後收回之前已直接撇銷的金額於損益內確認。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Impairment of assets (continued)

(ii) *Impairment of other assets*

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- investment property;
- interests in leasehold land held for own use under operating leases; and
- interest in subsidiaries.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

1 主要會計政策 (續)

(h) 資產減值(續)

(ii) *其他資產之減值*

本集團於每個結算日檢討內部及外間資料，以確定下列資產有否出現減值跡象，或過往已確認之減值虧損不再存在或已減少：

- 物業、廠房及設備；
- 投資物業；
- 根據經營租賃持有作自用之租賃土地權益；及
- 附屬公司之權益。

倘有任何減值跡象，則會估計該項資產之可收回金額。

- 計算可收回金額

資產之可收回金額為其售價淨額及使用價值兩者中之較高者。於評估使用價值時，會使用除稅前貼現率將估計未來現金流量貼現至現值。該貼現率反映市場當時所評估之貨幣時間價值和該資產之獨有風險。倘個別資產所產生之現金流入基本上不能獨立於其他資產所產生之現金流入，則就獨立產生現金流入之最小資產組合(即現金產生單位)來釐定可收回金額。

- 確認減值虧損

資產或其所屬之現金產生單位之賬面值高於其可收回金額時，則會於損益確認減值虧損。就現金產生單位確認之減值虧損乃予以分配，以按比例削減現金產生單位(或一組單位)內資產之賬面值，惟資產賬面值不可下調至低於其獨立之公允值減銷售成本或使用價值(如能釐定)。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(h) Impairment of assets (continued)

(ii) *Impairment of other assets (continued)*

– Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(i) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and conditions.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1 主要會計政策
(續)

(h) 資產減值(續)

(ii) *其他資產之減值(續)*

– 減值虧損撥回

倘用以釐定可收回金額之估計發生有利之變化，則會將減值虧損撥回。所撥回之減值虧損僅限於倘若並無於過往年度確認減值虧損而可釐定之資產賬面值。所撥回之減值虧損在確認撥回之年度內計入損益。

(i) 存貨

存貨按成本值及可變現淨值兩者中之較低者入賬。

成本值乃以先入先出方法計算，並包括所有購貨成本、加工成本及將存貨運往其現時地點及達至現有狀態之其他成本。

可變現淨值指正常業務中之估計售價減完成交易之估計成本及進行銷售所需之估計成本。

出售存貨時，其賬面值於有關收入確認期內確認為開支。任何存貨金額撇減至可變現淨值及存貨之所有虧損均於減值或虧損之發生期內確認為開支。倘存貨之減值出現任何撥回，則於撥回出現期內將費用作減額確認。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(j) Receivables

Receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see note 1(h)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(k) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(l) Payables

Payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(n) Employee benefits

(i) *Short term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 主要會計政策
(續)

(j) 應收款

應收款之初值按公允值確認，其後則按攤銷成本減去呆壞賬減值撥備後所得數額入賬(見附註1(h))，惟倘若應收款為借予關連人士且無任何固定償還年期之免息貸款，或貼現影響輕微者則除外。在該等情況下，應收款會按成本減去呆賬減值撥備後所得數額入賬。

(k) 附息借貸

附息借貸之初值按公允值扣除交易成本後確認。於隨後，該等借貸將按攤銷成本法確認，而最初確認金額與贖回值之間之任何差額則以實際利率法於借貸期內連同任何應付利息及費用於損益內確認。

(l) 應付款

應付款之初值按公允值確認，其後按攤銷成本入賬，但如貼現影響輕微，則按成本入賬。

(m) 現金及現金等值項目

現金及現金等值項目包括銀行結存及庫存現金、存於銀行及其他財務機構之通知存款及短期而高流動性之投資，此等投資可隨時毋須通知而兌換為已知金額之現金，且所須承受之價值波動風險不大，而兌換期乃購入日起計三個月內。

(n) 僱員福利

(i) *短期僱員福利及向界定供款退休計劃之供款*

薪酬、年終花紅、有薪年假、向界定供款退休計劃之供款及非金錢福利之成本均於僱員提供有關服務之年度累計。倘須延遲付款或結算及將因此而產生重大影響，有關款項按其現值列賬。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(n) Employee benefits (continued)

(ii) *Defined benefit retirement plan obligation*

The Group's net obligation in respect of a defined benefit retirement plan is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in profit or loss on a straight-line basis over the average period until the benefits become vested. If the benefits vest immediately, the expense is recognised immediately in profit or loss.

In calculating the Group's obligation in respect of a plan, if any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognised in profit or loss over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

Where the calculation of the Group's net obligation results in a negative amount, the asset recognised is limited to the net total of any cumulative unrecognised net actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

1 主要會計政策
(續)

(n) 僱員福利(續)

(ii) *界定福利退休計劃承擔*

本集團就界定福利退休計劃所承擔之責任淨額，乃透過估計僱員於本期間及以往期間以提供服務所賺取之未來利益金額而就各計劃獨立計算，在釐定現值時該項利益須予以貼現，並扣除任何計劃資產之公允值。貼現率為優質公司債券(到期日與本集團履行責任之期限相近)於結算日之收益率。計算工作由合資格精算師採用預計單位信貸法進行。

倘計劃之福利得到改善，則有關僱員以往服務之福利之增加部份按直線法於平均期間於損益確認為開支，直至福利歸屬為止。倘福利即時歸屬，則其開支隨即於損益確認。

在計算本集團就一項計劃所承擔之責任時，倘任何累積之未確認精算盈虧超出界定福利責任現值或計劃資產公允值(以兩者中之較高價值為準)之百分之十，超額部份須於參加計劃之僱員之預計平均剩餘任職年期在損益確認。除此之外，精算損益概不予以確認。

倘在計算本集團所承擔之責任淨額時出現負數，予以確認之資產僅限於任何累積之未確認精算虧損淨額加以往服務成本及任何日後來自計劃之退款或日後削減之計劃供款之現值等各項目之總和。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(n) Employee benefits (continued)

(iii) *Long service payments obligation*

The Group's net obligation in respect of lump sum long service amounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine the present value and reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group. The discount rate is the yield at the balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligation. The obligation is calculated by a qualified actuary using the projected unit credit method.

(iv) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a share-based compensation reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share-based compensation reserve). The equity amount is recognised in the share-based compensation reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

1 主要會計政策
(續)

(n) 僱員福利(續)

(iii) *長期服務金承擔*

本集團就根據香港《僱傭條例》須在若干情況下於終止僱用僱員時一筆過支付之長期服務金所承擔之責任淨額，為僱員於本期間及以往期間以提供服務所賺取之未來利益金額；在釐定現值時該項利益須予以貼現，並減除根據本集團之退休計劃累計之權益（屬於本集團作出之供款）。貼現率為優質公司債券（到期日與本集團履行責任之期限相近）於結算日之收益率。有關責任由合資格精算師採用預計單位信貸法計算。

(iv) *以股份為基礎之付款*

授予僱員之購股權之公允值乃確認為僱員成本，並相應增加權益項下之股份基礎補償儲備。購股權公允值乃於授出日期使用二項式點陣模式計量，並計及授出購股權之條款及條件。若僱員須履行歸屬條件後方可無條件享有購股權，則購股權之估計公允值總額會在歸屬期間攤分，並計及購股權會歸屬持有人所有之成數。

於歸屬期間，本公司會檢討預期將歸屬之購股權數目。於過往年度確認之任何累計公允值調整會在檢討年度從損益扣除／計入損益（除非原有僱員開支合資格確認為資產），並相應調整股份基礎補償儲備。於歸屬日期，確認為開支之金額會作出調整，以反映所歸屬之購股權之實際數目（而股份基礎補償儲備亦會作出相應調整）。權益金額乃於股份基礎補償儲備確認，直至購股權獲行使（當有關金額轉撥至股份溢價賬）或購股權屆滿（當有關金額直接撥至保留溢利）為止。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(o) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

1 主要會計政策
(續)

(o) 所得稅

- (i) 年內所得稅包括本期稅項及遞延稅項資產和負債之變動。
- (ii) 本期稅項是按年內應課稅收入以結算日已生效或實際上已生效之稅率計算之預期應付稅項，加以往年度應付稅項之任何調整。
- (iii) 遞延稅項資產及負債分別由可抵扣及應稅暫時差異產生。暫時差異是指資產及負債按財務申報目的與稅務基礎計算之賬面金額之間之差異。遞延稅項資產亦由未使用之稅務虧損及稅款抵減產生。

除了某些有限之例外情況外，所有遞延稅項負債及遞延稅項資產(只限於有可能用來撇銷日後應課稅溢利之資產)均予確認。

已確認之遞延稅項金額是按照資產及負債賬面金額之預期實現或清償方式，以結算日已生效或實際上已生效之稅率計量。遞延稅項資產及負債均不貼現計算。

於每個結算日本集團會對遞延稅項資產之賬面金額作出審閱，倘預期不再有足夠應課稅溢利以實現相關稅務利益，則有關資產賬面值將予以扣減。任何被扣減之遞延稅項資產，在預期可取得足夠應課稅溢利時，則予以撥回，但以該等溢利為限。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)
(o) Income tax (continued)

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(p) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1 主要會計政策
(續)
(o) 所得稅(續)

(iv) 本期及遞延稅項結餘及其變動會分開呈列，而且不予撇銷。本期及遞延稅項資產只會在本公司或本集團有合法權利以本期稅項資產撇銷本期稅項負債，並且符合以下附帶條件之情況下，才可以分別撇銷本期及遞延稅項負債：

- 就本期稅項資產及負債而言，本公司或本集團計劃按淨額基準結算，或在實現資產之同時清償負債；或
- 就遞延稅項資產及負債而言，這些資產及負債必須與同一稅務機關就以下其中一項徵收之所得稅有關：
 - 同一應稅實體；或
 - 不同之應稅實體。這些實體預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回之每個未來期間，按淨額基準實現本期稅項資產及清償本期稅項負債，或在實現資產之同時清償負債。

(p) 撥備及或然負債

倘若本集團或本公司須就已發生之事件承擔法律或推定責任，履行該責任而預期會導致含有經濟效益之資源外流，並可作出可靠之估計，便會就該時間或金額不定之負債計提撥備。如果貨幣時間價值重大，則按預計履行責任所需資源之現值計提撥備。

倘若含有經濟效益之資源外流之可能性較低，或是無法對有關金額作出可靠之估計，便會將該責任披露為或然負債，但假如這類資源外流之可能性渺茫則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或有負債，但假如這類資源外流之可能性渺茫則除外。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(q) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) *Sale of goods*

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of returns, rebates and discounts.

(ii) *Service fees*

Service fees are recognised when the related services are provided.

(iii) *Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term.

(iv) *Interest income*

Interest income is recognised as it accrues using the effective interest method.

(v) *Dividends*

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(r) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

1 主要會計政策
(續)

(q) 收入確認

收入只會於有關經濟利益有可能流入本集團並能可靠計算該收入及成本(如適用)之情況下，方會按下列基準於損益內確認：

(i) *貨物之銷售*

收入於貨物送交客戶之處所(即客戶接納貨物及擁有權之相關風險和回報權)時確認。收入不含增值稅或其他銷售稅並扣除回收貨值、回扣及折扣。

(ii) *服務費*

服務費於提供有關服務時確認。

(iii) *經營租賃之租金收入*

根據經營租賃應收之租金收入會於租賃期所涵蓋之期間內，以等額在損益內確認。

(iv) *利息收入*

利息收入按實際利率法累計確認。

(v) *股息*

來自非上市投資之股息收入乃於股東收取股息之權利確定時確認。

(r) 外幣換算

年度內之外幣交易按交易當日之匯率換算。以外幣計算之貨幣資產及負債按結算日之匯率換算。匯兌損益於損益內確認。

按歷史成本法以外幣計算之非貨幣資產及負債，則按交易當日之適用匯率換算。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(r) Translation of foreign currencies (continued)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

(s) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred.

(t) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group, or a close family member of such an individual, or is an entity under the control, or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

1 主要會計政策
(續)

(r) 外幣換算(續)

海外業務之業績以接近交易當日之匯率換算為港幣，而資產負債表項目則按結算日之匯率換算為港幣，由此而產生之匯兌差額直接確認於權益之獨立部份。

於出售一項海外業務時，涉及該海外業務並已於權益確認之累積匯兌差額均計入出售損益。

(s) 借貸成本

借貸成本在產生之期間在損益列作支出。

(t) 關連人士

就本財務報表而言，以下人士被認為是本集團之間連人士：

- (i) 該人士有能力直接或間接透過一個或多個中介人控制本集團或可對本集團之財政及經營決策作出重大影響，或共同控制本集團；
- (ii) 本集團與該人士均受共同控制；
- (iii) 該人士屬本集團之聯營公司或本集團為其中一個合營者之合營企業；
- (iv) 該人士屬本集團之主要管理人員成員之一，或該個別人士之近親家庭成員，或受該個別人士控制或重大影響之公司；
- (v) 該人士屬上文(i)項所指之近親家庭成員或受該個別人士控制或重大影響之公司；或
- (vi) 該人士屬提供予本集團或與本集團有關連人士之任何公司之僱員離職後福利計劃。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

(t) Related parties (continued)

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(u) Segment reporting

A segment is a distinguishable component of the Group that is engaged in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

1 主要會計政策
(續)

(t) 關連人士(續)

個別人士之近親家庭成員乃指該親屬成員在與公司交易時可能影響或被影響之親屬成員。

(u) 分部報告

分部乃指本集團於特定經濟環境(地區分部)從事提供產品或服務之可區分部份，而該可區分部份所面對之風險及回報與其他分部有所不同。

分部收入、支出、業績、資產及負債包括分部直接應佔之項目以及可合理分配予該分部之項目。例如，分部資產可包括存貨、應收賬款及物業、廠房及設備。分部收入、支出、資產及負債包含須在編製過程抵銷之集團內部往來之餘額和集團內部交易，但同屬一個分部之集團實體之間之集團內部往來之餘額和交易則除外。

分部資本支出為年內產生以收購預期會使用超過一年之分部資產(包括有形及無形資產)之成本總額。

未分配項目主要包括金融及企業資產、附息貸款、稅項結餘、企業及融資費用。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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2 CHANGES IN ACCOUNTING POLICIES

- (a) The HKICPA has issued certain new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the current accounting period of the Group and the Company.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, *Financial instruments: Disclosures* and the amendment to HKAS 1, *Presentation of financial statements: Capital disclosures*, there have been some additional disclosures provided as follows:

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, *Financial instruments: Disclosure and presentation*. These disclosures are provided throughout these financial statements, in particular in note 27.

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's and the Company's objectives, policies and processes for managing capital. These new disclosures are set out in note 25(f).

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 34).

- (b) In prior years, the Group's turnover represented the gross sales value less returns. During the year, the Group has changed its turnover policy by netting off rebates and discounts against turnover so as to follow industry practice. Under the new policy, turnover represented the invoiced value of products sold, net of returns, rebates and discounts. As a result of such change, the Group's turnover for the year has been reduced by \$622,274,000 (2007: \$584,325,000). This new policy does not have impact on the Group's results of operations and financial position.

2 會計政策變動

- (a) 香港會計師公會已頒佈若干全新及經修訂之《香港財務報告準則》及詮釋，並於本集團及本公司之本期會計期間首次生效或可供提早採納。

在呈示年度之財務報表中採納之會計政策並未因該等新訂及經修訂準則及詮釋而出現任何重大變動。由於採納了《香港財務報告準則》第7號「金融工具：披露」及《香港會計準則》第1號之修訂條文「財務報表之列報：資本披露」，財務報表已披露了若干額外的內容如下：

由於採納了《香港財務報告準則》第7號，與早前根據《香港會計準則》第32號「金融工具：披露及列報」須予披露之資料相比，本財務報表包含有關於本集團金融工具之重要性及該等工具所產生之風險性質及程度的披露內容更詳盡。該等披露已載列於本財務報表的不同部份，尤其附註27。

《香港會計準則》第1號之修訂條文引入了額外的披露要求，以便就資本水平及本集團管理資本之目標、政策及程序提供資料。該等新披露已於附註25(f)作出。

《香港財務報告準則》第7號及《香港會計準則》第1號之修訂條文均沒有對在財務報表中所確認之金額之分類、確認及計量構成任何重大的影響。

本集團並無採納任何在當前會計期間尚未生效之新準則或詮釋(見附註34)。

- (b) 於過往年度，本集團之營業額指總銷售價值減回收貨值。於本年度，本集團改變其營業額政策，將營業額扣除回扣及折扣以符合行業慣例。根據新政策，營業額指已售產品之發票值減回收貨值、回扣及折扣。由於該等變動，本集團本年度之營業額減少622,274,000元(二零零七年：584,325,000元)。此新政策對本集團之經營業績及財務狀況概無影響。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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3 TURNOVER

The principal activities of the Group are the manufacture and sale of food and beverages.

Turnover represents the invoiced value of products sold, net of returns, rebates and discounts.

3 營業額

本集團之主要業務為製造及銷售食品及飲品。

營業額指已售貨物之發票值減回收貨值、回扣及折扣。

4 OTHER REVENUE

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|----------------------------|-------------------------------|-------------------------------|
| Interest income | 利息收入 | 17,204 | 16,674 |
| Service fee | 服務費 | 37,453 | 28,965 |
| Rental income | 租金收入 | 2,091 | 2,090 |
| Change in fair value of financial asset at fair value through profit or loss | 按公允值計量且其變動於損益確認之金融資產之公允值變動 | 1,294 | 324 |
| Sundry income | 雜項收入 | 3,778 | 3,687 |
| | | 61,820 | 51,740 |

4 其他收入

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---|-------------|-------------------------------|-------------------------------|
| (a) Finance costs: | (a) 融資成本： | | |
| Interest on bank loans | 銀行貸款利息 | 5,671 | 6,899 |
| Finance charges on obligations under finance leases | 融資租賃債務之財務費用 | 3,194 | 1,169 |
| | | 8,865 | 8,068 |

5 除稅前溢利

除稅前溢利已扣除/(計入)：



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

5 PROFIT BEFORE TAXATION (CONTINUED)

5 除稅前溢利(續)

Profit before taxation is arrived at after charging/(crediting):
(continued)除稅前溢利已扣除/(計入):
(續)

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|------------------------|-------------------------------|-------------------------------|
| (b) Staff costs: | (b) 員工成本: | | |
| Contributions to defined contribution retirement plans | 界定供款退休計劃之供款 | 21,513 | 19,763 |
| Income recognised in respect of: | 以下項目之已確認收入: | | |
| – retirement gratuities (note 15(c)(v)) | – 退休金 (附註15(c)(v)) | (579) | (243) |
| – long service payments (note 15(d)(iii)) | – 長期服務金 (附註15(d)(iii)) | (195) | (426) |
| Retirement costs | 退休成本 | 20,739 | 19,094 |
| Equity settled share-based payment expenses | 以股份為基礎之支付之費用 | 1,333 | 2,775 |
| Salaries, wages and other benefits | 薪酬、工資及其他福利 | 448,733 | 442,689 |
| | | 470,805 | 464,558 |

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---|-----------------------|-------------------------------|-------------------------------|
| (c) Other items: | (c) 其他項目: | | |
| Amortisation of interests in leasehold land held for own use under operating leases | 根據經營租賃持有作自用之租賃土地權益之攤銷 | 279 | 227 |
| Depreciation | 折舊 | | |
| – assets leased out under operating leases | – 以經營租賃出租之資產 | 526 | 527 |
| – assets acquired under finance leases | – 以融資租賃購入之資產 | 7,343 | 4,884 |
| – other assets | – 其他資產 | 99,508 | 104,234 |
| Impairment losses on trade and other receivables | 應收賬款及其他應收款減值虧損 | 3,400 | 4 |
| Auditors' remuneration | 核數師酬金 | | |
| – audit services | – 審核服務 | 3,174 | 2,767 |
| – tax services | – 稅務服務 | 623 | 612 |
| – other services | – 其他服務 | – | 2,037 |
| Operating lease charges: | 經營租賃費用: | | |
| – minimum lease payments | – 最低租賃付款 | | |
| – hire of properties | – 租用物業 | 42,807 | 40,438 |
| – hire of factory machinery and equipment | – 租用工廠機器及設備 | 588 | 2,931 |
| Net loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損淨額 | 1,086 | 38 |
| Net foreign exchange (gain)/loss | 外匯(收益)/虧損淨額 | (3,366) | 1,694 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Income tax in the consolidated income statement represents:

6 綜合損益報表之所得稅

(a) 綜合損益報表內之所得稅代表：

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---|----------------------------|-------------------------------|-------------------------------|
| Current tax — Hong Kong Profits Tax | 本期稅項 — 香港利得稅 | | |
| Provision for the year | 年內撥備 | 38,016 | 32,831 |
| Under/(over)-provision in respect of prior years | 以往年度之撥備不足/ (超額撥備) | 294 | (539) |
| | | 38,310 | 32,292 |
| Current tax — Outside Hong Kong | 本期稅項 — 香港以外地區 | | |
| Provision for the year | 年內撥備 | 14,062 | 6,199 |
| Under-provision in respect of prior years | 以往年度之撥備不足 | 98 | 50 |
| | | 14,160 | 6,249 |
| Deferred tax | 遞延稅項 | | |
| Origination and reversal of temporary differences | 源自及撥回暫時差異 | 4,590 | 2,594 |
| Effect of change in tax rate on deferred tax balance (notes (i) and (ii)) | 稅率變動對遞延稅項結餘之影響(附註(i)及(ii)) | (1,229) | — |
| | | 3,361 | 2,594 |
| | | 55,831 | 41,135 |

The provision for Hong Kong Profits Tax is calculated at 17.5% (2007: 17.5%) of the estimated assessable profits for the year. Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

Notes:

- (i) On 27th February, 2008, the Financial Secretary of the Hong Kong SAR Government announced his annual Budget which proposes a cut in the profits tax rate from 17.5% to 16.5% with effect from the fiscal year 2008-09 and a one-off reduction of 75% of the tax payable for the 2007-08 assessment subject to a ceiling of \$25,000. As a result of the above change, current tax payable of the Group and the Company decreased by \$75,000 and \$25,000 respectively; and the deferred tax liabilities of the Group and the Company decreased by \$697,000 and \$671,000 respectively.

