

ANNUAL REPORT

2003/04 年報

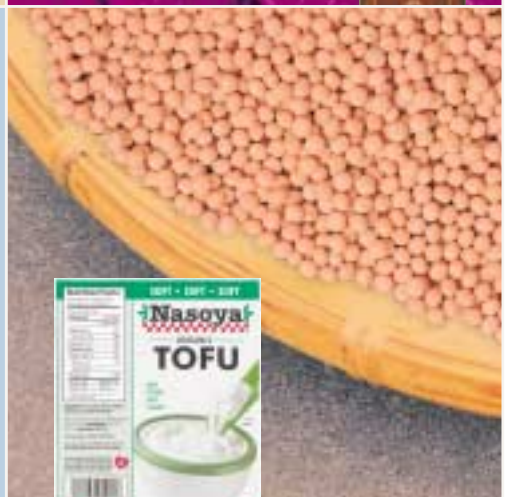
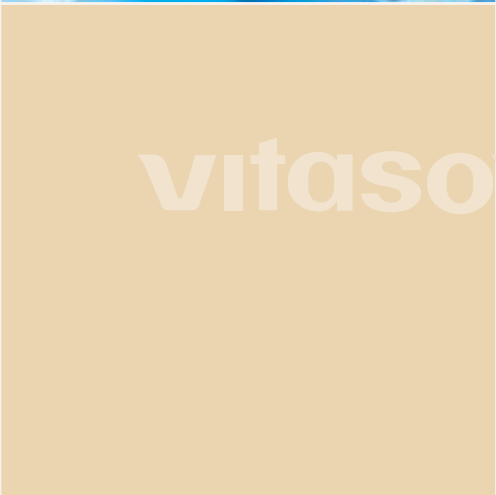


AT VITASOY, PROMOTING CONSUMER WELL-BEING IS OUR NUMBER ONE PRIORITY. THIS IS ACHIEVED THROUGH THE PROVISION OF A VARIETY OF HIGH-QUALITY, NUTRITIOUS FOOD AND BEVERAGES. VITASOY IS AN INNOVATIVE COMPANY, A RELIABLE EMPLOYER, A RESPONSIBLE CORPORATE CITIZEN AND IS DEDICATED TO CREATING VALUE FOR OUR SHAREHOLDERS.

維他奶集團以促進消費者健康為首要己任，致力為消費者提供多種營養豐富的優質食品 and 飲品。集團勇於創新，積極拓展業務，誠為員工堪可信賴的工作夥伴。我們並承擔社會責任，以及竭盡所能，為股東爭取長遠穩健的回報。

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### BOARD OF DIRECTORS

#### Executive Chairman

Mr. Winston Yau-lai LO

#### Independent Non-executive Directors

Dr. The Hon. David Kwok-po LI

Mr. Iain F. BRUCE

#### Non-executive Directors

Mr. Chi-kian SHIU

Ms. Myrna Mo-ching LO

Mr. Frank Yau-yee LO

Ms. Yvonne Mo-ling LO

#### Executive Directors

Mr. Fransis Ming-yin KONG

Mr. Eric Fat YU

Mr. John Shek-hung LAU

### COMPANY SECRETARY

Ms. Paggie Ah-hing TONG

### 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.

BNP Paribas

Rabobank

UFJ Bank Limited

The Bank of Tokyo-Mitsubishi, Limited

### PRINCIPAL LAWYERS

Stephenson Harwood & Lo

### 董事會

#### 執行主席

羅友禮先生

#### 獨立非執行董事

李國寶博士

Iain F. BRUCE 先生

#### 非執行董事

邵志堅先生

羅慕貞女士

羅友義先生

羅慕玲女士

#### 執行董事

江明彥先生

余發先生

劉錫鴻先生

### 公司秘書

湯亞卿小姐

### 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

### 主要往來銀行

東亞銀行有限公司

花旗銀行

法國巴黎銀行

荷蘭合作銀行

UFJ Bank Limited

東京三菱銀行

### 主要法律顧問

羅夏信律師行

## SHARE REGISTRAR

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

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

3rd September, 2004 (Friday) to  
9th September, 2004 (Thursday)

### Annual General Meeting

at 3:00 p.m., 9th September, 2004 (Thursday),  
Chater Rooms I & II, Function Room Level,  
The Ritz-Carlton Hong Kong, 3 Connaught Road Central,  
Hong Kong

### Final and Special Dividends Payable

16th September, 2004 (Thursday)

## 股份過戶登記處

香港中央證券登記有限公司  
香港皇后大道東183號合和中心19樓

## 網址

維他奶國際集團有限公司  
www.vitasoy.com (英文及中文)  
www.vitasoy.com.hk (英文及中文)

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)

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

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

## 重要日期

### 暫停辦理過戶登記

二零零四年九月三日（星期五）至  
二零零四年九月九日（星期四）

### 股東週年大會

於二零零四年九月九日（星期四）下午三時正假座  
香港干諾道中三號  
香港麗嘉酒店宴會樓層 I 及 II 宴會廳

### 派發末期及特別股息

二零零四年九月十六日（星期四）

Year Ended 31st March 截至三月三十一日止年度

RESULTS 業績		2004 HK\$Mn 港幣百萬元	2003 HK\$Mn 港幣百萬元	Change 變化 %
Turnover	營業額	2,269	2,228	1.8
Gross Profit	毛利	1,288	1,245	3.5
EBITDA	未計利息、稅項、折舊及攤銷費用前盈利	261	278	(6.1)
Profit Attributable to Shareholders	股東應佔溢利	116	139	(16.5)
Basic Earnings per Share (HK cents)	每股基本盈利 (港仙)	11.8	14.3	(17.5)
Dividends per Share (HK cents) <sup>#</sup>	每股股息 (港仙) <sup>#</sup>	13.5	13.5	—

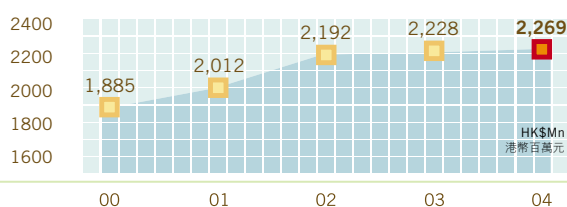
<sup>#</sup> Including special dividend      <sup>#</sup> 包括特別股息

At 31st March 於三月三十一日

FINANCIAL POSITION 財務狀況		2004 HK\$Mn 港幣百萬元	2003 HK\$Mn 港幣百萬元	Change 變化 %
Total Assets	總資產	1,801	1,794	0.4
Net Cash Balance	現金淨額	270	244	10.7
Shareholders' Equity	股東權益	1,247	1,249	(0.2)

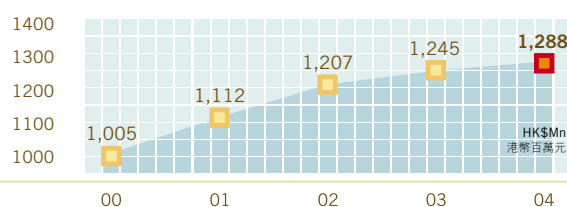
**TURNOVER 營業額**

(Year ended 31st March 截至三月三十一日止年度)



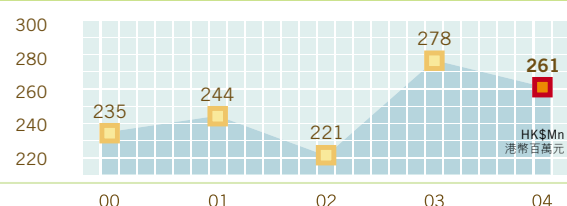
**GROSS PROFIT 毛利**

(Year ended 31st March 截至三月三十一日止年度)



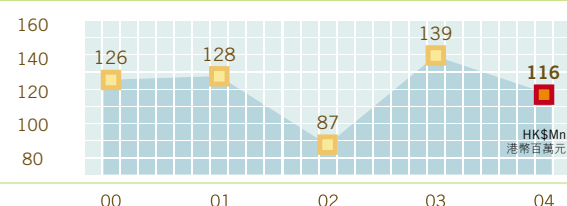
**EBITDA 未計利息、稅項、折舊及攤銷費用前盈利**

(Year ended 31st March 截至三月三十一日止年度)



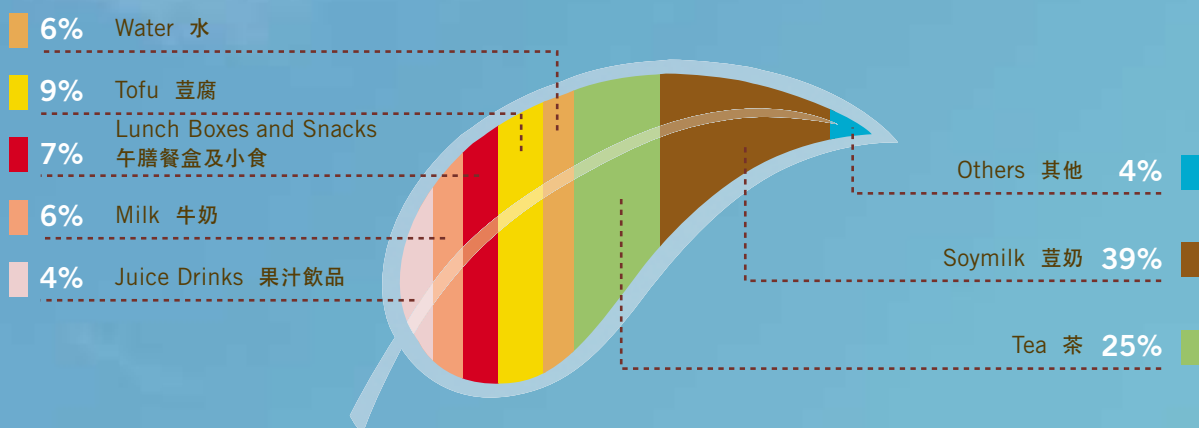
**PROFIT ATTRIBUTABLE TO SHAREHOLDERS 股東應佔溢利**

(Year ended 31st March 截至三月三十一日止年度)



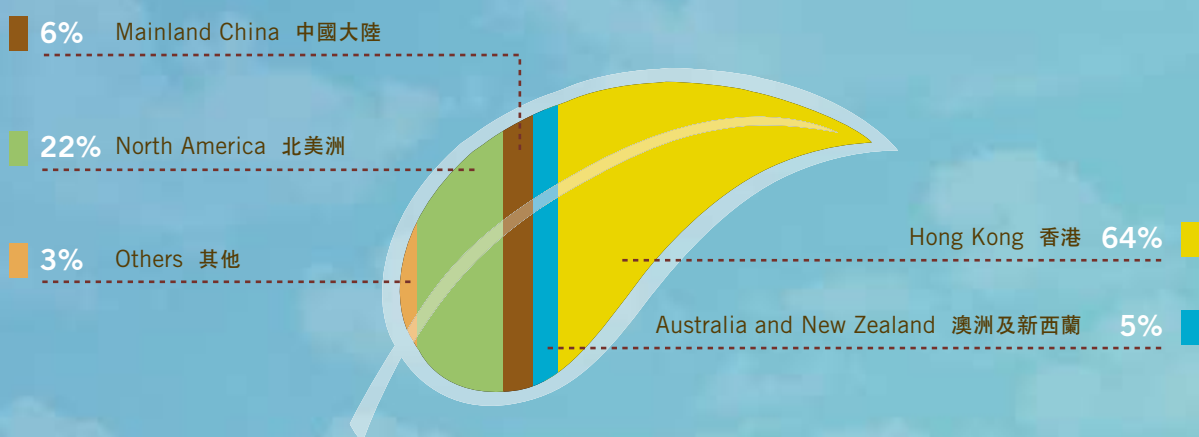
## SALES ANALYSIS BY CATEGORIES 銷售分析 — 按種類

(Year ended 31st March, 2004 截至二零零四年三月三十一日止年度)



## SALES ANALYSIS BY LOCATION OF CUSTOMERS 銷售分析 — 按顧客所在地

(Year ended 31st March, 2004 截至二零零四年三月三十一日止年度)







WINSTON YAU-LAI LO  
EXECUTIVE CHAIRMAN

羅友禮  
執行主席



WITH THE CONCERTED EFFORT OF OUR VARIOUS OPERATIONS, WE MANAGED TO INCREASE OUR TURNOVER AND GROSS PROFIT AND TO REGAIN OUR OVERALL GROWTH MOMENTUM ESPECIALLY IN THE SECOND HALF DESPITE THE CHALLENGING OPERATING ENVIRONMENT IN HONG KONG AND AROUND THE WORLD.

儘管香港以及全球各地經營環境困難，本集團憑著各業務單位之共同努力，銷售額與毛利皆有上升，並於下半年重拾整體增長升勢。

No doubt 2003 will be remembered as an exceedingly challenging year for the Group on account of the volatile market conditions at home and around the world, especially in the first half of the year. However, through the concerted effort of our various operations, we managed to increase our sales and profit again and regain our overall growth momentum in the second half.

The Group's total turnover for the year ended 31st March, 2004 reached HK\$2,269 million, representing an increase of 1.8% over the previous year. Gross profit for the year was HK\$1,288 million, up 3.5%. To ensure that business in Hong Kong was back on track immediately after Severe Acute Respiratory Syndrome (SARS) and to strengthen our brands in major markets, the Group incurred an additional HK\$41 million in marketing and promotional campaigns. Profit attributable to shareholders was HK\$116 million, representing a drop of 16.5%.

The Board of Directors is recommending a final dividend of HK5.7 cents per share (2002/2003 final dividend: HK5.7 cents per share) at the Annual General Meeting on 9th September, 2004. This, together with the interim dividend of HK2.8 cents per share, will make a total dividend of HK8.5 cents per share for fiscal 2003/2004 (2002/2003 total dividend: HK8.5 cents per share). On top of that, in view of our strong cash position, the Board of Directors is also recommending a special dividend of HK5.0 cents per share (2002/2003 special dividend: HK5.0 cents per share).





由於本地及全球市場動盪，二零零三年無疑為本集團極具挑戰性之一年，尤以上半年為甚。然而，憑著各業務單位之共同努力，本集團於下半年之銷售額與溢利皆有增長，並重拾整體升勢。

本集團截至二零零四年三月三十一日止年度總營業額達港幣2,269,000,000元，較去年增加1.8%。本年度毛利為港幣1,288,000,000元，上升3.5%。為確保香港業務於嚴重急性呼吸系統綜合症(非典型肺炎)肆虐後能儘快重上軌道，及為加強本集團品牌在各主要市場之知名度，本集團額外投資港幣41,000,000元於市場推廣及宣傳活動等方面。股東應佔溢利為港幣116,000,000元，減少16.5%。

董事會將於二零零四年九月九日舉行之股東週年大會上建議派發末期股息每股港幣5.7仙(二零零二／二零零三年度末期股息：每股港幣5.7仙)，連同已派發之中期股息每股港幣2.8仙，二零零三／二零零四年度之股息總額達每股港幣8.5仙(二零零二／二零零三年度股息總額：每股港幣8.5仙)。此外，鑑於本集團之現金充裕，董事會亦建議派發特別股息每股港幣5.0仙(二零零二／二零零三年度特別股息：每股港幣5.0仙)。

### GENERAL REVIEW

Notwithstanding the uncertainties we encountered in our major markets, we have followed a clearly focused business strategy by continuing with product development and innovation, aggressive marketing, brand building, process improvement and cost management.

In particular, we recognise that, in the long run, our brand equity is the most valuable asset for the whole Vitasoy Group. We have, therefore, been pursuing a strategy of innovative marketing consistently to reinforce our brands on a continuous basis so as to enhance our market leadership.

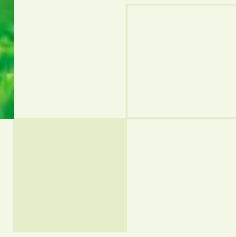
To fortify our market position as consumers' supplier of choice that makes high quality, great tasting and healthy products, we continued to invest in advertising and promotion to strengthen our brands and expand our markets in the past year. Our efforts in these areas resulted in overall sales growth in key markets such as Hong Kong, Mainland China and Australia. In North America, we also posted healthy sales growth in our Tofu category.

In Hong Kong, our major market, the SARS outbreak in March 2003 and its ramifications adversely impacted almost all sectors, in particular retail. Understandably, the beverage market was severely affected because of the virtual disappearance of outdoor and group activities in early summer. Our tuck shop sales also fell by almost 50% in the first quarter of fiscal 2003/2004 due to the suspension of classes. As a result, our overall sales volume in Hong Kong dropped in the first quarter of fiscal 2003/2004. However, immediately after SARS, we engaged in aggressive marketing and promotion campaigns that gave strong support to our brands as well as new product launches. As a result, sales picked up strongly in the second quarter and thereafter and we also succeeded in increasing our beverage market share in Hong Kong. At the same time, the Group's tuck shop business also rebounded strongly after the first quarter and has continued to expand in terms of both revenue and market share.

In North America, overall sales were affected by the continued contraction of the Aseptic Soymilk market. This was, however, partially offset by a healthy growth in the sales of Tofu as we continued to develop and launch value-added products in this category. Our initiatives in developing new products have further re-affirmed our leadership in the Tofu category. New product launches and continued competition in price necessitated higher spending in advertising and promotion, thus impacting our profitability in this market.

In Mainland China, we continued to grow our sales by strengthening product distribution and outlet management. Sales increased not only in Guangdong but also in the eastern part of China. The utilisation rate of the Shanghai plant's production capacity continued to improve, thus further narrowing its operating loss.

The performance of our operation in Australia and New Zealand was exceptionally good during the year. We achieved very strong growth in sales due to the popularity of the Refrigerated Soymilk category and the success of other newly launched products. In fact VITASOY has been the fastest growing brand in the Australian market. We are pleased that increased marketing and brand building have ensured the growth of our market share.



## 概覽

儘管各主要市場面對種種不明朗因素，本集團仍貫徹清晰而專注的業務策略，繼續研製創新產品、推行進取的市場推廣活動、建立品牌、改善流程以及有效管理成本。

尤其是，本集團認識到，長遠而言，其品牌價值將為本集團最寶貴之資產。本集團因而繼續貫徹執行創新之市場推廣策略，不斷加強品牌知名度，從而提升本集團之市場領導地位。

為鞏固市場地位及為消費者提供高質素、美味、健康有益的產品，本集團於過去一年繼續投資市場推廣及廣告宣傳上，以提高品牌知名度及擴展市場，令香港、中國大陸及澳洲等主要市場之整體銷售額均有提升。於北美洲，本集團之豆腐產品亦錄得穩定之銷量增長。

於香港這主要市場，二零零三年三月爆發之非典型肺炎及其連鎖影響打擊眾多行業，以零售業尤甚。由於戶外及團體活動於夏季初期幾近消失，飲品市場受到嚴重影響實能理解。由於學校停課，本集團學校食物部之銷售額於二零零三／二零零四財政年度首季亦下跌近半。因此，本集團香港之整體銷量於二零零三／二零零四財政年度首季下跌。然而，非典型肺炎疫情過後，本集團即時採取積極之市場推廣及宣傳攻勢，為本集團旗下各品牌及新產品積極推廣。結果，銷售額於第二季度及其後迅速飆升，本集團亦成功擴大本集團於香港飲品市場之佔有率。與此同時，本集團之學校食物部業務於首季後亦呈強力反彈，收入與市場佔有率均持續上升。

北美洲方面，整體銷售額因無菌紙包裝豆奶市場持續萎縮而受影響。幸好，由於本集團不斷發展及推出高價值之豆腐產品，令豆腐產品之銷售額錄得相當穩定之增長，局部抵銷因無菌紙包裝豆奶市場萎縮之銷售額損失。本集團積極發展新產品之策略亦進一步肯定本集團於豆腐產品之領導地位。然而推出新產品及持續價格戰導致廣告宣傳開支增加，影響本集團於此市場之盈利能力。

中國大陸方面，本集團繼續透過加強產品分銷渠道及零售管理來增加銷售額。廣東之銷售額增加，華東地區亦錄得增長。上海廠房之生產使用率不斷改善，從而進一步縮窄經營虧損。

年內，本集團於澳洲及新西蘭之業務表現奇佳，銷售額因鮮凍豆奶產品受歡迎及成功推出新產品而大增。事實上，**維他奶**已成為澳洲市場增長最快之品牌。這亦證明增加市場推廣及建立品牌均有助擴大市場佔有率。

## OUTLOOK AND STRATEGY

### Hong Kong

In Hong Kong, there are signs that the economy is gradually improving. However, at this stage it is still too early to predict a full rebound as deflation persists and the unemployment rate remains high. As a result, price competition is likely to continue.

To maintain our growth momentum and profit margin, we will continue to innovate and develop new products with higher value. We will also focus on cost management to ensure even more efficient deployment of resources and higher cost-efficiency and productivity.

We have started launching new products and new marketing campaigns for the summer season, and we expect to see steady increase in sales. We have already established an effective model for developing our tuck shop and lunch box businesses in Hong Kong, which is based on hygiene, safety, wholesome ingredients and quality, and we expect to see continued growth in the coming year.

### North America

The demand for soy food products in North America has been increasing steadily but most brands are similarly positioned, and so competition is mainly on the basis of price and shelf space. To achieve any breakthrough, we find it necessary to delve deeper into consumers' preference, with a view to developing products with unique values which appeal to them and justify premium pricing. We are doing exactly just that in the coming months. In addition, we are exploring ways to protect the success of our new products by including proprietary technology. In terms of operation, we would focus on ways to improve production efficiency and profitability.

### Mainland China

In the medium term, Vitasoy China will pursue a strategy that focuses on our core business, core brands and core competency. This, we believe, will help us capture the evident consumer trend where choice is increasingly influenced by heightened health consciousness, deeper knowledge of the nutritional value of soy and better packaging.

We are implementing this growth strategy in the following ways. We will continue to make sensible investment in our core brand – VITASOY. We will improve our outlet management and distribution. We are developing and launching new products that target the family consumption market, which is well established. We are actively pursuing an outsourcing arrangement for our products in order to minimise risks associated with fixed assets. Internally, we will continue to make improvement on our operational efficiency.

### Australia & New Zealand

Australia and New Zealand is a growing market with good potential. Its performance so far has convinced us that there is still much room for further development as the consumer market is receptive to new products.



## 展望與策略

### 香港

根據種種跡象顯示，香港經濟正在逐步復蘇。然而，由於通縮持續及失業率仍然高企，現階段預測經濟能否全面復蘇為時尚早。因此，價格競爭可能仍然持續。

為保持增長動力及利潤率，本集團將繼續創製及發展具高價值之新產品。本集團亦將致力成本管理，確保取得更有效之資源調配、更高之成本效益及生產力。

本集團已於夏季推出新產品及新市場推廣攻勢，並預期取得穩定之銷售額增長。本集團已確立在香港發展學校食物部及午膳餐盒業務之有效模式，以衛生、安全、營養豐富及高質素為本，並預期在來年取得持續增長。

### 北美洲

北美洲市場對豆製產品之需求呈穩定增長，但由於絕大部分品牌定位相似，故競爭主要在於價格與貨架空間方面。為取得突破，本集團認為有必要更深入洞悉消費者喜好，發展獨特、為消費者喜愛並認為物有所值之高價產品。事實上，本集團於未來數月將隨這方向推行策略。此外，本集團正設法透過專有技術等方式來保護新產品帶來之成果。營運方面，本集團將採取不同策略改善生產效率及盈利能力。

### 中國大陸

中線而言，維他奶之中國大陸業務將以持續致力發展核心業務、核心品牌及核心強項為策略。本集團相信，此策略將有助本集團把握時下消費的趨勢；消費者皆日益注重健康、對大豆的營養價值更為認識，而更佳的包裝亦影響他們的選擇。

本集團現推行不同之策略以增長業務。明智地投資本集團之核心品牌**維他奶**、改善零售管理及分銷渠道、發展並推出新產品迎合早已建立之家庭消費市場。本集團正積極安排產品外判生產，以減低固定資產投資之風險。內部方面，本集團將繼續改善營運效率。

### 澳洲及新西蘭

澳洲及新西蘭乃潛質優厚、不斷增長之市場。此市場至今之表現令本集團深信，當地消費市場較易接受新產品，故此本集團大有發展空間來拓展業務。



We expect to see steady growth in both sales and profitability in this market in the coming year. In particular, we expect to gain market share after refocusing our marketing and promotion strategy in both Australia and New Zealand.

Our strategy will focus on the launching of new products in the “value soy beverage” area, flavour innovation as well as growing our sales in petrol stations and convenience stores. A strong volume and brand base is paramount to achieving future profitability in these markets.

#### The Group

The Group's financial position remains very strong and we are in an even stronger cash position than a year earlier. Higher prices of raw materials would be a key factor affecting our production cost in fiscal 2004/2005. However, with our continuing efforts in cost management and productivity improvement, we are confident that our margins could be maintained.