香港利得稅撥備是按該年度之估計應課稅溢利以17.5%(二零零七年:17.5%)之稅率計算。香港以外地區的附屬公司之稅項則按有關稅項司法管轄區適用之現行稅率計算。

附註：

- (i) 於二零零八年二月二十七日，香港特別行政區政府財政司司長公佈財政預算案，建議將利得稅率由17.5%調低至16.5%，於二零零八至零九財政年度生效，以及一次過寬減二零零七至零八年度評估之應繳稅款的75%，上限為25,000元。由於上述變更，本集團及本公司的本期應繳稅款分別減少75,000元及25,000元；而本集團及本公司之遞延稅項負債分別減少697,000元及671,000元。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(a) Income tax in the consolidated income statement represents: (continued)

Notes: (continued)

- (ii) On 16th March, 2007, the National People's Congress passed the Corporate Income Tax Law of the PRC (the "new tax law"). Under the new tax law, the statutory income tax rate applicable to the Company's subsidiary in Shenzhen is changed from 15% to 25% progressively within five years from 1st January, 2008 (2008: 18%; 2009: 20%; 2010: 22%; 2011: 25%). For the subsidiary located in Shanghai, the statutory income tax rate is changed from 27% to 25% from 1st January, 2008 and that subsidiary starts its two years' tax holiday from 1st January, 2008 and thereafter enjoys a tax relief of 50% reduction in the income tax rate for a period of 3 years commencing 1st January, 2010.

The new tax law has been applied when measuring the Group's current tax payable and deferred tax assets as at 31st March, 2008. The balance of current tax payable and deferred tax assets increased by \$394,000 and \$532,000 respectively as a result of the change of tax rate.

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

6 綜合損益報表之所得稅(續)

(a) 綜合損益報表內之所得稅代表：(續)

附註：(續)

- (ii) 於二零零七年三月十六日，全國人民代表大會通過《中華人民共和國企業所得稅法》(「新稅法」)。根據新稅法，適用於本公司之深圳附屬公司之法定所得稅率自二零零八年一月一日起，於五年內由15%逐步變更為25%(二零零八年：18%；二零零九年：20%；二零一零年：22%；二零一一年：25%)。就位於上海的附屬公司而言，自二零零八年一月一日起，法定所得稅率由27%變更至25%，而附屬公司自二零零八年一月一日起開始其兩年稅務優惠，此後自二零一零年一月一日起享有50%之所得稅率稅務寬減，為期三年。

於二零零八年三月三十一日，在計算本集團之本期應付稅項及遞延稅項資產時，已採用了新稅法。由於稅率變更，本期應付稅項及遞延稅項資產結餘分別增加394,000元及532,000元。

(b) 稅項支出與會計溢利以適用稅率計算之對賬：

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|------------------------------|-------------------------------|-------------------------------|
| Profit before taxation | 除稅前溢利 | 291,812 | 242,447 |
| Notional tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned | 按有關稅項司法管轄區適用的利得稅稅率計算除稅前溢利之稅項 | 53,841 | 37,568 |
| Tax effect of non-deductible expenses | 不可扣減支出之稅務影響 | 4,542 | 1,846 |
| Tax effect of non-taxable revenue | 非課稅收入之稅務影響 | (4,073) | (5,059) |
| Tax effect of unused tax losses not recognised for deferred tax purposes | 未就遞延稅項確認且未使用之稅務虧損之稅務影響 | 3,038 | 18,807 |
| Tax effect of utilisation of tax losses not previously recognised for deferred tax purposes | 運用未確認之稅務虧損作遞延稅項之稅務影響 | (605) | - |
| Tax effect of recognising tax losses and deductible temporary differences not previously recognised | 確認以往尚未確認之稅項虧損及可扣減暫時差額之稅務影響 | - | (11,538) |
| Effect of change in tax rate on deferred tax balance | 稅率變動對遞延稅項結餘之影響 | (1,229) | - |
| One-off tax reduction | 一次性稅項減免 | (75) | - |
| Under/(over)-provision in respect of prior years | 以往年度稅項撥備不足/(超額撥備) | 392 | (489) |
| Actual tax expense | 實際稅項支出 | 55,831 | 41,135 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

7 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance and the Listing Rules is as follows:

7 董事酬金

根據香港《公司條例》第161條及上市規則披露之董事酬金如下：

| | | 2008 | | | | | | |
|--|-------------------------------|-----------------|---|-----------------------|---------------------------------|---------------|----------------------|---------------|
| | | Directors' fees | Salaries, allowances and benefits in kind | Discretionary bonuses | Retirement scheme contributions | Sub-total | Share-based payments | Total |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| Executive Directors | 執行董事 | | | | | | | |
| Mr. Winston Yau-lai LO | 羅友禮先生 | 157 | 3,737 | 2,041 | 147 | 6,082 | 491 | 6,573 |
| Mr. Laurence P. EISENTRAGER | 黎信彥先生 (附註(i)) | 54 | 2,296 | 1,222 | 97 | 3,669 | - | 3,669 |
| Mr. Eric Fat YU | 余發先生 | 79 | 1,648 | 467 | 107 | 2,301 | 165 | 2,466 |
| Mr. Ambrose Kam-shing CHAN | 陳錦勝先生 (附註(ii)) | 12 | 1,815 | 2,710 | 50 | 4,587 | 152 | 4,739 |
| Mr. John Shek-hung LAU | 劉錫鴻先生 (附註(iii)) | 52 | 1,902 | 498 | 78 | 2,530 | 101 | 2,631 |
| Non-executive Directors | 非執行董事 | | | | | | | |
| Ms. Myrna Mo-ching LO | 羅慕貞女士 | 87 | - | - | - | 87 | - | 87 |
| Ms. Yvonne Mo-ling LO | 羅慕玲女士 | 77 | - | - | - | 77 | - | 77 |
| Independent Non-executive Directors | 獨立非執行董事 | | | | | | | |
| Dr. The Hon. Sir David Kwok-po LI | 李國寶爵士 | 256 | - | - | - | 256 | - | 256 |
| Mr. Iain F. BRUCE | 布魯士先生 | 227 | - | - | - | 227 | - | 227 |
| Mr. Jan P.S. ERLUND | Jan P.S. Erlund先生 (附註(iv)) | 258 | - | - | - | 258 | - | 258 |
| | | 1,259 | 11,398 | 6,938 | 479 | 20,074 | 909 | 20,983 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

7 DIRECTORS' REMUNERATION (CONTINUED)

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance and the Listing Rules is as follows: (continued)

7 董事酬金(續)

根據香港《公司條例》第161條及上市規則披露之董事酬金如下：(續)

| | | 2007 | | | | | | |
|--|-------------------------------|-----------------|---|-----------------------|---------------------------------|-----------|----------------------|--------|
| | | Directors' fees | Salaries, allowances and benefits in kind | Discretionary bonuses | Retirement scheme contributions | Sub-total | Share-based payments | Total |
| | | 董事袍金 | 薪金、津貼及實物福利 | 酌情發放之花紅 | 退休計劃供款 | 小計 | 以股份為基礎的付款 | 總計 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| Executive Directors | 執行董事 | | | | | | | |
| Mr. Winston Yau-lai LO | 羅友禮先生 | 157 | 3,237 | 2,489 | 116 | 5,999 | 624 | 6,623 |
| Mr. Ambrose Kam-shing CHAN (note (ii)) | 陳錦勝先生 (附註(ii)) | 79 | 3,736 | 2,139 | 155 | 6,109 | 687 | 6,796 |
| Mr. Eric Fat YU | 余發先生 | 72 | 1,459 | 342 | 94 | 1,967 | 183 | 2,150 |
| Mr. John Shek-hung LAU (note (iii)) | 劉錫鴻先生 (附註(iii)) | 79 | 1,984 | 429 | 109 | 2,601 | 187 | 2,788 |
| Non-executive Directors | 非執行董事 | | | | | | | |
| Ms. Myrna Mo-ching LO | 羅慕貞女士 | 78 | – | – | – | 78 | – | 78 |
| Ms. Yvonne Mo-ling LO | 羅慕玲女士 | 87 | – | – | – | 87 | – | 87 |
| Independent Non-executive Directors | 獨立非執行董事 | | | | | | | |
| Dr. The Hon. Sir David Kwok-po LI | 李國寶爵士 | 245 | – | – | – | 245 | – | 245 |
| Mr. Iain F. BRUCE | 布魯士先生 | 216 | – | – | – | 216 | – | 216 |
| Mr. Jan P.S. ERLUND (note (iv)) | Jan P.S. Erlund先生 (附註(iv)) | 156 | – | – | – | 156 | – | 156 |
| Mr. Chi-kian SHIU (note (v)) | 邵志堅先生(附註(v)) | 120 | – | – | – | 120 | – | 120 |
| | | 1,289 | 10,416 | 5,399 | 474 | 17,578 | 1,681 | 19,259 |

Share-based payments represent the estimated value of share options granted to the Directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 1(n)(iv).

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the Report of the Directors and note 26.

以股份為基礎的付款指根據本公司之購股權計劃授予董事之購股權的估計價值。此等購股權之價值乃根據附註1(n)(iv)所載本集團就以股份為基礎之付款交易採用的會計政策而計量。

此等實物福利(包括已授出之購股權之主要條款及數目)之詳情已於董事會報告書「購股權計劃」一段及附註26中披露。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

7 DIRECTORS' REMUNERATION (CONTINUED)

Notes:

- (i) Mr. Laurence P. EISENTRAGER was appointed as an Executive Director on 20th July, 2007. The emoluments reported above represented emoluments received after his appointment as an Executive Director.
- (ii) Mr. Ambrose Kam-shing CHAN resigned as an Executive Director on 25th July, 2007.
- (iii) Mr. John Shek-hung LAU retired as an Executive Director on 1st December, 2007.
- (iv) Mr. Jan P.S. ERLUND was appointed as an Independent Non-executive Director on 6th July, 2006.
- (v) Mr. Chi-kian SHIU retired as an Independent Non-executive Director on 11th September, 2006.

7 董事酬金(續)

附註：

- (i) 黎信彥先生於二零零七年七月二十日獲委任為執行董事。上述之酬金為其獲委任為執行董事後所收取之酬金。
- (ii) 陳錦勝先生於二零零七年七月二十五日辭任執行董事。
- (iii) 劉錫鴻先生於二零零七年十二月一日退任執行董事。
- (iv) Jan P.S. Erlund先生於二零零六年七月六日獲委任為獨立非執行董事。
- (v) 邵志堅先生於二零零六年九月十一日退任獨立非執行董事。

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2007: three) are Directors whose emoluments are disclosed in note 7. The emoluments in respect of the one individual (2007: two individuals) are as follows:

8 最高酬金人士

在五名最高酬金人士中，四名(二零零七年：三名)為董事，彼等之酬金於附註7中披露。其餘一名(二零零七年：兩名)最高酬金人士之酬金如下：

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---------------------------------|-----------|-------------------------------|-------------------------------|
| Salaries and other emoluments | 薪金及其他酬金 | 1,875 | 4,595 |
| Retirement scheme contributions | 退休計劃供款 | 74 | 194 |
| Discretionary bonuses | 酌情發放之花紅 | 509 | 669 |
| Share-based payments | 以股份為基礎的付款 | 158 | 234 |
| | | 2,616 | 5,692 |

Share-based payments represent the estimated value of share options granted to the individuals under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 1(n)(iv). The principal terms of the share option scheme are disclosed under the paragraph "Share option scheme" in the Report of the Directors and note 26.

以股份為基礎的付款指根據本公司之購股權計劃授予個別人士之購股權的估計價值。此等購股權之價值乃根據附註1(n)(iv)所載本集團就以股份為基礎之付款交易採納的會計政策而計量。購股權計劃之主要條款已於董事會報告書「購股權計劃」一段及附註26中披露。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)**8 INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)**

The emoluments of the one individual (2007: two individuals) with the highest emoluments are within the following bands:

| | | 2008 二零零八年 Number 人數 | 2007 二零零七年 Number 人數 |
|----------------------------|-----------------------|-------------------------------|-------------------------------|
| \$2,000,001 to \$2,500,000 | 2,000,001元至2,500,000元 | - | 1 |
| \$2,500,001 to \$3,000,000 | 2,500,001元至3,000,000元 | 1 | - |
| \$3,000,001 to \$3,500,000 | 3,000,001元至3,500,000元 | - | 1 |

8 最高酬金人士 (續)

一名(二零零七年：兩名)最高酬金人士之酬金介乎以下組別：

9 PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a profit of \$204,463,000 (2007: \$133,779,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---|-------------------------------|-------------------------------|-------------------------------|
| Amount of consolidated profit attributable to equity shareholders dealt with in the Company's financial statements | 已列入本公司財務報表之本公司股權持有人應佔綜合溢利金額 | 204,463 | 133,779 |
| Dividends from subsidiaries attributable to the profits of the previous financial year, approved and paid during the year | 來自附屬公司上一個財政年度溢利，並於本年度批准及支付之股息 | 19,212 | 4,088 |
| Company's profit for the year (note 25(b)) | 本公司之本年度溢利(附註25(b)) | 223,675 | 137,867 |

9 本公司股權持有人應佔溢利

本公司股權持有人應佔綜合溢利包括已列入本公司財務報表中之溢利204,463,000元(二零零七年：133,779,000元)。

上述金額與本公司本年度溢利之對賬：



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

10 DIVIDENDS

10 股息

(a) Dividends payable to equity shareholders of the Company attributable to the year

(a) 應付予本公司股權持有人之本年度股息

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---|---|-------------------------------|-------------------------------|
| Interim dividend declared and paid of 2.8 cents per ordinary share (2007: 2.8 cents per ordinary share) (note 25) | 已宣派及已支付中期股息每股普通股2.8仙(二零零七年：每股普通股2.8仙)(附註25) | 28,315 | 28,197 |
| Final dividend proposed after the balance sheet date of 8.7 cents per ordinary share (2007: 6.7 cents per ordinary share) | 於結算日後擬派末期股息每股普通股8.7仙(二零零七年：每股普通股6.7仙) | 88,216 | 67,669 |
| Special dividend proposed after the balance sheet date of 10.0 cents per ordinary share (2007: 10.0 cents per ordinary share) | 於結算日後擬派特別股息每股普通股10.0仙(二零零七年：每股普通股10.0仙) | 101,398 | 100,999 |
| | | 217,929 | 196,865 |

The final and special dividends proposed after the balance sheet date have not been recognised as liabilities at the balance sheet date.

於結算日後擬派之末期及特別股息並不確認為於結算日之負債。

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

(b) 屬於上一財政年度，並於本年度批准及支付予本公司股權持有人之股息

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---|--|-------------------------------|-------------------------------|
| Final dividend in respect of the previous financial year, approved and paid during the year, of 6.7 cents per ordinary share (2007: 6.7 cents per ordinary share) (note 25) | 屬於上一財政年度，並於本年度批准及支付之末期股息每股普通股6.7仙(二零零七年：每股普通股6.7仙)(附註25) | 67,706 | 67,404 |
| Special dividend in respect of the previous financial year, approved and paid during the year, of 10.0 cents per ordinary share (2007: 10.0 cents per ordinary share) (note 25) | 屬於上一財政年度，並於本年度批准及支付之特別股息每股普通股10.0仙(二零零七年：每股普通股10.0仙)(附註25) | 101,054 | 100,603 |
| | | 168,760 | 168,007 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

11 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$211,208,000 (2007: \$173,901,000) and the weighted average number of 1,010,332,000 ordinary shares (2007: 1,006,101,000 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

| | | 2008 二零零八年 Number of shares 股份數目 '000 千股 | 2007 二零零七年 Number of shares 股份數目 '000 千股 |
|---|---------------------------|--|--|
| Issued ordinary shares at 1st April (note 25(c)) | 於四月一日之已發行普通股 (附註25(c)) | 1,007,036 | 1,003,288 |
| Effect of share options exercised | 已行使之購股權的影響 | 3,296 | 2,813 |
| Weighted average number of ordinary shares for the year (note (b)) | 本年度普通股之加權平均股數 (附註(b)) | 1,010,332 | 1,006,101 |

11 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本公司股權持有人應佔溢利211,208,000元(二零零七年：173,901,000元)及本年度內已發行普通股之加權平均股數1,010,332,000股(二零零七年：1,006,101,000股普通股)計算。普通股之加權平均股數之計算如下：

普通股之加權平均股數



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

11 EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of \$211,208,000 (2007: \$173,901,000) and the weighted average number of 1,016,659,000 ordinary shares (2007: 1,012,797,000 ordinary shares) after adjusting for the effects of all dilutive potential ordinary shares, calculated as follows:

Weighted average number of ordinary shares (diluted)

| | | 2008 二零零八年 Number of shares 股份數目 '000 千股 | 2007 二零零七年 Number of shares 股份數目 '000 千股 |
|---|-----------------------------|--|--|
| Weighted average number of ordinary shares for the year (note (a)) | 本年度普通股之加權平均股數 (附註(a)) | 1,010,332 | 1,006,101 |
| Effect of deemed issue of ordinary shares under the Company's share option scheme for nil consideration | 假設因根據本公司之購股權計劃以無償方式發行普通股之影響 | 6,327 | 6,696 |
| Weighted average number of ordinary shares (diluted) for the year | 本年度普通股之加權平均股數 (攤薄) | 1,016,659 | 1,012,797 |

11 每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司股權持有人應佔溢利211,208,000元(二零零七年: 173,901,000元)及就所有具潛在攤薄盈利之普通股之影響作出調整後之普通股加權平均股數1,016,659,000股(二零零七年: 1,012,797,000股普通股)計算如下:

普通股之加權平均股數(攤薄)



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

12 SEGMENT REPORTING

Segment information is presented in respect of the Group's geographical segments. Information relating to geographical segments based on the location of assets is chosen because this is in line with the Group's internal management information reporting system.

No business segment analysis of the Group is presented as all the Group's turnover and trading result are generated from the manufacture and sale of food and beverages.

12 分部報告

分部資料乃就本集團之地區分部呈報。由於按資產所在地區分部呈報之資料可配合本集團之內部資訊管理系統，故此選擇此為分部呈報資料之形式。

由於本集團之營業額及經營業績全部來自生產及銷售食品及飲品，故無提呈業務分部之資料。

| | | Hong Kong 香港 | | Mainland China 中國內地 | | Australia and New Zealand 澳洲及新西蘭 | | North America 北美洲 | | Unallocated 未分配之項目 | | Consolidated 綜合 | |
|--|----------------|------------------|------------------|------------------------|----------------|--|----------------|----------------------|----------------|-----------------------|---------------|--------------------|------------------|
| | | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| | | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | |
| Revenue from external customers | 來自外間顧客之收入 | 1,280,705 | 1,099,407 | 511,572 | 473,819 | 279,752 | 217,374 | 344,355 | 318,536 | - | - | 2,416,384 | 2,109,136 |
| Other revenue from external parties | 來自外界人士之其他收入 | 3,861 | 5,955 | 37,112 | 28,632 | - | - | - | 54 | 20,847 | 17,099 | 61,820 | 51,740 |
| Total revenue | 總收入 | 1,284,566 | 1,105,362 | 548,684 | 502,451 | 279,752 | 217,374 | 344,355 | 318,590 | 20,847 | 17,099 | 2,478,204 | 2,160,876 |
| Segment result | 分部業績 | 235,027 | 221,620 | 75,752 | 76,766 | 57,468 | 40,337 | (22,547) | (49,357) | | | 345,700 | 289,366 |
| Unallocated operating income and expenses | 未分配經營收入及費用 | | | | | | | | | | | (45,023) | (38,851) |
| Profit from operations | 經營溢利 | | | | | | | | | | | 300,677 | 250,515 |
| Finance costs | 融資成本 | | | | | | | | | | | (8,865) | (8,068) |
| Income tax | 所得稅 | | | | | | | | | | | (55,831) | (41,135) |
| Profit for the year | 本年度溢利 | | | | | | | | | | | 235,981 | 201,312 |
| Depreciation and amortisation for the year | 本年度之折舊及攤銷 | 49,925 | 47,722 | 24,197 | 31,252 | 19,651 | 15,767 | 13,883 | 15,131 | | | 107,656 | 109,872 |
| Impairment losses on trade and other receivables | 應收賬款及其他應收款減值虧損 | 16 | (1,168) | 180 | (206) | 3,079 | 451 | 125 | 927 | | | 3,400 | 4 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

12 SEGMENT REPORTING (CONTINUED)

12 分部報告(續)

| | Hong Kong 香港 | | Mainland China 中國內地 | | Australia and New Zealand 澳洲及新西蘭 | | North America 北美洲 | | Consolidated 綜合 | |
|--|-----------------|---------|------------------------|---------|--|---------|----------------------|---------|--------------------|-----------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| Segment assets 分部資產 | 694,910 | 661,632 | 393,484 | 349,247 | 288,233 | 253,593 | 213,698 | 210,421 | 1,590,325 | 1,474,893 |
| Unallocated assets 未分配之資產 | | | | | | | | | 430,342 | 403,538 |
| Total assets 總資產 | | | | | | | | | 2,020,667 | 1,878,431 |
| Segment liabilities 分部負債 | 220,610 | 186,304 | 160,001 | 131,373 | 41,908 | 28,562 | 29,340 | 28,224 | 451,859 | 374,463 |
| Unallocated liabilities 未分配之負債 | | | | | | | | | 144,959 | 158,480 |
| Total liabilities 總負債 | | | | | | | | | 596,818 | 532,943 |
| Capital expenditure incurred during the year 本年度產生之資本支出 | 44,136 | 63,762 | 38,020 | 18,795 | 1,863 | 47,554 | 3,959 | 4,828 | 87,978 | 134,939 |

Revenue from external customers by location of customers is as follows:

以顧客所在地區分部之來自外間顧客收入如下：

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|---------------------------|--------|-------------------------------|-------------------------------|
| Hong Kong | 香港 | 1,259,376 | 1,195,114 |
| Mainland China | 中國內地 | 363,131 | 228,554 |
| Australia and New Zealand | 澳洲及新西蘭 | 285,208 | 221,987 |
| North America | 北美洲 | 409,030 | 379,177 |
| Others | 其他 | 99,639 | 84,304 |
| | | 2,416,384 | 2,109,136 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

13 FIXED ASSETS

13 固定資產

(a) The Group

(a) 本集團

| | | Property, plant and equipment 物業、廠房及設備 | | | | | Investment property | Interests in leasehold land held for own use under operating leases 根據經營 租賃持有作 自用之租賃 土地權益 | Total fixed assets 固定 資產總計 |
|--|---------------------------|--|---|--|-------------------------|-----------------|------------------------|---|--|
| | | Land and buildings held for own use 持有 作自用的 土地及樓宇 | Factory machinery and equipment 工廠機器 及設備 | Fixtures, furniture and office equipment 裝置、 傢俬及 辦公室設備 | Motor vehicles 汽車 | Sub-total 小計 | | | |
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Cost: | 成本值： | | | | | | | | |
| At 1st April, 2006 | 於二零零六年四月一日 | 534,039 | 940,256 | 140,008 | 69,366 | 1,683,669 | 22,698 | 7,337 | 1,713,704 |
| Exchange adjustments | 匯兌調整 | 13,538 | 30,732 | 1,134 | 367 | 45,771 | - | 341 | 46,112 |
| Additions | 添置 | 5,067 | 104,216 | 9,903 | 15,753 | 134,939 | - | - | 134,939 |
| Disposals | 出售 | (294) | (31,440) | (4,580) | (6,679) | (42,993) | - | - | (42,993) |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 552,350 | 1,043,764 | 146,465 | 78,807 | 1,821,386 | 22,698 | 7,678 | 1,851,762 |
| Accumulated amortisation, depreciation and impairment losses: | 累計攤銷、折舊及減值 虧損： | | | | | | | | |
| At 1st April, 2006 | 於二零零六年四月一日 | 164,442 | 655,354 | 109,269 | 53,741 | 982,806 | 12,293 | 1,973 | 997,072 |
| Exchange adjustments | 匯兌調整 | 3,066 | 17,477 | 902 | 248 | 21,693 | - | 90 | 21,783 |
| Charge for the year | 本年度折舊 | 17,955 | 70,314 | 12,394 | 8,455 | 109,118 | 527 | 227 | 109,872 |
| Written back on disposals | 出售時撥回 | (112) | (30,649) | (4,143) | (6,633) | (41,537) | - | - | (41,537) |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 185,351 | 712,496 | 118,422 | 55,811 | 1,072,080 | 12,820 | 2,290 | 1,087,190 |
| Net book value: | 賬面淨值： | | | | | | | | |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 366,999 | 331,268 | 28,043 | 22,996 | 749,306 | 9,878 | 5,388 | 764,572 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

13 FIXED ASSETS (CONTINUED)

(a) The Group (continued)

13 固定資產(續)

(a) 本集團(續)

| | | Property, plant and equipment 物業、廠房及設備 | | | | | Investment property | Interests in leasehold land held for own use under operating leases 根據經營 租賃持有作 自用之租賃 土地權益 | Total fixed assets |
|--|---------------------------|--|---|--|-------------------------|-----------------|------------------------|---|--------------------------|
| | | Land and buildings held for own use 持有 作自用的 土地及樓宇 | Factory machinery and equipment 工廠機器 及設備 | Fixtures, furniture and office equipment 裝置、 傢俬及 辦公室設備 | Motor vehicles 汽車 | Sub-total 小計 | | | |
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | |
| Cost: | 成本值： | | | | | | | | |
| At 1st April, 2007 | 於二零零七年四月一日 | 552,350 | 1,043,764 | 146,465 | 78,807 | 1,821,386 | 22,698 | 7,678 | 1,851,762 |
| Exchange adjustments | 匯兌調整 | 18,297 | 54,227 | 1,983 | 1,209 | 75,716 | - | 759 | 76,475 |
| Additions | 添置 | 227 | 69,082 | 9,949 | 6,857 | 86,115 | - | 1,863 | 87,978 |
| Disposals | 出售 | - | (12,365) | (7,598) | (7,282) | (27,245) | - | - | (27,245) |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 570,874 | 1,154,708 | 150,799 | 79,591 | 1,955,972 | 22,698 | 10,300 | 1,988,970 |
| Accumulated amortisation, depreciation and impairment losses: | 累計攤銷、折舊及減值 虧損： | | | | | | | | |
| At 1st April, 2007 | 於二零零七年四月一日 | 185,351 | 712,496 | 118,422 | 55,811 | 1,072,080 | 12,820 | 2,290 | 1,087,190 |
| Exchange adjustments | 匯兌調整 | 6,193 | 35,385 | 1,624 | 899 | 44,101 | - | 226 | 44,327 |
| Charge for the year | 本年度折舊 | 18,289 | 69,963 | 10,460 | 8,139 | 106,851 | 526 | 279 | 107,656 |
| Written back on disposals | 出售時撥回 | - | (9,727) | (7,247) | (7,172) | (24,146) | - | - | (24,146) |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 209,833 | 808,117 | 123,259 | 57,677 | 1,198,886 | 13,346 | 2,795 | 1,215,027 |
| Net book value: | 賬面淨值： | | | | | | | | |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 361,041 | 346,591 | 27,540 | 21,914 | 757,086 | 9,352 | 7,505 | 773,943 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

13 FIXED ASSETS (CONTINUED)

13 固定資產(續)

(b) The Company

(b) 本公司

| | | Property, plant and equipment 物業、廠房及設備 | | | | | | Total fixed assets |
|--------------------------------------|--------------|---|---|---|-------------------------|--------------|--------------------------------|----------------------------------|
| | | Land and buildings held for own use 持有 作自用的 土地及樓宇 | Factory machinery and equipment 工廠機器 及設備 | Fixtures, furniture and office equipment 傢俬及 辦公室設備 | Motor vehicles 汽車 | Sub-total | Investment property 投資物業 | Total fixed assets 資產總計 |
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Cost: | 成本值： | | | | | | | |
| At 1st April, 2006 | 於二零零六年四月一日 | 141,773 | 354,890 | 63,618 | 57,506 | 617,787 | 22,698 | 640,485 |
| Additions | 添置 | – | 41,122 | 2,825 | 11,094 | 55,041 | – | 55,041 |
| Disposals | 出售 | – | (24,993) | (845) | (6,793) | (32,631) | – | (32,631) |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 141,773 | 371,019 | 65,598 | 61,807 | 640,197 | 22,698 | 662,895 |
| Accumulated depreciation: | 累計折舊： | | | | | | | |
| At 1st April, 2006 | 於二零零六年四月一日 | 51,258 | 309,660 | 56,604 | 44,805 | 462,327 | 12,293 | 474,620 |
| Charge for the year | 本年度折舊 | 4,214 | 19,581 | 3,008 | 4,951 | 31,754 | 527 | 32,281 |
| Written back on disposals | 出售時撥回 | – | (24,906) | (844) | (6,793) | (32,543) | – | (32,543) |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 55,472 | 304,335 | 58,768 | 42,963 | 461,538 | 12,820 | 474,358 |
| Net book value: | 賬面淨值： | | | | | | | |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 86,301 | 66,684 | 6,830 | 18,844 | 178,659 | 9,878 | 188,537 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

13 FIXED ASSETS (CONTINUED)

(b) The Company (continued)

13 固定資產(續)

(b) 本公司(續)

| | | Property, plant and equipment 物業、廠房及設備 | | | | | | Total fixed assets |
|--------------------------------------|--------------|--|---|---|-------------------------|-----------|--------------------------------|--------------------------|
| | | Land and buildings held for own use 持有 自用的 土地及樓宇 | Factory machinery and equipment 工廠機器 及設備 | Fixtures, furniture and office equipment 傢俬及 辦公室設備 | Motor vehicles 汽車 | Sub-total | Investment property 投資物業 | \$'000 千元 |
| Cost: | 成本值： | | | | | | | |
| At 1st April, 2007 | 於二零零七年四月一日 | 141,773 | 371,019 | 65,598 | 61,807 | 640,197 | 22,698 | 662,895 |
| Additions | 添置 | - | 24,485 | 5,616 | 4,949 | 35,050 | - | 35,050 |
| Disposals | 出售 | - | (6,563) | (4,360) | (6,807) | (17,730) | - | (17,730) |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 141,773 | 388,941 | 66,854 | 59,949 | 657,517 | 22,698 | 680,215 |
| Accumulated depreciation: | 累計折舊： | | | | | | | |
| At 1st April, 2007 | 於二零零七年四月一日 | 55,472 | 304,335 | 58,768 | 42,963 | 461,538 | 12,820 | 474,358 |
| Charge for the year | 本年度折舊 | 4,213 | 19,788 | 3,144 | 7,000 | 34,145 | 526 | 34,671 |
| Written back on disposals | 出售時撥回 | - | (6,531) | (4,199) | (6,787) | (17,517) | - | (17,517) |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 59,685 | 317,592 | 57,713 | 43,176 | 478,166 | 13,346 | 491,512 |
| Net book value: | 賬面淨值： | | | | | | | |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 82,088 | 71,349 | 9,141 | 16,773 | 179,351 | 9,352 | 188,703 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

13 FIXED ASSETS (CONTINUED)

13 固定資產(續)

(c) The analysis of net book value of properties is as follows:

(c) 物業之賬面淨值之分析如下：

| | | The Group 本集團 | | The Company 本公司 | |
|---|--------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| In Hong Kong | 在香港 | | | | |
| - medium-term leases | - 中期租約 | 202,606 | 211,518 | 91,440 | 96,179 |
| Outside Hong Kong | 香港以外地區 | | | | |
| - freehold | - 永久業權 | 117,232 | 114,701 | - | - |
| - medium-term leases | - 中期租約 | 33,896 | 33,348 | - | - |
| - short-term leases | - 短期租約 | 24,164 | 22,698 | - | - |
| | | 377,898 | 382,265 | 91,440 | 96,179 |
| Representing: | 代表： | | | | |
| Land and buildings held for own use | 持有作自用之土地及樓宇 | 361,041 | 366,999 | 82,088 | 86,301 |
| Investment property | 投資物業 | 9,352 | 9,878 | 9,352 | 9,878 |
| Interests in leasehold land held for own use under operating leases | 根據經營租賃持有作自用之租賃土地權益 | 7,505 | 5,388 | - | - |
| | | 377,898 | 382,265 | 91,440 | 96,179 |

(d) Fixed assets held under finance leases

(d) 以融資租賃持有之固定資產

In addition to the leasehold land classified as being held under finance leases, the Group and the Company have factory machinery and equipment held under finance leases expiring from 1 to 10 years. None of the leases includes contingent rentals.

除列作以融資租賃持有之租賃土地外，本集團及本公司透過於一至十年內到期之融資租賃，持有工廠機器及設備。融資租賃並無包括或有租金。

During the year, additions to the factory machinery and equipment of the Group and the Company financed by finance leases amounted to \$6,697,000 (2007: \$33,710,000) and \$Nil (2007: \$6,573,000) respectively.

年內，本集團及本公司分別透過為數6,697,000元(二零零七年：33,710,000元)及零元(二零零七年：6,573,000元)之融資租賃添置工廠機器及設備。

At the balance sheet date, the net book value of the factory machinery and equipment held under finance leases of the Group and the Company amounted to \$38,077,000 (2007: \$35,292,000) and \$5,505,000 (2007: \$6,573,000) respectively. The Group's and the Company's obligations under finance leases are secured by the lessor's charge over the leased assets.

於結算日，本集團及本公司以融資租賃持有之工廠機器及設備之賬面淨值分別為38,077,000元(二零零七年：35,292,000元)及5,505,000元(二零零七年：6,573,000元)。本集團及本公司融資租賃之債務乃以該租賃資產作為抵押。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

13 FIXED ASSETS (CONTINUED)

(e) Fixed assets leased out under operating leases

The Group and the Company lease out an investment property under an operating lease. The lease runs for an initial period of three years, with an option to renew the lease after that date at which time all terms are renegotiated. The lease does not include contingent rentals.

The total future minimum lease payments under the non-cancellable operating lease are receivable as follows:

| | | The Group and the Company 本集團及本公司 | |
|---------------------------------|---------|--------------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Within 1 year | 一年內 | 870 | 2,090 |
| After 1 year but within 5 years | 一年後但五年內 | - | 870 |
| | | 870 | 2,960 |

(f) The fair value of investment property

The fair value of investment property at 31st March, 2008 is \$31,200,000 (2007: \$25,800,000) which is estimated on the basis of capitalisation of the net rental income with due allowance for reversionary income potential. The valuation was carried out by an independent firm of surveyors, Jones Lang LaSalle Sallmanns Limited (2007: Sallmanns (Far East) Limited), who have among their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

13 固定資產(續)

(e) 根據經營租賃租出之固定資產

本集團及本公司以一項經營租賃租出投資物業。該項租賃初步為期三年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。該項租賃並無包括或有租金。

根據不可解除之經營租賃在日後應收之最低租賃付款總額如下：

(f) 投資物業之公允值

投資物業於二零零八年三月三十一日之公允值為31,200,000元(二零零七年：25,800,000元)，此乃將淨租金收入資本化並計入租約屆滿後續約時淨租金收入增加的可能性為基礎進行重新計量。估值乃由獨立測量師行仲量聯行西門有限公司(二零零七年：西門(遠東)有限公司)進行，其部分職員為香港測量師學會的資深專業會員，在所估值房產的地區及類別具有近期相關之經驗。

14 INTEREST IN SUBSIDIARIES

| | | The Company 本公司 | |
|-------------------------------|------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Unlisted investments, at cost | 非上市投資，按成本值 | 93,072 | 93,072 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 847,638 | 855,602 |
| | | 940,710 | 948,674 |
| Less: Impairment losses | 減：減值虧損 | (668,910) | (661,911) |
| | | 271,800 | 286,763 |

14 附屬公司權益



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

14 INTEREST IN SUBSIDIARIES (CONTINUED)

At 31st March, 2008 and 2007, amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

Impairment losses on interest in subsidiaries represent the write down of the carrying values of the investment cost and receivables from certain subsidiaries to their recoverable amounts.

The following list contains the particulars of the subsidiaries of the Group. The class of shares held is ordinary unless otherwise stated.

All of these are controlled subsidiaries as defined under note 1(c) and have been consolidated into the Group's financial statements.

14 附屬公司權益(續)

於二零零八年及二零零七年三月三十一日，應收附屬公司款項屬無抵押、免息及無固定還款期。

附屬公司權益之減值虧損指將來自若干附屬公司之投資成本及應收款之賬面值撇減至其可收回金額。

下表載有本集團附屬公司之詳情。除另有註明外，本集團持有之附屬公司股份均為普通股。

此等附屬公司均為附註1(c)所界定之受控制附屬公司，並在本集團之財務報表內綜合計算。

| Name of company 公司名稱 | Place of incorporation and operation 註冊成立及營業地點 | Particulars of issued and paid-up capital 已發行及繳足股本詳情 | Proportion of ownership interest 擁有權益比率 | | Principal activities 主要業務 |
|--|---|---|--|-------------------------------------|---|
| | | | held by the Company 本公司持有 % | held by a subsidiary 附屬公司持有 % | |
| Vitasoy Holdings N.V. | Netherlands Antilles 荷蘭安的列斯 | US\$6,100 6,100美元 | 100 | – | Investment holding 投資控股 |
| Vitasoy International B.V. | Netherlands 荷蘭 | EUR22,500 22,500歐元 | – | 100 | Investment holding 投資控股 |
| Vitasoy (UK) Investments Company Limited | United Kingdom 英國 | GBP2 2英鎊 | 100 | – | Investment holding 投資控股 |
| Vitasoy USA Inc. | United States of America 美國 | Common stock: US\$12,061,000 普通股： 12,061,000美元 Convertible series A preferred stock: US\$38,400,000 可換股A類優先股： 38,400,000美元 | – | 100 | Manufacture and sale of soy related products 生產及銷售豆製產品 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

14 INTEREST IN SUBSIDIARIES (CONTINUED)

14 附屬公司權益(續)

| Name of company 公司名稱 | Place of incorporation and operation 註冊成立及營業地點 | Particulars of issued and paid-up capital 已發行及繳足股本詳情 | Proportion of ownership interest 擁有權益比率 | | Principal activities 主要業務 |
|--|---|--|--|----------------------------------|--|
| | | | held by the Company 本公司持有 % | held by a subsidiary 附屬公司持有 % | |
| Shenzhen Vitasoy (Guang Ming) Foods and Beverage Company Limited (note (i)) 深圳維他(光明)食品飲料有限公司(附註(i)) | People's Republic of China 中華人民共和國 | Registered capital: RMB80,000,000 註冊資本：人民幣80,000,000元 | 70 | – | Manufacture and sale of beverages 生產及銷售飲品 |
| Vitasoy (China) Investments Company Limited 維他奶(中國)投資有限公司 | Hong Kong 香港 | \$20 20元 | 100 | – | Investment holding 投資控股 |
| Vitasoy (Shanghai) Company Limited (note (ii)) 維他奶(上海)有限公司(附註(ii)) | People's Republic of China 中華人民共和國 | Registered capital: RMB191,476,367 註冊資本：人民幣191,476,367元 | – | 100 | Manufacture and sale of beverages 生產及銷售飲品 |
| Vita International Holdings Limited 維他國際集團有限公司 | Hong Kong 香港 | \$20 20元 | 100 | – | Investment holding 投資控股 |
| Vitasoy Australia Products Pty. Ltd. | Australia 澳洲 | V class shares: A\$8,925,000 V類股：8,925,000澳元 N class shares: A\$8,575,000 N類股：8,575,000澳元 | – | 51 | Manufacture and sale of beverages 生產及銷售飲品 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