Looking ahead, we believe the coming year would still be full of challenges but we are well equipped to manage those challenges and sustain our growth momentum.

#### RECOGNITIONS/ AWARDS

We are pleased to report that the Group was the winner of a number of awards last year.

The VITASOY brand was elected one of the Top 10 Supermarket Brands in a “Most Favourite Brand Competition” held by one of the leading supermarket chains in Hong Kong.

The VITA brand was elected by over 15,000 on-line users as one of the winners of the “Yahoo! Emotive Brand Award”.

China Enterprise Research and Development Centre (Beijing) recognised Vitasoy as an “Enterprise Operating by Principles of Quality, Integrity and Rules and Regulations”.

#### VOTE OF THANKS

I wish to extend my sincere gratitude to the Board of Directors for their valuable guidance and advice in the past year. I also wish to thank our shareholders, customers and business partners for their relentless support and understanding. I must of course thank every member of our staff for their continued commitment and industriousness and for maintaining a high working spirit throughout this trying period.

**Winston Yau-lai LO**

*Executive Chairman*

14th July, 2004





本集團預期來年可在此市場取得銷售額及盈利之穩定增長。尤其是，在重新制訂於澳洲及新西蘭等地之市場推廣及宣傳策略後，市場佔有率可望提升。

本集團之策略將為集中推出「高價值荳奶飲品」類新產品，創新口味與增加加油站與便利店之銷售。強大之銷量與品牌基礎，對日後在有關市場取得盈利十分重要。

#### 本集團

本集團之財務狀況仍然非常強健，現金淨額狀況甚至較一年前充裕。原材料價格上升將為影響二零零四／二零零五財政年度本集團生產成本之要素。然而，由於本集團不斷致力於成本管理及改善生產力，故有信心可保持利潤率。

展望將來，本集團相信來年仍將充滿挑戰，但本集團已準備就緒面對挑戰，保持增長動力。

#### 表揚／嘉許

本集團欣然報告，本集團於去年榮獲多項殊榮。

在香港某大超市連鎖集團主辦之「最受歡迎品牌選舉」中，**維他奶**品牌入選為十大超市品牌之一。

**維他**品牌被超過一萬五千名網上用戶推選為「雅虎!感情品牌大獎」得主之一。

本集團榮獲中國企業發展中心(北京)評定為「中國重質量、講誠信、守規則企業」。

#### 鳴謝

本人謹此衷心感謝董事會於過去一年所提供之寶貴指導與意見。本人亦感謝股東、客戶及業務夥伴不斷之支持與諒解。當然，本人還要多謝我們盡忠職守、努力不懈，於困難時刻仍保持著高昂士氣之全體員工。

#### 羅友禮

執行主席

二零零四年七月十四日

輕盈

l i g h t



### Light 輕盈

A variety of VITA Light drinks appeal to consumers who are health-and-weight conscious and eager to try new and tasty products.

維他奶推出一系列「Light」產品，迎合追求健康和美態而又喜歡嘗試新款美味產品的消費者。





## TURNOVER

After experiencing some decline in the first half due mainly to the outbreak of SARS in Hong Kong, the Group achieved significant improvement in sales in the second half by posting a healthy year-on-year growth of 5.3%. The Group's total turnover for the year ended 31st March, 2004 was HK\$2,269 million, up 1.8% from HK\$2,228 million for the previous year.

## GROSS PROFIT

The Group's gross profit for the year totalled HK\$1,288 million (2003: HK\$1,245 million), an increase of 3.5%. The gross profit margin was 56.8%, compared to 55.9% a year ago. This improvement was achieved through supply chain management and the enhancement of manufacturing processes on the one hand, and through leveraging our volume advantage in purchasing to reduce unit material

## 營業額

儘管香港爆發非典型肺炎以致上半年之業績有所下降，惟本集團之銷售額於下半年顯著獲得改善，錄得穩健之按年增長5.3%。本集團截至二零零四年三月三十一日止年度之總營業額為港幣2,269,000,000元，較去年之港幣2,228,000,000元增加1.8%。

## 毛利

本集團於本年度之毛利共為港幣1,288,000,000元(二零零三年：港幣1,245,000,000元)，上升3.5%。邊際毛利率為56.8%，而去年則為55.9%。邊際毛利率獲改善，一方面歸功於供應鏈管理系統及製造流程之改善，另一方面則是利用大量採購優勢以達到減低單位原材料成本。由於本集



天然

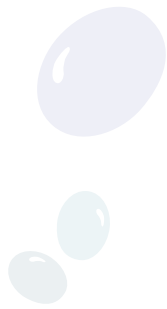
n a t u r a l



#### Natural 天然

To meet the market demand for natural food and beverages, Vitasoy supplies natural and quality soy-based products that are tasty, convenient and ready to serve.

維他奶天然優質的荳製產品，味美、方便、兼可隨時享用，最能滿足喜愛天然健康產品消費者的需要。



cost on the other. The cost of raw materials remained stable due to our policy of consistently covering forward purchases of key commodities based on production plans. Improvement in the production efficiency of the Shanghai and Wodonga plants in Mainland China and Australia respectively also contributed to the growth in gross profit.

#### DISTRIBUTION, ADMINISTRATIVE AND OTHER OPERATING EXPENSES

Marketing, selling and distribution expenses were HK\$876 million, up 6.7% due mainly to the need for more marketing activities to support sales recovery in Hong Kong after the onslaught of SARS, as well as increased marketing in North America and Australia to support new product launches. Administrative expenses amounted to HK\$163 million, an increase of 1.2%. Other operating expenses amounted to HK\$117 million, compared to HK\$105 million last year. Total operating expenses amounted to 50.9% of sales (2003: 48.8%).

團沿用按照生產計劃而作遠期採購主要材料之政策，原材料成本得以保持穩定。分別位於中國大陸及澳洲之上海廠房及烏東加廠房之生產效率獲得改善，亦有助毛利增長。

#### 分銷、行政及其他經營費用

市場推廣、銷售及分銷費用為港幣876,000,000元，增加6.7%，主要由於非典型肺炎肆虐本港後須進行更多市場推廣活動以恢復銷量，以及在北美洲及澳洲加強市場推廣以配合新產品面市。行政費用為港幣163,000,000元，增加1.2%。其他經營費用達港幣117,000,000元，而去年則為港幣105,000,000元。經營費用總額佔銷售額之50.9%（二零零三年：48.8%）。





健康



h e a l t h y



### Healthy 健康

Vitasoy excels in making high-quality, nutritious and healthy food and beverages that promote consumers' well-being.

維他奶致力為大眾提供多種營養豐富的優質食品和飲料，以促進消費者的健康。





In the first half of fiscal 2003/2004, aggressive marketing and sales campaigns resulted in a considerable rise in advertising and promotion expenses, which implied a proportionate increase in the Group's selling expenses over the same period last year. However, notwithstanding fierce price competition in the second half, our tactical price promotion efforts did help to enhance the competitiveness of our products in the market place so that we could maintain selling expense at 37.5% of sales, slightly lower than that in the second half of fiscal 2002/2003.

**OPERATING PROFIT AND EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION EXPENSES (EBITDA)**

EBITDA for the year amounted to HK\$261 million (2003: HK\$278 million), a decrease of 6.1% year-on-year. This marked a significant improvement from the 19.9% year-on-year decline recorded in the first half of the year.

於二零零三／二零零四財政年度上半年，積極之市場推廣及銷售策略導致廣告宣傳推廣費用大增，比較去年同期本集團之銷售費用亦按比例增加。幸而，儘管下半年仍出現激烈價格競爭，本集團策略性之價格促銷有助提高本集團產品之市場競爭力，使本集團做到控制銷售費用維持銷售額37.5%之水平，較二零零二／二零零三財政年度下半年略為輕微減少。

**經營溢利及未計利息、稅項、折舊及攤銷費用前盈利 (EBITDA)**

本年度之EBITDA達港幣261,000,000元 (二零零三年：港幣278,000,000元)，按年減少6.1%，較本年度上半年錄得之按年減幅19.9%大為改善。



e n e r g e t i c



### Energetic 活力

The VITASOY brand of drinks come in different flavours, giving more choices to consumers who enjoy a colourful and energetic lifestyle.

不同味道的維他奶飲料迎合喜愛多姿多采、活躍好動的消費者。





### PROFIT ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31st March, 2004, profit attributable to shareholders was HK\$116 million, a drop of 16.5% from HK\$139 million a year ago.

Tax expense in fiscal 2003/2004 was HK\$35 million, an increase of HK\$7 million, which was partly due to the increase in Hong Kong's profits tax rate from 16.0% to 17.5%. A tax refund of HK\$5 million was booked after settling a pre-listing claim with the Hong Kong Inland Revenue Department in 2002/2003.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group's financial position has remained strong. As at 31st March, 2004, the Group was in a healthy net cash position of HK\$270 million (31st March, 2003: HK\$244 million). Banking facilities available to but not used by the Group amounted to HK\$374 million.

Debt obligations at 31st March, 2004 totalled HK\$181 million (31st March, 2003: HK\$181 million). The maturity profile of debt is spread over a period of five years, with

### 股東應佔溢利

於截至二零零四年三月三十一日止年度，股東應佔溢利為港幣116,000,000元，較去年之港幣139,000,000元減少16.5%。

二零零三／二零零四財政年度之稅項開支為港幣35,000,000元，增加港幣7,000,000元，部分原因為香港利得稅率由16.0%上調至17.5%。經與香港稅務局就二零零二／二零零三年度一宗上市前申索達成和解後，退稅港幣5,000,000元已予入賬。

### 流動資金及財務資源

本集團之財務狀況保持穩健。於二零零四年三月三十一日，本集團之現金淨額維持在港幣270,000,000元之穩健水平（二零零三年三月三十一日：港幣244,000,000元）。本集團可動用而未提取之銀行信貸額達港幣374,000,000元。

於二零零四年三月三十一日之償還債項總額為港幣181,000,000元（二零零三年三月三十一日：港幣181,000,000元）。有關債項可分五年攤還，其中

HK\$162 million repayable in the first year, HK\$4 million in the second year and HK\$15 million in the remaining three years. Debt denominated in US Dollars, Renminbi and Australian Dollars was the equivalent of HK\$23 million, HK\$42 million and HK\$116 million respectively. The gearing ratio (total borrowings/shareholders' equity) was 14.5% (31st March, 2003: 14.5%).

With a strong cash position and the banking facilities that are available, the Group's liquidity position remains healthy. We have sufficient liquidity to satisfy all commitments and working capital requirements.

The Group incurred capital expenditure totalling HK\$66 million in 2003/2004 (2002/2003: HK\$47 million), which was primarily funded by cash generated from various operations.

#### CHARGES ON GROUP ASSETS

As at 31st March, 2004, certain assets of the Group with an aggregate carrying value of HK\$47 million (31st March, 2003: HK\$51 million) were pledged to secure loan facilities utilised by the Group.

#### FINANCIAL RISK MANAGEMENT

The financial risks faced by the Group are mainly connected with interest rates and exchange rates. The Group makes use of financial instruments, where appropriate, to manage those risks. At the close of fiscal 2003/2004, the Group had no significant exposure under foreign exchange contracts or financial derivatives.

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.

港幣162,000,000元須於首年償還，港幣4,000,000元須於次年償還，另港幣15,000,000元須於餘下三年內償還。該等債項分別以美元、人民幣及澳元為單位，分別相當於港幣23,000,000元、港幣42,000,000元及港幣116,000,000元。借貸比率(借貸總額與股東權益之比率)為14.5%(二零零三年三月三十一日：14.5%)。

憑著本集團之充裕現金及可動用之銀行信貸，本集團之流動資金狀況維持穩健。本集團具備充足流動資金，以應付其承擔及營運資金需求。

本集團於二零零三／二零零四年之資本開支共達港幣66,000,000元(二零零二／二零零三年：港幣47,000,000元)，主要以各業務單位所得之現金撥款支付。

#### 本集團資產之抵押

於二零零四年三月三十一日，本集團賬面值合共港幣47,000,000元(二零零三年三月三十一日：港幣51,000,000元)之若干資產已用作本集團所用貸款融資之抵押。

#### 財務風險管理

本集團所面對之財務風險主要與利率及匯率有關。本集團於需要時利用金融工具管理該等風險。於二零零三／二零零四財政年度年結日，本集團並無有關外匯合約或衍生金融工具之重大風險。

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舉債，以資助及部分對沖其投資。



## EMPLOYMENT, TRAINING AND DEVELOPMENT

The Group is fully aware of the need to make the best use of its manpower resources to maximise productivity and, therefore, adopts a prudent approach with regard to manpower. In view of additional workload, the Group's workforce increased by 1.4% during the year. This is a small increase, given the fast expansion of our tuck shop business. As at 31st March, 2004, the number of full-time staff reached 2,321.

In terms of staff development, the Group continued to support a wide range of skills training and staff development programmes in Hong Kong, Mainland China, North America and Australia, with a view to improving job-related competencies and overall efficiency. The Group also encouraged employees to attend external training and education programmes, including MBA and other degree courses, by offering financial sponsorship in accordance with certain criteria.

The Group is also fully committed to ensuring the safety and health of its employees. The safety and health committees established in the Group's various operations are responsible for constantly improving safety and health in the workplace by carrying out risk assessment of work sites regularly and by establishing policies and guidelines for improvement and taking corrective action where necessary. Regular and intensive training on safety and health is also provided for staff.

The Group's remuneration policies and packages remained unchanged during the year. The remuneration packages for the staff (including the executive directors) that covered basic salaries, discretionary bonuses, share options and other long-term benefits were pegged to the Group's and individual employees' performance, and were intended to reflect the value generated by all employees during the year.

## 僱員、培訓及發展

本集團充分認識到善用人力資源能增加生產力之重要性，故於人力資源運用方面取態審慎。鑒於工作量增加，本集團之僱員人數於年內增加了1.4%。相對本集團快速擴充之學校食物部業務，此增幅僅屬輕微。於二零零四年三月三十一日，本集團全職僱員人數達2,321人。

在員工發展方面，本集團繼續支持在香港、中國大陸、北美洲及澳洲舉辦各項技能培訓及員工發展課程，藉以改善員工工作能力及整體效率。本集團亦使用若干標準對員工提供資助，鼓勵僱員參加外間主辦之培訓及教育課程，包括工商管理碩士及其他學位課程。

本集團亦關注僱員之工作安全及健康，本集團各業務單位均設有工作安全及健康委員會，專責不斷改善工作地點之安全及健康事宜，包括定期對工作地點進行風險評估，制定改善政策及指引，並在需要情況下，作出糾正行動。本集團亦就工作安全及健康等環節定期為員工提供更深入之訓練。

本集團之薪酬政策及福利組合於年內保持不變。員工(包括執行董事)之薪酬福利包括基本薪金、酌情花紅、購股權及其他長期福利乃與本集團之業績及個別僱員之表現掛鉤，亦藉此反映各員工於年內作出之貢獻。

**HONG KONG**
**香港**
**Production Efficiency**
**生產效率**

By Location of Assets (Production Plants) 按資產(生產廠房)所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue 收入	\$1,220 million 1,220,000,000元	\$1,199 million 1,199,000,000元	1.8%
Segment Result 分部業績	\$187 million 187,000,000元	\$189 million 189,000,000元	(1.1%)
Segment Net Operating Assets 分部淨營運資產	\$488 million 488,000,000元	\$478 million 478,000,000元	2.1%

The Group's production plant in Tuen Mun supports both domestic sales and our exports to markets in Europe, Macau, Southeast Asia and the Americas.

For the year ended 31st March, 2004, the revenue generated by the plant and the tuck shop business reached HK\$1,220 million, an increase of 1.8% over the previous year. The segment result for the same year was HK\$187 million (2002/2003: HK\$189 million). Despite a double-digit decline in profitability in the first half brought about by the market volatility arising from the SARS outbreak, the recovery in the second half of the year was impressive. We were able to achieve sales growth and more or less maintained our profit level for the whole year through cost management and trade productivity.

本集團之屯門生產廠房供應本地市場，以及本集團分佈歐洲、澳門、東南亞及美洲之出口市場。

截至二零零四年三月三十一日止年度，廠房及食物部業務之收入為港幣1,220,000,000元，較去年上升1.8%。同年分部業績為港幣187,000,000元（二零零二/二零零三年：港幣189,000,000元）。儘管非典型肺炎爆發引起之市場動盪導致上半年盈利能力有雙位數之跌幅，可幸下半年之復蘇力強勁。全年之銷售額得以成功增長，並通過成本管理以及有效之營商模式，大致上維持去年之利潤水平。

**Market Performance**
**市場表現**

By Location of Customers 按客戶所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue – Hong Kong Domestic Market 收入—香港本銷市場	\$1,446 million 1,446,000,000元	\$1,417 million 1,417,000,000元	2.0%
Revenue – Export Markets 收入—出口市場	\$64 million 64,000,000元	\$66 million 66,000,000元	(3.0%)

## HONG KONG (continued)

### Market Performance (continued)

#### (1) Hong Kong Domestic Market

Market sentiments were adversely impacted by the SARS outbreak, the sluggish economy and rising unemployment. However, the overall operating environment began to improve in the second half of the year with the containment of SARS, the implementation of individual visitor schemes by Mainland China and the signing of the Closer Economic Partnership Arrangement (“CEPA”) between Hong Kong and Mainland China.

Despite the sales decline in the first half of 2003/2004, we managed to recover much of the lost ground in the second half, finishing the year with a sales growth of 2%. Advertising campaign and new packaging design for VITASOY Soymilk have been well-received by customers. The newly launched VITA LIGHT Lemon Tea and VITA CHA T DIN Icy Lemon Tea have been very successful, contributing to further sales growth in the tea segment and enhancing our market leadership position. Other new products launched in the same year included VITA CHA T DIN Iced Tea Drinks with peach flavour, VITA GOR YIN HAI Pink Grapefruit Tea Drink and VITA Apple Pear Juice Drink. Our efforts in product innovation, marketing and distribution enabled us to outperform the local non-alcoholic beverage market during the year.

Benefiting from the growing general concern for hygiene, wholesome ingredients, product safety and quality at schools, the Group’s tuck shop business operated by a wholly-owned subsidiary, the HACCP (Hazard Analysis and Critical Control Point)-accredited Vitaland Services Limited, continued to prosper and reinforce its market leadership. The number of tuck shops has reached 259, up 19.4% from 217 a year ago. We have opened two kiosks in the Hong Kong Stadium, which regularly stages international sporting and entertainment events. Hong Kong Gourmet Limited, our modern kitchen facility for supplying lunch boxes, also recorded a substantial growth in revenue of 27.7%.

#### (2) Export Markets

Our export sales in overseas markets, excluding Macau, sustained a stable year-on-year growth of 6.9% due mainly to the appointment of new distributors for Natural VITASOY Soymilk in Europe and the launching of new products. The 3% drop in total export sales was due only to distribution re-arrangements for the Macau market which represented a major portion of our export sales.

## 香港 (續)

### 市場表現 (續)

#### (1) 香港本銷市場

市場氣氛備受非典型肺炎爆發、經濟低迷及失業率上升打擊。然而，隨著非典型肺炎疫情受控，中國大陸落實個人遊計劃以及香港與中國大陸簽訂更緊密經貿關係安排（「CEPA」），整體營商環境於下半年開始好轉。

儘管二零零三／二零零四年上半年銷售額下跌，但本集團於下半年仍能追回大部分銷量，全年銷售額增長2%。在廣告宣傳攻勢及新包裝設計配合下，維他奶荳奶大受消費者歡迎。新推出之維他LIGHT檸檬茶及維他茶字典冰震檸檬茶亦非常成功，進一步增加茶類產品銷售額及提升市場領導地位。同年推出之其他新產品包括維他茶字典蜜桃味冰紅茶、維他菓然系紅西柚茶飲品及維他蘋果梨果汁飲品。本集團透過研製創新產品、市場推廣及分銷等多方面之努力下，年內，本集團之表現較本地非酒精類飲品市場優越。

受惠於大眾日益關注學校食品之衛生、營養、安全及質素，本集團之全資附屬公司一獲頒發HACCP(危害分析與關鍵控制點)認證之維他天地服務有限公司所經營之學校食物部業務錄得持續增長，市場領導地位更形鞏固。食物部數目從去年之217間增加19.4%至259間。本集團亦於經常舉行國際體育盛事及文娛活動之香港大球場經營兩個小食亭。本集團屬下專門供應午餐餐盒之現代化中央廚房—香港美食有限公司亦錄得顯著增長率27.7%。

#### (2) 出口市場

本集團之海外出口市場(不包括澳門)之銷售額錄得穩定之按年增長率6.9%，主要有賴委聘新分銷商在歐洲經銷特級維他奶荳奶以及推出新產品。出口銷售總額下跌3%，是由於澳門市場重整銷售渠道。然而，澳門之分銷額佔本集團出口銷售額比重相當高。

**NORTH AMERICA**
**北美洲**
**Production Efficiency**
**生產效率**

By Location of Assets (Production Plants) 按資產(生產廠房)所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue 收入	\$442 million 442,000,000元	\$466 million 466,000,000元	(5.2%)
Segment Result 分部業績	(\$44 million) (44,000,000元)	(\$35 million) (35,000,000元)	(25.7%)
Segment Net Operating Assets 分部淨營運資產	\$219 million 219,000,000元	\$242 million 242,000,000元	(9.5%)

In 2003/2004, the Group's production plants in Massachusetts and California generated HK\$442 million in revenue, a drop of 5.2%. The segment result for the year was an operating loss of HK\$44 million, compared to HK\$35 million a year ago. This was partly due to the increased spending of HK\$12 million in marketing and promotional activities to support the launching of new products, and partly due to intensifying competition in the Tofu and Soymilk markets. The operating loss was partially offset by improved production efficiency and cost reduction.

於二零零三/二零零四年，本集團位於麻省及加州之生產廠房之總收入為港幣442,000,000元，下跌5.2%。本年度之分部業績錄得經營虧損港幣44,000,000元，而去年則為港幣35,000,000元。虧損原因部份由於增加市場推廣及宣傳活動開支達港幣12,000,000元以配合推出新產品，而部分原因則由於豆腐及豆奶市場競爭加劇所致。經營虧損因提高生產效率及節省成本而獲部分抵銷。

**Market Performance**
**市場表現**

By Location of Customers 按客戶所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue – North American Market 收入—北美洲市場	\$496 million 496,000,000元	\$518 million 518,000,000元	(4.2%)

The market for soy food products in the US continued to experience strong growth as more consumers turned to healthier food alternatives. Because of competition from new soy food items, Soymilk and Tofu sales declined in terms of dollar share. The market became increasingly price sensitive as the Aseptic Soymilk category contracted and as various brands strove to maintain market share. However, the Seasoned Tofu category actually grew in dollar terms and the decline in Unseasoned Tofu segment also narrowed.

由於消費者傾向於選擇更健康之食品，美國大豆食品市場繼續錄得強勁增長。在新款豆製食品湧現下，市場競爭激烈，豆奶及豆腐之銷售額佔有率因而下跌。隨著無菌紙包裝豆奶產品之市場萎縮，及多個牌子竭力保持其市場佔有率，使市場日益受價格影響。然而，調味豆腐產品之總銷售額仍錄得增長，非調味豆腐產品之跌幅亦見收窄。



## NORTH AMERICA (continued)

### Market Performance (continued)

The revenue generated from the North American market was HK\$496 million, down 4.2% due mainly to the contraction of the Aseptic Soymilk category as well as the distribution loss at a Club Store chain and severe price competition. However, with successful new product launches and more aggressive promotion, the sales decline narrowed to 2.4% in the second half of the year.

The Seasoned Tofu segment continued to grow in the US market. To capitalise on this growth, we have successfully developed the All-natural Marinated Tofu under the NASOYA brand, which was launched in October 2003. It was very well received by consumers and our Tofu category achieved a healthy growth of 9.7% in the second half, reversing the negative trend since 2002. This has ensured our market leadership in the category. The launching of SAN SUI Fiber Fortified Soymilk in the ethnic channel was also well received by the stores, and consumer response has been far better than expected.