14 INTEREST IN SUBSIDIARIES (CONTINUED)

14 附屬公司權益(續)

| Name of company 公司名稱 | Place of incorporation and operation 註冊成立及營業地點 | Particulars of issued and paid-up capital 已發行及繳足股本詳情 | Proportion of ownership interest 擁有權益比率 | | Principal activities 主要業務 |
|---|---|---|--|----------------------------------|--|
| | | | held by the Company 本公司持有 % | held by a subsidiary 附屬公司持有 % | |
| Vitasoy Australia Food Products Pty. Ltd. (note (iii)) (附註(iii)) | Australia 澳洲 | A\$175 175澳元 | – | 100 | Dormant 暫無營業 |
| Vitasoja (Macau) Limitada 維他奶(澳門)有限公司 | Macau 澳門 | MOP100,000 澳門幣100,000元 | 100 | – | Distribution of beverages 分銷飲品 |
| Produtos De Soja Hong Kong (Macau) Limitada 香港荳品(澳門)有限公司 | Macau 澳門 | MOP10,000 澳門幣10,000元 | – | 100 | Dormant 暫無營業 |
| Vitaland Services Limited 維他天地服務有限公司 | Hong Kong 香港 | \$3,000,000 3,000,000元 | 100 | – | Operation of tuck shops 經營食物部 |
| Hong Kong Gourmet Limited 香港美食有限公司 | Hong Kong 香港 | \$20 20元 | – | 100 | Provision of catering services 提供餐飲服務 |
| The Hong Kong Soya Bean Products Company, Limited 香港荳品有限公司 | Hong Kong 香港 | \$20 20元 | 100 | – | Property investment 物業投資 |
| Vitasoy Distributors (Singapore) Pte. Ltd. | Singapore 新加坡 | S\$2,500,000 新加坡幣2,500,000元 | 100 | – | Dormant 暫無營業 |
| Vitasoy Investment Holdings Limited (note (iv)) 維他奶投資控股有限公司 (附註(iv)) | Hong Kong 香港 | \$1 1元 | 100 | – | Investment holding 投資控股 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

14 INTEREST IN SUBSIDIARIES (CONTINUED)

14 附屬公司權益(續)

| Name of company 公司名稱 | Place of incorporation and operation 註冊成立及營業地點 | Particulars of issued and paid-up capital 已發行及繳足股本詳情 | Proportion of ownership interest 擁有權益比率 | | Principal activities 主要業務 |
|--|---|---|--|----------------------------------|------------------------------|
| | | | held by the Company 本公司持有 % | held by a subsidiary 附屬公司持有 % | |
| Vitasoy Holdings (Malta) Limited (note (v)) (附註(v)) | Malta 馬爾他 | Ordinary shares: A\$2,999 普通股： 2,999澳元 Deferred shares: A\$1 遞延股份： 1澳元 | – | 100 | Investment holding 投資控股 |
| Vitasoy International Investment Limited (note (vi)) 維他奶國際投資有限公司 (附註(vi)) | Hong Kong 香港 | \$1 1元 | 100 | – | Investment holding 投資控股 |
| Vitasoy Investment (Singapore) Pte. Ltd. (note (vii)) (附註(vii)) | Singapore 新加坡 | S\$10,000 新加坡幣 10,000元 | – | 100 | Investment holding 投資控股 |

Notes:

- (i) Shenzhen Vitasoy (Guang Ming) Foods and Beverage Company Limited is a sino-foreign equity joint venture established in the People's Republic of China and is to be operated for 20 years up to 2011.
- (ii) Vitasoy (Shanghai) Company Limited is a wholly foreign owned subsidiary established in the People's Republic of China and is to be operated for 50 years up to 2045.
- (iii) The Group has an effective interest in 51% of the equity of Vitasoy Australia Food Products Pty. Ltd..
- (iv) Vitasoy Investment Holdings Limited was incorporated on 17th July, 2007.
- (v) Vitasoy Holdings (Malta) Limited was incorporated on 24th September, 2007.
- (vi) Vitasoy International Investment Limited was incorporated on 5th December, 2007.
- (vii) Vitasoy Investment (Singapore) Pte. Ltd. was incorporated on 10th March, 2008.

附註：

- (i) 深圳維他(光明)食品飲料有限公司為於中華人民共和國註冊成立之中外合資合營企業，經營期為二十年，至二零一一年止。
- (ii) 維他奶(上海)有限公司為於中華人民共和國註冊成立之外資全資附屬公司，經營期為五十年，至二零四五年止。
- (iii) 本集團持有Vitasoy Australia Food Products Pty. Ltd. 51%之實質權益。
- (iv) 維他奶投資控股有限公司於二零零七年七月十七日註冊成立。
- (v) Vitasoy Holdings (Malta) Limited於二零零七年九月二十四日註冊成立。
- (vi) 維他奶國際投資有限公司於二零零七年十二月五日註冊成立。
- (vii) Vitasoy Investment (Singapore) Pte. Ltd.於二零零八年三月十日註冊成立。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

15 EMPLOYEE RETIREMENT BENEFITS

The Group operates and participates in a number of defined contribution and defined benefit retirement plans in Hong Kong and outside Hong Kong.

(a) Defined contribution retirement plans

- (i) The Group operates a defined contribution retirement plan, Vitasoy International Holdings Limited Staff Provident Fund, which is available for all eligible staff employed by the Group in Hong Kong and Macau before 1st August, 2000. The plan is funded by contributions from employees and the Group, both of which contribute sums representing 5%–7.5% of basic salaries. Forfeited contributions are credited to members' accounts in accordance with the rules of the plan. The plan is administered by trustees with the assets held separately from those of the Group. The employees are entitled to 100% of the employer's contributions after 10 complete membership years, or at an increasing scale of between 50% to 90% after completion of 5 to 9 membership years.

Staff employed by the Group in Hong Kong not joining the defined contribution retirement plan are required to join the Group's mandatory provident fund plan under the Hong Kong Mandatory Provident Fund Schemes Ordinance. The mandatory provident fund plan is a defined contribution retirement plan administered by an independent corporate trustee. Under the plan, the Group and the employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$20,000. Contributions to the plan vest immediately.

15 僱員退休計劃

本集團在香港及香港以外地區設立及參加多項界定供款及界定福利退休計劃。

(a) 界定供款退休計劃

- (i) 本集團為所有於二零零零年八月一日之前在香港及澳門受聘為本集團之合資格員工設立一項界定供款退休計劃(維他奶國際集團有限公司職員強積金)。該計劃之資金來自僱員及本集團之供款。雙方供款金額為底薪之5%至7.5%。沒收供款均根據計劃之規則撥入計劃成員之賬戶。該計劃交由信託人管理，所持資產亦與本集團之資產分開處理。在參予計劃滿10年後，僱員可享有全部僱主供款，而參予計劃達5至9年可享有之僱主供款百分比則由50%逐步增至90%。

受僱於本集團而並無參加界定供款退休計劃之香港僱員，必須根據香港《強制性公積金計劃條例》參加本集團之強制性公積金計劃。強制性公積金計劃為一項界定供款退休計劃，由獨立法團受託人管理。根據該計劃，本集團及其僱員各按僱員有關收入(有關收入之每月上限為20,000元)之5%向計劃供款。向計劃支付之供款即時生效。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(a) Defined contribution retirement plans (continued)

- (ii) Employees of the subsidiaries in the People's Republic of China (the "PRC") are members of the central pension scheme operated by the PRC government. The Group is required to contribute a certain percentage of employees' remuneration to the central pension scheme to fund the benefits. The only obligation for the Group with respect to the central pension scheme is the associated required contributions under the central pension scheme. Contributions to the plan vest immediately.
- (iii) For employees in Australia, contributions are made by the Group to a registered superannuation fund for its employees, at 9% of the employees' salaries. The assets of the scheme are held separately by an independent administered fund. Contributions to the plan vest immediately.
- (iv) Eligible employees in the United States of America are covered by a defined contribution retirement plan under section 401(k) of the Internal Revenue Code. The plan provides for voluntary employee contributions, which represent a salary deferral for U.S. income tax purposes, of up to 100% of each employee's annual salary, subject to a cap of US\$15,000. The Group also contributes an annual amount in respect of each employee's self contribution. The amount of the Group's annual contribution is limited by the lesser of (i) 50% of each employee's annual contribution, and (ii) 6% of each employee's gross annual salary. The employees are entitled to 100% of the employer's contributions after 4 complete years' service, or at an increasing scale of between 25% to 75% after completion of 1 to 3 years' service.

Where there are employees who leave prior to vesting fully in the contributions, the forfeited employer's contributions shall be used to reduce the future contributions of the employer. During the year, forfeited contributions of \$202,000 (2007: \$51,000) were utilised. At the balance sheet date, the total amount of forfeited contributions which are available to reduce the contributions payable in the future years was \$Nil (2007: \$72,000).

15 僱員退休計劃
(續)

(a) 界定供款退休計劃(續)

- (ii) 設於中華人民共和國(「中國」)之附屬公司之僱員均參加由中國政府設立之中央退休金計劃。本集團須按僱員酬金之某一百分比向中央退休金計劃供款。本集團就中央退休金計劃所須履行之唯一責任為向中央退休金計劃供款。向計劃支付之供款即時生效。
- (iii) 澳洲僱員方面，本集團須按僱員薪酬之9%向一項為其僱員而設之註冊退休基金供款。計劃資產由獨立管理之基金分開持有。向計劃支付之供款即時生效。
- (iv) 美國之合資格僱員根據Internal Revenue Code第401(k)條受一項界定供款退休計劃保障。該計劃規定僱員須按其薪金作出自願供款(就美國入息稅而言屬於延遲發放之薪金)，最高可達僱員年薪之100%，惟以15,000美元為上限。本集團亦就每名僱員之供款額按年供款。本集團之每年供款額以下列兩者中之較低金額為限：(i)每名僱員之全年供款之50%；及(ii)每名僱員之全年薪金總額之6%。服務年資達4年的僱員可享有全部僱主供款，而服務年資達1至3年可享有之僱主供款百分比則由25%逐步增至75%。

如僱員在未享有全部供款前離職，因此沒收之僱主供款將用於扣減日後之僱主供款。年內，本集團已動用202,000元(二零零七年：51,000元)之沒收供款。於結算日，共有零元(二零零七年：72,000元)之沒收供款可用於扣減往後應付供款。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(b) Defined benefit retirement plans

At 31st March, 2008, the Group and the Company recognised employee retirement benefit assets/(liabilities) in respect of the following employee retirement benefits:

| | | The Group 本集團 | | The Company 本公司 | |
|---|-----------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Employee retirement benefit assets | 僱員退休福利資產 | | | | |
| - retirement gratuities (note (c)) | - 退休金 (附註(c)) | 3,327 | 2,220 | 3,629 | 2,436 |
| Employee retirement benefit liabilities | 僱員退休福利負債 | | | | |
| - long service payments (note (d)) | - 長期服務金 (附註(d)) | (2,034) | (2,418) | (1,914) | (2,283) |

(c) Retirement gratuities

Employees of the Group in Hong Kong and Macau, who have completed a prescribed minimum period of services and joined the Group before a specific date, are entitled to retirement gratuities upon retirement age. The gratuity is based on the last month's salary and the number of years of service.

A funded defined benefit retirement plan, Vitasoy International Holdings Limited Defined Benefit Scheme, was established for the retirement gratuities. The defined benefit retirement plan is administered by an independent corporate trustee, with assets held separately from those of the Group. The plan is funded by contributions from the Group in accordance with an independent actuary's recommendation.

The latest actuarial valuation of the plan was at 31st March, 2008 and was prepared by qualified staff of HSBC Life (International) Limited, who are members of the Society of Actuaries of the United States of America, using the projected unit credit method. The valuation indicates that the Group's obligation under this defined benefit retirement plan is 123% (2007: 150%) covered by the plan assets held by the trustee.

15 僱員退休計劃
(續)

(b) 界定退休福利計劃

於二零零八年三月三十一日，本集團及本公司就下列僱員退休福利確認僱員退休福利資產／(負債)：

(c) 退休金

本集團在香港及澳門之僱員在服務年資達到一段指定之最短期限及於指定日期之前加入本集團，均可在屆退休年齡時領取退休金。金額視乎最後所領月薪及服務年資而定。

本集團為退休金成立一項資助界定福利退休計劃－維他奶國際集團有限公司界定福利計劃。該項界定福利退休計劃由獨立公司信託人管理，其資產與本集團之資產分開處理。該計劃由本集團按照獨立精算師之建議作出供款。

該計劃之最新精算估值乃於二零零八年三月三十一日由滙豐人壽保險(國際)有限公司之合資格職員(為美國精算師學會之會員)採用預算單位信貸法進行。有關估值顯示本集團根據該界定福利退休計劃所須履行之責任其中123%(二零零七年：150%)受信託人持有之計劃資產保障。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(c) Retirement gratuities (continued)

- (i) The amounts recognised in the balance sheets are as follows:

| | | The Group 本集團 | | The Company 本公司 | |
|--|------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Present value of wholly funded obligations | 全面資助責任之現值 | (79,545) | (60,610) | (76,108) | (58,314) |
| Fair value of plan assets | 計劃資產之公允值 | 97,684 | 91,089 | 95,090 | 88,842 |
| Net unrecognised actuarial gains | 未確認之精算收益淨額 | (14,812) | (28,259) | (15,353) | (28,092) |
| Employee retirement benefit assets | 僱員退休福利資產 | 3,327 | 2,220 | 3,629 | 2,436 |

A portion of the above asset is expected to be recovered after more than one year. However, it is not practicable to segregate this amount from the amounts receivable in the next twelve months, as future contributions will also relate to future services rendered and future changes in actuarial assumptions and market conditions. The Group expects to pay \$563,000 in contributions to the defined benefit retirement plan during the year ending 31st March, 2009.

預期上述資產部分可於超過一年後收回；然而，由於未來供款亦涉及日後提供之服務及日後在精算假設及市況上可能出現之變動，故將此款額自未來十二個月內所應收取之金額中抽離並不可行。本集團預期截至二零零九年三月三十一日止年度將為界定福利退休計劃供款支付563,000元。

- (ii) Plan assets consist of the following:

| | | The Group 本集團 | | The Company 本公司 | |
|-------------------|------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Equity securities | 股本證券 | 71,505 | 61,030 | 69,606 | 59,524 |
| Bonds | 債券 | 14,751 | 15,485 | 14,359 | 15,103 |
| Cash | 現金 | 11,428 | 14,574 | 11,125 | 14,215 |
| | | 97,684 | 91,089 | 95,090 | 88,842 |

- (ii) 計劃資產包括：



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(c) Retirement gratuities (continued)

(iii) Movements in the present value of the defined benefit obligations are as follows:

| | | The Group 本集團 | | The Company 本公司 | |
|---------------------------|---------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| At 1st April | 於四月一日 | (60,610) | (52,659) | (58,314) | (50,977) |
| Benefits paid by the plan | 計劃已付福利 | 5,470 | 2,474 | 5,412 | 2,474 |
| Current service cost | 現有服務成本 | (3,947) | (3,519) | (3,719) | (3,336) |
| Interest cost | 利息成本 | (2,458) | (2,338) | (2,362) | (2,263) |
| Actuarial losses | 精算虧損 | (18,000) | (4,568) | (17,125) | (4,212) |
| At 31st March | 於三月三十一日 | (79,545) | (60,610) | (76,108) | (58,314) |

(iv) Movements in fair value of plan assets are as follows:

| | | The Group 本集團 | | The Company 本公司 | |
|--|-------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| At 1st April | 於四月一日 | 91,089 | 78,181 | 88,842 | 76,400 |
| Group's contributions paid to the plan | 本集團向計劃已付供款 | 528 | 510 | 420 | 406 |
| Benefits paid by the plan | 計劃已付福利 | (5,470) | (2,474) | (5,412) | (2,474) |
| Actuarial expected return on plan assets | 計劃資產之精算預計回報 | 4,872 | 4,278 | 4,748 | 4,176 |
| Actuarial gains | 精算收益 | 6,665 | 10,594 | 6,492 | 10,334 |
| At 31st March | 於三月三十一日 | 97,684 | 91,089 | 95,090 | 88,842 |

15 僱員退休計劃
(續)

(c) 退休金(續)

(iii) 界定福利責任之現值變動如下：

(iv) 計劃資產之公允值變動如下：



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(c) Retirement gratuities (continued)

- (v) Net income recognised in consolidated profit or loss is as follows:

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|-------------|-------------------------------|-------------------------------|
| Current service cost | 現有服務成本 | (3,947) | (3,519) |
| Interest cost | 利息成本 | (2,458) | (2,338) |
| Actuarial expected return on plan assets | 計劃資產之精算預計回報 | 4,872 | 4,278 |
| Net actuarial gains recognised | 已確認精算收益淨額 | 2,112 | 1,822 |
| | | 579 | 243 |

The net income is recognised in the following line items in the consolidated income statement:

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|------------|-------------------------------|-------------------------------|
| Cost of sales | 銷售成本 | 193 | 93 |
| Marketing, selling and distribution expenses | 推廣、銷售及分銷費用 | 98 | 19 |
| Administrative expenses | 行政費用 | 266 | 74 |
| Other operating expenses | 其他經營費用 | 22 | 57 |
| | | 579 | 243 |

The actual return on plan assets of the Group (taking into account all changes in the fair value of the plan assets excluding contributions paid and received) was net income of \$11,537,000 (2007: \$14,870,000).

- (vi) The principal actuarial assumptions used as at 31st March, 2008 are as follows:

| | | The Group and the Company 本集團及本公司 | |
|--|------------|--------------------------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| Discount rate | 貼現率 | 2.45% | 4.25% |
| Expected rate of return on plan assets | 計劃資產之預計回報率 | 5.50% | 5.50% |
| Future salary increases | 未來薪酬增幅 | 4.50% | 3.50% |

The expected rate of return on plan assets is based on the portfolio as a whole and exclusively on historical returns, without adjustments.

15 僱員退休計劃
(續)

(c) 退休金(續)

- (v) 於綜合損益確認之淨收入如下：

上述淨收入列入綜合損益報表中之項目如下：

本集團之計劃資產之實際回報(計及計劃資產公允值之所有變動，惟不包括已付及已收供款)為淨收入11,537,000元(二零零七年：14,870,000元)。

- (vi) 於二零零八年三月三十一日所採用之主要精算假設如下：

計劃資產之預計回報率乃以整體組合及未經調整之歷史回報為基準。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(c) Retirement gratuities (continued)

(vii) Historical information

| | | The Group 本集團 | | | | |
|--|-------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2006 二零零六年 \$'000 千元 | 2005 二零零五年 \$'000 千元 | 2004 二零零四年 \$'000 千元 |
| Present value of the defined benefit obligations | 界定福利責任之現值 | (79,545) | (60,610) | (52,659) | (53,917) | (54,248) |
| Fair value of plan assets | 計劃資產之公允值 | 97,684 | 91,089 | 78,181 | 72,192 | 74,154 |
| Surplus in the plan | 計劃盈餘 | 18,139 | 30,479 | 25,522 | 18,275 | 19,906 |
| Experience adjustments arising on plan liabilities | 來自計劃負債之經驗調整 | 2 | (1,932) | 3,506 | 3,177 | (3,086) |
| Experience adjustments arising on plan assets | 來自計劃資產之經驗調整 | 6,665 | 10,594 | 5,280 | (4,957) | 25,101 |

| | | The Company 本公司 | | | | |
|--|-------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2006 二零零六年 \$'000 千元 | 2005 二零零五年 \$'000 千元 | 2004 二零零四年 \$'000 千元 |
| Present value of the defined benefit obligations | 界定福利責任之現值 | (76,108) | (58,314) | (50,977) | (52,463) | (52,919) |
| Fair value of plan assets | 計劃資產之公允值 | 95,090 | 88,842 | 76,400 | 70,740 | 72,704 |
| Surplus in the plan | 計劃盈餘 | 18,982 | 30,528 | 25,423 | 18,277 | 19,785 |
| Experience adjustments arising on plan liabilities | 來自計劃負債之經驗調整 | (23) | (1,687) | 3,495 | 3,145 | (2,929) |
| Experience adjustments arising on plan assets | 來自計劃資產之經驗調整 | 6,492 | 10,334 | 5,160 | (4,851) | 24,610 |

15 僱員退休計劃
(續)

(c) 退休金(續)

(vii) 歷史資料

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

15 EMPLOYEE RETIREMENT BENEFITS (CONTINUED)

(d) Long service payments

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations.

An actuarial valuation of long service payments was also carried out at 31st March, 2008, by qualified staff of HSBC Life (International) Limited, who are members of the Society of Actuaries of the United States of America, using the projected unit credit method.

- (i) The amounts recognised in the balance sheets are as follows:

15 僱員退休計劃 (續)

(d) 長期服務金

根據香港《僱傭條例》，本集團須在若干情況下終止僱用為本集團服務至少五年之僱員時向彼等支付一筆過款項。所須支付之金額視乎僱員最後所領薪酬及服務年資而定，並相應削減根據本集團退休計劃累計而屬於本集團所作供款之權益。本集團並未預留資產以提供履行任何剩餘責任所需之資金。

長期服務金亦於二零零八年三月三十一日由滙豐人壽保險(國際)有限公司之合資格職員(為美國精算師學會之會員)採用預算單位信貸法進行精算估值。

- (i) 於資產負債表確認之金額如下：

| | | The Group 本集團 | | The Company 本公司 | |
|---|-----------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Present value of unfunded obligations | 無資助責任之現值 | (368) | (121) | (37) | (10) |
| Net unrecognised actuarial gains | 未確認精算收益淨額 | (1,666) | (2,297) | (1,877) | (2,273) |
| Employee retirement benefit liabilities | 僱員退休福利負債 | (2,034) | (2,418) | (1,914) | (2,283) |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(d) Long service payments (continued)

- (ii) Movements in the present value of the defined benefit obligations are as follows:

| | | The Group 本集團 | | The Company 本公司 | |
|--------------------------|-----------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| At 1st April | 於四月一日 | (121) | (602) | (10) | (437) |
| Benefits paid | 已付福利 | 189 | 107 | 139 | 107 |
| Current service cost | 現有服務成本 | (40) | (13) | (5) | (8) |
| Interest cost | 利息成本 | (5) | (26) | - | (19) |
| Actuarial (losses)/gains | 精算(虧損)/收益 | (391) | 413 | (161) | 347 |
| At 31st March | 於三月三十一日 | (368) | (121) | (37) | (10) |

- (iii) Net income recognised in consolidated profit or loss is as follows:

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--------------------------------|-----------|-------------------------------|-------------------------------|
| Current service cost | 現有服務成本 | (40) | (13) |
| Interest cost | 利息成本 | (5) | (26) |
| Net actuarial gains recognised | 已確認精算收益淨額 | 240 | 465 |
| | | 195 | 426 |

The net income is recognised in the following line items in the consolidated income statement:

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|--|------------|-------------------------------|-------------------------------|
| Cost of sales | 銷售成本 | 58 | 111 |
| Marketing, selling and distribution expenses | 推廣、銷售及分銷費用 | 31 | 92 |
| Administrative expenses | 行政費用 | 73 | 153 |
| Other operating expenses | 其他經營費用 | 33 | 70 |
| | | 195 | 426 |

15 僱員退休計劃
(續)

(d) 長期服務金(續)

- (ii) 界定福利責任之現值變動如下：

- (iii) 於綜合損益確認之淨收入如下：

上述淨收入列入綜合損益報表中之項目如下：

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

15 EMPLOYEE RETIREMENT BENEFITS
(CONTINUED)

(d) Long service payments (continued)

- (iv) The principal actuarial assumptions used as at 31st March, 2008 are as follows:

| | | The Group and the Company 本集團及本公司 | |
|-------------------------|--------|--------------------------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| Discount rate | 貼現率 | 2.45% | 4.25% |
| Future salary increases | 未來薪酬增幅 | 4.50% | 3.50% |

- (vii) Historical information

| | | The Group 本集團 | |
|--|-------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Present value of unfunded obligations | 無資助責任之現值 | (368) | (121) |
| Experience adjustments arising on plan liabilities | 來自計劃負債之經驗調整 | (180) | (437) |

| | | The Company 本公司 | |
|--|-------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Present value of unfunded obligations | 無資助責任之現值 | (37) | (10) |
| Experience adjustments arising on plan liabilities | 來自計劃負債之經驗調整 | (137) | (351) |

15 僱員退休計劃
(續)

(d) 長期服務金(續)

- (iv) 於二零零八年三月三十一日所採用之主要精算假設如下：

- (vii) 歷史資料



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

16 INCOME TAX IN THE BALANCE SHEET

16 資產負債表之所得稅

(a) Current tax recoverable and payable in the balance sheets represents:

(a) 資產負債表之應收回及應付現期稅項代表：

| | | The Group 本集團 | | The Company 本公司 | |
|--|------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Provision for Hong Kong Profits Tax for the year | 本年度香港利得稅撥備 | (38,016) | (32,831) | (35,105) | (29,633) |
| Provisional Profits Tax paid | 已繳付之預繳利得稅 | 25,773 | 28,127 | 22,186 | 24,975 |
| | | (12,243) | (4,704) | (12,919) | (4,658) |
| Taxation outside Hong Kong | 香港以外地區稅項 | (6,525) | (2,657) | - | - |
| | | (18,768) | (7,361) | (12,919) | (4,658) |

Summary

概要

| | | The Group 本集團 | | The Company 本公司 | |
|-------------------------|---------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Current tax recoverable | 應收回現期稅項 | 675 | - | - | - |
| Current tax payable | 應付現期稅項 | (19,443) | (7,361) | (12,919) | (4,658) |
| | | (18,768) | (7,361) | (12,919) | (4,658) |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

16 INCOME TAX IN THE BALANCE SHEET (CONTINUED)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax assets and liabilities recognised in the balance sheets and the movements during the year are as follows:

The Group

| | | Depreciation allowances in excess of related depreciation 超出有關折舊之折舊免稅額 \$'000 千元 | Future benefit of tax losses 稅務虧損之未來利潤 \$'000 千元 | Employee retirement benefits 僱員退休福利 \$'000 千元 | Provisions 撥備 \$'000 千元 | Total 總計 \$'000 千元 |
|--------------------------------------|-------------------|---|---|--|----------------------------------|-----------------------------|
| Deferred tax arising from: | 來自各項之遞延稅項： | | | | | |
| At 1st April, 2006 | 於二零零六年四月一日 | (31,685) | 17,336 | 1,880 | 9,870 | (2,599) |
| Exchange adjustments | 匯兌調整 | (189) | 149 | – | 247 | 207 |
| (Charged)/credited to profit or loss | 於損益(扣除)/計入 | (2,906) | (533) | (1,799) | 2,644 | (2,594) |
| At 31st March, 2007 | 於二零零七年三月三十一日 | (34,780) | 16,952 | 81 | 12,761 | (4,986) |
| At 1st April, 2007 | 於二零零七年四月一日 | (34,780) | 16,952 | 81 | 12,761 | (4,986) |
| Exchange adjustments | 匯兌調整 | (180) | 76 | – | 664 | 560 |
| Charged to profit or loss | 於損益扣除 | (757) | (1,474) | (86) | (1,044) | (3,361) |
| At 31st March, 2008 | 於二零零八年三月三十一日 | (35,717) | 15,554 | (5) | 12,381 | (7,787) |

16 資產負債表之所得稅 (續)

(b) 已確認遞延稅項資產及負債：

於資產負債表確認之遞延稅項資產及負債及年內之變動如下：

本集團



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)16 INCOME TAX IN THE BALANCE SHEET
(CONTINUED)(b) Deferred tax assets and liabilities recognised:
(continued)

The Company

16 資產負債表之所得稅
(續)(b) 已確認遞延稅項資產及負債：
(續)

本公司

| | | Depreciation allowances in excess of related depreciation 超出有關折舊之折舊免稅額 \$'000 千元 | Employee retirement benefits 僱員退休福利 \$'000 千元 | Provisions 撥備 \$'000 千元 | Total 總計 \$'000 千元 |
|--|--------------------------|---|--|----------------------------------|---------------------------------|
| Deferred tax arising from: | 來自各項之遞延稅項： | | | | |
| At 1st April, 2006 | 於二零零六年四月一日 | (9,155) | 1,763 | 2,342 | (5,050) |
| Charged to profit or loss | 於損益扣除 | (3,647) | (1,790) | (104) | (5,541) |
| At 31st March, 2007 | 於二零零七年三月三十一日 | (12,802) | (27) | 2,238 | (10,591) |
| At 1st April, 2007 (Charged)/credited to profit or loss | 於二零零七年四月一日 於損益(扣除)/計入 | (12,802) (265) | (27) 2 | 2,238 (212) | (10,591) (475) |
| At 31st March, 2008 | 於二零零八年三月三十一日 | (13,067) | (25) | 2,026 | (11,066) |

Summary

概要

| | | The Group 本集團 | | The Company 本公司 | |
|---|-------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Net deferred tax assets recognised on the balance sheets | 於資產負債表確認之遞延稅項資產淨額 | 4,249 | 6,374 | - | - |
| Net deferred tax liabilities recognised on the balance sheets | 於資產負債表確認之遞延稅項負債淨額 | (12,036) | (11,360) | (11,066) | (10,591) |
| | | (7,787) | (4,986) | (11,066) | (10,591) |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

16 INCOME TAX IN THE BALANCE SHEET
(CONTINUED)

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 1(o), the Group has not recognised deferred tax assets in respect of tax losses of \$478,953,000 (2007: \$462,120,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions and entities.

Included in unrecognised tax losses is an amount of \$17,728,000 (2007: \$57,245,000) and \$450,803,000 (2007: \$395,365,000) which can be carried forward for up to five years and twenty years respectively from the year in which the loss originated. The remaining balance of \$10,422,000 (2007: \$9,510,000) does not expire under current tax legislation.

16 資產負債表之所得稅
(續)

(c) 未確認之遞延稅項資產

根據附註1(o)所載之會計政策，本集團並無確認有關於稅務虧損478,953,000元(二零零七年：462,120,000元)之遞延稅項資產，原因在有關稅項司法管轄區及實體不大可能產生未來應課稅溢利以抵銷有關虧損。

根據現行稅例，未確認稅務虧損中有17,728,000元(二零零七年：57,245,000元)及450,803,000元(二零零七年：395,365,000元)將可分別自產生日起五年及二十年屆滿。其餘10,422,000元(二零零七年：9,510,000元)稅務虧損不會根據現行稅法逾期屆滿。

17 OTHER FINANCIAL ASSET

17 其他金融資產

| | | The Group and the Company 本集團及本公司 | |
|--|----------------------|--------------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Financial asset at fair value through profit or loss | 按公允值計量且其變動於損益確認之金融資產 | - | 14,347 |

The 2007 balance represented a long-term structured deposit contract with a bank with principal amount of US\$2,000,000 and maturity date in September 2008.

During the year, the contract has been early terminated.

二零零七年之結餘指與一間銀行訂立之長期結構性存款合約，其本金額為2,000,000美元，於二零零八年九月到期。

年內，該合約已提早終止。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

18 INVENTORIES

(a) Inventories in the balance sheets comprise:

| | | The Group 本集團 | | The Company 本公司 | |
|----------------|-----|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Raw materials | 原料 | 155,283 | 112,959 | 68,932 | 51,029 |
| Finished goods | 製成品 | 113,134 | 99,339 | 31,525 | 33,934 |
| | | 268,417 | 212,298 | 100,457 | 84,963 |

18 存貨

(a) 資產負債表中的存貨包括：

(b) The analysis of the amount of inventories recognised as an expense is as follows:

(b) 已確認為開支之存貨金額分析如下：

| | | The Group 本集團 | |
|--------------------------------------|----------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Carrying amounts of inventories sold | 已售存貨之賬面值 | 1,365,757 | 1,212,754 |
| Write down of inventories | 撇減存貨 | 3,788 | 13,366 |
| | | 1,369,545 | 1,226,120 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

19 TRADE AND OTHER RECEIVABLES

19 應收賬款及其他應收款

| | | The Group 本集團 | | The Company 本公司 | |
|---|---------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Trade debtors and bills receivable | 應收賬款及應收票據 | 383,309 | 352,145 | 237,910 | 250,805 |
| Less: Allowance for doubtful debts (note 19(b)) | 減：呆賬撥備 (附註19(b)) | (4,637) | (2,111) | (370) | (534) |
| | | 378,672 | 350,034 | 237,540 | 250,271 |
| Other debtors, deposits and prepayments | 其他應收款、按金及預付款項 | 42,623 | 42,876 | 10,048 | 9,064 |
| | | 421,295 | 392,910 | 247,588 | 259,335 |

The amount of the Group's and the Company's other debtors, deposits and prepayments expected to be recovered or recognised as expense after more than one year is \$6,595,000 (2007: \$5,937,000) and \$1,755,000 (2007: \$740,000) respectively. All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

本集團及本公司預期於一年後收回或確認為支出之其他應收款、按金及預付款項分別為6,595,000元(二零零七年：5,937,000元)及1,755,000元(二零零七年：740,000元)。所有其他應收賬款及其他應收款預期於一年內收回或確認為支出。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

19 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

Included in trade and other receivables are trade debtors and bills receivable (net of allowance for doubtful debts) with the following ageing analysis as of the balance sheet date:

| | | The Group 本集團 | | The Company 本公司 | |
|---|----------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Current | 未到期 | 284,660 | 257,196 | 173,643 | 178,360 |
| Less than 1 month past due | 逾期少於一個月 | 83,341 | 83,514 | 63,203 | 69,149 |
| 1 to 3 months past due | 逾期一至三個月 | 9,714 | 7,777 | 694 | 2,762 |
| More than 3 months but less than 12 months past due | 逾期超過三個月但少於十二個月 | 865 | 1,364 | - | - |
| More than 12 months past due | 逾期超過十二個月 | 92 | 183 | - | - |
| Amounts past due | 逾期金額 | 94,012 | 92,838 | 63,897 | 71,911 |
| | | 378,672 | 350,034 | 237,540 | 250,271 |

The Group's credit policies are set out in note 27(a).

本集團之信貸政策載於附註27(a)。

(b) Impairment of trade debtors and bills receivable

Impairment losses in respect of trade debtors and bills receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors and bills receivable directly (see note 1(h)(i)).

19 應收賬款及其他應收款 (續)

(a) 賬齡分析

於結算日，在應收賬款及其他應收款中，應收賬款及應收票據（已扣除呆賬撥備）之賬齡分析如下：

(b) 應收賬款及應收票據之減值

除非本集團信納日後收回該筆款項的可能性渺茫，應收賬款及應收票據之減值虧損使用撥備賬記錄，若可收回的可能性渺茫，有關減值虧損直接於應收賬款中撇銷（見附註1(h)(i)）。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

19 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade debtors and bills receivable (continued)

The movement in the allowance for doubtful debts during the year is as follows:

| | | The Group 本集團 | | The Company 本公司 | |
|---|--------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| At 1st April | 於四月一日 | 2,111 | 6,432 | 534 | 5,584 |
| Exchange adjustments | 匯兌調整 | 163 | 7 | - | - |
| Impairment loss recognised/ (reversed) | 減值虧損之確認/(撥回) | 3,400 | 4 | (5) | (1,183) |
| Uncollectible amounts written off | 不可收回金額之撇銷 | (1,037) | (4,332) | (159) | (3,867) |
| At 31st March | 於三月三十一日 | 4,637 | 2,111 | 370 | 534 |

At 31st March, 2008, the Group's and the Company's trade debtors and bills receivable of \$4,637,000 (2007: \$2,111,000) and \$370,000 (2007: \$534,000) respectively were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties. The Group does not hold any collateral over these balances.

於二零零八年三月三十一日，本集團及本公司之應收賬款及票據分別4,637,000元(二零零七年：2,111,000元)及370,000元(二零零七年：534,000元)乃個別釐定為予以減值。該等個別釐定為予以減值之應收款與有財務困難之客戶有關。本集團並無就此等結餘持有任何抵押品。

(c) Trade debtors and bills receivable that are not impaired

The ageing analysis of trade debtors and bills receivable that are neither individually nor collectively considered to be impaired are set out in note 19(a).

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

19 應收賬款及其他應收款 (續)

(b) 應收賬款及應收票據減值 (續)

呆賬撥備於年內之變動如下：

(c) 並無減值之應收賬款及應收票據

並無個別或集體被視為減值之應收賬款及應收票據賬齡分析載列於附註19(a)。

無逾期亦無減值的應收款項，與近期並無拖欠還款紀錄的廣範客戶有關。

逾期但並無減值之應收款與多名獨立客戶有關，該等客戶對本集團的信貸紀錄良好。根據過往經驗，管理層認為，由於信貸質素並無重大變動，且結餘仍被視作可全數收回，因此該等結餘毋須減值撥備。本集團並無就此等結餘持有任何抵押品。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

20 BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

20 銀行存款與現金及現金等值項目

| | | The Group 本集團 | | The Company 本公司 | |
|---|-------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Cash at bank and in hand | 銀行結存及庫存現金 | 127,076 | 106,629 | 11,253 | 8,160 |
| Bank deposits maturing within 3 months when placed | 存款期少於三個月之銀行存款 | 402,723 | 355,097 | 376,076 | 303,464 |
| Cash and cash equivalents | 現金及現金等值項目 | 529,799 | 461,726 | 387,329 | 311,624 |
| Bank deposits maturing after 3 months but within 1 year when placed | 存款期介乎於三個月至一年之銀行存款 | 18,962 | 23,984 | 9,963 | 11,532 |
| | | 548,761 | 485,710 | 397,292 | 323,156 |

21 AMOUNTS DUE FROM SUBSIDIARIES

21 應收附屬公司款項

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The entire balance is expected to be recovered within one year.

應收附屬公司款項均為無抵押及免息，且無固定還款期。全部結餘可望於一年內償還。

22 TRADE AND OTHER PAYABLES

22 應付賬款及其他應付款

| | | The Group 本集團 | | The Company 本公司 | |
|-------------------------------------|------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Trade creditors and bills payable | 應付賬款及應付票據 | 221,094 | 179,693 | 126,105 | 119,908 |
| Accrued expenses and other payables | 應計費用及其他應付款 | 237,583 | 199,840 | 78,278 | 69,613 |
| | | 458,677 | 379,533 | 204,383 | 189,521 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

22 TRADE AND OTHER PAYABLES (CONTINUED)

All of the trade and other payables are expected to be settled within one year, except customer deposits amounting to \$15,406,000 (2007: \$15,145,000) for the Group and \$14,421,000 (2007: \$14,268,000) for the Company which are expected to be settled after more than one year.

Included in trade and other payables are trade creditors and bills payable with the following ageing analysis as of the balance sheet date:

| | | The Group 本集團 | | The Company 本公司 | |
|--|------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| By due date | 以到期日計算 | | | | |
| Due within 1 month or on demand | 到期日少於一個月或按 要求 | 193,596 | 163,583 | 111,892 | 113,240 |
| Due after 1 month but within 3 months | 到期日為一個月至三 個月 | 21,955 | 12,424 | 9,431 | 3,479 |
| Due after 3 months but within 6 months | 到期日為三個月至六 個月 | 2,527 | 977 | 1,813 | 487 |
| Due over 6 months | 到期日超過六個月 | 3,016 | 2,709 | 2,969 | 2,702 |
| | | 221,094 | 179,693 | 126,105 | 119,908 |

22 應付賬款及其他應付款(續)

本集團預期所有應付賬款及其他應付款將於一年內償還，惟本集團15,406,000元(二零零七年：15,145,000元)及本公司14,421,000元(二零零七年：14,268,000元)之客戶按金則預期於一年後償還。

於結算日，在應付賬款及其他應付款中，應付賬款及應付票據之賬齡分析如下：

23 BANK LOANS (UNSECURED)

At 31st March, 2008, the bank loans were repayable as follows:

| | | The Group 本集團 | |
|---------------------------------|---------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Within 1 year | 一年內 | 47,190 | 27,005 |
| After 1 year but within 2 years | 一年後但兩年內 | 21,419 | 69,960 |
| | | 68,609 | 96,965 |

23 銀行貸款(無抵押)

於二零零八年三月三十一日，銀行貸款須於下列期限償還：



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

23 BANK LOANS (UNSECURED) (CONTINUED)

One of the Group's banking facilities is subject to the fulfilment of a covenant relating to a balance sheet ratio of the Group, as is commonly found in lending arrangements with financial institutions. If the Group were to breach the covenant, the drawn down facility would become payable on demand. The Group regularly monitors its compliance with the covenant. Further details of the Group's management of liquidity risk are set out in note 27(b). As at 31st March, 2008, the Group had complied with the covenant.