## 北美洲 (續)

### 市場表現 (續)

北美洲市場之收入為港幣496,000,000元，下跌4.2%，主因為無菌紙包裝豆奶產品之市場萎縮，以及失去一個連鎖大型超市客戶，兼且價格戰激烈所致。然而，有賴於成功推出新產品及加強宣傳推廣，銷售額跌幅於本年度下半年收窄至2.4%。

調味豆腐於美國市場持續錄得增長。為把握此增長優勢，本集團於二零零三年十月成功推出NASOYA品牌之全天然醃製豆腐。此產品大受消費者歡迎，令本集團之豆腐銷量於下半年度錄得9.7%之穩健增長，逆轉自二零零二年後之下降趨勢，並奠定了本集團於豆腐市場之領導地位。於亞裔銷售市場推出之山水高纖豆奶亦廣為商店受落，而消費者之反應亦遠較預期為佳。

**MAINLAND CHINA**
**中國大陸**
**Production Efficiency**
**生產效率**

By Location of Assets (Production Plants) 按資產(生產廠房)所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue 收入	\$499 million 499,000,000元	\$487 million 487,000,000元	2.5%
Segment Result 分部業績	\$46 million 46,000,000元	\$56 million 56,000,000元	(17.9%)
Segment Net Operating Assets 分部淨營運資產	\$257 million 257,000,000元	\$269 million 269,000,000元	(4.5%)

The Group's production plants in Shanghai and Shenzhen support the Mainland China and Hong Kong markets. During the year under review, the two HACCP-accredited plants together generated HK\$499 million in revenue, up 2.5%. The utilisation rate of the Shanghai plant continued to improve with the contractual packaging cooperation arrangement. Owing to severe competition from both international and domestic brands and also the rise in raw material and energy costs, the segment result for the year was HK\$46 million, down 17.9% from HK\$56 million in 2002/2003.

本集團設於上海及深圳之生產廠房負責供應中國大陸及香港市場。於回顧年度，此兩家獲頒發 HACCP「危害分析與關鍵控制點」認證之廠房合共為本集團帶來總收入港幣499,000,000元，上升2.5%。上海廠房之使用率因取得包裝合約而持續改善。由於國際與國內之品牌競爭激烈，加上原材料及能源成本上升，年內之分部業績錄得港幣46,000,000元，較二零零二/二零零三年之港幣56,000,000元減少17.9%。

**Market Performance**
**市場表現**

By Location of Customers 按客戶所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue – Mainland China Market 收入 – 中國大陸市場	\$148 million 148,000,000元	\$144 million 144,000,000元	2.8%

The year under review witnessed a modest growth in the non-alcoholic ready-to-drink beverage market in Mainland China. The soymilk market remained soft, facing strong pressure from the dairy segment and also price competition within the industry itself.

於回顧年度，中國大陸之非酒精即飲飲品市場呈溫和增長。豆奶市場則仍然疲弱，此乃受壓於奶類產品，及同業間之價格競爭。

Revenue generated from the Mainland China market was HK\$148 million, an increase of 2.8% over the previous year. Despite lower sales of PET Tea, the sales of aseptic products posted a healthy growth of 11.1%, which was attributable to our continued effort in improving distribution and strengthening outlet management.

中國大陸市場之收入為港幣148,000,000元，較去年同期增加2.8%。儘管塑膠瓶裝茶類產品之銷售額較低，幸無菌紙包裝產品之銷量錄得11.1%之增幅，此乃歸功於本集團不斷改善分銷渠道及加強零售門市管理之努力。

## MAINLAND CHINA (continued)

### Market Performance (continued)

In southern China, sales grew by 2.9% notwithstanding fierce competition in pricing. With the experience and growth momentum in southern China, we have been more active in distributing our products in Fujian, Hunan and Sichuan. Volume gains in these provinces have been encouraging. Reversing the previous trend, we posted a positive, though marginal, growth in sales in the eastern part of China during the year.

## 中國大陸 (續)

### 市場表現 (續)

在華南地區，儘管價格競爭激烈，銷售額仍上升 2.9%。憑著本集團之經驗及華南地區之發展優勢，本集團積極於福建、湖南及四川等地增加產品之分銷，並於此等地區取得令人滿意之銷量增長。華東方面，本集團於年內亦能扭轉劣勢，銷售額取得輕微增長。

## 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 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue 收入	\$109 million 109,000,000元	\$77 million 77,000,000元	41.6%
Segment Result 分部業績	\$1 million 1,000,000元	\$1 million 1,000,000元	0%
Segment Net Operating Assets 分部淨營運資產	\$164 million 164,000,000元	\$137 million 137,000,000元	19.7%

The Group's joint-venture plant in Wodonga, Victoria supports the Australian and New Zealand markets. For the twelve months to 31st March, 2004, the plant generated HK\$109 million in revenue, representing a strong increase of 41.6%. In terms of production, soy extraction yields improved substantially through better process control. Factory costs decreased significantly in real terms and on a per-litre basis. Owing to an additional spending investment of HK\$9 million in marketing and brand-building programmes, the segment result was basically the same as 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。於截至二零零四年三月三十一日止十二個月，此廠房錄得收入港幣109,000,000元，較上年度強勁增長41.6%。在生產方面，改善流程使提煉之荳量得以增加。廠房之每公升生產成本以及實質成本亦大幅減少。由於額外斥資港幣9,000,000元作市場推廣及品牌建立，分部業績基本上與去年相同。

## Market Performance

## 市場表現

By Location of Customers 按客戶所在地 (Expressed in Hong Kong dollars 以港幣計算)	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	Movement 變動
Revenue – Australian and New Zealand Markets 收入—澳洲及新西蘭市場	\$115 million 115,000,000元	\$84 million 84,000,000元	36.9%

Throughout the year, the Australian Soy Beverage market was consolidating after several years of solid growth. There was some growth in the Rice Milk segment, though by a small percentage in terms of volume. Under this climate, all brands were engaged in aggressive promotion by offering heavy discounts. The New Zealand Soy Beverage market, meanwhile, grew by a healthy 9%.

增長期過後，澳洲大荳飲品市場於年內進入整固期。雖米奶產品錄得若干增長，但其銷量增幅亦僅為數個百分點。在此形勢下，各品牌均不惜割價推銷。新西蘭之大荳飲品市場則錄得9%之穩健增長。



## AUSTRALIA AND NEW ZEALAND (continued)

### Market Performance (continued)

During the year under review, VITASOY was the top growing brand in Australia whereas the sales of all the other market players were either flat or declining. Our price positioning for Aseptic Soymilk was adjusted to a premium of 20% over the market leader, compared to 32% previously, and the resultant higher affordability and improved promotional mixes helped drive volume growth. This move also served to make the pricing of Aseptic Soymilk more in line with that of Refrigerated Soymilk. In the Refrigerated Soymilk segment, the strategy was to grow through LUSH Fruit-flavoured Soymilk while steadily establishing the unflavoured soymilk range. In volume terms, total sales rose by 14.6%, of which sales in major chain stores increased by 14.8% whereas sales in petrol stations and convenience stores increased by 38.0%. VITASOY Rice Milk and Chocolate Soymilk were launched late in the year and have been growing strongly in sales.

In New Zealand, we recorded little growth in sales and our market share dropped as a result of a change in retailers and the need to re-focus our marketing and promotion strategy. Regaining market share will be a major focus for us in the coming year.

## 澳洲及新西蘭(續)

### 市場表現(續)

於回顧年度，維他奶為澳洲市場增長最快之品牌，而其他同業之銷售則維持平穩或甚至下跌。本集團將無菌紙包裝豆奶之價格定位調整至較市場主導者高出20%，而去年則高出32%。由於價格較合乎消費者之承擔能力，加上改善促銷組合，令銷量得以上升。此舉之目的亦為拉近無菌紙包裝豆奶與鮮凍豆奶之定價。於鮮凍豆奶方面，對策是以LUSH 果味豆奶產品帶動增長之餘，亦穩步建立純味豆奶系列之地位。銷量方面，總銷售額跳升14.6%，其中大型連鎖店之銷售額增加14.8%，而加油站與便利店之銷售額則增加38.0%。於本年度較後期推出之維他奶米奶及巧克力豆奶，銷量走勢強勁。

新西蘭方面，本集團之銷售額錄得輕微增長，而市場佔有率則由於轉換零售商及須重定市場推廣及促銷策略而有所下跌。重奪市場佔有率將成為本集團於來年的主要目標。

## COMMUNITY SERVICE

To promote the idea of healthy diet and lifestyle, the Group continued to support a wide variety of community activities and programmes organised by professional bodies and charitable organisations during the year:

In Hong Kong, we supported the “Action Love for Frontline Health Care Staff” organised by the Association of Hong Kong Nursing Staff in April 2003 to give recognition to nurses for their devotion and commitment during the SARS period by giving away VITASOY drinks. We also sponsored a number of diet promoting programmes in primary and secondary schools. The Group organised a seminar entitled “Soy – Cow of China” in Hong Kong and Mainland China to educate the public about the health benefits of soy.

As a good corporate citizen, the Group takes an active part in community projects. In Hong Kong, we supported fund raising activities organised by charitable organisations, including the Salvation Army, ORBIS, Oxfam Hong Kong, World Vision Hong Kong, and the Boys' and Girls' Club Association of Hong Kong. In North America, we donated products to non-profit making groups that provide food to the underprivileged in society.

The Group also made a number of donations during the year. In Hong Kong, we donated to educational and charitable organisations, including the Outward Bound Trust of Hong Kong Limited, Tsinghua University Education Foundation, Shun Hing Education and Charity Fund Limited, East Asian History of Science Foundation and the Community Chest of Hong Kong. We also donated to the “Showing Your Care” Fund Raising Programme to help the less advantaged in the rural areas of Mainland China.

The Group's employees in Hong Kong also participated voluntarily in the Corporate and Employee Contribution Programme of the Community Chest of Hong Kong and the Trailwalker Fund Raising Charity Walk organised by Oxfam Hong Kong.

## 社會服務

為推廣健康之飲食習慣及生活方式，本集團於年內繼續支持多項由專業團體及慈善機構主辦之社會活動及計劃：

在香港，本集團於二零零三年四月支持由香港護理員協會之「前線醫護人員愛心行動」，捐贈維他奶飲品，感謝醫護人員於非典型肺炎爆發期間之無私奉獻及承擔精神。本集團亦贊助多項中小學健康飲食推廣計劃。本集團先後在中港兩地主辦名為「大荳-中國之牛」之研討會，增加大眾對大荳與健康好處的認識。

作為良好企業公民，本集團積極參與多項社會活動。在香港，本集團支持數間慈善機構主辦之籌款活動，包括救世軍、奧比斯、香港樂施會、香港世界宣明會及香港小童群益會等。在北美洲，本集團捐贈旗下產品予非牟利機構向弱勢社群提供免費食品。

本集團於年內亦有多項捐獻。在香港，本集團捐款予教育及慈善團體，包括香港外展訓練信託基金有限公司、清華大學教育基金會、信興教育及慈善基金有限公司、東亞科學歷史基金會及香港公益金。本集團亦捐款「獻愛心」募捐活動，協助中國大陸鄉村地區之貧苦大眾。

本集團之香港僱員亦自發地參與香港公益金之商業及僱員捐助計劃，以及香港樂施會舉辦之毅行者慈善籌款活動。

# CORPORATE GOVERNANCE REPORT

## 公司管治報告

We are firmly committed to statutory and regulatory corporate governance standards and adherence to the principles of corporate governance emphasising transparency, independence, accountability, responsibility and fairness.

### Board of Directors

The Board currently comprises six Non-executive Directors and four Executive Directors. Two of the Non-executive Directors are independent.

Under the Company's current Articles of Association, save for the Executive Chairman, all Directors are subject to retirement by rotation and their re-election is subject to approval by shareholders at the Annual General Meeting.

The Board met seven times in fiscal year of 2003/2004 to review the financial and operating performance of the Group and to consider and approve future strategic development and various budgets for the Group. The number of meetings held and the attendance record of the Board members at these meetings in the last five fiscal years are as follows:

本集團奉行法定及監管公司管治標準，並時刻遵循注重透明度、獨立、問責、負責與公平之公司管治原則。

### 董事會

董事會現由六位非執行董事及四位執行董事組成。其中兩位非執行董事為獨立人士。

根據本公司現有章程細則，除執行主席外，所有董事均須輪值告退，並須在股東週年大會上獲股東批准，方可膺選連任。

於二零零三／二零零四財政年度內董事會共開會七次，以檢討本集團之財務及營運表現，及考慮與批准本集團未來策略發展及不同之預算。對上五個財政年度之開會次數及董事會成員於該等會議之出席率表列如下：

	2003/2004 二零零三／二零零四年	2002/2003 二零零二／二零零三年	2001/2002 二零零一／二零零二年	2000/2001 二零零零／二零零一年	1999/2000 一九九九／二零零零年
Number of Board meetings 董事會會議數目	7	7	6	6	5
Attendance 出席率					
Independent Non-executive Directors 獨立非執行董事	93%	93%	75%	67%	90%
Non-executive Directors 非執行董事	82%	83%	92%	96%	95%
Executive Directors 執行董事	100%	100%	100%	100%	100%
All Board Members 全體董事會成員	91%	96%	93%	93%	96%

# CORPORATE GOVERNANCE REPORT

## 公司管治報告

### **System of Internal Controls**

The Board recognises its overall responsibility for the establishment, maintenance and review of a system of internal control that provides reasonable assurance on the reliability and integrity of financial and operational information, effective and efficient operations, safeguarding of assets and compliance with laws and regulations. The system of internal control is designed to manage rather than eliminate all risks of failure while its goal is to provide reasonable, not absolute, assurance regarding the achievement of organisational objectives.

### **Board Committees**

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

#### **Executive Committee**

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

Mr. Winston Yau-lai LO  
Mr. Fransis Ming-yin KONG  
Mr. Eric Fat YU  
Mr. John Shek-hung LAU

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

#### **Audit Committee**

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

Mr. Iain F. BRUCE (Chairman) – Independent Non-executive Director  
Dr. The Hon. David Kwok-po LI – Independent Non-executive Director  
Mr. Chi-kian SHIU – Non-executive Director

The Committee meets at least twice each year, together with senior management and auditors, both internal and external.

### **內部監控系統**

董事會認識到本身就建立、維持及檢討內部監控系統制度之整體責任，實須合理地保證財務及營運資料之可靠及完整性、有效及高效營運、保護資產及遵守法規。內部監控系統乃旨在管理而非消除所有失敗之風險，而它的宗旨是提供有關達成公司目標之合理保證而非絕對保證。

### **董事委員會**

董事會轄下已成立執行委員會、審核委員會及薪酬委員會。

#### **執行委員會**

執行委員會於二零零一年成立，現成員包括全部四位執行董事，分別為：

羅友禮先生  
江明彥先生  
余發先生  
劉錫鴻先生

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。

#### **審核委員會**

審核委員會於一九九九年成立，現成員包括兩位獨立非執行董事及一位非執行董事，分別為：

Iain F. BRUCE先生（主席）－獨立非執行董事  
李國寶博士－獨立非執行董事  
邵志堅先生－非執行董事

委員會每年至少舉行兩次會議，與會者包括高級管理層與內部及獨立核數師。

***Audit Committee*** (continued)

The Audit Committee's terms of reference are to consider the appointment 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 about the nature and scope of the audit, matters of concern when requested to do so by the External Auditors; to review the half-year 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; to consider the major findings of internal investigations and management's response; and to determine if there is any apparent evidence of serious, or pervasive, weaknesses in the financial reporting system or the system of internal control.

**審核委員會** (續)

審核委員會之職權範圍包括考慮獨立核數師之委聘及其任何辭任、罷免、核數師酬金、獨立核數師之獨立性等事宜；與獨立核數師開會討論審核工作之性質及範圍及應獨立核數師要求處理值得關注事項；審閱半年及全年財務報表以便上呈董事會；討論源於中期審核及年結審核過程發現之問題及保留意見，及任何其他獨立核數師欲討論之事宜；審閱獨立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及獨立核數師間之協調；確保內部稽核職能有足夠資源配合並於本集團內擁有適當地位；審議內部調查之主要調查結果及管理層之回應；及釐定財務申報制度或內部監控系統中有否明顯嚴重或普遍之弱點。



## CORPORATE GOVERNANCE REPORT

### 公司管治報告

#### **Audit Committee** (continued)

The number of meetings held and the attendance of the members of the Audit Committee at these meetings for the last five years, including the meeting to approve the 2003/2004 financial statements are as follows:

#### **審核委員會** (續)

審核委員會對上五年之開會次數及其成員於該等會議(包括批准二零零三/二零零四年度財務報表之會議)之出席率如下：

	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	2001/2002 二零零一/二零零二年	2000/2001 二零零零/二零零一年	1999/2000 一九九九/二零零零年
Number of meetings held 開會次數	2	2	2	2	2
Attendance 出席率					
Independent Non-executive Directors 獨立非執行董事	100%	100%	100%	100%	100%
Non-executive Director 非執行董事	100%	100%	100%	100%	100%
Chief Financial Officer 財務總監	100%	100%	100%	100%	100%
Internal Auditor 內部核數師	100%	100%	100%	100%	100%
External Auditors 獨立核數師	100%	100%	100%	100%	100%

**Audit Committee** (continued)

The Audit Committee of the Board has reviewed the 2003/2004 financial statements with management and the Company's External Auditors and recommended its adoption by the Board.

**Compensation Committee**

The Compensation Committee was established in February 1994. This Committee comprises two Independent Non-executive Directors, four Non-executive Directors and one Executive Director and its current members are:

Dr. The Hon. David Kwok-po LI (Chairman) – Independent Non-executive Director

Mr. Iain F. BRUCE – Independent Non-executive Director

Mr. Chi-kian SHIU – Non-executive Director

Ms. Myrna Mo-ching LO – Non-executive Director

Mr. Frank Yau-yee LO – Non-executive Director

Ms. Yvonne Mo-ling LO – Non-executive Director

Mr. Winston Yau-lai LO – Executive Director

The Committee was set up to consider and approve the remuneration packages of the senior employees of the Group, including the terms of salary and bonus schemes and other long-term incentive schemes.

**審核委員會** (續)

董事會之審核委員會已連同管理層及本公司獨立核數師審閱二零零三／二零零四年度之財務報表，並建議董事會予以採納。

**薪酬委員會**

薪酬委員會於一九九四年二月成立。目前，委員會成員包括兩位獨立非執行董事、四位非執行董事及一位執行董事，其現成員為：

李國寶博士 (主席) – 獨立非執行董事

Iain F. BRUCE先生 – 獨立非執行董事

邵志堅先生 – 非執行董事

羅慕貞女士 – 非執行董事

羅友義先生 – 非執行董事

羅慕玲女士 – 非執行董事

羅友禮先生 – 執行董事

委員會之成立旨在審批本集團高層僱員之薪酬福利組合，包括薪金及花紅計劃及其他長期獎勵計劃。

## CORPORATE GOVERNANCE REPORT

### 公司管治報告

#### **Compensation Committee** (continued)

The number of meetings held and the attendance of the members of the Compensation Committee at these meetings for the last five years are as follows:

#### **薪酬委員會** (續)

薪酬委員會對上五年之開會次數及委員會成員之出席率如下：

	2003/2004 二零零三/二零零四年	2002/2003 二零零二/二零零三年	2001/2002 二零零一/二零零二年	2000/2001 二零零零/二零零一年	1999/2000 一九九九/二零零零年
Number of meetings held 開會次數	5	5	2	3	2
Attendance 出席率					
Independent Non-executive Directors 獨立非執行董事	92%	90%	75%	83%	75%
Non-executive Directors 非執行董事	92%	95%	88%	78%	100%
Executive Director 執行董事	100%	100%	100%	100%	100%

#### **Internal Audit**

The Group Internal Audit Department supports management by carrying out a systematic approach to evaluate the risks and improve the effectiveness of the internal control systems of all levels of the companies in the Group. The Audit Committee endorses the audit plan annually. The Group Internal Auditor has unrestricted access to all parts of the business, and direct access to any level of management as he considers necessary. The Group Internal Auditor reports his findings and the agreed corrective actions to senior management responsible for the area audited. He also reports regularly the results of the reviews in a summary to the Audit Committee.

#### **External Auditors**

KPMG has been appointed as the External Auditors of the Company by shareholders at the Annual General Meeting annually. An amount of HK\$2.9 million (2002/2003 HK\$2.6 million) was charged to the 2003/2004 financial statements of the Company and subsidiaries for KPMG's statutory audit and tax services. The amount for other services provided by KPMG for the Company and subsidiaries during the year was minimal.

#### **內部稽核**

本集團之稽核部通過有系統方法以評估風險及改善本集團公司各階層內部監控系統之效率，以配合管理層之工作。審核委員會每年確認審核方案。本集團內部核數師可不受限制地接觸其認為必要之業務範疇及各級管理層。本集團之內部核數師將其調查結果及協議之糾正行動匯報予負責有關被稽核範圍之高級管理層。彼又會定期向審核委員會簡報審閱結果。

#### **獨立核數師**

畢馬威會計師事務所已於每年股東週年大會上獲委聘為本公司獨立核數師。本公司及其附屬公司已就畢馬威會計師事務所提供之法定審核及稅務服務自二零零三/二零零四年財務報表中扣除港幣2,900,000元(二零零二年/二零零三年：港幣2,600,000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服務費用乃微不足道。

## Codes

The Group has adopted, in June 2001, its own Code for Securities Transactions by Directors that follows the old Model Code for Securities Transactions by Directors of Listed Companies contained in Appendix 10 of the Main Board Listing Rules (the “Listing Rules”).

Throughout 2003/2004, the Group has complied with the Code of Best Practice contained in Appendix 14 of the Listing Rules.

## Investor Relations

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.

We maintain a website ([www.vitasoy.com](http://www.vitasoy.com)) to keep our shareholders and the investing public posted of our latest business developments and to disseminate shareholder information.

During the year, we continued to follow a policy of maintaining an open and regular dialogue with institutional and minority shareholders, fund managers, analysts and the media through different means, including meetings, presentations, telephone conferences, correspondence, 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 enquires raised by the investing public, individual and institutional investors and investment analysts.

## 守則

本集團已於二零零一年六月採納自行制定之「董事之證券交易守則」，而此守則乃跟隨舊有主板上市規則（「上市規則」）附錄十所載之「上市公司進行證券交易之標準守則」而制定。

於整個二零零三／二零零四年度，本集團一直遵守上市規則附錄十四所載之「最佳應用守則」。

## 投資者關係

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之為本集團營運之主要部分。

本集團設有網站（[www.vitasoy.com](http://www.vitasoy.com)），以便向股東及大眾投資者匯報本集團最新業務發展及發放股東資訊。

年內，本集團貫徹通過不同方式與機構及少數股東、基金經理、分析員及媒體公開定期對話之政策。形式包括會面、演介會、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大眾投資者、個人及機構投資者及投資分析員所提出之一般查詢。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員

### BOARD OF DIRECTORS

#### Executive Chairman

**Mr. Winston Yau-lai LO**, aged 63, was appointed a Director of the Company in 1972. Mr. Lo is the Executive Chairman of the Group. He is principally responsible for the Group's long-term strategic development. Mr. Lo is a member of The National Committee of Chinese People's Political Consultative Conference and the Court of Hong Kong University of Science and Technology. He is the vice president of the Council of Outward Bound Trust of Hong Kong and a director of The Bank of East Asia, Limited, The East Asiatic Company Limited A/S and Ping Ping Investment Company Limited. He is the brother of Ms. Myrna Mo-ching LO, Mr. Frank Yau-ye LO and Ms. Yvonne Mo-ling LO.

#### Independent Non-executive Directors

**Dr. The Hon. David Kwok-po LI**, aged 65, was appointed a Director of the Company in 1994. Dr. Li 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 Exchange Fund Advisory Committee, the Banking Advisory Committee and the Land Fund Advisory Committee and a director of the Mandatory Provident Fund Schemes Authority. He is also a member of the Legislative Council of the Hong Kong Special Administrative Region. He serves on the boards of several publicly listed companies in Hong Kong and overseas.

**Mr. Iain F. BRUCE**, aged 63, 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 now serves on the boards of several publicly listed companies in Hong Kong and overseas.

#### Non-executive Directors

**Mr. Chi-kian SHIU**, aged 72, was appointed a Director of the Company in 1987. Mr. Shiu was a director of South China Cinema & Investment Company Limited with which he had been associated since 1952.

**Ms. Myrna Mo-ching LO**, aged 65, 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. Frank Yau-ye LO, Mr. Winston Yau-lai LO and Ms. Yvonne Mo-ling LO.