23 銀行貸款(無抵押)(續)

本集團其中一項銀行信貸須符合一項與本集團之資產負債表比率有關之契諾，這是與財務機構訂立貸款安排時的常見規定。倘若本集團違反有關契諾，則須按要求償還已提取之信貸額。本集團定期監控本身遵守有關契諾的情況。有關本集團管理流動資金風險之詳情載於附註27(b)。於二零零八年三月三十一日，本集團已遵守該契諾。

24 OBLIGATIONS UNDER FINANCE LEASES

At 31st March, 2008, the Group and the Company had obligations under finance leases repayable as follows:

24 融資租賃之債務

於二零零八年三月三十一日，本集團及本公司根據融資租賃須償還之債務如下：

(a) The Group

(a) 本集團

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---|------------|--|---|--|---|
| | | Present value of the minimum lease payments 最低租賃 付款之現值 \$'000 千元 | Total minimum lease payments 最低租賃 付款總額 \$'000 千元 | Present value of the minimum lease payments 最低租賃 付款之現值 \$'000 千元 | Total minimum lease payments 最低租賃 付款總額 \$'000 千元 |
| Within 1 year | 一年內 | 6,873 | 9,560 | 7,533 | 10,311 |
| After 1 year but within 2 years | 一年後但兩年內 | 9,209 | 11,321 | 5,317 | 7,464 |
| After 2 years but within 5 years | 兩年後但五年內 | 17,237 | 20,689 | 14,068 | 18,037 |
| After 5 years | 五年後 | 2,700 | 3,288 | 8,388 | 9,504 |
| | | 29,146 | 35,298 | 27,773 | 35,005 |
| | | 36,019 | 44,858 | 35,306 | 45,316 |
| Less: Total future interest expenses | 減：未來利息費用總額 | | (8,839) | | (10,010) |
| Present value of lease obligations | 租賃債務之現值 | | 36,019 | | 35,306 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

24 OBLIGATIONS UNDER FINANCE LEASES
(CONTINUED)24 融資租賃之債務
(續)

(b) The Company

(b) 本公司

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---|------------|--|---|--|---|
| | | Present value of the minimum lease payments 最低租賃 付款之現值 \$'000 千元 | Total minimum lease payments 最低租賃 付款總額 \$'000 千元 | Present value of the minimum lease payments 最低租賃 付款之現值 \$'000 千元 | Total minimum lease payments 最低租賃 付款總額 \$'000 千元 |
| Within 1 year | 一年內 | 1,082 | 1,533 | 936 | 1,539 |
| After 1 year but within 2 years | 一年後但兩年內 | 1,170 | 1,533 | 1,087 | 1,539 |
| After 2 years but within 5 years | 兩年後但五年內 | 3,363 | 3,858 | 3,813 | 4,616 |
| After 5 years | 五年後 | - | - | 737 | 796 |
| | | 4,533 | 5,391 | 5,637 | 6,951 |
| | | 5,615 | 6,924 | 6,573 | 8,490 |
| Less: Total future interest expenses | 減：未來利息費用總額 | | (1,309) | | (1,917) |
| Present value of lease obligations | 租賃債務之現值 | | 5,615 | | 6,573 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES

25 資本及儲備

(a) The Group

(a) 本集團

| | | Attributable to equity shareholders of the Company 本公司股權持有人應佔 | | | | | | | | | | | |
|--|-------------------------|--|---------------|----------------------------|-----------------|---------------|-----------------|------------------|----------------------------------|------------------|-----------|--------------------|--------------|
| | | Share capital | Share premium | Capital redemption reserve | Capital reserve | Legal reserve | General reserve | Exchange reserve | Share-based compensation reserve | Retained profits | Total | Minority interests | Total equity |
| | | 股本 | 股份溢價 | 贖回儲備 | 資本儲備 | 法定儲備 | 一般儲備 | 匯兌儲備 | 補償儲備 | 保留溢利 | 合計 | 少數股東 | 權益總額 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| At 1st April, 2006 | 於二零零六年四月一日 | 250,822 | 298,455 | 1,101 | 87,828 | 6,830 | 2,261 | (23,658) | 5,919 | 620,810 | 1,250,368 | 58,566 | 1,308,934 |
| Exchange differences on translation of the financial statements of foreign subsidiaries | 換算外地附屬公司財務報表所產生之匯兌差額 | - | - | - | - | - | - | 16,444 | - | - | 16,444 | 6,907 | 23,351 |
| Transfer from retained profits to legal reserve | 自保留溢利轉撥至法定儲備 | - | - | - | - | 662 | - | - | - | (662) | - | - | - |
| Transfer from capital reserve to retained profits | 自資本儲備轉撥至保留溢利 | - | - | - | (4,087) | - | - | - | - | 4,087 | - | - | - |
| Shares issued on exercise of share options | 就行使購股權而發行股份 | 937 | 6,140 | - | - | - | - | - | - | - | 7,077 | - | 7,077 |
| Transfer from share-based compensation reserve to share premium on exercise of share options | 就行使購股權而自股份基礎補償儲備轉撥至股份溢價 | - | 1,358 | - | - | - | - | - | (1,358) | - | - | - | - |
| Equity settled share-based transactions | 以股份為基礎之支付之交易 | - | - | - | - | - | - | - | 2,775 | - | 2,775 | - | 2,775 |
| Final dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之末期股息(附註10(b)) | - | - | - | - | - | - | - | - | (67,404) | (67,404) | - | (67,404) |
| Special dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之特別股息(附註10(b)) | - | - | - | - | - | - | - | - | (100,603) | (100,603) | - | (100,603) |
| Interim dividend declared in respect of the current year (note 10(a)) | 宣派本年度之中期股息(附註10(a)) | - | - | - | - | - | - | - | - | (28,197) | (28,197) | - | (28,197) |
| Dividend paid to minority shareholder | 向少數股東派發股息 | - | - | - | - | - | - | - | - | - | - | (1,757) | (1,757) |
| Profit for the year | 本年度溢利 | - | - | - | - | - | - | - | - | 173,901 | 173,901 | 27,411 | 201,312 |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 251,759 | 305,953 | 1,101 | 83,741 | 7,492 | 2,261 | (7,214) | 7,336 | 601,932 | 1,254,361 | 91,127 | 1,345,488 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES (CONTINUED)

(a) The Group (continued)

25 資本及儲備(續)

(a) 本集團(續)

| | | Attributable to equity shareholders of the Company 本公司股東持有人應佔 | | | | | | | | | | | |
|--|-------------------------|--|---------------|----------------------------|-----------------|---------------|-----------------|------------------|----------------------------------|------------------|-----------|--------------------|--------------|
| | | Share capital | Share premium | Capital redemption reserve | Capital reserve | Legal reserve | General reserve | Exchange reserve | Share-based compensation reserve | Retained profits | Total | Minority interests | Total equity |
| | | 股本 | 股份溢價 | 贖回儲備 | 資本儲備 | 法定儲備 | 一般儲備 | 匯兌儲備 | 補償儲備 | 保留溢利 | 合計 | 權益 | 權益總額 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| At 1st April, 2007 | 於二零零七年四月一日 | 251,759 | 305,953 | 1,101 | 83,741 | 7,492 | 2,261 | (7,214) | 7,336 | 601,932 | 1,254,361 | 91,127 | 1,345,488 |
| Exchange differences on translation of the financial statements of foreign subsidiaries | 換算外地附屬公司財務報表所產生之匯兌差額 | - | - | - | - | - | - | 26,262 | - | - | 26,262 | 11,046 | 37,308 |
| Transfer from retained profits to legal reserve | 自保留溢利轉撥至法定儲備 | - | - | - | - | 3,318 | - | - | - | (3,318) | - | - | - |
| Transfer from capital reserve to retained profits | 自資本儲備轉撥至保留溢利 | - | - | - | (4,087) | - | - | - | - | 4,087 | - | - | - |
| Shares issued on exercise of share options | 就行使購股權而發行股份 | 1,135 | 8,160 | - | - | - | - | - | - | - | 9,295 | - | 9,295 |
| Transfer from share-based compensation reserve to share premium on exercise of share options | 就行使購股權而自股份基礎補償儲備轉撥至股份溢價 | - | 1,990 | - | - | - | - | - | (1,990) | - | - | - | - |
| Equity settled share-based transactions | 以股份為基礎之支付之交易 | - | - | - | - | - | - | - | 1,333 | - | 1,333 | - | 1,333 |
| Final dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之末期股息(附註10(b)) | - | - | - | - | - | - | - | - | (67,706) | (67,706) | - | (67,706) |
| Special dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之特別股息(附註10(b)) | - | - | - | - | - | - | - | - | (101,054) | (101,054) | - | (101,054) |
| Interim dividend declared in respect of the current year (note 10(a)) | 宣派本年度之中期股息(附註10(a)) | - | - | - | - | - | - | - | - | (28,315) | (28,315) | - | (28,315) |
| Dividend paid to minority shareholder | 向少數股東派發股息 | - | - | - | - | - | - | - | - | - | - | (8,481) | (8,481) |
| Profit for the year | 本年度溢利 | - | - | - | - | - | - | - | - | 211,208 | 211,208 | 24,773 | 235,981 |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 252,894 | 316,103 | 1,101 | 79,654 | 10,810 | 2,261 | 19,048 | 6,679 | 616,834 | 1,305,384 | 118,465 | 1,423,849 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES (CONTINUED)

25 資本及儲備(續)

(b) The Company

(b) 本公司

| | | Share capital | Share premium | Capital redemption reserve | Capital reserve | General reserve | Share-based compensation reserve | Retained profits | Total equity |
|--|-------------------------|----------------|----------------|----------------------------|-----------------|-----------------|----------------------------------|------------------|------------------|
| | | 股本 | 股份溢價 | 資本贖回儲備 | 資本儲備 | 一般儲備 | 股份基礎補償儲備 | 保留溢利 | 權益總額 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| At 1st April, 2006 | 於二零零六年四月一日 | 250,822 | 298,455 | 1,101 | 87,828 | 2,261 | 5,919 | 558,506 | 1,204,892 |
| Transfer from capital reserve to retained profits | 自資本儲備轉撥至保留溢利 | - | - | - | (4,087) | - | - | 4,087 | - |
| Shares issued on exercise of share options | 就行使購股權而發行股份 | 937 | 6,140 | - | - | - | - | - | 7,077 |
| Transfer from share-based compensation reserve to share premium on exercise of share options | 就行使購股權而自股份基礎補償儲備轉撥至股份溢價 | - | 1,358 | - | - | - | (1,358) | - | - |
| Equity settled share-based transactions | 以股份為基礎之支付之交易 | - | - | - | - | - | 2,775 | - | 2,775 |
| Final dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之末期股息(附註10(b)) | - | - | - | - | - | - | (67,404) | (67,404) |
| Special dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之特別股息(附註10(b)) | - | - | - | - | - | - | (100,603) | (100,603) |
| Interim dividend declared in respect of the current year (note 10(a)) | 宣派本年度之中期股息(附註10(a)) | - | - | - | - | - | - | (28,197) | (28,197) |
| Profit for the year (note 9) | 本年度溢利(附註9) | - | - | - | - | - | - | 137,867 | 137,867 |
| At 31st March, 2007 | 於二零零七年三月三十一日 | 251,759 | 305,953 | 1,101 | 83,741 | 2,261 | 7,336 | 504,256 | 1,156,407 |
| At 1st April, 2007 | 於二零零七年四月一日 | 251,759 | 305,953 | 1,101 | 83,741 | 2,261 | 7,336 | 504,256 | 1,156,407 |
| Transfer from capital reserve to retained profits | 自資本儲備轉撥至保留溢利 | - | - | - | (4,087) | - | - | 4,087 | - |
| Shares issued on exercise of share options | 就行使購股權而發行股份 | 1,135 | 8,160 | - | - | - | - | - | 9,295 |
| Transfer from share-based compensation reserve to share premium on exercise of share options | 就行使購股權而自股份基礎補償儲備轉撥至股份溢價 | - | 1,990 | - | - | - | (1,990) | - | - |
| Equity settled share-based transactions | 以股份為基礎之支付之交易 | - | - | - | - | - | 1,333 | - | 1,333 |
| Final dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之末期股息(附註10(b)) | - | - | - | - | - | - | (67,706) | (67,706) |
| Special dividend approved in respect of the previous year (note 10(b)) | 批准屬於上一年度之特別股息(附註10(b)) | - | - | - | - | - | - | (101,054) | (101,054) |
| Interim dividend declared in respect of the current year (note 10(a)) | 宣派本年度之中期股息(附註10(a)) | - | - | - | - | - | - | (28,315) | (28,315) |
| Profit for the year (note 9) | 本年度溢利(附註9) | - | - | - | - | - | - | 223,675 | 223,675 |
| At 31st March, 2008 | 於二零零八年三月三十一日 | 252,894 | 316,103 | 1,101 | 79,654 | 2,261 | 6,679 | 534,943 | 1,193,635 |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES (CONTINUED)

(c) Share capital

(i) Authorised and issued share capital

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|--|-------------------|--|------------------------------|--|------------------------------|
| | | Number of shares 股數 '000 千 | Amount 金額 \$'000 千元 | Number of shares 股數 '000 千 | Amount 金額 \$'000 千元 |
| <i>Authorised:</i> | 法定股本： | | | | |
| Ordinary shares of \$0.25 each | 每股面值0.25元之 普通股 | 3,200,000 | 800,000 | 3,200,000 | 800,000 |
| <i>Ordinary shares, issued and fully paid:</i> | 已發行及已繳足 普通股： | | | | |
| At 1st April | 於四月一日 | 1,007,036 | 251,759 | 1,003,288 | 250,822 |
| Shares issued on exercise of share options | 就行使購股權而發行 之股份 | 4,540 | 1,135 | 3,748 | 937 |
| At 31st March | 於三月三十一日 | 1,011,576 | 252,894 | 1,007,036 | 251,759 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(ii) Shares issued under share option schemes

During the year, options were exercised to subscribe for 4,540,000 (2007: 3,748,000) ordinary shares in the Company. The net consideration was \$9,295,000 (2007: \$7,077,000) of which \$1,135,000 (2007: \$937,000) was credited to share capital and the balance of \$8,160,000 (2007: \$6,140,000) was credited to the share premium account. An amount of \$1,990,000 (2007: \$1,358,000) has been transferred from the share-based compensation reserve to the share premium account in accordance with the accounting policy set out in note 1(n)(iv).

25 資本及儲備(續)

(c) 股本

(i) 法定及已發行股本

普通股之持有人可收取不時宣派之股息，並可於本公司之大會上就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

(ii) 根據購股權計劃發行之股份

年內，可認購本公司普通股4,540,000股(二零零七年：3,748,000股)之購股權獲行使。所得代價淨額為9,295,000元(二零零七年：7,077,000元)，其中1,135,000元(二零零七年：937,000元)已撥入股本，其餘8,160,000元(二零零七年：6,140,000元)則撥入股份溢價賬。1,990,000元(二零零七年：1,358,000元)之款項已根據附註1(n)(iv)所載之會計政策自股份基礎補償儲備轉撥至股份溢價賬。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES (CONTINUED)

(d) Nature and purpose of reserves

(i) *Share premium and capital redemption reserve*

The application of the share premium account and the capital redemption reserve is governed by sections 48B and 49H respectively of the Hong Kong Companies Ordinance.

(ii) *Capital reserve*

As part of the restructuring of the Group in February 1994, the Company disposed of a property to a former subsidiary and consideration was received in the form of cash and another property. A total gain, representing the difference between the historical carrying value of the property disposed of and the fair value of the consideration received, resulted.

The gain arising from this transaction was divided into realised and unrealised portions in the ratio of the amount of cash and the fair value of the property received ("the property"). The unrealised gain was taken to capital reserve and is realised on depreciation of the property. During the year, \$4,087,000 (2007: \$4,087,000) is transferred from capital reserve to retained profits.

(iii) *Legal reserve*

The legal reserve has been set up by Shenzhen Vitasoy (Guang Ming) Foods and Beverage Company Limited and Vitasoja (Macau) Limitada in accordance with regulations in the PRC and Macau respectively.

(iv) *Exchange reserve*

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 1(r).

(v) *Share-based compensation reserve*

Share-based compensation reserve comprises the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for share-based payments in note 1(n)(iv).

25 資本及儲備(續)

(d) 儲備之性質及用途

(i) *股份溢價賬及資本贖回儲備*

股份溢價賬及資本贖回儲備之用途分別受香港《公司條例》第48B及49H條監管。

(ii) *資本儲備*

作為本集團於一九九四年二月進行之重組之一部分，本公司向一間前附屬公司出售一項物業，代價以現金及另一項物業支付。故此產生總收益，即所出售物業歷史賬面值與已收代價公允值之差額。

該項交易之收益按已收現金及物業(「物業」)公允值之比例分為已變現及未變現部分。未變現收益已計入資本儲備，並於計算物業折舊時變現。於本年度內，4,087,000元(二零零七年：4,087,000元)自資本儲備轉撥往保留溢利。

(iii) *法定儲備*

法定儲備由深圳維他(光明)食品飲料有限公司及維他奶(澳門)有限公司分別根據中國及澳門之法例設立。

(iv) *匯兌儲備*

匯兌儲備包含換算外地業務財務報表產生之所有匯兌差額。該儲備將根據附註1(r)所載之會計政策處理。

(v) *股份基礎補償儲備*

股份基礎補償儲備包含授予本集團僱員之實際或估計尚未行使購股權的公允值，有關購股權乃根據附註1(n)(iv)所載就以股份為基礎之付款採納之會計政策而確認。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES (CONTINUED)

(e) Distributability of reserves

At 31st March, 2008, the amounts of reserves available for distribution to equity shareholders of the Company are as follows:

| | | The Company 本公司 | |
|------------------|------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| General reserve | 一般儲備 | 2,261 | 2,261 |
| Retained profits | 保留溢利 | 534,943 | 504,256 |
| | | 537,204 | 506,517 |

After the balance sheet date the Directors proposed a final dividend and a special dividend of 8.7 cents per ordinary share (2007: 6.7 cents per ordinary share) and 10.0 cents per ordinary share (2007: 10.0 cents per ordinary share) respectively, amounting to \$189,614,000 (2007: \$168,668,000). These dividends have not been recognised as liabilities at the balance sheet date.

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practices, the Group monitors its capital structure on the basis of a debt-to-adjusted capital ratio. For this purpose the Group defines debt as the total of bank loans and obligations under finance leases, and adjusted capital as all components of equity less unaccrued proposed dividends.

25 資本及儲備(續)

(e) 可供分派儲備

於二零零八年三月三十一日，可供分派予本公司股權持有人之儲備數額如下：

於結算日後，董事建議派發末期股息每股普通股8.7仙(二零零七年：每股普通股6.7仙)及特別股息每股普通股10.0仙(二零零七年：每股普通股10.0仙)，總數為189,614,000元(二零零七年：168,668,000元)。有關股息於結算日並未確認為負債。

(f) 資本管理

本集團在管理資本時之首要目標為保障本集團能持續經營的能力，透過將產品及服務的價格訂於與風險相稱的水平及按合理成本籌措融資，使其能繼續為股東提供回報及為其他權益相關者提供利益。

本集團積極及定期對資本架構進行檢討及管理，以期在較高股東回報可能附帶較高借貸水平與雄厚資本帶來之優勢及保障間取得平衡，並因應經濟環境之變化對資本架構作出調整。

本著業內慣例，本集團以負債對經調整股本比率作為監控其資本架構之基準。就此目的，本集團將負債界定為銀行貸款及融資租賃債務之總額，經調整資本為權益之所有組成部分減非累計建議股息。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

25 CAPITAL AND RESERVES (CONTINUED)

(f) Capital management (continued)

During 2008, the Group's strategy, which was unchanged from 2007, was to maintain the debt-to-adjusted capital ratio at around 10%. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The debt-to-adjusted capital ratio at 31st March, 2008 and 2007 was as follows:

| | | The Group 本集團 | | The Company 本公司 | |
|---------------------------------------|-------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| <i>Current liabilities:</i> | <i>流動負債：</i> | | | | |
| Bank loans (unsecured) | 銀行貸款(無抵押) | 47,190 | 27,005 | - | - |
| Obligations under finance leases | 融資租賃之債務 | 6,873 | 7,533 | 1,082 | 936 |
| | | 54,063 | 34,538 | 1,082 | 936 |
| <i>Non-current liabilities:</i> | <i>非流動負債：</i> | | | | |
| Bank loans (unsecured) | 銀行貸款(無抵押) | 21,419 | 69,960 | - | - |
| Obligations under finance leases | 融資租賃之債務 | 29,146 | 27,773 | 4,533 | 5,637 |
| | | 50,565 | 97,733 | 4,533 | 5,637 |
| Total debt | 負債總額 | 104,628 | 132,271 | 5,615 | 6,573 |
| Total equity | 權益總額 | 1,423,849 | 1,345,488 | 1,193,635 | 1,156,407 |
| Less: Proposed dividends | 減：建議股息 | (189,614) | (168,668) | (189,614) | (168,668) |
| Adjusted capital | 經調整資本 | 1,234,235 | 1,176,820 | 1,004,021 | 987,739 |
| Debt-to-adjusted capital ratio | 負債對經調整資本比率 | 8% | 11% | 1% | 1% |

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

25 資本及儲備(續)

(f) 資本管理(續)

於二零零八年，本集團之策略為將負債對經調整資本比率維持於約10%，此策略自二零零七年起從未改變。為保持或調整有關比率，本集團或會調整向股東派付之股息金額、發行新股份、向股東退回資本、籌集新債項融資或出售資產以減低負債。

於二零零八年及二零零七年三月三十一日之負債對經調整資本比率如下：

本公司及其附屬公司概毋須遵守外部施加之資本規定。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company adopted a share option scheme on 4th September, 2002 whereby the Directors of the Company were authorised, at their discretion, to invite employees of the Group, including Directors of any company in the Group, to take up options to subscribe for ordinary shares of \$0.25 each in the Company. The exercise price of the options is determined by the Directors of the Company and is the highest of (i) the closing price of the shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of grant, which must be a business day; (ii) the average of the closing prices of the shares on the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the shares.