### 董事會成員

#### 執行主席

**羅友禮先生**，六十三歲，於一九七二年獲委任為本公司董事。羅先生現時為本集團執行主席，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及香港科技大學顧問委員會成員。彼為香港外展信託基金會副會長，以及東亞銀行有限公司、The East Asiatic Company Limited A/S 及平置業有限公司之董事。彼為羅慕貞女士及羅友義先生之胞弟，亦為羅慕玲女士之胞兄。

#### 獨立非執行董事

**李國寶博士**，六十五歲，於一九九四年獲委任為本公司董事。李博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，並為外匯基金諮詢委員會、銀行業諮詢委員會及土地基金諮詢委員會之委員，以及強制性公積金計劃管理局之董事。李博士亦為香港特別行政區立法會議員，亦為香港及海外多間公眾上市公司之董事。

**Iain F. BRUCE 先生**，六十三歲，於二零零一年獲委任為本公司董事。Bruce 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。彼現為香港及海外多間公眾上市公司之董事。

#### 非執行董事

**邵志堅先生**，七十二歲，於一九八七年獲委任為本公司董事。邵先生曾為華南影院置業有限公司之董事，彼自一九五二年起即參與該公司之業務。

**羅慕貞女士**，六十五歲，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。彼為羅友義先生、羅友禮先生及羅慕玲女士之胞姊。



## BOARD OF DIRECTORS (continued)

### Non-executive Directors (continued)

**Mr. Frank Yau-ye LO**, aged 64, was appointed a Director of the Company in 1977. Mr. Lo joined the Group in 1965 and was appointed the Deputy Managing Director in 1978 until 1997. He is the brother of Ms. Myrna Mo-ching LO, Mr. Winston Yau-lai LO and Ms. Yvonne Mo-ling LO.

**Ms. Yvonne Mo-ling LO**, aged 56, 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, Mr. Frank Yau-ye LO and Mr. Winston Yau-lai LO.

### Executive Directors

**Mr. Fransis Ming-yin KONG**, aged 51, was appointed a Director of the Company in 1996. Mr. Kong was appointed the Managing Director of the Group's Hong Kong Operation in April 2000. He joined the Group in 1978 and had been in charge of the Company's various functions including research and development, project, quality control and international sales. He was appointed the Deputy Managing Director of the Company in March 1992. He was appointed the Managing Director of the Group's Mainland China Operation in 1997 prior to his present appointment. He is now responsible for the Group's business in Hong Kong and export markets.

**Mr. Eric Fat YU**, aged 54, was appointed a Director of the Company in 1989. Mr. Yu is currently the Group's Senior Director – Manufacturing and Project Management. He had 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. He is also responsible for the research and development and quality system of the Group.

**Mr. John Shek-hung LAU**, aged 57, was appointed a Director of the Company in 1990. Mr. Lau is currently the Group's Senior Director – Finance and Administration. He joined the Group in 1988 having worked previously with a number of multinational companies both in Hong Kong and overseas. He is currently responsible for the finance and administration of the Group.

## 董事會成員 (續)

### 非執行董事 (續)

**羅友義先生**，六十四歲，於一九七七年獲委任為本公司董事。羅先生於一九六五年加入本集團，並於一九七八年至一九九七年期間出任副董事總經理。彼為羅慕貞女士之胞弟，亦為羅友禮先生及羅慕玲女士之胞兄。

**羅慕玲女士**，五十六歲，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、羅友義先生及羅友禮先生之胞妹。

### 執行董事

**江明彥先生**，五十一歲，於一九九六年獲委任為本公司董事。江先生於二零零零年四月獲委任為本集團香港業務之董事總經理。彼於一九七八年加入本集團，曾主管本公司多項職務，包括研究及發展、項目策劃、品質管制及國際市場銷售，並於一九九二年三月獲委任為本公司副董事總經理。履任現職前，彼於一九九七年獲委任為本集團中國大陸業務之董事總經理。彼現負責本集團之香港及出口市場業務。

**余發先生**，五十四歲，於一九八九年獲委任為本公司董事。余先生現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服務，擁有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。彼亦負責本集團之產品研發及品質系統。

**劉錫鴻先生**，五十七歲，於一九九零年獲委任為本公司董事。劉先生現為本集團之財務及行政高級總監。彼於一九八八年加入本集團，之前曾在香港及海外多間跨國公司工作。彼現時負責本集團之財務及行政事宜。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高層管理人員

#### SENIOR MANAGEMENT

##### North American Operation

**Mr. Robert C. JONES**, aged 56, President and Chief Executive Officer of Vitasoy USA Inc.. Mr. Jones is responsible for the general management and development of the Group's operations in North America. He joined the Group in 2004. He had extensive experience in innovation, marketing, sales and new product development (as well as finance and manufacturing) in the pharmaceutical and nutraceutical industries.

##### Mainland China Operation

**Mr. Simon Huan-ping LIU**, aged 41, Managing Director of Vitasoy (China) Investments Company Limited. Mr. Liu is responsible for the general management and the development of the Group's operations in Mainland China. Mr. Liu joined the Group in 2003. He had extensive experience in the fast moving consumer goods industry starting his career in North America and, for the most recent 10 years, in Mainland China.

##### Australian and New Zealand Operation

**Mr. Laurence P. EISENTRAGER**, aged 52, General Manager of Vitasoy Australia Products Pty. Ltd.. Mr. Eisentrager is responsible for the general management and development of the Group's operations in Australia and New Zealand. He joined the Group in 2002. He had a very extensive experience in the food and beverage industry, both in Australia and internationally.

#### 高層管理人員

##### 北美洲業務

**Robert C. JONES** 先生，五十六歲，Vitasoy USA Inc. 之主席兼行政總裁。Jones 先生負責管理及發展本集團在北美洲之業務。彼於二零零四年加入本集團，於藥品及健康食品行業之革新、市場推廣、銷售及新產品發展，以及財務及製造方面均擁有豐富經驗。

##### 中國大陸業務

**劉歡平** 先生，四十一歲，維他奶（中國）投資有限公司之董事總經理。劉先生負責管理及發展本集團在中國大陸之業務。彼於二零零三年加入本集團，於高流量消費品行業擁有豐富經驗。彼於北美洲開始其事業，於最近十年則在中國大陸發展。

##### 澳洲及新西蘭業務

**Laurence P. EISENTRAGER** 先生，五十二歲，Vitasoy Australia Products Pty. Ltd. 之總經理。Eisentrager 先生負責管理及發展本集團在澳洲及新西蘭之業務。彼於二零零二年加入本集團，於澳洲及其他國家之食品及飲品行業均擁有豐富經驗。

# 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, 2004.

### 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 17 on the financial statements.

The analysis of geographical locations of the operations of the Company and its subsidiaries ("the Group") during the year are set out in note 15 on the financial statements.

### Financial statements

The profit of the Group for the year ended 31st March, 2004 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 59 to 126.

An interim dividend of HK2.8 cents per share (2003 interim dividend: HK2.8 cents per share) was paid on 9th January, 2004. The Directors now recommend the payment of a final dividend of HK5.7 cents per share and a special dividend of HK5.0 cents per share (2003: final dividend of HK5.7 cents per share and special dividend of HK5.0 cents per share) in respect of the year ended 31st March, 2004.

### 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 year is as follows:

		Percentages of the Group's total	
		Sales	Purchases
		應佔本集團 銷售總額百分比	應佔本集團 採購總額百分比
The largest customer	最大客戶	16%	
Five largest customers in aggregate	首五大客戶合計	37%	
The largest supplier	最大供應商		26%
Five largest suppliers in aggregate	首五大供應商合計		37%

董事會欣然提呈截至二零零四年三月三十一日止年度之年報及經審核財務報表。

### 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17。

本公司及其附屬公司(「本集團」)於本年度內按地區劃分之業務分析載於財務報表附註15。

### 財務報表

本集團截至二零零四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59至126頁之財務報表內。

本公司已於二零零四年一月九日派發中期股息每股港幣2.8仙(二零零三年中期股息：每股港幣2.8仙)。董事會現建議派發截至二零零四年三月三十一日止年度之末期股息每股港幣5.7仙及特別股息每股港幣5.0仙(二零零三年：末期股息每股港幣5.7仙及特別股息每股港幣5.0仙)。

### 主要客戶及供應商

以下所載為本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：

# REPORT OF THE DIRECTORS

## 董事會報告書

### Major customers and suppliers (continued)

At no time during the year have the Directors, their associates or any substantial shareholders 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.

### Charitable donations

Charitable donations made by the Group during the year amounted to HK\$944,000 (2003: HK\$781,000).

### Fixed assets

Movements in fixed assets of the Company and the Group during the year are set out in note 16 on the financial statements.

### Bank loans

Particulars of bank loans of the Group as at 31st March, 2004 are set out in note 22 on the financial statements.

### Share capital

Movements in share capital of the Company during the year are set out in note 28 on the financial statements.

### Reserves

Movements in reserves of the Company and the Group during the year are set out in note 29 on the financial statements.

### Directors

The Directors in office during the 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. Chi-kian SHIU, Mr. Eric Fat YU and Mr. John Shek-hung LAU retire from the board by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

### 主要客戶及供應商 (續)

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%之本公司主要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。

### 慈善捐款

本年度內本集團之慈善捐款共達港幣944,000元 (二零零三年：港幣781,000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16。

### 銀行貸款

本集團於二零零四年三月三十一日之銀行貸款詳情載於財務報表附註22。

### 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28。

### 儲備

本公司及本集團於本年度內之儲備變動情況載於財務報表附註29。

### 董事

於本年度內及截至本年報之日期各在任董事之名單載於第2頁。

根據本公司之章程細則第104條，邵志堅先生、余發先生及劉錫鴻先生須於應屆股東週年大會上輪值告退，並願膺選連任。

## Directors (continued)

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 obligation.

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

## Directors' interests

The Directors of the Company who held office at 31st March, 2004 had the following interests in the shares or underlying shares of the Company at that date as recorded in the register of Directors' interests and short positions required to be kept under Section 352 of the Securities and Futures Ordinance ("SFO"):

### (1) Interests in issued shares

## 董事 (續)

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。

## 董事權益

根據證券及期貨條例(「證券及期貨條例」)第352條而保存之本公司權益及淡倉登記冊所記錄，本公司於二零零四年三月三十一日之在職董事當日在本公司已發行股份或相關股份中擁有下列權益：

### (1) 於已發行股份之權益

Name 姓名	Note 附註	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 interests 權益總數	% of total issued shares 佔已發行股份 總數之百分比
		Personal interests 個人權益	Family interests 家族權益	Trusts and similar interests 信託及 同類權益			
Mr. Winston Yau-lai LO 羅友禮先生	(i), (v)	46,489,800	28,702,500	72,678,300	147,870,600	15.00	
Mr. Frank Yau-ye LO 羅友義先生	(ii), (v)	461,250	–	112,140,750	112,602,000	11.42	
Ms. Yvonne Mo-ling LO 羅慕玲女士	(iii), (v)	31,866,450	843,750	72,678,300	105,388,500	10.69	
Ms. Myrna Mo-ching LO 羅慕貞女士	(iv), (v)	–	–	100,653,000	100,653,000	10.21	
Mr. Chi-kian SHIU 邵志堅先生		3,281,400	–	–	3,281,400	0.33	
Mr. John Shek-hung LAU 劉錫鴻先生		19,000	–	–	19,000	0.00	
Mr. Eric Fat YU 余發先生		75,000	–	–	75,000	0.01	
Mr. Fransis Ming-yin KONG 江明彥先生		3,000	–	–	3,000	0.00	
Dr. The Hon. David Kwok-po LI 李國寶博士		2,000,000	–	–	2,000,000	0.20	



# REPORT OF THE DIRECTORS

## 董事會報告書

### Directors' interests (continued)

#### (1) Interests in issued shares (continued)

Notes:

- (i) Mr. Winston Yau-lai LO is deemed to be interested in 28,702,500 shares through interests of his wife.
- (ii) Mr. Frank Yau-ye LO is interested in 39,462,450 shares held by Benson Corporation which is the trustee of the Benson Unit Trust, the beneficiaries of which are members of his family.
- (iii) Ms. Yvonne Mo-ling LO is interested in 843,750 shares held in name of Yvonne WONG who holds the shares in trust for Ms. Yvonne Mo-ling LO's daughter who is under the age of 18.
- (iv) 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).
- (v) Each of Mr. Winston Yau-lai LO, Mr. Frank Yau-ye LO, Ms. Yvonne Mo-ling LO and Ms. Myrna Mo-ching 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 schemes" below.

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

Save as disclosed above and other than certain nominee shares in subsidiaries held by the Directors in trust for the Company, none of the Directors or their respective associates had any interest in shares, underlying shares or debentures of the Company or any of its associated companies within the meaning of the SFO.

### 董事權益 (續)

#### (1) 於已發行股份之權益 (續)

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) 羅友義先生擁有 Benson Corporation 所持有之 39,462,450 股股份之權益，該公司為 Benson Unit Trust 之受託人，其家族成員為 Benson Unit Trust 之受益人。
- (iii) 羅慕玲女士擁有 Yvonne WONG 名義持有之 843,750 股股份之權益，Yvonne WONG 以託管人身份代羅慕玲女士未滿十八歲之女兒持有該等股份。
- (iv) 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。
- (v) 羅友禮先生、羅友義先生、羅慕玲女士及羅慕貞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慈善基金 K. S. Lo Foundation 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「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。

除上文所披露者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，各董事或彼等各自之聯繫人士概無在本公司或其任何相聯公司(按證券及期貨條例之涵義)之股份、相關股份或債券中擁有任何權益。

## Share option schemes

### Old share option scheme

On 9th March, 1994, the Company adopted a share option scheme (the “Old Share Option Scheme”) under which the Directors may, 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 8th March, 2004, 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 higher of (a) the nominal amount of the shares and (b) an amount not less than 80% of the average of the closing prices of the shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the five business days immediately preceding the date of offer.
- The options are 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 is no minimum period which an option must be held before it can be exercised, but the Directors are empowered to impose at their discretion any such minimum period at the date of offer.
- The maximum number of shares in respect of which options may be granted may not exceed 10% of the issued share capital of the Company in issue from time to time (excluding shares issued under the share option scheme).
- The maximum aggregate number of shares over which options may 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 remains 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 may in their discretion determine. An eligible Director or employee has to pay HK\$10 on acceptance of the option as a consideration.

## 購股權計劃

### 舊購股權計劃

於一九九四年三月九日，本公司採納一項購股權計劃（「舊購股權計劃」），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，於二零零四年三月八日終止。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：

- 購股權之行使價須為以下兩者中之較高者：(a) 股份之面值及(b)不少於股份於要約認購購股權日期前五個營業日在香港聯合交易所有限公司（「聯交所」）之平均收市價之80%。
- 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。
- 所授出購股權可認購之股份數目最多不得超過本公司不時之已發行股本（不包括根據購股權計劃發行之股份）之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。

## REPORT OF THE DIRECTORS

### 董事會報告書

#### Share option schemes (continued)

##### Old share option scheme (continued)

As a result of the changes to Chapter 17 of the Main Board Listing Rules (the “Listing Rules”) which governs the operation of share option schemes, the Company terminated the Old Share Option Scheme and adopted a new share option scheme (the “New Share Option Scheme”) on 4th September, 2002. No further options will be granted under the Old Share Option Scheme upon its termination and all outstanding options granted thereunder shall continue to be valid and exercisable in accordance with the terms of the Old Share Option Scheme.

The total number of ordinary shares available for issue under the Old Share Option Scheme at 31st March, 2004 is 14,418,000 shares, which represents 1.46% of the issued share capital of the Company at 31st March, 2004.

##### New share option scheme

The New Share Option Scheme became effective on 4th September, 2002 and, unless otherwise cancelled or amended, remains in force for 10 years from that date. The Directors may, at their discretion, grant options to any employee of the Group, including Directors of any company in the Group, to subscribe for ordinary shares of HK\$0.25 each in the Company. The purpose and the terms of the New Share Option Scheme are the same as the Old Share Option Scheme, except for the following:

- The exercise price of the options is the highest of (a) the closing price of the shares on 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 amount of a share.
- 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.
- Unless approved by shareholders of the Company in 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.

#### 購股權計劃 (續)

##### 舊購股權計劃 (續)

由於監管購股權計劃運作之主板上市規則(「上市規則」)第17章的更改，本公司於二零零二年九月四日終止舊購股權計劃及採納一項新購股權計劃(「新購股權計劃」)。本公司將於終止舊購股權計劃後不再根據該計劃授予任何購股權，而所有根據該計劃已授出之未行使購股權將維持有效及可根據舊購股權計劃之條款予以行使。

於二零零四年三月三十一日根據舊購股權計劃可供發行之普通股總數為14,418,000股，此乃佔本公司於二零零四年三月三十一日之已發行股本1.46%。

##### 新購股權計劃

新購股權計劃於二零零二年九月四日生效，除非另行取消或修訂該計劃，計劃由當日起計為期十年。董事會可酌情向本集團任何僱員(包括本集團旗下任何公司之董事)授予購股權，以使認購本公司每股面值港幣0.25元普通股。除以下所述者外，新購股權計劃之目的及條款與舊購股權計劃相同：

- 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)在聯交所錄得之收市價；(b)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(c)股份之面值。
- 就行使全部將授予之購股權而可予發行之股份數目，最多不得超過批准及採納計劃當日之已發行股份10%。
- 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12個月期間內，就任何一名參予者行使授予之購股權(包括已行使、已註銷及未行使之購股權)而已發行及須予發行之股份總數，不得超過於授出日期之已發行股份1%。

## Share option schemes (continued)

### New share option scheme (continued)

The total number of ordinary shares available for issue under the New Share Option Scheme at 31st March, 2004 is 97,409,550 shares, which represents 9.88% of the issued share capital of the Company at 31st March, 2004.

At 31st March, 2004, 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:

## 購股權計劃(續)

### 新購股權計劃(續)

於二零零四年三月三十一日根據新購股權計劃可供發行之普通股總數為97,409,550股，佔本公司於二零零四年三月三十一日之已發行股本9.88%。

於二零零四年三月三十一日，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如下個人權益：

Participants	Date granted	Period during which options are exercisable	Price per share on exercise of options HK\$ 行使購股權時須付之每股價格 港元	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 expired or forfeited during the year	Number of options outstanding at the end of the year	Weighted average market price per share on exercise of options HK\$ 於行使購股權時之每股加權平均市價 港元
參與者	授出日期	購股權行使期	每股價格 港元	年初尚未行使之購股權數目	年內已授出之購股權數目	年內已行使之購股權數目	於年內過期或沒收之購股權數目	年終尚未行使之購股權數目	購股權時之每股加權平均市價 港元
<b>Directors</b>									
<b>董事</b>									
Mr. Winston Yau-lai LO	28/6/1998 (Note附註 i)	1/8/1998 – 31/7/2003	1.104	2,737,500	-	2,736,000	1,500	-	1.67
羅友禮先生	4/7/2000 (Note附註 i)	7/9/2000 – 31/8/2005	1.193	3,450,000	-	-	-	3,450,000	-
	1/4/2003 (Note附註 ii)	1/4/2004 – 31/3/2013	1.688	-	2,220,000	-	-	2,220,000	-
Mr. Eric Fat YU	28/6/1998 (Note附註 i)	1/8/1998 – 31/7/2003	1.104	1,245,000	-	1,244,000	1,000	-	1.68
余發先生	4/7/2000 (Note附註 i)	7/9/2000 – 31/8/2005	1.193	1,953,000	-	-	-	1,953,000	-
	1/4/2003 (Note附註 ii)	1/4/2004 – 31/3/2013	1.688	-	738,000	-	-	738,000	-
Mr. John Shek-hung LAU	28/6/1998 (Note附註 i)	1/8/1998 – 31/7/2003	1.104	1,305,000	-	1,304,000	1,000	-	1.73
劉錫鴻先生	4/7/2000 (Note附註 i)	7/9/2000 – 31/8/2005	1.193	1,953,000	-	-	-	1,953,000	-
	1/4/2003 (Note附註 ii)	1/4/2004 – 31/3/2013	1.688	-	820,000	-	-	820,000	-
Mr. Fransis Ming-yin KONG	28/6/1998 (Note附註 i)	1/8/1998 – 31/7/2003	1.104	250	-	-	250	-	-
江明彥先生	4/7/2000 (Note附註 i)	7/9/2000 – 31/8/2005	1.193	2,331,000	-	-	-	2,331,000	-
	1/4/2003 (Note附註 ii)	1/4/2004 – 31/3/2013	1.688	-	1,526,000	-	-	1,526,000	-
<b>Eligible employees working under employment contracts</b>	28/6/1998 (Note附註 i)	1/8/1998 – 31/7/2003	1.104	657,750	-	528,000	129,750	-	1.63
<b>根據僱傭合約工作之合資格僱員</b>	4/7/2000 (Note附註 i)	7/9/2000 – 31/8/2005	1.193	7,976,000	-	2,972,000	273,000	4,731,000	1.81
	1/4/2003 (Note附註 ii)	1/4/2004 – 31/3/2013	1.688	-	8,650,000	-	-	8,650,000	-
				23,608,500	13,954,000	8,784,000	406,500	28,372,000	

## REPORT OF THE DIRECTORS

### 董事會報告書

#### Share option schemes (continued)

##### New share option scheme (continued)

Notes:

- (i) Options granted in the years of 1998 and 2000 were granted under the Old Share Option Scheme.
- (ii) Options granted on 1st April, 2003 were granted under the New Share Option Scheme. The closing price of the shares of the Company quoted on the Stock Exchange on 31st March, 2003, being the business date immediately before the date on which share options were granted, was HK\$1.66. The options become exercisable after one year of the date of grant.

The share options granted are not recognised in the financial statements until they are exercised. The Directors consider that it is not appropriate to disclose the value of options granted during the year, since it would not be meaningful and, to a certain extent, would be misleading to the shareholders if the value of the options is calculated based on a set of speculated assumptions.

Subsequent to the year end date, the Company granted 8,556,000 options to eligible participants under the New Share Option Scheme.

#### 購股權計劃(續)

##### 新購股權計劃(續)

附註：

- (i) 於一九九八及二零零零年度授出之購股權乃根據舊購股權計劃授出。
- (ii) 於二零零三年四月一日授出之購股權乃根據新購股權計劃授出。本公司之股份於二零零三年三月三十一日(即緊接購股權授出日期前之營業日)在聯交所所報之收市價為港幣 1.66 元。購股權可於授出日期起計一年後行使。

授出之購股權於獲行使前將不會在財務報表予以確認。董事認為不宜披露期內授出之購股權之價值，理由是倘購股權之價值乃根據推定假設計算，則該等價值並無意義，且在某程度上將對股東造成誤導。

於年度結算日之後，本公司根據新購股權計劃向合資格參與者授予8,556,000項購股權。



## Substantial shareholders' interests

At 31st March, 2004, the register of substantial shareholders maintained under section 336 of the SFO shows that the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors.

## 主要股東權益

於二零零四年三月三十一日，根據證券及期貨條例第336條保存之主要股東登記冊所示，本公司已獲知會下列主要股東權益，佔本公司已發行股本之5%或以上。該等權益不包括上文所披露之董事權益。

Name of shareholders 股東姓名	Note 附註	Personal interests 個人權益	Family interests 家族權益	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 interests 權益總數	% of total issued shares 佔已發行股份總數之百分比
				Corporate interests 公司權益	Trusts and similar interests 信託及類似權益		
Ms. Irene CHAN 陳羅慕連女士	(i), (ii)	27,974,700	750,000	-	72,678,300	101,403,000	10.29
Mr. Kai-tun LO 羅開敦先生	(ii)	18,508,950	-	-	72,678,300	91,187,250	9.25
Mr. Peter Tak-shing LO 羅德承先生	(ii)	750,000	-	-	72,678,300	73,428,300	7.45
Arisaig Greater China Fund ("Arisaig")	(iii)	71,925,500	-	-	-	71,925,500	7.30
Arisaig Partners (Mauritius) Limited ("Arisaig Mauritius")	(iv)	-	-	71,925,500	-	71,925,500	7.30
Mr. Lindsay William Ernest COOPER ("Cooper")	(v)	-	-	71,925,500	-	71,925,500	7.30
Commonwealth Bank of Australia 澳洲聯邦銀行	(vi)	-	-	52,699,000	-	52,699,000	5.35

### 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 72,678,300 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.
- (iii) These interests are held by Arisaig in the capacity of beneficial owner.
- (iv) These interests are held by Arisaig Mauritius in the capacity of investment manager of Arisaig. These interests are duplicated by the interests described in Note (iii) above.

### 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慈善基金 K. S. Lo Foundation 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。
- (iii) 該等權益乃由 Arisaig 以實益擁有人身份持有。
- (iv) 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(iii)所述者為同一份權益。

## REPORT OF THE DIRECTORS

### 董事會報告書

#### Substantial shareholders' interests (continued)

- (v) These interests represented Cooper's interests through his indirect 33% interest in Arisaig Mauritius. These interests are duplicated by the interests disclosed in Notes (iii) and (iv) above.
- (vi) These interests represented Commonwealth Bank of Australia's interests through its indirect 100% interest in First State Investment Management (UK) Limited (which holds 43,731,000 shares of the Company's ordinary shares) and First State Investments (Hong Kong) Limited (which holds 8,968,000 shares of the Company's ordinary shares).

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.