There is no minimum period for which an option must be held before it can be exercised, but the Directors of the Company are empowered to impose at their discretion any such minimum period at the date of offer. The options are exercisable for a period not to exceed 10 years from the date of grant. Each option gives the holder the right to subscribe for one share in the Company.

26 以股份為基礎之支付之交易

本公司於二零零二年九月四日採納一項購股權計劃：據此，本公司之董事獲授權酌情邀請本集團之僱員（包括本集團旗下任何公司之董事）接納購股權以認購本公司每股面值0.25元之普通股。購股權之行使價由本公司董事釐定，為下列三者中之最高金額：(i)股份於授出日期（須為營業日）在香港聯合交易所有限公司（「聯交所」）之收市價；(ii)股份於截至授出日期止過去五個營業日在聯交所錄得之平均收市價；及(iii)股份之面值。

購股權毋須先行持有一段最短時間方可行使，惟本公司之董事獲授權於要約日期酌情附加任何最短持有期限。購股權之行使期不得超過授出日期起計之十年。每項購股權之持有人均有權認購一股本公司股份。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) The terms and conditions of the unexpired and unexercised share options at balance sheet date are as follows, whereby all options are settled by physical delivery of shares:

| Date of grant 授出日期 | Exercise period 行使期 | Contractual life of options 購股權之 合約年期 | Exercise price 行使價 \$ 元 | 2008 二零零八年 | | 2007 二零零七年 | |
|-----------------------|------------------------|---|-------------------------------------|--|---|--|---|
| | | | | Remaining contractual life 尚餘 合約年期 | Number of options 購股權 之數目 '000 千 | Remaining contractual life 尚餘 合約年期 | Number of options 購股權 之數目 '000 千 |
| 1/4/2003 | 1/4/2004 – 31/3/2013 | 10 years年 | 1.688 | 5 years年 | 4,416 | 6 years年 | 5,627 |
| 1/4/2004 | 1/4/2005 – 31/3/2014 | 10 years年 | 1.904 | 6 years年 | 3,962 | 7 years年 | 4,942 |
| 3/8/2004 | 3/8/2006 – 2/8/2014 | 10 years年 | 1.910 | 6 years年 | – | 7 years年 | 900 |
| 1/6/2005 | 1/6/2006 – 31/5/2015 | 10 years年 | 2.375 | 7 years年 | 4,174 | 8 years年 | 6,584 |
| 5/6/2006 | 5/6/2007 – 4/6/2016 | 10 years年 | 2.900 | 8 years年 | 4,012 | 9 years年 | 5,262 |
| 18/7/2007 | 18/7/2008 – 17/7/2017 | 10 years年 | 3.600 | 9 years年 | 3,906 | – | – |
| | | | | 20,470 | | 23,315 | |

Note:

Except for the options granted on 3rd August, 2004, all the options are exercisable progressively and the maximum percentage of the options which may be exercised is determined in stages as follows:

附註：

除於二零零四年八月三日授出之購股權外，所有可予行使之購股權數目乃逐步增加，而各階段可行使購股權之百分比上限如下：

| | | Percentage of options granted 佔獲授購股權之百分比 |
|---|--------------|--|
| On or after 1st year anniversary of the date of grant | 授出日期起計一週年或其後 | 25% |
| On or after 2nd year anniversary of the date of grant | 授出日期起計兩週年或其後 | another另 25% |
| On or after 3rd year anniversary of the date of grant | 授出日期起計三週年或其後 | another另 25% |
| On or after 4th year anniversary of the date of grant | 授出日期起計四週年或其後 | another另 25% |

26 以股份為基礎之支付之交易(續)

(a) 於結算日之未屆滿及未行使購股權之條款及條件如下，所有購股權均以股份之實物交收結算：



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

26 以股份為基礎之支付之交易(續)

(b) The number and weighted average exercise prices of share options are as follows:

(b) 購股權之數目及加權平均行使價如下：

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---|-----------------|--|----------------------|--|----------------------|
| | | Weighted average exercise price | Number of options | Weighted average exercise price | Number of options |
| | | 加權平均 行使價 | 購股權 之數目 | 加權平均 行使價 | 購股權 之數目 |
| | | \$ | '000 | \$ | '000 |
| | | 元 | 千 | 元 | 千 |
| Outstanding at 1st April | 於四月一日尚未行使 | 2.210 | 23,315 | 1.993 | 22,543 |
| Exercised during the year | 於年內行使 | 2.049 | (4,540) | 1.890 | (3,748) |
| Granted during the year | 於年內授出 | 3.600 | 3,906 | 2.900 | 5,640 |
| Forfeited on termination of employment of eligible participants during the year | 因合資格參與者離職而於年內沒收 | 2.567 | (2,211) | 2.391 | (1,120) |
| Outstanding at 31st March | 於三月三十一日尚未行使 | 2.472 | 20,470 | 2.210 | 23,315 |
| Exercisable at 31st March | 於三月三十一日可行使 | | 9,684 | | 7,513 |

The weighted average share price at the date of exercise for share options exercised during the year was \$3.414 (2007: \$2.930).

已行使之購股權於年內的行使日期之加權平均股價為3.414元(二零零七年: 2.930元)。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a binomial lattice model. The contractual life of the option is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

Fair values of share options and the related assumptions are as follows:

| | | Date of grant 授出日期 | | | | | |
|--------------------------------|-----------|-----------------------|-----------|-----------|-----------|-----------|-----------|
| | | 1/4/2003 | 1/4/2004 | 3/8/2004 | 1/6/2005 | 5/6/2006 | 18/7/2007 |
| Fair value at measurement date | 於計量日期之公允值 | \$0.356 | \$0.405 | \$0.442 | \$0.522 | \$0.555 | \$0.579 |
| Share price | 股價 | \$1.640 | \$1.880 | \$1.910 | \$2.375 | \$2.900 | \$3.600 |
| Exercise price | 行使價 | \$1.688 | \$1.904 | \$1.910 | \$2.375 | \$2.900 | \$3.600 |
| Expected volatility | 預期波幅 | 35% | 35% | 35% | 35% | 30% | 26% |
| Expected option life | 預期購股權之有效期 | 10 years年 | 10 years年 | 10 years年 | 10 years年 | 10 years年 | 10 years年 |
| Expected dividends | 預期股息 | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% | 7.50% |
| Risk-free interest rate | 無風險利率 | 3.91% | 3.34% | 4.18% | 3.52% | 4.69% | 4.69% |

The expected volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

26 以股份為基礎之支付之交易(續)

(c) 購股權之公允值及假設

本集團以授出購股權來獲得之服務的公允值，乃參考已授出購股權之公允值計量。所收取服務費之估計公允值以二項式點陣模式計量。購股權之合約年期用作該模式之一項輸入參數。有關提早行使之預期已計入二項式點陣模式之內。

購股權之公允值及相關假設如下：

預期波幅按歷史波幅釐定，並根據因公開資料導致未來波幅之任何預期變化予以調整。預期股息按歷史股息釐定。所採用主觀假設之變動可對公允值之估計產生重大影響。

購股權是根據服務條件而授出。此項條件在計量所得服務的公允值(於授出購股權日)時不在考慮之列。授出購股權並無附有市場條件。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
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27 FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The credit terms given to the customers vary and are generally based on the financial strength of the individual customer. In order to effectively manage the credit risks associated with customers, credit evaluations of customers are performed periodically. Trade receivables are due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

At the balance sheet date, the Group has a certain concentration of credit risk as 14.7% (2007: 19.1%) and 51.9% (2007: 55.5%) of the total trade and other receivables was due from the Group's largest customer and the five largest customers respectively.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance. The Group does not provide any guarantees which would expose the Group to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 19.

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

27 金融工具

信貸、流動資金、利率及貨幣面對之風險從本集團業務之正常過程中產生。本集團之財務管理政策與慣例能限制有關風險，載述如下。

(a) 信貸風險

本集團之信貸風險主要來自應收賬款及其他應收款。管理層備有信貸政策，而該等信貸面對之風險持續受到監控。

本集團一般因應個別客戶之財政實力而給予客戶不同之信貸期。為有效地管控有關客戶之信貸風險，本集團會定期評估客戶之信貸情況。應收賬款於發單日起計三十日內到期。一般而言，本集團不會從客戶取得抵押品。

於結算日，本集團出現若干程度之信貸風險集中情況，因本集團最大客戶及五大客戶之欠款分別佔應收賬款及其他應收款總額之14.7% (二零零七年：19.1%) 及51.9% (二零零七年：55.5%)。

本集團因信貸而面對最大之風險以資產負債表各項金融資產之賬面值減去任何減值撥備後為限。本集團並無提供任何使本集團須面對信貸風險之擔保。

本集團因應收賬款及其他應收款而引致之信貸風險，於附註19作進一步定量披露。

(b) 流動資金風險

本集團之政策是定期監控流動資金需要及其遵守貸款契諾之情況，以確保本集團維持充足現金儲備及獲主要金融機構承諾提供足夠之信貸額，以應付短期及長期之流動資金需要。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (continued)

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group and the Company can be required to pay:

The Group

| | 2008 二零零八年 | | | | | | 2007 二零零七年 | | | | | |
|----------------------------------|-----------------|--|----------------------------|--|---|-------------------|-----------------|--|----------------------------|--|---|-------------------|
| | Carrying amount | Total contractual undiscounted cash flow | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | Carrying amount | Total contractual undiscounted cash flow | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years |
| | 賬面金額 | 總合約未貼現現金流量 | 一年內或按要求 | 一年後但兩年內 | 兩年後但五年內 | 五年後 | 賬面金額 | 總合約未貼現現金流量 | 一年內或按要求 | 一年後但兩年內 | 兩年後但五年內 | 五年後 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| Trade and other payables | | | | | | | | | | | | |
| 應付賬款及其他應付款 | 458,677 | 458,677 | 458,677 | - | - | - | 379,533 | 379,533 | 379,533 | - | - | - |
| Bank loans (unsecured) | 68,609 | 75,525 | 50,718 | 24,807 | - | - | 96,965 | 107,764 | 28,667 | 79,097 | - | - |
| 銀行貸款(無抵押) | | | | | | | | | | | | |
| Obligations under finance leases | 36,019 | 44,858 | 9,560 | 11,321 | 20,689 | 3,288 | 35,306 | 45,316 | 10,311 | 7,464 | 18,037 | 9,504 |
| 融資租賃之債務 | | | | | | | | | | | | |
| | 563,305 | 579,060 | 518,955 | 36,128 | 20,689 | 3,288 | 511,804 | 532,613 | 418,511 | 86,561 | 18,037 | 9,504 |

本集團

(b) 流動資金風險(續)

下表詳列本集團及本公司於結算日之金融負債之餘下合約到期時間，此乃根據合約未貼現現金流量(包括按合約利率，或如屬浮息按結算日通行之利率計算之利息)以及本集團及本公司須償還有關款項之最早日期作分析：

The Company

| | 2008 二零零八年 | | | | | | 2007 二零零七年 | | | | | |
|----------------------------------|-----------------|--|----------------------------|--|---|-------------------|-----------------|--|----------------------------|--|---|-------------------|
| | Carrying amount | Total contractual undiscounted cash flow | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | Carrying amount | Total contractual undiscounted cash flow | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years |
| | 賬面金額 | 總合約未貼現現金流量 | 一年內或按要求 | 一年後但兩年內 | 兩年後但五年內 | 五年後 | 賬面金額 | 總合約未貼現現金流量 | 一年內或按要求 | 一年後但兩年內 | 兩年後但五年內 | 五年後 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 | 千元 |
| Trade and other payables | | | | | | | | | | | | |
| 應付賬款及其他應付款 | 204,383 | 204,383 | 204,383 | - | - | - | 189,521 | 189,521 | 189,521 | - | - | - |
| Obligations under finance leases | 5,615 | 6,924 | 1,533 | 1,533 | 3,858 | - | 6,573 | 8,490 | 1,539 | 1,539 | 4,616 | 796 |
| 融資租賃之債務 | | | | | | | | | | | | |
| | 209,998 | 211,307 | 205,916 | 1,533 | 3,858 | - | 196,094 | 198,011 | 191,060 | 1,539 | 4,616 | 796 |

本公司



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group monitors the level of its net fixed rate and variable rate borrowings and manages the contractual terms of the interest-bearing financial assets and liabilities. For this purpose the Group defines "net borrowings" as being interest-bearing financial liabilities less interest-bearing investments (excluding cash held for short-term working capital purposes). The Group's interest rate profile is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group's and the Company's net borrowings (as defined above) at the balance sheet date.

27 金融工具(續)

(c) 利率風險

本集團之利率風險主要來自附息借貸。按可變利率及按固定利率發行之借貸使本集團分別承受現金流量利率風險及公平價值的利率風險。本集團監察其淨定息及浮息借貸水平，及管理附息金融資產及負債之合約條款。就此，本集團對「淨借貸」之定義為附息金融負債減附息投資(不包括持作短期營運資本之用之現金)。本集團之利率資料載於下文(i)項。

(i) 利率概況

下表詳列於結算日本集團及本公司淨借貸(如上定義)之利率資料：

| | | The Group 本集團 | | | | The Company 本公司 | | | |
|--------------------------------------|--------------|-------------------------------|----------------|-------------------------------|----------|-------------------------------|--------------|-------------------------------|----------|
| | | 2008 二零零八年 | | 2007 二零零七年 | | 2008 二零零八年 | | 2007 二零零七年 | |
| | | Effective interest rate | Amount | Effective interest rate | Amount | Effective interest rate | Amount | Effective interest rate | Amount |
| | | 實際利率 % | \$'000千元 | 實際利率 % | \$'000千元 | 實際利率 % | \$'000千元 | 實際利率 % | \$'000千元 |
| <i>Fixed rate borrowings:</i> | 定息借貸： | | | | | | | | |
| Bank loans | 銀行貸款 | - | - | 6.90 | 1,565 | - | - | - | - |
| Obligations under finance leases | 融資租賃之 債務 | 8.21 | 36,019 | 8.00 | 35,306 | 8.00 | 5,615 | 8.00 | 6,573 |
| | | | 36,019 | | 36,871 | | 5,615 | | 6,573 |
| <i>Net variable rate borrowings:</i> | 淨浮息借貸： | | | | | | | | |
| Bank loans | 銀行貸款 | 7.61 | 68,609 | 6.53 | 95,400 | - | - | - | - |
| Less: Other financial asset | 減：其他金融 資產 | - | - | 2.07 | (14,347) | - | - | 2.07 | (14,347) |
| | | | 68,609 | | 81,053 | | - | | (14,347) |
| Total net borrowings | 淨借貸總額 | | 104,628 | | 117,924 | | 5,615 | | (7,774) |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (continued)

(ii) Sensitivity analysis

At 31st March, 2008, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and retained profits by approximately \$518,000 (2007: \$597,000). Other components of consolidated equity would not be affected in response to a general increase/decrease in interest rates.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

(d) Foreign currency risk

The Group is exposed to foreign currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States dollars, Euros and Australian dollars. As the Hong Kong dollar is pegged to the United States dollar, the Group considers the risk of the movements in exchange rates between the Hong Kong dollars and the United States dollars to be insignificant. In respect of other currencies, management will consider hedging significant exposure should the need arise.

27 金融工具(續)

(c) 利率風險(續)

(ii) 敏感性分析

於二零零八年三月三十一日，估計利率普遍上升／下跌100點子，在所有其他可變動因素保持不變之情況下，本集團除稅後溢利及保留溢利將因此減少／增加約\$518,000元(二零零七年：\$597,000元)。綜合股本權益中之其他部份則不受利率之普遍上調／下調影響。

以上敏感性分析乃假設利率變動於結算日發生，並應用於該日存在之金融工具之利率風險而釐定。上調或下調100個基點指管理層對直至下一年度結算日止期間可能發生之合理利率變動所進行之評估。二零零七年之分析乃按照相同基準進行。

(d) 外匯風險

本集團面對之外匯風險主要來自以有關業務之功能貨幣以外之貨幣進行之買賣。產生外匯風險之貨幣主要為美元、歐元及澳元。由於港幣與美元掛鈎，故本集團認為港幣與美元之匯率變動風險輕微。就其他貨幣而言，管理層會於需要時考慮對沖重大風險。

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Foreign currency risk (continued)

(i) *Exposure to currency risk*

The following table details the Group's and the Company's exposure at the balance sheet date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

The Group

| | 2008 二零零八年 | | 2007 二零零七年 | | |
|---|---|--|---|--|-------|
| | United States dollars 美元 '000 千元 | Australian dollars 澳元 '000 千元 | United States dollars 美元 '000 千元 | Australian dollars 澳元 '000 千元 | |
| Bank deposits and cash and cash equivalents | 銀行存款與現金及現金等值項目 | 7,621 | 4,109 | 3,257 | 4,039 |
| Other financial asset | 其他金融資產 | - | - | 1,834 | - |
| Trade and other payables | 應付賬款及其他應付款 | (1,134) | - | (1,360) | - |
| Obligations under finance leases | 融資租賃之債務 | (2,033) | - | (1,447) | - |
| Overall net exposure | 整體淨風險承擔 | 4,454 | 4,109 | 2,284 | 4,039 |

27 金融工具(續)

(d) 外匯風險(續)

(i) *貨幣風險承擔*

下表詳列本集團及本公司於結算日所承受以有關實體之功能貨幣以外之貨幣計值之已確認資產或負債而產生之貨幣風險。

本集團



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Foreign currency risk (continued)

(i) Exposure to currency risk (continued)

The Company

| | | 2008 二零零八年 | | | 2007 二零零七年 | | |
|---|----------------|---|---------------------------|--|---|---------------------------|--|
| | | United States dollars 美元 '000 千元 | Euros 歐元 '000 千元 | Australian dollars 澳元 '000 千元 | United States dollars 美元 '000 千元 | Euros 歐元 '000 千元 | Australian dollars 澳元 '000 千元 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 12,379 | 7,544 | 841 | 14,396 | 7,294 | - |
| Bank deposits and cash and cash equivalents | 銀行存款與現金及現金等值項目 | 7,621 | - | 4,109 | 3,217 | - | 3,482 |
| Other financial asset | 其他金融資產 | - | - | - | 1,834 | - | - |
| Trade and other payables | 應付賬款及其他應付款 | (1,134) | - | - | (996) | - | - |
| Obligations under finance leases | 融資租賃之債務 | (720) | - | - | (840) | - | - |
| Overall net exposure | 整體淨風險承擔 | 18,146 | 7,544 | 4,950 | 17,611 | 7,294 | 3,482 |

27 金融工具(續)

(d) 外匯風險(續)

(i) 貨幣風險承擔(續)

本公司

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Foreign currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the approximate change in the Group's profit after tax and retained profits in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the balance sheet date. The sensitivity analysis includes balances between Group companies where the denomination of the balances is in a currency other than the functional currencies of the lender or the borrower.

The Group

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|-----------------------|----|--|---|--|---|
| | | Increase/ (decrease) in foreign exchange rates | Increase/ (decrease) in profit after tax and retained profits | Increase/ (decrease) in foreign exchange rates | Increase/ (decrease) in profit after tax and retained profits |
| | | 匯率上升/ (下跌) | 除稅後溢利 及保留溢利 上升/ (下跌) | 匯率上升/ (下跌) | 除稅後溢利 及保留溢利 上升/ (下跌) |
| | | | \$'000 千元 | | \$'000 千元 |
| United States dollars | 美元 | 5% (5%) | (378) 378 | 5% (5%) | (309) 309 |
| Australian dollars | 澳元 | 5% (5%) | 1,225 (1,225) | 5% (5%) | 1,046 (1,046) |

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

27 金融工具(續)

(d) 外匯風險(續)

(ii) 敏感性分析

下表列示於結算日於本集團面對重大風險之匯率可能合理出現之變動導致本集團除稅後溢利及保留溢利之概約變動。敏感度分析包括集團公司間之結餘，而有關結餘乃以貸款人或借款人之功能貨幣以外之貨幣計值。

本集團

敏感性分析乃假設匯率變動於結算日發生，並應用於該日已存在之金融工具對本集團各實體之匯率風險，並假設所有其他可變因數(尤其是利率)維持不變而釐定。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

27 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Foreign currency risk (continued)

(ii) Sensitivity analysis (continued)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Group entities' profit after tax and retained profits measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the balance sheet date for presentation purposes. The analysis is performed on the same basis for 2007.