#### Directors' interests in contracts

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

#### Directors' and officers' liability insurance

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

#### Connected transactions

- (1) During the year, the Company and its subsidiaries entered into connected transactions which need to be disclosed herein in accordance with the requirements of the waivers granted by the Stock Exchange. Details of these transactions are as follows:
- (a) The Company's subsidiary, Vitasoy Australia Products Pty. Ltd. ("VAP"), entered into the following transactions with 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.

#### 主要股東權益(續)

- (v) 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 (iii) 及 (iv) 所披露者為同一份權益。
- (vi) 該等權益乃澳洲聯邦銀行透過間接持有 First State Investment Management (UK) Limited (該公司持有本公司 43,731,000 股普通股) 及首域投資 (香港) 有限公司 (該公司持有本公司 8,968,000 股普通股) 之全部權益而擁有之權益。

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。

#### 董事於合約之權益

本公司或其任何附屬公司及聯營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於其中直接或間接擁有重大權益之重要合約。

#### 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購買責任保險。

#### 關連交易

- (1) 年內，本公司及其附屬公司進行多宗關連交易，該等交易根據聯交所授予之豁免規定必須在本年報中披露。以下為該等交易之詳情：
- (a) 本公司之附屬公司 Vitasoy Australia Products Pty. Ltd. (「VAP」) 與 National Foods Holdings Limited 之同系附屬公司 National Foods Milk Limited (「NFML」) 進行以下交易。National Foods Holdings Limited 為 VAP 之主要股東，持有其已發行股本 49%。

## Connected transactions (continued)

### (1) (a) (continued)

- (i) Since November 2000, the Company has entered into an arrangement with VAP whereby VAP would distribute in Australia on behalf of the Company a certain amount of products targeted for the mainstream market and manufactured by the Company (“HK Products”). VAP then entered into an arrangement with NFML whereby NFML would act as the exclusive distributor in Australia of the HK Products. In return, VAP would pay a management fee equal to 3.5% of the gross sales of HK Products distributed by NFML in Australia (“1st Arrangement”). During the year, management fee amounting to HK\$65,000 (2003: HK\$78,000) was charged by NFML in this connection.
- (ii) On 24th December, 1999, VAP and NFML entered into an agreement whereby NFML would provide services to VAP in relation to products manufactured by VAP (“VAP Products”). As part of the services provided, NFML would be the exclusive distributor in Australia of 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 (“2nd Arrangement”). During the year, management fee amounting to HK\$3,257,000 (2003: HK\$2,275,000) was charged by NFML in this connection.

In accordance with the requirements of the waiver, the Independent Non-executive Directors of the Company confirm that:

- the transactions were entered into in the ordinary and usual course of business;
- the transactions were conducted either on normal commercial terms or on terms that are fair and reasonable so far as the shareholders of the Company are concerned;
- the transactions were entered into in accordance with the terms of the agreement governing the transactions under the 2nd Arrangement; and are on terms no less favourable than those available from independent third parties for the transactions under the 1st Arrangement; and

## 關連交易 (續)

### (1) (a) (續)

- (i) 自二零零零年十一月以來，本公司已與VAP訂立安排；據此，VAP代表本公司在澳洲分銷由本公司為主流市場生產之若干數量產品（「香港產品」）。VAP其後與NFML訂立另一項安排；據此，NFML擔任香港產品在澳洲之獨家分銷商，而VAP則支付相等於NFML在澳洲分銷香港產品總銷售額3.5%之服務費作為報酬（「第一項安排」）。年內NFML就此收取之服務費合共港幣65,000元（二零零三年：港幣78,000元）。
- (ii) 於一九九九年十二月二十四日，VAP與NFML訂立協議；據此，NFML就由VAP生產之產品（「VAP產品」）向VAP提供服務。NFML擔任VAP產品在澳洲之獨家分銷商，作為提供服務之一部份，而VAP則支付相等於NFML在澳洲分銷VAP產品總銷售額3.5%之服務費作為報酬（「第二項安排」）。年內NFML就此收取之服務費合共港幣3,257,000元（二零零三年：港幣2,275,000元）。

根據豁免之規定，本公司之獨立非執行董事確認：

- 交易乃於一般日常業務中進行；
- 交易乃按一般商業條款或對本公司股東公平合理之條款進行；
- 第二項安排是根據協議條款進行；而第一項安排則按不遜於與獨立第三者交易之條款進行；及

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### 董事會報告書

#### Connected transactions (continued)

##### (1) (a) (continued)

- the consideration of the transactions under each of the 1st and 2nd Arrangements has not exceeded 1% of the total turnover of the Group for the year ended 31st March, 2004.

(b) On 10th December, 2002, 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 on 14th March, 2003. The Milk Supply Agreement superseded an agreement entered into between the Company and Guangming on 2nd August, 1994 (“Compensated Trade Agreement”) whereby Guangming would grant to the Company the right to market fresh milk for the period from 1st April, 1995 up to 31st December, 2004. During the year, HK\$3,517,000 (2003: HK\$202,000) and HK\$Nil (2003: HK\$5,084,000) were charged by Guangming under the Milk Supply Agreement and the Compensated Trade Agreement respectively.

In accordance with the requirements of the waiver, the Independent Non-executive Directors of the Company confirm that:

- the transactions were entered into in the ordinary and usual course of business;
- the transactions were conducted either on normal commercial terms or on terms that are fair and reasonable so far as the shareholders of the Company as a whole are concerned;
- the transactions were entered into in accordance with the terms of the Milk Supply Agreement, order contracts and supplemental agreements governing such transactions; and
- the consideration of the transactions has not exceeded 3% of the Group’s net tangible assets at 31st March, 2004.

#### 關連交易 (續)

##### (1) (a) (續)

- 根據第一項及第二項安排下交易之代價，均無超過本集團截至二零零四年三月三十一日止年度之總營業額1%。

(b) 於二零零二年十二月十日，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，由二零零三年三月十四日起計為期三年。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30%之主要股東。鮮奶供應協議取代本公司與光明於一九九四年八月二日訂立之協議(「補償貿易協議」)；據此，光明授權本公司由一九九五年四月一日至二零零四年十二月三十一日止期間銷售鮮奶。年內，光明分別根據鮮奶供應協議及補償貿易協議收取港幣3,517,000元(二零零三年：港幣202,000元)及港幣零元(二零零三年：港幣5,084,000元)。

根據豁免之規定，本公司之獨立非執行董事確認：

- 交易乃於一般日常業務中進行；
- 交易乃按一般商業條款或對本公司股東公平合理之條款進行；
- 交易乃根據鮮奶供應協議、訂單合約及規定有關交易之補充協議之條款進行；及
- 交易之代價並無超過本集團於二零零四年三月三十一日之有形資產淨值3%。

## Connected transactions (continued)

(2) Pursuant to an agreement entered into on 20th January, 2000, the Company would provide a non-revolving loan facility of up to HK\$30,000,000 to Guangming, which is financed by a bank facility established for this purpose, until 31st December, 2004. A total of HK\$20,000,000 had been drawn by Guangming under this agreement and all had been repaid in prior years. Loan facility of HK\$10,000,000 remained undrawn as at the date of this report.

(3) Guarantees were executed by the Company to non-wholly owned subsidiaries in respect of the following banking facilities:

(a) Banking facilities of RMB 32,595,000 (equivalent to HK\$30,711,000) granted to Shenzhen Vitasoy on 26th August, 1999 and 30th June, 2003; and

(b) Banking facilities of A\$22,726,000 (equivalent to HK\$134,654,000) granted to VAP on 23rd March, 2001,

whereby the Company would guarantee up to 70% and 51% of the obligations and liabilities of Shenzhen Vitasoy and VAP respectively under the aforesaid banking facilities which are in proportion to the Company's beneficial interests in Shenzhen Vitasoy and VAP.

## Employee retirement plans

Particulars of employee retirement plans of the Company and the Group are set out in note 25 on the financial statements.

## Purchase, sale or redemption of the Company's listed securities

There has been no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the year.

## Five year summary

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on pages 127 and 128.

## 關連交易 (續)

(2) 根據於二零零零年一月二十日訂立之協議，本公司向光明提供一項高達港幣30,000,000元之非循環貸款融資，直至二零零四年十二月三十一日止，所需資金由一項為此而設之銀行信貸提供。光明已根據該協議共提取港幣20,000,000元，全部款項已於以往年度償還。於本報告日期，尚未動用之借款信貸為港幣10,000,000元。

(3) 本公司就下列銀行信貸向非全資附屬公司提供擔保：

(a) 於一九九九年八月二十六日及二零零三年六月三十日授予深圳維他奶人民幣32,595,000元(相當於港幣30,711,000元)之銀行信貸；及

(b) 於二零零一年三月二十三日授予VAP 22,726,000澳元(相當於港幣134,654,000元)之銀行信貸。

據此，本公司按照其於深圳維他奶及VAP所持實際權益之比例分別就深圳維他奶及VAP根據上述銀行信貸所承擔之責任及負債提供高達70%及51%之擔保。

## 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25。

## 購回、出售或贖回本公司之上市證券

年內本公司或其任何附屬公司概無購回、出售或贖回本公司之股份。

## 五年摘要

本集團於過去五年之業績、資產及負債摘要載於第127及128頁。



## REPORT OF THE DIRECTORS

### 董事會報告書

#### 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, 14th July, 2004

#### 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，二零零四年七月十四日

# REPORT OF THE AUDITORS

## 核數師報告書



**Auditors' report to the shareholders of  
Vitasoy International Holdings Limited**  
*(Incorporated in Hong Kong with limited liability)*

We have audited the financial statements on pages 59 to 126 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### Respective responsibilities of directors and auditors

The Hong Kong Companies Ordinance requires the directors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion 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.

致：維他奶國際集團有限公司各股東  
(於香港註冊成立之有限公司)

本核數師（以下簡稱「我們」）已審核載於第 59 至 126 頁按照香港公認會計原則編製的財務報表。

### 董事及核數師的責任

香港公司條例規定董事須編製真實與公平的財務報表。在編製該等財務報表時，董事必須貫徹採用合適的會計政策，作出審慎及合理的判斷與估計，並說明任何未遵守現行會計準則的原因。

我們的責任是根據我們審核工作的結果，對該等財務報表作出獨立意見，並按照香港公司條例第 141 條的規定，只向作為法人團體的股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

# REPORT OF THE AUDITORS

## 核數師報告書

### Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 2004 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

**KPMG**

*Certified Public Accountants*

Hong Kong, 14th July, 2004

### 意見的基礎

我們是按照香港會計師公會頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製財務報表時所作的主要估計和判斷、所釐定的會計政策是否適合 貴公司及 貴集團的具體情況、及有否貫徹運用並足夠披露該等會計政策。

我們在策劃和進行審核工作時，均以取得一切我們認為必需的資料及解釋為目標，使我們能獲得充份的憑證，就財務報表是否存有重要錯誤陳述，作合理的確定。在作出意見時，我們亦已衡量該等財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

### 意見

我們認為上述的財務報表真實與公平地反映 貴公司及 貴集團於二零零四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編製。

**畢馬威會計師事務所**

*執業會計師*

香港，二零零四年七月十四日

# CONSOLIDATED INCOME STATEMENT

## 綜合損益報表

For the year ended 31st March, 2004 (Expressed in Hong Kong dollars) 截至二零零四年三月三十一日止年度 (以港幣計算)

		Note 附註	2004 \$'000 千元	2003 \$'000 千元
<b>Turnover</b>	<b>營業額</b>	3 & 15	<b>2,269,422</b>	2,228,227
Cost of sales	銷售成本		<b>(981,230)</b>	(983,165)
Gross profit	毛利		<b>1,288,192</b>	1,245,062
Other revenue	其他收入	4	<b>20,008</b>	17,184
Marketing, selling and distribution expenses	推廣、銷售及分銷費用		<b>(876,227)</b>	(820,990)
Administrative expenses	行政費用		<b>(162,958)</b>	(161,178)
Other operating expenses	其他經營費用		<b>(116,531)</b>	(104,726)
Profit from operations	經營溢利		<b>152,484</b>	175,352
Finance costs	融資成本	5	<b>(8,421)</b>	(9,617)
Restructuring cost	重組成本	6	-	(1,213)
Compensation for traffic accident	交通意外之賠償金	7	<b>1,464</b>	(781)
Profit on disposal of an associate	出售聯營公司之溢利	8	-	2,484
Share of loss of an associate	應佔聯營公司之虧損		-	(273)
<b>Profit from ordinary activities before taxation</b>	<b>來自正常業務之除稅前溢利</b>	5	<b>145,527</b>	165,952
Income tax	所得稅	9(a)	<b>(35,019)</b>	(27,760)
<b>Profit from ordinary activities after taxation</b>	<b>來自正常業務之除稅後溢利</b>		<b>110,508</b>	138,192
Minority interests	少數股東權益		<b>5,517</b>	1,186
<b>Profit attributable to shareholders</b>	<b>股東應佔溢利</b>	12, 15 & 29(a)	<b>116,025</b>	139,378
<b>Dividends attributable to the year:</b>	<b>本年度股息:</b>	13(a)		
Interim dividend declared during the year	年內宣派之中期股息		<b>27,581</b>	27,275
Final dividend proposed after the balance sheet date	結算日後擬派之末期股息		<b>56,369</b>	56,100
Special dividend proposed after the balance sheet date	結算日後擬派之特別股息		<b>49,447</b>	49,211
			<b>133,397</b>	132,586
<b>Earnings per share</b>	<b>每股盈利</b>	14		
Basic	基本		<b>11.8 cents 仙</b>	14.3 cents 仙
Diluted	攤薄		<b>11.7 cents 仙</b>	14.2 cents 仙

The notes on pages 67 to 126 form part of these financial statements.

第67至126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, 2004 (Expressed in Hong Kong dollars) 於二零零四年三月三十一日 (以港幣計算)

		Note 附註	2004		2003	
			\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Non-current assets</b>	<b>非流動資產</b>					
Fixed assets	固定資產	16(a)		<b>846,388</b>		865,453
Employee retirement benefit assets	僱員退休福利資產	25(b)		<b>510</b>		1,461
Deferred tax assets	遞延稅項資產	27(b)		<b>1,365</b>		–
Bank deposits	銀行存款	21		<b>93,397</b>		100,000
				<b>941,660</b>		966,914
<b>Current assets</b>	<b>流動資產</b>					
Inventories	存貨	18		<b>212,035</b>		210,010
Trade and other receivables	應收賬款及其他應收款	19		<b>289,702</b>		292,522
Bank deposits	銀行存款	21		<b>56,596</b>		10,000
Cash and cash equivalents	現金及現金等值項目	21		<b>300,624</b>		314,911
				<b>858,957</b>		827,443
<b>Current liabilities</b>	<b>流動負債</b>					
Bank loans	銀行貸款	22		<b>161,617</b>		157,139
Trade and other payables	應付賬款及其他應付款	23		<b>296,253</b>		297,205
Obligations under finance leases	融資租賃之債務	24		<b>6,287</b>		2,297
Current tax payable	應付現期稅項	27(a)		<b>9,073</b>		12,465
				<b>473,230</b>		469,106
<b>Net current assets</b>	<b>淨流動資產</b>			<b>385,727</b>		358,337
<b>Total assets less current liabilities carried forward</b>	<b>總資產減流動負債結轉</b>			<b>1,327,387</b>		1,325,251



			2004		2003	
		Note 附註	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Total assets less current liabilities brought forward</b>	<b>總資產減流動負債承前</b>			<b>1,327,387</b>		1,325,251
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Bank loans	銀行貸款	22	<b>19,061</b>		23,569	
Obligations under finance leases	融資租賃之債務	24	<b>8,943</b>		1,852	
Employee retirement benefit liabilities	僱員退休福利負債	25(b)	<b>4,113</b>		4,572	
Deferred tax liabilities	遞延稅項負債	27(b)	<b>3,950</b>		4,247	
				<b>36,067</b>		34,240
<b>Minority interests</b>	<b>少數股東權益</b>			<b>44,780</b>		42,267
<b>Net assets</b>	<b>淨資產</b>			<b>1,246,540</b>		1,248,744
<b>Capital and reserves</b>	<b>資本及儲備</b>					
Share capital	股本	28		<b>246,457</b>		244,261
Reserves	儲備	29(a)		<b>1,000,083</b>		1,004,483
				<b>1,246,540</b>		1,248,744

Approved and authorised for issue by the Board of Directors on 14th July, 2004

於二零零四年七月十四日獲董事會通過並核准發佈

**Winston Yau-lai LO**  
Director

**John Shek-hung LAU**  
Director

羅友禮  
董事

劉錫鴻  
董事

The notes on pages 67 to 126 form part of these financial statements.

第67至126頁之附註乃本財務報表之一部份。

# BALANCE SHEET

## 資產負債表

At 31st March, 2004 (Expressed in Hong Kong dollars) 於二零零四年三月三十一日 (以港幣計算)

		Note 附註	2004		2003	
			\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Non-current assets</b>	<b>非流動資產</b>					
Fixed assets	固定資產	16(b)		<b>189,390</b>		205,166
Interest in subsidiaries	附屬公司權益	17		<b>378,187</b>		480,918
Employee retirement benefit assets	僱員退休福利資產	25(b)		<b>668</b>		1,567
Bank deposits	銀行存款	21		<b>93,397</b>		100,000
				<b>661,642</b>		787,651
<b>Current assets</b>	<b>流動資產</b>					
Inventories	存貨	18		<b>95,960</b>		87,956
Trade and other receivables	應收賬款及其他應收款	19		<b>193,683</b>		194,050
Amounts due from subsidiaries	附屬公司欠款	20		<b>169,863</b>		103,701
Bank deposits	銀行存款	21		<b>56,173</b>		10,000
Cash and cash equivalents	現金及現金等值項目	21		<b>234,769</b>		241,864
				<b>750,448</b>		637,571
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	應付賬款及其他應付款	23		<b>143,136</b>		145,161
Current tax payable	應付現期稅項	27(a)		<b>8,056</b>		10,840
				<b>151,192</b>		156,001
<b>Net current assets</b>	<b>淨流動資產</b>			<b>599,256</b>		481,570
<b>Total assets less current liabilities carried forward</b>	<b>總資產減流動負債結轉</b>			<b>1,260,898</b>		1,269,221

			2004		2003	
		Note 附註	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Total assets less current liabilities brought forward</b>	<b>總資產減流動負債承前</b>			<b>1,260,898</b>		1,269,221
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Employee retirement benefit liabilities	僱員退休福利負債	25(b)		<b>3,977</b>		4,466
Deferred tax liabilities	遞延稅項負債	27(b)		<b>3,950</b>		4,247
				<b>7,927</b>		8,713
<b>Net assets</b>	<b>淨資產</b>			<b>1,252,971</b>		1,260,508
<b>Capital and reserves</b>	<b>資本及儲備</b>					
Share capital	股本	28		<b>246,457</b>		244,261
Reserves	儲備	29(b)		<b>1,006,514</b>		1,016,247
				<b>1,252,971</b>		1,260,508

Approved and authorised for issue by the Board of Directors on 14th July, 2004

於二零零四年七月十四日獲董事會通過並核准發佈

**Winston Yau-lai LO**  
Director

**John Shek-hung LAU**  
Director

**羅友禮**  
董事

**劉錫鴻**  
董事

The notes on pages 67 to 126 form part of these financial statements.

第67至126頁之附註乃本財務報表之一部份。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31st March, 2004 (Expressed in Hong Kong dollars) 截至二零零四年三月三十一日止年度 (以港幣計算)

	Note 附註	2004 \$'000 千元	2003 \$'000 千元
<b>Shareholders' equity at 1st April</b>		<b>1,248,744</b>	1,180,704
Exchange differences on translation of the financial statements of foreign subsidiaries	29(a)	4,708	594
<b>Net gain not recognised in the consolidated income statement</b>		<b>4,708</b>	594
<b>Profit for the year</b>		<b>116,025</b>	139,378
<b>Dividends</b>	13		
– Interim dividend declared		(27,581)	(27,275)
– Final dividend approved in respect of the previous year		(56,100)	(49,679)
– Special dividend approved in respect of the previous year		(49,211)	–
		<b>(132,892)</b>	(76,954)
<b>Movement in share capital</b>	28		
– Shares issued on exercise of share options		9,955	5,022
<b>Increase in shareholders' equity arising from capital transactions with shareholders</b>		<b>9,955</b>	5,022
<b>Shareholders' equity at 31st March</b>		<b>1,246,540</b>	1,248,744

The notes on pages 67 to 126 form part of these financial statements.

第67至126頁之附註乃本財務報表之一部份。

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流動表

For the year ended 31st March, 2004 (Expressed in Hong Kong dollars) 截至二零零四年三月三十一日止年度 (以港幣計算)

	Note 附註	2004		2003	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Operating activities</b>	<b>經營業務</b>				
Profit from ordinary activities before taxation	正常業務之除稅前溢利	145,527		165,952	
Adjustments for:	調整：				
– Depreciation	– 折舊	112,164		110,597	
– Interest expenses	– 利息支出	8,178		9,264	
– Finance charges on obligations under finance leases	– 融資租賃債務之財務費用	243		353	
– Interest income	– 利息收入	(4,913)		(5,819)	
– Loss/(gain) on disposal of fixed assets	– 出售固定資產之虧損/(收益)	1,156		(126)	
– Share of loss of an associate	– 應佔聯營公司之虧損	–		273	
– Profit on disposal of an associate	– 出售聯營公司之溢利	–		(2,484)	
Foreign exchange loss	外匯虧損	3,830		2,003	
<b>Operating profit before changes in working capital</b>	<b>未計營運資金變動之經營溢利</b>	<b>266,185</b>		<b>280,013</b>	
Increase in inventories	存貨增加	(2,025)		(16,213)	
Decrease in trade and other receivables	應收賬款及其他應收款減少	2,820		29,781	
Decrease in trade and other payables	應付賬款及其他應付款減少	(420)		(2,012)	
Increase/(decrease) in net employee retirement benefit liabilities	僱員退休福利負債增加/(減少)	492		(48,081)	
Decrease in amount due to an associate	應付聯營公司之欠款減少	–		(174)	
<b>Cash generated from operations</b>	<b>經營業務所得現金</b>	<b>267,052</b>		<b>243,314</b>	
Tax paid	已繳稅項				
– Hong Kong profits tax paid	– 已繳香港利得稅	(38,549)		(26,829)	
– Overseas tax paid	– 已繳海外稅項	(1,524)		(1,664)	
<b>Net cash from operating activities</b>	<b>經營業務所得現金淨額</b>		<b>226,979</b>		<b>214,821</b>



# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流動表

For the year ended 31st March, 2004 (Expressed in Hong Kong dollars) 截至二零零四年三月三十一日止年度 (以港幣計算)

	Note 附註	2004		2003	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Investing activities</b>	<b>投資活動</b>				
Payment for purchase of fixed assets	購買固定資產之款項	(52,815)		(41,931)	
Proceeds from disposal of fixed assets	出售固定資產所得款項	618		1,630	
Proceeds from disposal of an associate	出售聯營公司所得款項	-		14,000	
Repayment of loan receivable	獲償還應收貸款	-		5,385	
Increase in bank deposits maturing after three months	超過三個月後到期之銀行存款增加	(39,993)		(22,950)	
Interest received	已收利息	4,913		5,819	
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(87,277)</b>		<b>(38,047)</b>
<b>Financing activities</b>	<b>融資活動</b>				
Capital element of finance lease rentals paid	已付融資租賃租金之資本部份	(3,379)		(2,134)	
Proceeds from new bank loans	新增銀行貸款	73,886		105,152	
Repayment of bank loans	償還銀行貸款	(96,356)		(232,181)	
Interest element of finance lease rentals paid	已付融資租賃租金之利息部份	(243)		(353)	
Interest paid	已付利息	(8,178)		(9,264)	
Proceeds from shares issued on exercise of share options	根據購股權計劃發行股份所得款項	9,955	28	5,022	
Contribution from a minority shareholder	少數股東注資	5,081		7,299	
Dividends paid	已派股息	(132,892)		(76,954)	
Dividend paid to a minority shareholder	向少數股東派發股息	(2,100)		-	
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>		<b>(154,226)</b>		<b>(203,413)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等值項目減少淨額</b>		<b>(14,524)</b>		<b>(26,639)</b>
<b>Cash and cash equivalents at 1st April</b>	<b>四月一日之現金及現金等值項目</b>		<b>314,911</b>		<b>341,720</b>
<b>Effect of foreign exchange rates changes</b>	<b>匯率變動之影響</b>		<b>237</b>		<b>(170)</b>
<b>Cash and cash equivalents at 31st March</b>	<b>三月三十一日之現金及現金等值項目</b>		<b>300,624</b>		<b>314,911</b>
		21			

The notes on pages 67 to 126 form part of these financial statements.

第67至126頁之附註乃本財務報表之一部份。

# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (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 (which includes all applicable Statements of Standard Accounting Practice (“SSAP”) and Interpretations) issued by the Hong Kong Society of Accountants (the “HKSA”), 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 Main Board Listing Rules (the “Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out below.

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

The measurement basis used in the preparation of the financial statements is historical cost.

#### (c) Subsidiaries

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half the voting power, or controls the composition of the board of directors.

An investment in a subsidiary is consolidated into the consolidated financial statements. Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements.

Minority interests at the balance sheet date, being 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, are presented in the consolidated balance sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the consolidated income statement.

### 1 主要會計政策

#### (a) 遵例聲明

本財務報表乃按照香港會計師公會頒佈之所有適用的香港財務報告準則(包括所有適用的會計實務準則及詮釋)、香港公認會計原則及香港公司條例之要求而編製。本財務報表亦符合主板上市規則(「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。

#### (b) 財務報表編製基準

本財務報表是以歷史成本作為編製基準。

#### (c) 附屬公司

根據香港公司條例規定，附屬公司是指本集團直接或間接持有其過半數已發行股本、或控制其過半數投票權、或控制其董事會組成之公司。

於附屬公司之投資均在綜合財務報表中合併計算。本集團內部往來之結餘和本集團內部交易及其產生之任何未變現溢利，均於編製綜合財務報表時全數抵銷。

於結算日之少數股東權益，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部分，這些權益在綜合資產負債表內與負債及股東權益分開呈列。少數股東所佔本集團本年度業績之權益在綜合損益表內亦作分開呈列。

# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

### 1 Significant accounting policies (continued)

#### (c) Subsidiaries (continued)

Where losses attributable to the minority exceed the minority interest in the net assets of a subsidiary, the excess, and any further losses attributable 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 good the losses. All subsequent profits of the subsidiary are allocated to the Group 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 any impairment losses (see note 1(g)).

#### (d) Associates

An associate is an entity in which the Group has significant influence, but not control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets. The consolidated income statement reflects the Group's share of the post-acquisition results of the associate for the year. Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate.

#### (e) Fixed assets and depreciation

(i) Land and buildings are stated in the balance sheets at cost less accumulated depreciation and impairment losses (see note 1(g)). Except for certain land which has been fully amortised in previous years, leasehold land is amortised in equal annual instalments over the remaining term of the lease, including the renewal period. The cost of buildings and improvements thereto are depreciated on a straight-line basis over their estimated useful lives, at annual rates of between 4% and 5%.

### 1 主要會計政策 (續)

#### (c) 附屬公司 (續)

倘少數股東應佔虧損超出附屬公司淨資產中的少數股東權益，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彌補有關虧損除外。附屬公司其後之所有盈利將分配予本集團，直至之前本集團所分擔之少數股東應佔虧損被彌補為止。

本公司之資產負債表所示之附屬公司之投資，是按成本減去任何減值虧損(見附註1(g))後入賬。

#### (d) 聯營公司

聯營公司是指本集團對其管理(包括參與財務及業務決策)擁有重大影響力(但並非控制)之公司。

於聯營公司之投資乃根據股權會計法首先按成本值計入綜合財務報表，並會就本集團應佔聯營公司淨資產之收購後變動作出調整。綜合損益報表反映年內本集團應佔其聯營公司於收購後之業績。本集團與其聯營公司進行交易所產生之未變現溢利及虧損將按本集團於聯營公司之權益比率抵銷。

#### (e) 固定資產及折舊

(i) 土地及樓宇按成本值減累計折舊及減值虧損(見附註1(g))後記入資產負債表。除已於過去數年全面攤銷之若干土地外，租約土地乃按租約之尚餘年期(包括續約期)每年以等額攤銷。樓宇及有關裝修之折舊乃採用直線法，按其估計可使用年期以4%至5%之年率撇銷其成本值。

## 1 Significant accounting policies (continued)

### (e) Fixed assets and depreciation (continued)

- (ii) Other fixed assets are stated in the balance sheets at cost less accumulated depreciation and impairment losses (see note 1(g)). Depreciation is calculated to write off the cost of other fixed assets on a straight-line basis over their estimated useful lives at the following annual rates:

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

- (iii) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

- (iv) Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal.

### (f) Leased assets

Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

## 1 主要會計政策 (續)

### (e) 固定資產及折舊 (續)

- (ii) 其他固定資產以成本值減累計折舊及減值虧損(見附註1(g))後記入資產負債表。折舊乃按其他固定資產之估計可使用年期採用直線法以下列年率撇銷其成本值列賬：

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%

- (iii) 倘超逾現有資產原有估值之未來經濟利益可能將為本集團所有，則已確認入賬之固定資產其後開支將加入資產之賬面值。所有其他其後開支將於產生期間確認開支。

- (iv) 固定資產報廢或出售時產生之損益為出售該項資產所得款項淨額與該項資產賬面值之差額，並於報廢或出售日在損益報表內確認。

### (f) 租賃資產

由承租人承擔擁有資產之絕大部份風險及報酬之租賃，歸類為融資租賃。出租人並未轉讓擁有資產之全部相關風險及報酬之租賃，則歸類為經營租賃。

# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

### 1 Significant accounting policies (continued)

#### (f) Leased assets (continued)

##### (i) 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 fixed assets 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 in equal annual amounts over the term of the relevant leases or, where it is likely the Group will obtain ownership of the assets, the lives of the assets. Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(g). Finance charges implicit in the lease payments are charged to the income statement 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.

##### (ii) Operating lease charges

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

#### (g) Impairment of 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:

- fixed assets; and
- interest in subsidiaries.

If any such indication exists, the asset recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

### 1 主要會計政策 (續)

#### (f) 租賃資產 (續)

##### (i) 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平價值或該等資產之最低租賃付款現值(如為較低之數額)列為固定資產，而相應負債(不計財務費用)則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，以每年等額沖銷其成本值之比率作出撥備。減值虧損會根據附註1(g)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報表，以使每個會計期間之財務費用與債務餘額之比率大致上相同。

##### (ii) 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會於租賃期所涵蓋之會計期間內，以等額在損益報表扣除。

#### (g) 資產減值

公司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：

- 固定資產；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。當資產之賬面金額高於可收回金額時便會確認減值虧損。

## 1 Significant accounting policies (continued)

### (g) Impairment of assets (continued)

#### (i) 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 flows 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).

#### (ii) 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 impairment losses 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 the income statement in the year in which the reversals are recognised.

### (h) Inventories

Inventories are stated 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 condition.

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.

## 1 主要會計政策 (續)

### (g) 資產減值 (續)

#### (i) 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，會使用除稅前折讓率將估計未來現金流量折讓至現值。該折讓率應是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量基本上不能獨立於其他資產所產生之現金流量，則就獨立產生現金流量之最小資產類別(即現金產生資產)來釐定可收回金額。

#### (ii) 減值虧損轉回

倘使用以釐定可收回金額之估計發生有利之變化，則會將資產減值虧損轉回。所轉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。所轉回之減值虧損在確認轉回之年度內計入損益報表。

### (h) 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費用。

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。



# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

### 1 Significant accounting policies (continued)

#### (h) Inventories (continued)

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, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### (i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks, 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. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

#### (j) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group 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 expenditures 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)

#### (h) 存貨 (續)

出售存貨時，其賬面值於有關收入確認期內確認為開支。存貨之可變現淨值之任何減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。倘存貨之可變現淨值增加令其減值出現任何轉回，則於轉回出現期內將費用作減額確認。

#### (i) 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。須於提出要求時償還及屬於本集團現金管理組成部份之銀行透支亦列作現金流動表中之現金及現金等值項目。

#### (j) 撥備及或有負債

倘若本集團須就已發生之事件承擔法律或推定責任，而履行該責任預期導致含有經濟效益之資源外流，並可作出可靠之估計，便會就該時間或數額不定之負債計提準備。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列準備。

倘若含有經濟效益之資源外流之可能性較低，或是無法對有關數額作出可靠之估計，便會將該責任披露為或有負債；但假如這類資源外流之可能性極低則除外。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極低則除外。

## 1 Significant accounting policies (continued)

### (k) 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 the income statement as follows:

#### (i) Sales of goods

Revenue arising from sales of goods is recognised on delivery of goods to customers 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 or other sales taxes and is after deduction of returns.

#### (ii) Interest income

Interest income from bank deposits is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable.

#### (iii) Dividends

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

### (l) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (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.

## 1 主要會計政策 (續)

### (k) 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，方會按下列基準在損益報表內確認：

#### (i) 貨物之銷售

貨物之銷售收入於貨物送交客戶(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之貨值。

#### (ii) 利息收入

銀行存款之應計利息收入根據尚在存放之本金按適用利率以時間分配基準確認。

#### (iii) 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。

### (l) 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。本期稅項及遞延稅項資產及負債之變動均於損益表中確認，但關乎直接確認為股東權益之項目，則自股東權益內確認。
- (ii) 本期稅項是按年內應課稅收入以結算日已生效或實際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。

# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

### 1 Significant accounting policies (continued)

#### (I) Income tax (continued)

- (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 profit 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 profit will be available.

- (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, and only 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

### 1 主要會計政策 (續)

#### (I) 所得稅 (續)

- (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與稅務基礎計算之帳面金額之間可予扣減或應課稅之暫時差異。遞延稅項資產也可以是未使用之稅損及稅項撥回。

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(只限於有可能用來抵銷日後應稅溢利之資產)均予確認。

已確認之遞延稅項數額是按照資產及負債帳面金額之預期實現或清償方式，以結算日已生效或實際生效之稅率計量。遞延稅項資產及負債均不計算折讓。

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盈利以實現相關稅務利益，則有關資產賬面值將予以扣減。被扣減之遞延稅項資產，在預期可取得足夠應課稅盈利時，則予以撥回，但以該等盈利為限。

- (iv) 本期及遞延稅項結餘及其變動會分開呈列，而且不予抵銷。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抵銷本期稅項負債，並且符合以下附帶條件的情況下，才可以分別抵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，或在實現資產的同時清償負債；或

## 1 Significant accounting policies (continued)

### (l) Income tax (continued)

#### (iv) (continued)

- 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.

### (m) Employee benefits

- (i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) Contributions to defined contribution retirement plans, including the mandatory provident fund as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the income statement as incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense.
- (iii) The Group's net obligation in respect of a defined benefit retirement plan is calculated 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 obligation. The calculation is performed by a qualified actuary using the projected unit credit method.

## 1 主要會計政策 (續)

### (l) 所得稅 (續)

#### (iv) (續)

- 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。這些實體計劃在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。

### (m) 僱員福利

- (i) 薪酬、年終花紅、有薪年假、休假及本集團非金錢福利之成本均於本集團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。
- (ii) 界定供款退休計劃(包括香港強制性公積金計劃條例所規定之強制性公積金)之供款乃於產生時以支出形式在損益報表中確認，惟已列入尚未確認為支出之存貨成本之款項則不在此限。
- (iii) 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計算，在釐定現值時該項利益須予以折讓，並扣除任何計劃資產之公平價值。折讓率為優質公司債券(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。

# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

### 1 Significant accounting policies (continued)

#### (m) Employee benefits (continued)

##### (iii) (continued)

In calculating the Group's obligation in respect of a plan, to the extent that 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 the income statement 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.

- (iv) 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 service 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 using the projected unit credit method by a qualified actuary.
- (v) When the Group grants employees options to acquire shares of the Company, no employee benefit cost or obligation is recognised at the date of grant. When the options are exercised, equity is increased by the amount of the proceeds received.

### 1 主要會計政策 (續)

#### (m) 僱員福利 (續)

##### (iii) (續)

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損益超出界定福利責任現值或計劃資產公平價值(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報表確認。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日後來自計劃之退款或日後削減之計劃供款等各項目之總和。

- (iv) 本集團就根據香港僱傭條例須在若干情況下於終止僱用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折讓，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)。折讓率為優質公司債券(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。
- (v) 當本集團授予僱員購股權以購入本公司股份時，並無於授出日期入賬確認任何僱員福利成本或責任。當購股權予以行使時，股本相應增加所收訖之款額。

## 1 Significant accounting policies (continued)

### (n) Borrowing costs

Borrowing costs are expensed in the income statement in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

### (o) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the income statement.

The results of foreign subsidiaries are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

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

### (p) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

## 1 主要會計政策 (續)

### (n) 借貸成本

除直接用作收購、建設或製造而需要相當長時間才可以投入原定用途或銷售之資產之借貸成本予以資本化外，借貸成本均在產生之期間在損益報表列作支出。

### (o) 外幣換算

年度內之外幣交易按交易當日之匯率換算為港元。以外幣計算之貨幣資產及負債按結算日之匯率換算為港元。匯兌損益撥入損益報表中處理。

海外附屬公司之業績乃按年內之平均匯率換算為港元，而資產負債表項目則按結算日之匯率換算為港元，由此而產生之匯兌差額撥入匯兌儲備中處理。

於出售一間海外附屬公司時，涉及該海外附屬公司之累積匯兌差額均加入計算出售損益。

### (p) 關連人士

就本財務報表而言，如本集團有能力直接或間接控制另一人士，或對另一人士就財務及經營決策作出重大影響（或另一人士對本集團有上述控制能力或影響），或本集團與另一人士受同一控制或同一重大影響，此等人士均被視為與本集團有關連。關連人士可為個別人士或其他公司。



# NOTES ON THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

### 1 Significant accounting policies (continued)

#### (q) 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 fixed assets. 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 enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

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 year.

Unallocated items mainly comprise financial and corporate assets, bank loans, corporate and financing expenses.

### 2 Change in accounting policy

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1st April, 2003, in order to comply with SSAP 12 (revised) "Income taxes" issued by the HKSA, the Group adopted a new policy for deferred tax as set out in note 1(l). The effect of this change in accounting policy is not material to the Group's profit and net assets for both the current and prior years, therefore the opening balances of retained profits and the comparative information have not been restated.

### 1 主要會計政策 (續)

#### (q) 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、應收賬款及固定資產。分部收入、支出、資產及負債乃於計及集團內部餘額及集團內部交易作為合併過程之一部份抵銷前釐定,惟倘若該等集團內部餘額及交易乃由同一分部之集團企業進行則除外。分部間定價乃根據可供其他集團外人士訂立之類似條款而釐定。

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財務及企業資產、銀行貸款、企業及融資費用。

### 2 會計政策變動

於過往年度,就收入及開支之會計及稅務處理方法之間所有重大時差所產生之稅項影響,以負債法計提遞延稅項負債,並只在該等負債在可預見將來極有可能變現時,始作出撥備。遞延稅項資產則只會在該資產之變現能力無可置疑時方予確認。由二零零三年四月一日起,為符合香港會計師公會所頒佈之會計實務準則第12號(經修訂)「所得稅」,本集團就遞延稅項採納之新會計政策載於附註1(l)。由於是項會計政策變動對本年度及以往年度本集團之溢利及淨資產影響輕微,故沒有重列年初保留溢利結餘及比較資料。

### 3 Turnover

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

Turnover represents the gross sales value less returns, to third parties.

### 4 Other revenue

### 3 營業額

本集團之主要業務為製造及銷售食品及飲品。

營業額指向第三者銷售貨物之銷貨價值減退貨。

### 4 其他收入

		2004	2003
		\$'000 千元	\$'000 千元
Interest income	利息收入	4,913	5,819
Service fee	服務費	7,429	3,437
Rental income	租金收入	1,296	1,309
Sundry income	雜項收入	6,370	6,619
		<b>20,008</b>	17,184

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 5 Profit from ordinary activities before taxation

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

#### 5 來自正常業務之除稅前溢利

來自正常業務之除稅前溢利已扣除／(計入)：

		2004	2003
		\$'000 千元	\$'000 千元
<b>(a) Finance costs:</b>	<b>(a) 融資成本：</b>		
Interest on bank loans	銀行貸款之利息	<b>8,178</b>	9,264
Finance charges on obligations under finance leases	融資租賃債務之財務費用	<b>243</b>	353
		<b>8,421</b>	9,617
<b>(b) Staff costs:</b>	<b>(b) 員工成本：</b>		
Contributions to defined contribution retirement plans	界定供款退休計劃之供款	<b>15,527</b>	15,225
Defined benefit retirement plans expenses	界定福利退休計劃之費用		
– retirement gratuities (note 25(c)(ii))	– 退休金 (附註25(c)(ii))	<b>3,601</b>	4,097
– long service payments (note 25(d)(ii))	– 長期服務金 (附註25(d)(ii))	<b>239</b>	219
Retirement costs	退休成本	<b>19,367</b>	19,541
Salaries, wages and other benefits	薪酬、工資及其他福利	<b>408,981</b>	409,044
		<b>428,348</b>	428,585
<b>(c) Other items:</b>	<b>(c) 其他項目：</b>		
Cost of inventories	存貨成本	<b>1,073,560</b>	1,066,827
Depreciation	折舊		
– assets held for use under operating leases	– 根據經營租賃持作使用之資產	<b>2,542</b>	2,892
– assets held for use under finance leases	– 根據融資租賃持作使用之資產	<b>976</b>	823
– other assets	– 其他資產	<b>108,646</b>	106,882
Auditors' remuneration	核數師酬金	<b>2,420</b>	2,244
Operating lease charges	經營租賃費用		
– hire of plant, machinery and equipment	– 租用廠房、機器及設備	<b>1,879</b>	5,594
– rental of premises	– 物業租金	<b>27,148</b>	22,075
Loss/(gain) on disposal of fixed assets	出售固定資產之虧損／(盈利)	<b>1,156</b>	(126)

## 6 Restructuring cost

This represented additional severance payments made during the year ended 31st March, 2003 in relation to the restructuring of one of the Company's subsidiaries, Vitasoy USA Inc. in December 2001, whereby its operations in the East Coast and West Coast were integrated into one.

## 7 Compensation for traffic accident

In 2002, three death lawsuits and several injury claims were filed against Vitasoy USA Inc. in relation to a traffic accident occurred in 2000. At 31st March, 2003, the Group had established a provision of \$2,342,000 for three unsettled injury claims, representing a provision of \$781,000 made during the year ended 31st March, 2003 and a provision of \$1,561,000 brought forward from 2002.

During the year, two of the three injury claims were settled and the provision for claims amounting to \$101,000 was utilised. An overprovision for these two injury claims of \$1,464,000 was written back to the income statement accordingly. At 31st March, 2004, a provision of \$777,000 was maintained for the remaining injury claim.

## 8 Profit on disposal of an associate

The equity interest in an associate was sold in August 2002 for a consideration of \$14,000,000, giving rise to a gain on disposal of \$2,484,000 recognised during the year ended 31st March, 2003.

## 6 重組成本

該款項是關於重組本公司其中一家附屬公司 Vitasoy USA Inc. 於截至二零零三年三月三十一日止年度支出之額外遣散費。本集團於二零零一年十二月將該公司東岸及西岸之業務合二為一。

## 7 交通意外之賠償金

於二零零二年，Vitasoy USA Inc. 面對三宗死亡訴訟及多宗受傷索償，上述索償與於二零零零年發生之一宗交通意外有關。於二零零三年三月三十一日，本集團已就三宗未繳清索償提出2,342,000元撥備，包括於截至二零零三年三月三十一日止年度作出的撥備781,000元，以及自二零零二年結轉的撥備1,561,000元。

年內，三宗受傷索償中其中兩宗已和解繳付，索償撥備中有101,000元已予動用，而該兩宗受傷索償之超額撥備1,464,000元已相應地撥回損益報表內。於二零零四年三月三十一日，就餘下一項索償之撥備數額為777,000元。

## 8 出售聯營公司之溢利

本集團於聯營公司所持股本權益已於二零零二年八月以14,000,000元代價出售，從中錄得溢利2,484,000元，並於截至二零零三年三月三十一日止年度確認入賬。

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 9 Income tax in the consolidated income statement

#### 9 綜合損益報表之所得稅

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

##### (a) 綜合損益報表內之所得稅代表：

		2004	2003
		\$'000 千元	\$'000 千元
<b>Current tax – Provision for Hong Kong Profits Tax</b>	<b>本期稅項－香港利得稅撥備</b>		
Tax for the year	年內稅項	<b>36,943</b>	36,178
(Over)-provision in respect of prior years	以往年度之超額撥備	<b>(1,432)</b>	(6,244)
		<b>35,511</b>	29,934
<b>Current tax – Overseas</b>	<b>本期稅項－海外</b>		
Tax for the year	年內稅項	<b>1,130</b>	1,786
Under-provision in respect of prior years	以往年度之撥備不足	<b>40</b>	93
		<b>1,170</b>	1,879
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences	源自及撥回暫時差異	<b>(1,662)</b>	(4,395)
Effect of increase in tax rate in March 2003 on deferred tax balances	於二零零三年三月因稅率上升對遞延稅項之影響	–	364
		<b>(1,662)</b>	(4,031)
Share of associate's taxation	應佔聯營公司稅項	–	(22)
		<b>35,019</b>	27,760

In March 2003, the Hong Kong Government announced an increase in the Profits Tax rate applicable to the Group's operation in Hong Kong from 16% to 17.5%. Accordingly, the provision for Hong Kong Profits Tax for 2004 is calculated at 17.5% (2003: 16%) of the estimated assessable profits for the year. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

於二零零三年三月，香港政府宣佈將適用於本集團香港業務的利得稅率由16%增加至17.5%。本集團二零零四年之香港利得稅撥備是按該年度之估計應課稅溢利以17.5%（二零零三年：16%）之稅率計算。海外附屬公司之稅項則按相關國家適用之現行稅率計算。

9 Income tax in the consolidated income statement (continued)

9 綜合損益報表之所得稅(續)

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

(b) 稅項支出與會計溢利以適用稅率計算之對賬：

		2004	2003
		\$'000 千元	\$'000 千元
Profit from ordinary activities before taxation	來自正常業務之 除稅前溢利	145,527	165,952
Notional tax on profit from ordinary activities before taxation, calculated at the rates applicable to profits in the countries concerned	按有關國家適用的 利得稅稅率之 除稅前溢利 估算之稅項	15,706	16,185
Tax effect of non-deductible expenses	不可扣減支出之稅務影響	2,534	3,933
Tax effect of non-taxable revenue	非課稅收入之稅務影響	(4,881)	(5,325)
Tax effect of unused tax losses not recognised	未確認稅務虧損 之稅務影響	23,052	18,754
Effect on deferred tax balances resulting from an increase in tax rate in March 2003	於二零零三年三月 因稅率上升對遞延稅項 結餘之影響	-	364
(Over)-provision in prior years	以往年度稅項超額撥備	(1,392)	(6,151)
Actual tax expense	實際稅項支出	35,019	27,760



## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 10 Directors' remuneration

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

#### 10 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		2004 \$'000 千元	2003 \$'000 千元
Fees	袍金	1,277	1,278
Other emoluments	其他酬金		
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪金、房屋津貼、其他津貼及實物福利	11,551	9,605
Contributions to retirement plans	退休計劃供款		
– initial contributions	– 首期供款	–	3,050
– normal contributions	– 每月供款	526	497
Performance related and discretionary bonuses	按表現發放及酌情發放之花紅	4,357	3,978
		<b>17,711</b>	<b>18,408</b>

Included in the Directors' remuneration are fees of \$551,000 (2003: \$542,000) paid to the Independent Non-executive Directors during the year.

In addition to the above emoluments, certain Directors were granted share options under the Company's share option scheme. In the absence of a ready market for the options granted, the Directors are unable to arrive at a reliable assessment of the value of the options granted to the respective Directors until the date they are exercised.

Included in basic salaries, housing allowances, other allowances and benefits in kind are realised gains on exercise of share options amounting to \$2,982,000 (2003: \$940,000).

Details of the share options granted to the Directors are disclosed under the paragraph "Share option schemes" in the Report of the Directors and note 26.