(e) Fair values

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms. Given these terms it is not meaningful to disclose fair values.

All other financial instruments are carried at amounts not materially different from their fair values as at 31st March, 2008 and 2007.

(f) Estimation of fair values

The fair value of the long-term structured deposit contract (note 17) at 31st March, 2007 was estimated by discounted cash flow techniques. Estimated future cash flows were based on management's best estimates and the discount rate was a market related rate for a similar instrument at 31st March, 2007.

27 金融工具(續)

(d) 外匯風險(續)

(ii) 敏感性分析(續)

上述變動指管理層對直至下一年度結算日止期間可能發生之合理匯率變動所進行之評估。就此而言，乃假設港幣與美元之聯繫匯率不會因美元對其他貨幣匯率之任何變動而受到重大影響。上表呈述之分析結果顯示本集團各實體以各自功能貨幣計算之除稅後溢利及保留溢利，按結算日通行之匯率換算為港幣以作呈報之總體影響。二零零七年之分析乃按照相同基準進行。

(e) 公允值

應收附屬公司款項為無抵押、免息及無固定還款期。鑑於此等條款，披露其公允值之意義不大。

所有其他金融工具之賬面值與其於二零零八年及二零零七年三月三十一日之公允值並無重大差異。

(f) 公允值之估計

於二零零七年三月三十一日，本集團以貼現現金流量法估計長期結構性存款合約之(附註17)公允值。估計未來現金流量乃根據管理層之最佳估計而作出，而貼現率為於二零零七年三月三十一日同類工具之市場相關利率。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

28 COMMITMENTS

- (a) At 31st March, 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

The Group

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---------------------------------|---------|---------------|---|---------------|---|
| | | Properties | Factory machinery and equipment 工廠機器 及設備 | Properties | Factory machinery and equipment 工廠機器 及設備 |
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Within 1 year | 一年內 | 31,891 | 520 | 29,655 | 846 |
| After 1 year but within 5 years | 一年後但五年內 | 15,852 | 587 | 21,751 | 956 |
| After 5 years | 五年後 | - | - | 60 | 47 |
| | | 47,743 | 1,107 | 51,466 | 1,849 |

The Company

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|---------------------------------|---------|---------------|---|---------------|---|
| | | Properties | Factory machinery and equipment 工廠機器及 設備 | Properties | Factory machinery and equipment 工廠機器及 設備 |
| | | \$'000 千元 | \$'000 千元 | \$'000 千元 | \$'000 千元 |
| Within 1 year | 一年內 | 2,806 | - | 1,484 | - |
| After 1 year but within 5 years | 一年後但五年內 | 1,526 | - | 1,010 | - |
| | | 4,332 | - | 2,494 | - |

The Group leases a number of properties and items of factory machinery and equipment under operating leases. The leases run for an initial period of one to eight years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

28 承擔

- (a) 於二零零八年三月三十一日，根據不可解除之經營租賃在日後應付之最低租賃付款總額如下：

本集團

本集團根據經營租賃租用多個物業及多項工廠機器及設備。該等租賃初步為期一年至八年，並且有權選擇續期，屆時所有條款均可重新商定。各項租賃並不包括或有租金。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

28 COMMITMENTS (CONTINUED)

- (b) Capital commitments outstanding at 31st March, 2008 not provided for in the financial statements were as follows:

| | The Group 本集團 | | The Company 本公司 | |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
| Contracted for Authorised but not contracted for | 已定約 已批准但未定約 | | | |
| | 12,379 | 6,180 | 840 | 221 |
| | 142,892 | 75,099 | 128,474 | 53,437 |
| | 155,271 | 81,279 | 129,314 | 53,658 |

28 承擔(續)

- (b) 於二零零八年三月三十一日，未在財務報表中撥備之未付資本承擔詳情如下：

29 CONTINGENT LIABILITIES

- (a) As at 31st March, 2008, the Company has issued guarantees to banks in respect of banking facilities granted to its subsidiaries. The Directors do not consider it probable that a claim will be made against the Company under any of the guarantees. The maximum liability of the Company at the balance sheet date under the guarantees issued is the facilities drawn down by the subsidiaries of \$43,694,000 (2007: \$40,488,000).

The Company has not recognised any deferred income in respect of the guarantees as the fair value of such guarantee was insignificant.

- (b) The Company has given undertakings to certain wholly-owned subsidiaries to provide them with such financial assistance as is necessary to maintain them as going concerns.

29 或然負債

- (a) 於二零零八年三月三十一日，本公司已就授予其附屬公司之銀行備用信貸而向銀行作出擔保。董事認為就任何擔保而對本公司構成賠償之機會不大。於結算日，本公司已發出之擔保下最高負債乃附屬公司動用之備用信貸43,694,000元(二零零七年：40,488,000元)。

由於擔保之公允值並不重大，本公司並無就該等擔保確認任何遞延收入。

- (b) 本公司已承諾向若干全資附屬公司提供財政援助以確保彼等繼續經營運作。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

30 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

(a) Transactions with related parties

- (i) The Group has purchased milk products from a related party in the PRC. The unit price of the milk products is pre-determined in an agreement entered into between the Group and the related party, and will be revised by reference to the prevailing market price of similar products in Hong Kong and the PRC. Total purchases from the related party amounted to \$2,517,000 (2007: \$2,515,000) during the year. The amount due to the related party as at 31st March, 2008 amounted to \$94,000 (2007: amount due from the related party of \$74,000).
- (ii) The products of the Group are distributed in Australia by a related party and a management fee is charged for the provision of services. The management fee is calculated based on a pre-determined percentage of the gross sales of products distributed by the related party. Total management fee charged by the related party for the year amounted to \$8,561,000 (2007: \$Nil). The amount due to the related party as at 31st March, 2008 amounted to \$2,528,000 (2007: \$Nil).

The above transactions also constitute continuing connected transactions under the Listing Rules, in respect of which the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

30 重大關連人士交易

除財務報表另有披露之交易及結餘外，本集團已訂立以下重大關連人士交易。

(a) 與關連人士之交易

- (i) 本集團向一名在中國之關連人士採購奶類製品。奶類製品之單位價已在一份由本集團與該關連人士訂立之協議中預先釐定，並會參考香港及中國同類產品之當前市價作出調整。年內向該關連人士採購之貨品共值2,517,000元(二零零七年：2,515,000元)。於二零零八年三月三十一日應付該關連人士之款項為94,000元(二零零七年應收該關連人士之款項：74,000元)。
- (ii) 本集團之產品由一名關連人士於澳洲分銷，該人士並就提供服務收取管理費用。管理費用按預先釐定之該關連人士分銷產品總銷售額之百分比計算。年內該關連人士收取之管理費用為8,561,000元(二零零七年：零)。於二零零八年三月三十一日應付予該關連人士之管理費用為2,528,000元(二零零七年：零)。

根據上市規則，上述交易亦構成持續關連交易，而本公司亦已就此遵守上市規則第14A章之披露規定。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

30 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 |
|------------------------------|--------|-------------------------------|-------------------------------|
| Short-term employee benefits | 短期僱員福利 | 26,342 | 24,251 |
| Post-employment benefits | 離職後福利 | 711 | 739 |
| Equity compensation benefits | 股本補償福利 | 1,139 | 1,735 |
| | | 28,192 | 26,725 |

Total remuneration is included in "staff costs" (see note 5(b)).

總酬金已計入「員工成本」(見附註5(b))。

31 NON-ADJUSTING POST BALANCE SHEET EVENT

(a) Subsequent to the balance sheet date the Directors proposed a final dividend and a special dividend. Further details are disclosed in note 10.

(b) On 13th March, 2008, Vitasoy Investment (Singapore) Pte. Ltd. ("Vitasoy Singapore"), a wholly owned subsidiary of the Group entered into a share purchase agreement with the shareholders of Unicur Food Co. (Private) Limited ("Unicur") to acquire the entire issued share capital of Unicur. The purchase consideration is S\$14,000,000. Unicur is engaged in the manufacture of soy food products in Singapore.

This transaction was completed in April 2008.

The Group has commenced assessing the financial impact of the above acquisition but is not yet in a position to determine the potential financial impact of the above acquisition on the Group's results of operations in future periods and financial position at future date.

30 重大關連人士交易 (續)

(b) 關鍵管理人員之酬金

本集團關鍵管理人員之酬金(包括附註7所披露向本公司董事支付之款項以及附註8所披露向若干最高薪僱員支付之款項)如下:

31 毋須作出調整之結算日後事項

(a) 董事會於結算日後建議派發末期股息及特別股息。進一步詳情於附註10披露。

(b) 於二零零八年三月十三日，本集團之全資附屬公司維他奶投資(新加坡)有限公司(「維他奶新加坡」)與統一食品(私人)有限公司(「統一食品」)之股東訂立一項股份購買協議，以收購統一食品之全部已發行股本。購買代價為新加坡幣14,000,000元。統一食品於新加坡從事豆腐產品製造。

此項交易於二零零八年四月完成。

本集團已開始評估上述收購之財務影響，惟尚未能夠釐定上述收購對本集團日後期間經營業績及日後日期之財務狀況之潛在財務影響。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

32 COMPARATIVE FIGURES

- (a) As a result of adopting HKFRS 7, *Financial instruments: Disclosures*, and the amendment to HKAS 1, *Presentation of financial statements: Capital disclosures*, certain comparative figures have been adjusted to conform with changes in disclosures in the current year and to show separately comparative amounts in respect of items disclosed for the first time in 2008. Further details of these developments are disclosed in note 2(a).
- (b) As a result of the change in policy in note 2(b), rebates and discounts of \$584,325,000 which were included in "Marketing, selling and distribution expenses" in the 2007 financial statements have been reclassified to set-off with turnover.

33 ACCOUNTING ESTIMATES AND JUDGEMENTS

Notes 15, 26 and 27(f) contain information about the assumptions and their risk factors relating to defined benefit retirement obligations, fair value of share options granted and fair value of financial asset at fair value through profit or loss respectively. Apart from the above, the Group believes the following critical accounting policies also involve significant judgements and estimates used in the preparation of the financial statements:

(a) Impairment of fixed assets

If the circumstances indicate that the carrying values of fixed assets may not be recoverable, the assets may be considered "impaired", and an impairment loss may be recognised in accordance with HKAS 36, *Impairment of assets*. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sale volume, selling price and amount of operating costs. However, actual sale volume, selling price and operating costs may be different from assumptions which may require a material adjustment to the carrying amount of the assets affected.

32 比較數字

- (a) 由於採納《香港財務報告準則》第7號「財務工具：披露」及《香港會計準則》第1號(修訂本)「財務報表之呈報：資本披露」，故若干比較數字已調整以符合本年度之披露變動，並就二零零八年首次披露項目之比較金額作獨立反映。該等準則之進一步詳情於附註2(a)中披露。
- (b) 由於附註2(b)所述之政策變動，故計入二零零七年財務報表「推廣、銷售及分銷費用」之584,325,000元回扣及折扣已重新分類以跟營業額抵銷。

33 會計估計及判斷

附註15、26及27(f)分別載有關於界定福利退休責任、已授出購股權之公允值及按公允值計量且其變動於損益確認之金融資產之公允值之假設及相關風險因素。除上述者外，本集團相信於編製財務報表時，以下關鍵會計政策亦涉及重大判斷及估計：

(a) 固定資產減值

倘有情況顯示固定資產之賬面值可能無法收回，則該等資產可能被視為「已減值」，而減值虧損可能會根據《香港會計準則》第36號「資產減值」予以確認。凡有事件或變動顯示有關賬面值可能無法收回，該等資產將進行減值測試。如減值已出現，賬面值將減至可收回金額。可收回金額為售價淨額與使用價值兩者中之較高者。釐定使用價值時，將根據銷量、售價及營運成本金額之水平作出重大判斷，將該資產產生之預期現金流量貼現至其現值。本集團運用所有可用之資料以釐定可收回金額之合理概約金額，包括根據對銷量、售價及營運成本金額之合理及有證據支持之假設及預計所作出之估計。然而，實際銷量、售價及營運成本金額可能有別於假設，並可能須對受影響資產之賬面值作出重大調整。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有說明外，以港幣計算)

33 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Depreciation of fixed assets

Fixed assets are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual values, if any. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

(c) Impairment loss for bad and doubtful debts

The Group maintains an impairment loss for bad and doubtful debts for estimated losses resulting from the inability of the debtors to make required payments. The Group estimates the future cash flows based on the ageing of the trade receivables balance, debtors' credit-worthiness, and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

(d) Write down of inventories

The Group performs regular review of the carrying amounts of inventories with reference to aged inventories analysis, expected future consumption and management judgement. Based on this review, write down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable values. However, actual consumption may be different from estimation and profit or loss could be affected by differences in this estimation.

34 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31ST MARCH, 2008

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31st March, 2008 and which have not been adopted in these financial statements.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

In addition, HKFRS 8, *Operating segments*, which is effective for annual periods beginning on or after 1st January, 2009, may result in new or amended disclosures in the financial statements.

33 會計估計及判斷 (續)

(b) 固定資產之折舊

固定資產之折舊是根據資產之估計可使用年期，扣除估計剩餘價值後以直線法計算。本集團定期審閱資產之估計可使用年期，以釐定在任何報告期間應被記錄之折舊費用數額。可使用年期乃根據本集團以往在類似資產上之經驗而作出，並考慮到預期發生之技術上之變化。倘若原來估計發生重大變化，則未來期間內之折舊費用將被調整。

(c) 呆壞賬減值虧損

本集團為債務人無力還款而產生估計虧損維持呆壞賬減值虧損。本集團對未來現金流量之估計是根據應收賬款餘額之賬齡、債務人之信用及以往撇賬方面之經驗而作出。倘若債務人之財務狀況惡化，實際撇賬額可能高於估計。

(d) 撇減存貨

本集團參考存貨賬齡分析、預期未來耗用量及管理層之判斷，對存貨之賬面值進行定期審閱。倘存貨之賬面值跌至低於其估計可變現淨值，則本集團會根據審閱之結果而撇減存貨之價值。然而，實際耗用量可能與估計有所不同，而此估計之出入可能影響損益。

34 已頒佈但尚未於截至二零零八年三月三十一日止年度生效之修訂、新訂準則及詮釋可能構成之影響

截至本財務報表刊發之日，香港會計師公會已頒佈多項在截至二零零八年三月三十一日止年度尚未生效，亦沒有在本財務報表採用之修訂、新訂準則及詮釋。

本集團現正評估此等修訂、新訂準則及新訂詮釋預期於應用初期產生之影響。直至今目前，概括而言，採納上述規定對本集團之營運業績及財務狀況造成重大影響之機會不大。

此外，於二零零九年一月一日或之後開始之年度期間生效之《香港財務報告準則》第8號「營運分部」可能導致財務報表出現新訂或修訂披露。



FIVE YEAR SUMMARY

五年財務摘要

(Expressed in Hong Kong dollars)
(以港幣計算)

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2006 二零零六年 \$'000 千元 | 2005 二零零五年 \$'000 千元 | 2004 二零零四年 \$'000 千元 |
|---------------------------------------|--------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Results | 業績 | | | | | |
| Turnover | 營業額 | 2,416,384 | 2,109,136 | 1,961,983 | 1,848,750 | 1,770,259 |
| Profit from operations | 經營溢利 | 300,677 | 250,515 | 233,775 | 197,032 | 151,252 |
| Finance costs | 融資成本 | (8,865) | (8,068) | (8,372) | (9,042) | (8,421) |
| Restructuring cost | 重組成本 | - | - | - | (24,782) | - |
| Compensation for traffic accident | 交通意外之賠償金 | - | - | - | 765 | 1,464 |
| Profit before taxation | 除稅前溢利 | 291,812 | 242,447 | 225,403 | 163,973 | 144,295 |
| Income tax | 所得稅 | (55,831) | (41,135) | (40,378) | (40,403) | (35,019) |
| Profit for the year | 本年度溢利 | 235,981 | 201,312 | 185,025 | 123,570 | 109,276 |
| Attributable to: | 應佔： | | | | | |
| — Equity shareholders of the Company | — 本公司股權持有人 | 211,208 | 173,901 | 172,076 | 120,982 | 114,793 |
| — Minority interests | — 少數股東權益 | 24,773 | 27,411 | 12,949 | 2,588 | (5,517) |
| Profit for the year | 本年度溢利 | 235,981 | 201,312 | 185,025 | 123,570 | 109,276 |
| Assets and liabilities | 資產及負債 | | | | | |
| Fixed assets | 固定資產 | 773,943 | 764,572 | 716,632 | 770,691 | 846,388 |
| Bank deposits | 銀行存款 | - | - | 22,768 | 38,427 | 93,397 |
| Other non-current assets | 其他非流動資產 | 7,576 | 22,941 | 18,341 | 3,212 | 1,875 |
| Net current assets | 淨流動資產 | 706,965 | 669,486 | 640,508 | 511,707 | 385,727 |
| Total assets less current liabilities | 總資產減流動負債 | 1,488,484 | 1,456,999 | 1,398,249 | 1,324,037 | 1,327,387 |
| Non-current liabilities | 非流動負債 | (64,635) | (111,511) | (89,315) | (28,656) | (36,067) |
| NET ASSETS | 淨資產 | 1,423,849 | 1,345,488 | 1,308,934 | 1,295,381 | 1,291,320 |



FIVE YEAR SUMMARY (CONTINUED)

五年財務摘要(續)

(Expressed in Hong Kong dollars)
(以港幣計算)

| | | 2008 二零零八年 \$'000 千元 | 2007 二零零七年 \$'000 千元 | 2006 二零零六年 \$'000 千元 | 2005 二零零五年 \$'000 千元 | 2004 二零零四年 \$'000 千元 |
|---|----------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Capital and reserves | 資本及儲備 | | | | | |
| Share capital | 股本 | 252,894 | 251,759 | 250,822 | 248,482 | 246,457 |
| Reserves | 儲備 | 1,052,490 | 1,002,602 | 999,546 | 999,230 | 1,000,083 |
| Total equity attributable to equity shareholders of the Company | 本公司股權持有人應佔權益總額 | 1,305,384 | 1,254,361 | 1,250,368 | 1,247,712 | 1,246,540 |
| Minority interests | 少數股東權益 | 118,465 | 91,127 | 58,566 | 47,669 | 44,780 |
| TOTAL EQUITY | 權益總額 | 1,423,849 | 1,345,488 | 1,308,934 | 1,295,381 | 1,291,320 |
| Earnings per share | 每股盈利 | | | | | |
| — Basic | — 基本 | 20.9 cents 仙 | 17.3 cents 仙 | 17.2 cents 仙 | 12.2 cents 仙 | 11.7 cents 仙 |
| — Diluted | — 攤薄 | 20.8 cents 仙 | 17.2 cents 仙 | 17.1 cents 仙 | 12.1 cents 仙 | 11.6 cents 仙 |

Notes to the five year summary:

- (1) In order to comply with HKFRS 2, *Share-based payment*, the Group adopted a new accounting policy for employee share options with effect from 1st April, 2005. The Group took advantage of the transitional provisions set out in HKFRS 2, under which the new recognition and measurement policies have not been applied to the following grants of options:
- all options granted to employees on or before 7th November, 2002; and
 - all options granted to employees after 7th November, 2002 but which had vested before 1st April, 2005.
- (2) In order to comply with HKAS 39, *Financial instruments: Recognition and measurement*, the Group changed its accounting policies relating to financial assets with effect from 1st April, 2005. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of an opening balance adjustment to retained profits as at 1st April, 2005. Figures in years earlier than 2005 are stated in accordance with the policies before the change on a consistent basis.

五年財務摘要附註：

- (1) 為符合《香港財務報告準則》第2號「以股份為基礎之付款」，本集團自二零零五年四月一日開始採納一項有關僱員購股權之新會計政策。本集團根據《香港財務報告準則》第2號所載之過渡條文，毋須對以下購股權採用新確認及計量政策：
- 所有於二零零二年十一月七日或之前授予僱員之購股權；及
 - 所有於二零零二年十一月七日之後授予僱員但已於二零零五年四月一日前歸屬之購股權。
- (2) 為符合《香港財務報告準則》第39號「金融工具：確認及計量」，本集團自二零零五年四月一日開始更改其有關金融資產之會計政策。根據該準則之過渡條文，會計政策變動是透過對二零零五年四月一日之保留溢利作出期初結餘調整。二零零五年之前年份之數字乃根據變動前之政策列出。

www.vitasoy.com
www.vitasoy.com.hk
www.vitaland.com.hk
www.hkgourmet.com.hk
www.vitasoy-chn.com
www.vitasoy-usa.com
www.vitasoy.com.au



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