董事酬金包括本年度內支付予獨立非執行董事之袍金551,000元(二零零三年：542,000元)。

除上述酬金外，若干董事根據本公司之購股權計劃獲授購股權。由於所授出之購股權並無現成之市場，因此直至購股權獲行使之日期前，董事無法可靠地評估授予個別董事之購股權之價值。

基本薪金、房屋津貼、其他津貼及實物福利包括行使購股權而變現之收益2,982,000元(二零零三年：940,000元)。

授予董事之購股權詳情載於董事會報告書內「購股權計劃」一段及附註26。

## 10 Directors' remuneration (continued)

The Directors' remuneration is within the following bands:

		2004 Number 人數	2003 Number 人數
\$0 to \$1,000,000	0元至1,000,000元	6	6
\$1,500,001 to \$2,000,000	1,500,001元至2,000,000元	–	–
\$2,500,001 to \$3,000,000	2,500,001元至3,000,000元	1	2
\$3,000,001 to \$3,500,000	3,000,001元至3,500,000元	2	–
\$5,000,001 to \$5,500,000	5,000,001元至5,500,000元	–	1
\$6,500,001 to \$7,000,000	6,500,001元至7,000,000元	–	1
\$7,500,001 to \$8,000,000	7,500,001元至8,000,000元	1	–

## 10 董事酬金 (續)

董事酬金介乎以下組別：

## 11 Individuals with highest emoluments

Of the five individuals with the highest emoluments, three (2003: four) are Directors whose emoluments are disclosed in note 10. The aggregate of the emoluments in respect of the five individuals with the highest emoluments (including the Directors) is as follows:

		2004 \$'000 千元	2003 \$'000 千元
Fees	袍金	321	397
Other emoluments	其他酬金		
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪金、房屋津貼、其他津貼及實物福利	14,634	11,743
Contributions to retirement plans	退休計劃供款		
– initial contributions	– 首期供款	–	3,444
– normal contributions	– 每月供款	534	566
Performance related and discretionary bonuses	按表現發放及酌情發放之花紅	4,745	4,254
		<b>20,234</b>	<b>20,404</b>

## 11 最高酬金人士

在五名最高酬金人士中，三名(二零零三年：四名)為董事，彼等之酬金於附註10中披露。該五名最高酬金人士(包括董事)之酬金總額如下：

Included in basic salaries, housing allowances, other allowances and benefits in kind are realised gains on exercise of share options amounting to \$3,483,000 (2003: \$1,263,000).

基本薪金、房屋津貼、其他津貼及實物福利包括行使購股權而變現之收益3,483,000元(二零零三年：1,263,000元)。

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 11 Individuals with highest emoluments (continued)

The emoluments of the five (2003: five) individuals with the highest emoluments are within the following bands:

		2004 Number 人數	2003 Number 人數
\$2,500,001 to \$3,000,000	2,500,001元至3,000,000元	1	3
\$3,000,001 to \$3,500,000	3,000,001元至3,500,000元	3	–
\$5,000,001 to \$5,500,000	5,000,001元至5,500,000元	–	1
\$6,500,001 to \$7,000,000	6,500,001元至7,000,000元	–	1
\$7,500,001 to \$8,000,000	7,500,001元至8,000,000元	1	–

#### 11 最高酬金人士 (續)

五名(二零零三年：五名)最高酬金人士之酬金介乎以下組別：

#### 12 Profit attributable to shareholders

The consolidated profit attributable to shareholders includes a profit of \$107,591,000 (2003: \$110,828,000) 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:

		2004 \$'000 千元	2003 \$'000 千元
Amount of consolidated profit attributable to shareholders dealt with in the Company's financial statements	已列入本公司財務報表之股東應佔綜合溢利	107,591	110,828
Dividends from subsidiaries attributable to the profits of the previous year	附屬公司上一個財政年度溢利之股息	7,809	–
Company's profit for the year (note 29(b))	本公司之本年度溢利(附註29(b))	115,400	110,828

#### 12 股東應佔溢利

股東應佔綜合溢利包括已列入本公司財務報表中之溢利107,591,000元(二零零三年：110,828,000元)。

上述金額與本公司本年度溢利之對賬：

## 13 Dividends

## 13 股息

### (a) Dividends attributable to the year

### (a) 本年度股息

		2004 \$'000 千元	2003 \$'000 千元
Interim dividend declared and paid of 2.8 cents per share (2003: 2.8 cents per share) (note 29)	已宣派及已支付中期股息 每股2.8仙(二零零三年： 每股2.8仙)(附註29)	27,581	27,275
Final dividend proposed after the balance sheet date of 5.7 cents per share (2003: 5.7 cents per share)	於結算日後擬派末期股息 每股5.7仙(二零零三年： 每股5.7仙)	56,369	56,100
Special dividend proposed after the balance sheet date of 5.0 cents per share (2003: 5.0 cents per share)	於結算日後擬派特別股息 每股5.0仙(二零零三年： 每股5.0仙)	49,447	49,211
		<b>133,397</b>	132,586

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 attributable to the previous year, approved and paid during the year

### (b) 於本年度批准及支付之上年度股息

		2004 \$'000 千元	2003 \$'000 千元
Final dividend in respect of the previous year, approved and paid during the year, of 5.7 cents per share (2003: 5.1 cents per share) (note 29)	於本年度批准及 支付之上年度 末期股息 每股5.7仙 (二零零三年：每股5.1仙) (附註29)	56,100	49,679
Special dividend in respect of the previous year, approved and paid during the year, of 5.0 cents per share (2003: Nil cents per share) (note 29)	於本年度批准及 支付之上年度 特別股息 每股5.0仙 (二零零三年：每股零仙) (附註29)	49,211	-
		<b>105,311</b>	49,679

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 14 Earnings per share

##### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders of \$116,025,000 (2003: \$139,378,000) and the weighted average number of 983,839,000 ordinary shares (2003: 974,236,000 ordinary shares) in issue during the year.

##### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to shareholders of \$116,025,000 (2003: \$139,378,000) and the weighted average number of 991,510,000 ordinary shares (2003: 980,266,000 ordinary shares) after adjusting for the effects of all dilutive potential ordinary shares.

##### (c) Reconciliation

#### 14 每股盈利

##### (a) 每股基本盈利

每股基本盈利乃根據股東應佔溢利 116,025,000元(二零零三年：139,378,000元)及本年度內已發行普通股之加權平均股數983,839,000股(二零零三年：974,236,000股普通股)計算。

##### (b) 每股攤薄盈利

每股攤薄盈利乃根據股東應佔溢利 116,025,000元(二零零三年：139,378,000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991,510,000股(二零零三年：980,266,000股普通股)計算。

##### (c) 對賬

		2004 Number of shares 股數 '000 千股	2003 Number of shares 股數 '000 千股
Weighted average number of ordinary shares used in calculating basic earnings per share	用以計算每股基本盈利之普通股加權平均股數	983,839	974,236
Deemed issue of ordinary shares for no consideration arising from share options	假設因購股權以不收取代價方式發行之普通股	7,671	6,030
Weighted average number of ordinary shares used in calculating diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均股數	991,510	980,266

## 15 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.

## 15 分部報告

分部資料乃就本集團之地區分部呈報。按資產所在地區分部呈報之資料可配合本集團之內部管理資料申報系統，故此選擇按資產所在地區分部呈報資料。

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，故無提呈業務分列之資料。

		Hong Kong 香港		North America 北美洲		Mainland China 中國大陸		Australia and 澳洲及 New Zealand 新西蘭		Unallocated 未分配之項目		Consolidated 綜合	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Revenue from external customers	來自外界顧客之收入	1,219,888	1,198,715	441,602	466,123	499,299	486,617	108,633	76,772	-	-	2,269,422	2,228,227
Other revenue	其他收入	6,646	7,497	248	-	6,290	320	-	1,992	6,824	7,375	20,008	17,184
<b>Total revenue</b>	<b>總收入</b>	<b>1,226,534</b>	<b>1,206,212</b>	<b>441,850</b>	<b>466,123</b>	<b>505,589</b>	<b>486,937</b>	<b>108,633</b>	<b>78,764</b>	<b>6,824</b>	<b>7,375</b>	<b>2,289,430</b>	<b>2,245,411</b>
Segment result	分部業績	186,974	189,282	(44,305)	(35,401)	45,871	56,081	495	591			189,035	210,553
Unallocated operating income and expenses	未分配經營收入及費用											(36,551)	(35,201)
<b>Profit from operations</b>	<b>經營溢利</b>											<b>152,484</b>	<b>175,352</b>
Finance costs	融資成本											(8,421)	(9,617)
Restructuring cost	重組成本	-	-	-	(1,213)	-	-	-	-	-	-	-	(1,213)
Compensation for traffic accident	交通意外之賠償金	-	-	1,464	(781)	-	-	-	-	-	-	1,464	(781)
Profit on disposal of an associate	出售聯營公司之溢利	-	2,484	-	-	-	-	-	-	-	-	-	2,484
Share of loss of an associate	應佔聯營公司之虧損	-	(273)	-	-	-	-	-	-	-	-	-	(273)
Income tax	所得稅											(35,019)	(27,760)
Minority interests	少數股東權益											5,517	1,186
<b>Profit attributable to shareholders</b>	<b>股東應佔溢利</b>											<b>116,025</b>	<b>139,378</b>
Depreciation for the year	本年度折舊	50,735	50,469	21,018	21,208	30,036	30,631	10,375	8,289			112,164	110,597
Segment assets	分部資產	623,648	610,431	274,637	297,454	348,504	367,139	175,041	146,205			1,421,830	1,421,229
Unallocated assets	未分配之資產											378,787	373,128
<b>Total assets</b>	<b>總資產</b>											<b>1,800,617</b>	<b>1,794,357</b>
Segment liabilities	分部負債	136,087	132,263	55,630	55,454	91,897	98,001	11,417	9,206			295,031	294,924
Unallocated liabilities	未分配之負債											214,266	208,422
<b>Total liabilities</b>	<b>總負債</b>											<b>509,297</b>	<b>503,346</b>
Capital expenditure incurred during the year	本年度產生之資本支出	35,213	23,542	10,802	18,422	19,930	4,098	527	1,364			66,472	47,426



## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 15 Segment reporting (continued)

#### 15 分部報告 (續)

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

以顧客所在地劃分之來自外界顧客收入如下：

		2004 \$'000 千元	2003 \$'000 千元
Hong Kong	香港	1,446,038	1,417,389
North America	北美洲	495,662	517,768
Mainland China	中國大陸	147,782	143,955
Australia and New Zealand	澳洲及新西蘭	115,495	83,495
Others	其他地區	64,445	65,620
		<b>2,269,422</b>	<b>2,228,227</b>

#### 16 Fixed assets

#### 16 固定資產

##### (a) The Group

##### (a) 本集團

		Land and buildings 土地及樓宇 \$'000 千元	Factory machinery and equipment 工廠機器及設備 \$'000 千元	Fixtures, furniture and office equipment 裝置、傢俬及辦公室設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總計 \$'000 千元
<b>Cost:</b>	<b>成本值：</b>					
At 1st April, 2003	於二零零三年四月一日	559,751	890,278	126,004	60,731	1,636,764
Exchange adjustments	匯兌調整	16,017	16,124	214	(3)	32,352
Additions	添置	1,809	46,408	14,456	3,799	66,472
Disposals	出售	(37)	(7,689)	(8,259)	(3,942)	(19,927)
At 31st March, 2004	於二零零四年三月三十一日	577,540	945,121	132,415	60,585	1,715,661
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>					
At 1st April, 2003	於二零零三年四月一日	122,622	498,976	93,564	56,149	771,311
Exchange adjustments	匯兌調整	611	3,129	212	(1)	3,951
Charge for the year	本年度折舊	19,434	77,772	12,772	2,186	112,164
Written back on disposal	出售時撥回	(33)	(6,482)	(7,877)	(3,761)	(18,153)
At 31st March, 2004	於二零零四年三月三十一日	142,634	573,395	98,671	54,573	869,273
<b>Net book value:</b>	<b>賬面淨值：</b>					
At 31st March, 2004	於二零零四年三月三十一日	434,906	371,726	33,744	6,012	846,388
At 31st March, 2003	於二零零三年三月三十一日	437,129	391,302	32,440	4,582	865,453

## 16 Fixed assets (continued)

## 16 固定資產(續)

## (b) The Company

## (b) 本公司

		Land and buildings 土地及樓宇 \$'000 千元	Factory machinery and equipment 工廠機器 及設備 \$'000 千元	Fixtures, furniture and office equipment 裝置、傢俬及 辦公室設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總計 \$'000 千元
<b>Cost:</b>	<b>成本值:</b>					
At 1st April, 2003	於二零零三年四月一日	164,471	325,327	63,800	48,321	601,919
Additions	添置	-	14,995	4,511	3,276	22,782
Disposals	出售	-	(2,284)	(4,100)	(2,079)	(8,463)
At 31st March, 2004	於二零零四年三月三十一日	164,471	338,038	64,211	49,518	616,238
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>					
At 1st April, 2003	於二零零三年四月一日	47,317	251,557	51,539	46,340	396,753
Charge for the year	本年度折舊	6,755	24,174	6,162	1,317	38,408
Written back on disposal	出售時撥回	-	(2,208)	(4,026)	(2,079)	(8,313)
At 31st March, 2004	於二零零四年三月三十一日	54,072	273,523	53,675	45,578	426,848
<b>Net book value:</b>	<b>賬面淨值:</b>					
At 31st March, 2004	於二零零四年三月三十一日	110,399	64,515	10,536	3,940	189,390
At 31st March, 2003	於二零零三年三月三十一日	117,154	73,770	12,261	1,981	205,166

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 16 Fixed assets (continued)

#### 16 固定資產(續)

(c) The analysis of cost of land is as follows:

(c) 土地成本值之分析如下：

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
In Hong Kong	在香港				
– medium-term lease	– 中期租約	<b>185,045</b>	185,045	<b>77,014</b>	77,014
Outside Hong Kong	香港以外地區				
– freehold	– 永久業權	<b>8,762</b>	8,283	–	–
– medium-term lease	– 中期租約	<b>6,482</b>	6,483	–	–
– short-term lease	– 短期租約	<b>1,385</b>	1,385	–	–
		<b>201,674</b>	201,196	<b>77,014</b>	77,014

(d) The Group leases factory machinery and equipment under finance leases expiring from three to five years. At the end of the lease term the Group has the option to purchase the factory machinery and equipment at a price deemed to be a bargain purchase option. None of the leases includes contingent rentals. The net book value of the factory machinery and equipment held under finance leases of the Group at 31st March, 2004 was \$19,343,000 (2003: \$5,559,000).

(d) 本集團根據於三至五年內到期之融資租賃租用工廠機器及設備。於租賃期結束時，本集團有權選擇以優惠價格購買該等工廠機器及設備。融資租賃並無包括或有租金。根據本集團融資租賃持有之工廠機器及設備於二零零四年三月三十一日之賬面淨值為19,343,000元(二零零三年：5,559,000元)。

(e) The Group and the Company leases out fixed assets under operating leases. The leases run 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 leases do not include contingent rentals.

(e) 本集團及本公司以經營租賃租出固定資產。該等租賃一般初步為期三年，並且有權選擇在到期日後續約，屆時所有條款均可重新商定。各項經營租賃並無包括或有租金。

The gross carrying amount of fixed assets of the Group and the Company held for use in operating leases at 31st March, 2004 was \$22,698,000 (2003: \$22,698,000) and the related accumulated depreciation charge was \$11,240,000 (2003: \$8,698,000).

於二零零四年三月三十一日，本集團及本公司根據經營租賃持作使用之固定資產賬面總值為22,698,000元(二零零三年：22,698,000元)，有關之累計折舊額為11,240,000元(二零零三年：8,698,000元)。

## 16 Fixed assets (continued)

### (e) (continued)

The Group's and the Company's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

		The Group and the Company 本集團及本公司	
		2004 \$'000 千元	2003 \$'000 千元
Within 1 year	一年內	1,296	1,296
After 1 year but within 5 years	一年後但五年內	540	1,836
		<b>1,836</b>	<b>3,132</b>

(f) During the year, the Group acquired fixed assets with an aggregate cost of \$66,472,000 (2003: \$47,426,000) of which \$13,550,000 (2003: \$5,495,000) was acquired by means of finance leases.

## 16 固定資產 (續)

### (e) (續)

本集團及本公司根據不可撤銷之經營租賃應收之未來租賃付款總額如下：

(f) 年內本集團購入成本值合共66,472,000元(二零零三年：47,426,000元)之固定資產，其中13,550,000元(二零零三年：5,495,000元)之固定資產乃以融資租賃形式購入。

## 17 Interest in subsidiaries

		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元
Unlisted investments, at cost	非上市投資·按成本值	93,072	93,072
Amounts due from subsidiaries	附屬公司欠款	833,459	851,191
		<b>926,531</b>	<b>944,263</b>
Less: Impairment losses	減：減值虧損	(548,344)	(463,345)
		<b>378,187</b>	<b>480,918</b>

Included in amounts due from subsidiaries are balances totalling \$24,946,000 (2003: \$69,431,000) which were unsecured, interest bearing and with specified repayment terms. All the remaining balances are unsecured, interest-free and have no fixed terms of repayment. The entire balance is expected to be recovered after more than one year.

Impairment losses on interest in subsidiaries represent the write down of the carrying values of the investments to the net asset values of the subsidiaries.

## 17 附屬公司權益

附屬公司欠款包括總數24,946,000元(二零零三年：69,431,000元)之結餘，該等結餘並無抵押，須計算利息及訂明還款期。其他結餘全部均屬無抵押、免息及無固定還款期。預期全部結餘可於超過一年後收回。

附屬公司權益之減值虧損指將投資之賬面值撤減至附屬公司之資產淨值。

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 17 Interest in subsidiaries (continued)

#### 17 附屬公司權益 (續)

Details of the subsidiaries are as follows:

附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation and operation 註冊成立及 營業地點	Issued and paid-up share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Proportion of ownership interest held by the Company 本公司所持 擁有權權益比率		Principal activities 主要業務
			directly 直接 %	indirectly 間接 %	
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 歐羅22,500	–	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	US\$12,061,000 Common stock 12,061,000美元 普通股	–	100	Manufacture and sale of soy related products 生產及銷售 荳製產品
		US\$25,400,000 Convertible series A preferred stock 25,400,000美元 可換股A類優先股	–	100	
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	RMB80,000,000 人民幣80,000,000元	70	–	Manufacture and sale of beverages 生產及 銷售飲品

## 17 Interest in subsidiaries (continued)

## 17 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	Issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest held by the Company 本公司所持擁有權權益比率		Principal activities 主要業務
			directly 直接 %	indirectly 間接 %	
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	RMB191,476,367 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. (note iii) (附註iii)	Australia 澳洲	A\$8,925,000 V class shares 8,925,000澳元V股 A\$8,575,000 N class shares 8,575,000澳元N股	–	100	Manufacture and sale of beverages 生產及銷售飲品
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 經營學校食物部

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 17 Interest in subsidiaries (continued)

#### 17 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	Issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest held by the Company 本公司所持擁有權益比率		Principal activities 主要業務
			directly 直接 %	indirectly 間接 %	
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
Hong Kong Gourmet Limited 香港美食有限公司	Hong Kong 香港	\$20 20元	–	100	Provision of catering services 提供膳食服務

All of these are subsidiaries as defined under note 1(c) and have been consolidated into the Group financial statements.

此等公司全部均為附註1(c)所界定之附屬公司，並已列入本集團之財務報表綜合計算。

*Notes:*

*附註：*

- (i) Shenzhen Vitasoy (Guang Ming) Foods and Beverage Company Limited (“Shenzhen Vitasoy”) 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 interest in 51% of the equity of Vitasoy Australia Products Pty. Ltd..

- (i) 深圳維他（光明）食品飲料有限公司（「深圳維他奶」）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 Products Pty. Ltd. 51% 之股本權益。



## 18 Inventories

## 18 存貨

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Raw materials	原料	126,749	106,870	61,136	47,418
Finished goods	製成品	85,286	103,140	34,824	40,538
		<b>212,035</b>	210,010	<b>95,960</b>	87,956

Included in the inventories of the Group are raw materials of \$21,217,000 (2003: \$16,793,000) and finished goods of \$484,000 (2003: \$671,000) stated net of provisions, in order to state these inventories at the lower of their cost and estimated net realisable value.

Included in raw materials of the Company are inventories of \$4,589,000 (2003: \$2,907,000) stated net of a provision, in order to state these inventories at the lower of their cost and estimated net realisable value.

本集團之存貨包括原料21,217,000元(二零零三年: 16,793,000元)及製成品484,000元(二零零三年: 671,000元)已扣除撥備列賬,旨在按該等存貨之成本或估計可變現淨值(以兩者中之較低數額為準)入賬。

本公司之原料包括存貨4,589,000元(二零零三年: 2,907,000元)已扣除撥備列賬,旨在按該等存貨之成本或估計可變現淨值(以兩者中之較低數額為準)入賬。

## 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	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Trade debtors and bills receivable	應收賬款及應收票據	257,925	263,543	185,651	184,366
Deposits, prepayments and other debtors	按金、預付款項及其他應收款	31,777	28,979	8,032	9,684
		<b>289,702</b>	292,522	<b>193,683</b>	194,050

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 19 Trade and other receivables (continued)

The ageing analysis of trade debtors and bills receivable (net of provisions for bad and doubtful debts) is as follows:

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
By date of invoice	以發票日期計算				
0 – 3 months	零至三個月	<b>227,949</b>	230,466	<b>156,932</b>	152,830
4 – 6 months	四至六個月	<b>29,697</b>	32,794	<b>28,719</b>	31,536
Over 6 months	六個月以上	<b>279</b>	283	–	–
		<b>257,925</b>	263,543	<b>185,651</b>	184,366

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 trade debtors, credit evaluations of customers are performed periodically.

應收賬款及應收票據(已扣除呆壞賬撥備)之賬齡分析如下：

給予客戶之信貸期各有不同，一般因應個別客戶之財政狀況衡量。為有效管理應收賬款之信貸風險，本集團定期評估客戶信用。

#### 20 Amounts due from subsidiaries

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.

#### 20 附屬公司欠款

附屬公司欠款均為無抵押及免息，且無固定還款期。全部結餘可望於一年內償還。

## 21 Bank deposits and cash and cash equivalents

## 21 銀行存款與現金及現金等值項目

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cash at bank and in hand	銀行結存及庫存現金	<b>74,480</b>	51,853	<b>18,047</b>	13,995
Bank deposits maturing within 3 months	三個月內到期之 銀行存款	<b>226,144</b>	263,058	<b>216,722</b>	227,869
Cash and cash equivalents	現金及現金等值項目	<b>300,624</b>	314,911	<b>234,769</b>	241,864
Bank deposits maturing after 3 months but within 1 year	於三個月後但於一年內 到期之銀行存款	<b>56,596</b>	10,000	<b>56,173</b>	10,000
Bank deposits maturing after 1 year	於一年後到期之 銀行存款	<b>93,397</b>	100,000	<b>93,397</b>	100,000
		<b>450,617</b>	424,911	<b>384,339</b>	351,864

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 22 Bank loans

At 31st March, 2004, the Group had bank loans repayable as follows:

		The Group 本集團	
		2004	2003
		\$'000 千元	\$'000 千元
Within 1 year	一年內	161,617	157,139
After 1 year but within 2 years	一年後但兩年內	4,485	4,489
After 2 years but within 5 years	兩年後但五年內	14,576	19,080
		19,061	23,569
		180,678	180,708

#### 22 銀行貸款

於二零零四年三月三十一日，銀行貸款須於下列期限償還：

At 31st March, 2004, the bank loans were secured as follows:

		The Group 本集團	
		2004	2003
		\$'000 千元	\$'000 千元
Secured	有抵押	23,545	28,058
Unsecured	無抵押	157,133	152,650
		180,678	180,708

於二零零四年三月三十一日，銀行貸款之抵押如下：

At 31st March, 2004, bank loans totalling \$23,545,000 (2003: \$28,058,000) were secured by charges over fixed assets with net book value totalling \$46,841,000 (2003: \$50,621,000).

於二零零四年三月三十一日，總數為23,545,000元(二零零三年：28,058,000元)之銀行貸款乃以賬面淨值共46,841,000元(二零零三年：50,621,000元)之固定資產作抵押。

## 23 Trade and other payables

## 23 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Trade creditors and bills payable	應付賬款及應付票據	151,486	151,786	84,288	84,030
Accrued expenses and other payables	應計費用及其他應付款	144,767	145,419	58,848	61,131
		<b>296,253</b>	297,205	<b>143,136</b>	145,161

The ageing analysis of trade creditors and bills payable is as follows:

應付賬款及應付票據之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
By date of invoice	以發票日期計算				
0 – 3 months	零至三個月	149,627	148,427	82,527	82,685
4 – 6 months	四至六個月	446	2,186	379	172
Over 6 months	六個月以上	1,413	1,173	1,382	1,173
		<b>151,486</b>	151,786	<b>84,288</b>	84,030

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 24 Obligations under finance leases

At 31st March, 2004, the Group had obligations under finance leases repayable as follows:

#### 24 融資租賃之債務

於二零零四年三月三十一日，本集團根據融資租賃須償還之債務如下：

		2004			2003		
		Present value of the minimum lease payments	Interest expense relating to future periods	Total minimum lease payments	Present value of the minimum lease payments	Interest expense relating to future periods	Total minimum lease payments
		最低租賃付款之現值	有關未來期間之利息開支	最低租賃付款總額	最低租賃付款之現值	有關未來期間之利息開支	最低租賃付款總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Within 1 year	一年內	6,287	694	6,981	2,297	217	2,514
After 1 year but within 2 years	一年後但兩年內	3,235	423	3,658	1,760	61	1,821
After 2 years but within 5 years	兩年後但五年內	5,708	330	6,038	92	2	94
		8,943	753	9,696	1,852	63	1,915
		15,230	1,447	16,677	4,149	280	4,429

## 25 Employee retirement plans

The Group operates and participates in a number of defined contribution and defined benefit retirement plans in Hong Kong and certain overseas countries.

### (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.

Staff employed by the Group in Hong Kong not joining the above 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 its 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.

- (ii) Employees in 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 contribution under the central pension scheme.
- (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.

## 25 僱員退休計劃

本集團在香港及若干海外國家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於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公積金)。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5-7.5%。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。

受僱於本集團而並無參加上述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。

- (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。
- (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。



## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 25 Employee retirement plans (continued)

##### (a) Defined contribution retirement plans (continued)

(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 salary, subject to a cap of US\$12,000. 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) 2% of each employee's gross annual salary.

##### (b) Defined benefit retirement plans

At 31st March, 2004, the Group and the Company recognised employee retirement benefit (assets)/liabilities in respect of the following defined benefit retirement plans:

#### 25 僱員退休計劃 (續)

##### (a) 界定供款退休計劃 (續)

(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)，最高可達僱員薪酬之100%，惟以12,000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2%。

##### (b) 界定福利退休計劃

於二零零四年三月三十一日，本集團及本公司就下列界定福利退休計劃確認僱員退休福利(資產)/負債：

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Retirement gratuities	退休金				
(note (c))	(附註(c))	(510)	(1,461)	(668)	(1,567)
Long service payments	長期服務金				
(note (d))	(附註(d))	4,113	4,572	3,977	4,466
		<b>3,603</b>	3,111	<b>3,309</b>	2,899
Represented by:	代表：				
Employee retirement benefit assets	僱員退休福利資產	(510)	(1,461)	(668)	(1,567)
Employee retirement benefit liabilities	僱員退休福利負債	4,113	4,572	3,977	4,466
		<b>3,603</b>	3,111	<b>3,309</b>	2,899

## 25 Employee retirement plans (continued)

### (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, 2004 and was prepared by qualified staff of Towers Perrin, 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 137% (2003: 98%) covered by the plan assets held by the trustee.

## 25 僱員退休計劃 (續)

### (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二零零四年三月三十一日由Towers Perrin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137%(二零零三年: 98%)受信託人持有之計劃資產保障。

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 25 Employee retirement plans (continued)

##### (c) Retirement gratuities (continued)

- (i) The amounts recognised in the balance sheets are as follows:

#### 25 僱員退休計劃 (續)

##### (c) 退休金 (續)

- (i) 於資產負債表確認之金額如下：

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Present value of wholly funded obligations	全面資助責任之現值	54,248	49,632	52,919	48,609
Fair value of plan assets	計劃資產之公平價值	(74,154)	(48,466)	(72,704)	(47,612)
Net unrecognised actuarial gains/(losses)	未確認之精算收益/(虧損)淨額	19,396	(2,627)	19,117	(2,564)
Employee retirement benefit assets	僱員退休福利資產	(510)	(1,461)	(668)	(1,567)

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.

預期上述資產部份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。

## 25 Employee retirement plans (continued)

## 25 僱員退休計劃 (續)

### (c) Retirement gratuities (continued)

(ii) Movements in the net (assets)/liabilities recognised in the balance sheets are as follows:

### (c) 退休金 (續)

(ii) 已在資產負債表上確認之淨(資產)/負債變動如下：

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1st April	於四月一日	(1,461)	46,784	(1,567)	45,914
Contributions paid to the plan	向計劃供款	(2,650)	(51,158)	(2,537)	(50,274)
Benefits paid	已付福利	-	(1,184)	-	(1,184)
Expense recognised in the income statement (note 5(b))	在損益報表上確認之支銷(附註5(b))	3,601	4,097	3,436	3,977
At 31st March	於三月三十一日	(510)	(1,461)	(668)	(1,567)

(iii) Expense recognised in the consolidated income statement is as follows:

(iii) 在綜合損益報表上確認之支銷如下：

		2004	2003
		\$'000 千元	\$'000 千元
Current service cost	現有服務成本	3,602	3,001
Interest cost	利息成本	1,936	2,415
Expected return on plan assets	計劃資產之預計回報	(1,946)	(1,189)
Net actuarial losses/(gains) recognised	已確認精算虧損/(收益)淨額	9	(130)
		3,601	4,097

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 25 Employee retirement plans (continued)

##### (c) Retirement gratuities (continued)

(iii) (continued)

The above expense is included in the following line items in the consolidated income statement:

		2004	2003
		\$'000 千元	\$'000 千元
Cost of sales	銷售成本	873	994
Marketing, selling and distribution expenses	推廣、銷售及分銷費用	872	993
Administrative expenses	行政費用	1,276	1,433
Other operating expenses	其他經營費用	580	677
		<b>3,601</b>	4,097
Actual return on plan assets – gain/(loss)	計劃資產之實際回報 – 收益/(虧損)	<b>27,047</b>	(1,663)

(iv) The principal actuarial assumptions used as at 31st March, 2004 are as follows:

(iv) 於二零零四年三月三十一日所採用之主要精算假設如下：

		The Group and the Company 本集團及本公司	
		2004	2003
Discount rate at 31st March	於三月三十一日之折讓率	3.5%	4%
Expected rate of return on plan assets	計劃資產之預計回報率	4.5%	4%
Future salary increases	未來薪酬增幅	2.5%	2.5%

## 25 Employee retirement plans (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, 2004, by qualified staff of Towers Perrin, 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:

	The Group 本集團		The Company 本公司	
	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Present value of unfunded obligations 無資助責任之現值	2,137	5,138	1,780	4,895
Net unrecognised actuarial gains/(losses) 未確認精算收益/(虧損)淨額	1,976	(566)	2,197	(429)
	<b>4,113</b>	4,572	<b>3,977</b>	4,466

## 25 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。

長期服務金亦於二零零四年三月三十一日由Towers Perrin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：

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 25 Employee retirement plans (continued)

##### (d) Long service payments (continued)

(ii) Movements in the net liabilities recognised in the balance sheets are as follows:

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1st April	於四月一日	<b>4,572</b>	4,408	<b>4,466</b>	4,390
Expense recognised in the income statement (note 5(b))	在損益報表上確認之支銷 (附註5(b))	<b>239</b>	219	<b>209</b>	131
Benefits paid	已付福利	<b>(698)</b>	(55)	<b>(698)</b>	(55)
At 31st March	於三月三十一日	<b>4,113</b>	4,572	<b>3,977</b>	4,466

#### 25 僱員退休計劃 (續)

##### (d) 長期服務金 (續)

(ii) 於資產負債表確認之淨負債變動如下：

(iii) Expense recognised in the consolidated income statement is as follows:

		2004	2003
		\$'000 千元	\$'000 千元
Current service cost	現有服務成本	<b>17</b>	28
Interest cost	利息成本	<b>203</b>	222
Net actuarial losses/(gains) recognised	已確認精算虧損/(收益)淨額	<b>19</b>	(31)
		<b>239</b>	219

(iii) 在綜合損益報表上確認之支銷如下：



## 25 Employee retirement plans (continued)

### (d) Long service payments (continued)

(iii) (continued)

The above expense is included in the following line items in the consolidated income statement:

		2004	2003
		\$'000 千元	\$'000 千元
Cost of sales	銷售成本	53	33
Marketing, selling and distribution expenses	推廣、銷售及分銷費用	83	33
Administrative expenses	行政費用	66	131
Other operating expenses	其他經營費用	37	22
		<b>239</b>	219

(iv) The principal actuarial assumptions used as at 31st March, 2004 are as follows:

		The Group and the Company 本集團及本公司	
		2004	2003
Discount rate at 31st March	於三月三十一日之折讓率	3.5%	4%
Future salary increases	未來薪酬增幅	2.5%	2.5%

## 25 僱員退休計劃 (續)

### (d) 長期服務金 (續)

(iii) (續)

上述支銷列入綜合損益報表中之如下項目：

(iv) 於二零零四年三月三十一日所採用之主要精算假設如下：

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 26 Equity compensation benefits

The Company adopted a share option scheme on 9th March, 1994 (the “Old Share Option Scheme”) 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 options was determined by the Directors of the Company and was the higher of (i) the nominal amount of the shares and (ii) an amount not less than 80% of the average of the closing prices of the shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the five business days immediately preceding the date of offer.

On 4th September, 2002, the Company terminated the Old Share Option Scheme and adopted a new share option scheme (the “New Share Option Scheme”) for a period of 10 years commencing from that date. Under the terms of this scheme, 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 date of grant; (ii) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal amount of the share.

No further options will be granted under the Old Share Option Scheme upon its termination and all outstanding options granted thereunder shall continue to be valid and exercisable in accordance with the terms of the Old Share Option Scheme.

Under the Old Share Option Scheme and the New Share Option Scheme, 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.

#### 26 股本補償福利

本公司於一九九四年三月九日採納一項購股權計劃(「舊購股權計劃」)；據此，本公司之董事會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之董事釐定及須為以下兩者中之較高者：(i)股份之面值及(ii)不少於股份於要約認購購股權日期前五個營業日在香港聯合交易所有限公司(「聯交所」)之平均收市價之80%。

於二零零二年九月四日，本公司終止舊購股權計劃，並採納一項新購股權計劃(「新購股權計劃」)，有效期為10年，由採納當日起計。根據該計劃之條款，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。

本公司將於終止舊購股權計劃後不再根據該計劃授予任何購股權，而所有根據該計劃所授出之未行使購股權仍維持有效，並可根據舊購股權計劃之條款行使。

根據舊購股權計劃及新購股權計劃，購股權毋須先行持有一段最短期間方可行使，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股份。

26 Equity compensation benefits (continued)

26 股本補償福利(續)

(a) Movements in share options

(a) 購股權之變動

		2004 Number 數目 '000 以千計	2003 Number 數目 '000 以千計
At 1st April	於四月一日	23,609	31,848
Granted during the year	於年內授出	13,954	-
Exercised during the year (note 28)	於年內行使(附註28)	(8,784)	(4,448)
Lapsed on expiry of exercise period	於行使期屆滿時失效	(134)	-
Forfeited on grantees ceasing employment with the Group	於承授人不再受聘於本集團時沒收	(273)	(3,791)
At 31st March	於三月三十一日	28,372	23,609
Options vested at 31st March	於三月三十一日生效之購股權	14,418	23,609

(b) Terms of unexpired and unexercised share options at balance sheet date

(b) 於資產負債表結算日之未屆滿及未行使購股權之詳情

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價	2004 Number 數目 '000 以千計	2003 Number 數目 '000 以千計
28/6/1998	1/8/1998 to 31/7/2003	\$1.104	-	5,946
4/7/2000	7/9/2000 to 31/8/2005	\$1.193	14,418	17,663
1/4/2003	1/4/2004 to 31/3/2013	\$1.688	13,954	-
			28,372	23,609

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 26 Equity compensation benefits (continued)

#### 26 股本補償福利(續)

##### (c) Details of share options granted during the year

##### (c) 年內授出購股權之詳情

Exercise period 行使期	Exercise price 行使價	2004 Number 數目 '000 以千計	2003 Number 數目 '000 以千計
1/4/2004 to 31/3/2013	\$1.688	13,954	-

##### (d) Details of share options exercised during the year ended 31st March, 2004

##### (d) 於截至二零零四年三月三十一日止年度行使購股權之詳情

Exercise dates 行使日期	Exercise price 行使價	Weighted average closing market price per share 每股加權平均收市價	Proceeds received 所得款項 \$'000 千元	Number 數目 '000 以千計
1/4/2003 to 6/6/2003	\$1.104	\$1.663	6,416	5,812
5/5/2003 to 4/3/2004	\$1.193	\$1.686	3,545	2,972
			9,961	8,784

##### Details of share options exercised during the year ended 31st March, 2003

##### 於截至二零零三年三月三十一日止年度行使購股權之詳情

Exercise dates 行使日期	Exercise price 行使價	Weighted average closing market price per share 每股加權平均收市價	Proceeds received 所得款項 \$'000 千元	Number 數目 '000 以千計
23/4/2002 to 18/3/2003	\$1.104	\$1.641	3,487	3,158
3/5/2002 to 7/3/2003	\$1.193	\$1.480	1,539	1,290
			5,026	4,448

## 26 Equity compensation benefits (continued)

## 26 股本補償福利(續)

### (e) Details of share options lapsed or forfeited during the year

### (e) 於年內失效或被沒收之購股權詳情

Exercise period 行使期	Exercise price 行使價	2004	2003
		Number 數目 '000 以千計	Number 數目 '000 以千計
1/8/1998 to 31/7/2003	\$1.104	134	1,189
7/9/2000 to 31/8/2005	\$1.193	273	2,602
		407	3,791

### (f) Share options granted subsequent to the balance sheet date

### (f) 於結算日後授出之購股權

On 1st April, 2004, 8,556,000 share options were granted to eligible participants under the New Share Option Scheme, with exercise period from 1st April, 2005 to 31st March, 2014 and exercise price of \$1.904.

於二零零四年四月一日，合資格參與者根據新購股權計劃獲授予可認購8,556,000股股份之購股權，行使期由二零零五年四月一日至二零一四年三月三十一日，行使價為1.904元。

## 27 Income tax in the balance sheet

## 27 資產負債表之所得稅

### (a) Income tax in the balance sheets represents:

### (a) 資產負債表之所得稅代表：

	The Group 本集團		The Company 本公司	
	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Provision for Hong Kong Profits Tax for the year 本年度香港利得稅撥備	36,943	36,178	34,798	33,656
Provisional profits tax paid 已繳付之預繳利得稅	(29,089)	(25,286)	(26,742)	(22,816)
	7,854	10,892	8,056	10,840
Overseas taxation 海外稅項	1,219	1,573	-	-
	9,073	12,465	8,056	10,840

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 27 Income tax in the balance sheet (continued)

##### (b) Deferred tax assets and liabilities recognised:

###### (i) The Group

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

#### 27 資產負債表之所得稅 (續)

##### (b) 已確認遞延稅項資產及負債：

###### (i) 本集團

於綜合資產負債表確認之遞延稅項(資產)/負債及年內之變動如下：

Deferred tax arising from:	來自各項之遞延稅項：	Depreciation allowances	Future	General	Employee	Total
		in excess of related depreciation	benefit of tax losses	provisions	retirement benefits	
		超出有關折舊之折舊免稅額	稅務虧損之未來利潤	一般撥備	僱員退休福利	總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1st April, 2002	二零零二年四月一日	17,597	-	(7,877)	(1,442)	8,278
Charged/(credited) to consolidated income statement	於綜合損益報表扣除/ (計入)	8,035	(4,044)	(2,729)	(5,293)	(4,031)
At 31st March, 2003	二零零三年三月三十一日	25,632	(4,044)	(10,606)	(6,735)	4,247
At 1st April, 2003	二零零三年四月一日	25,632	(4,044)	(10,606)	(6,735)	4,247
Charged/(credited) to consolidated income statement	於綜合損益報表扣除/ (計入)	2,162	(6,275)	1,102	1,349	(1,662)
At 31st March, 2004	二零零四年三月三十一日	27,794	(10,319)	(9,504)	(5,386)	2,585

## 27 Income tax in the balance sheet (continued)

### (b) Deferred tax assets and liabilities recognised: (continued)

#### (ii) The Company

The components of deferred tax (assets)/liabilities recognised in the Company's balance sheet and the movements during the year are as follows:

<i>Deferred tax arising from:</i>	來自各項之遞延稅項：	Depreciation allowances in excess of related depreciation 超出有關折舊之折舊免稅額 \$'000 千元	General provisions 一般撥備 \$'000 千元	Employee retirement benefits 僱員退休福利 \$'000 千元	Total 總計 \$'000 千元
At 1st April, 2002	二零零二年四月一日	12,305	(2,585)	(1,442)	8,278
Charged/(credited) to income statement	於損益報表扣除/(計入)	1,336	(74)	(5,293)	(4,031)
At 31st March, 2003	二零零三年三月三十一日	13,641	(2,659)	(6,735)	4,247
At 1st April, 2003	二零零三年四月一日	13,641	(2,659)	(6,735)	4,247
Charged/(credited) to income statement	於損益報表扣除/(計入)	(2,457)	675	1,485	(297)
At 31st March, 2004	二零零四年三月三十一日	11,184	(1,984)	(5,250)	3,950

## 27 資產負債表之所得稅(續)

### (b) 已確認遞延稅項資產及負債：(續)

#### (ii) 本公司

於本公司資產負債表確認之遞延稅項(資產)/負債及年內之變動如下：

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'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	(1,365)	—	—	—
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	3,950	4,247	3,950	4,247
		2,585	4,247	3,950	4,247



## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 27 Income tax in the balance sheet (continued)

##### (c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets of \$139,807,000 (2003: \$120,529,000) in respect of tax losses of \$443,885,000 (2003: \$388,347,000).

Included in unrecognised tax losses, an amount of \$108,933,000 (2003: \$114,903,000) will expire in five years while the remaining balance of \$334,952,000 (2003: \$273,444,000) does not expire under current tax legislation.

#### 27 資產負債表之所得稅 (續)

##### (c) 未確認之遞延稅項資產

於本集團並無確認有關於稅務虧損 443,885,000元(二零零三年：388,347,000元)之遞延稅項資產 139,807,000元(二零零三年：120,529,000元)。

根據現行稅例，上述未確認稅務虧損中有 108,933,000元(二零零三年：114,903,000元)將於五年內屆滿，其餘 334,952,000元(二零零三年：273,444,000元)稅務虧損不會逾期屆滿。

#### 28 Share capital

#### 28 股本

		2004		2003	
		Number of shares 股數 '000 千股	Amount 金額 \$'000 千元	Number of shares 股數 '000 千股	Amount 金額 \$'000 千元
<b>Authorised:</b>	<b>法定股本：</b>				
Ordinary shares of \$0.25 each	每股面值0.25元之普通股	<b>3,200,000</b>	<b>800,000</b>	3,200,000	800,000
<b>Issued and fully paid:</b>	<b>已發行及已繳足股本：</b>				
At 1st April	於四月一日	<b>977,044</b>	<b>244,261</b>	972,596	243,148
Shares issued on exercise of share options (note 26(a))	因購股權獲行使而發行之股份(附註26(a))	<b>8,784</b>	<b>2,196</b>	4,448	1,113
At 31st March	於三月三十一日	<b>985,828</b>	<b>246,457</b>	977,044	244,261

During the year, options were exercised to subscribe for 8,784,000 ordinary shares in the Company (2003: 4,448,000 ordinary shares). The net consideration was \$9,955,000 (2003: \$5,022,000) of which \$2,196,000 (2003: \$1,113,000) was credited to share capital and the balance of \$7,759,000 (2003: \$3,909,000) was credited to the share premium account (note 29).

年內可認購本公司普通股8,784,000股(二零零三年：4,448,000股普通股)之購股權獲行使。所得代價淨額為9,955,000元(二零零三年：5,022,000元)，其中2,196,000元(二零零三年：1,113,000元)已撥入股本，其餘7,759,000元(二零零三年：3,909,000元)則撥入股份溢價賬(附註29)。

## 29 Reserves

## 29 儲備

## (a) The Group

## (a) 本集團

		Share premium	Capital reserve	Capital redemption reserve	Legal reserve	General reserve	Exchange reserve	Retained profits	Total
		股份溢價	資本儲備	贖回儲備	法定儲備	一般儲備	匯兌儲備	保留溢利	合計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1st April, 2002	於二零零二年四月一日	267,574	104,175	1,101	5,408	2,261	(32,277)	589,314	937,556
Transfer from capital reserve to retained profits	自資本儲備轉撥至保留溢利	-	(4,087)	-	-	-	-	4,087	-
Premium on shares issued on exercise of share options (note 28)	就行使購股權而發行股份所產生之溢價(附註28)	3,909	-	-	-	-	-	-	3,909
Exchange differences on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表所產生之匯兌差額	-	-	-	-	-	594	-	594
Final dividend approved in respect of the previous year (note 13(b))	就上年度批准之末期股息(附註13(b))	-	-	-	-	-	-	(49,679)	(49,679)
Interim dividend declared in respect of the current year (note 13(a))	就本年度宣派之中期股息(附註13(a))	-	-	-	-	-	-	(27,275)	(27,275)
Profit for the year	本年度溢利	-	-	-	-	-	-	139,378	139,378
At 31st March, 2003	於二零零三年三月三十一日	271,483	100,088	1,101	5,408	2,261	(31,683)	655,825	1,004,483
At 1st April, 2003	於二零零三年四月一日	271,483	100,088	1,101	5,408	2,261	(31,683)	655,825	1,004,483
Transfer from retained profits to legal reserve	自保留溢利轉撥至法定儲備	-	-	-	777	-	-	(777)	-
Transfer from capital reserve to retained profits	自資本儲備轉撥至保留溢利	-	(4,087)	-	-	-	-	4,087	-
Premium on shares issued on exercise of share options (note 28)	就行使購股權而發行股份所產生之溢價(附註28)	7,759	-	-	-	-	-	-	7,759
Exchange differences on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表所產生之匯兌差額	-	-	-	-	-	4,708	-	4,708
Final dividend approved in respect of the previous year (note 13(b))	就上年度批准之末期股息(附註13(b))	-	-	-	-	-	-	(56,100)	(56,100)
Special dividend approved in respect of the previous year (note 13(b))	就上年度批准之特別股息(附註13(b))	-	-	-	-	-	-	(49,211)	(49,211)
Interim dividend declared in respect of the current year (note 13(a))	就本年度宣派之中期股息(附註13(a))	-	-	-	-	-	-	(27,581)	(27,581)
Profit for the year	本年度溢利	-	-	-	-	-	-	116,025	116,025
At 31st March, 2004	於二零零四年三月三十一日	279,242	96,001	1,101	6,185	2,261	(26,975)	642,268	1,000,083

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 29 Reserves (continued)

#### 29 儲備 (續)

##### (b) The Company

##### (b) 本公司

		Share premium 股份溢價 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Capital redemption reserve 資本贖回儲備 \$'000 千元	General reserve 一般儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 合計 \$'000 千元
At 1st April, 2002	於二零零二年四月一日	267,574	104,175	1,101	2,261	603,353	978,464
Transfer from capital reserve to retained profits	自資本儲備 轉撥至 保留溢利	-	(4,087)	-	-	4,087	-
Premium on shares issued on exercise of share options (note 28)	就行使購股權 而發行股份 所產生之溢價 (附註 28)	3,909	-	-	-	-	3,909
Final dividend approved in respect of the previous year (note 13(b))	就上年度 批准之 末期 股息 (附註 13(b))	-	-	-	-	(49,679)	(49,679)
Interim dividend declared in respect of the current year (note 13(a))	就本年度 宣派之 中期 股息 (附註 13(a))	-	-	-	-	(27,275)	(27,275)
Profit for the year (note 12)	本年度溢利 (附註 12)	-	-	-	-	110,828	110,828
At 31st March, 2003	於二零零三年 三月三十一日	271,483	100,088	1,101	2,261	641,314	1,016,247

## 29 Reserves (continued)

## 29 儲備 (續)

## (b) The Company (continued)

## (b) 本公司 (續)

		Share premium 股份溢價 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Capital redemption reserve 資本贖回儲備 \$'000 千元	General reserve 一般儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 合計 \$'000 千元
At 1st April, 2003	於二零零三年四月一日	271,483	100,088	1,101	2,261	641,314	1,016,247
Transfer from capital reserve to retained profits	自資本儲備 轉撥至 保留溢利	-	(4,087)	-	-	4,087	-
Premium on shares issued on exercise of share options (note 28)	就行使購股權 而發行股份 所產生之溢價 (附註28)	7,759	-	-	-	-	7,759
Final dividend approved in respect of the previous year (note 13(b))	就上年度 批准之 末期 股息 (附註13(b))	-	-	-	-	(56,100)	(56,100)
Special dividend approved in respect of the previous year (note 13(b))	就上年度 批准之 特別 股息 (附註13(b))	-	-	-	-	(49,211)	(49,211)
Interim dividend declared in respect of the current year (note 13(a))	就本年度 宣派之 中期 股息 (附註13(a))	-	-	-	-	(27,581)	(27,581)
Profit for the year (note 12)	本年度溢利 (附註12)	-	-	-	-	115,400	115,400
At 31st March, 2004	於二零零四年 三月三十一日	279,242	96,001	1,101	2,261	627,909	1,006,514

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 29 Reserves (continued)

- (c) (i) 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) 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 (2003: \$4,087,000) is transferred from capital reserve to retained profits.
- (iii) The legal reserve has been set up by Shenzhen Vitasoy and Vitasoja (Macau) Limitada in accordance with regulations in the People’s Republic of China and Macau respectively.
- (iv) The exchange reserve has been set up and will be dealt with in accordance with the accounting policy adopted for translation of the financial statements of foreign subsidiaries (note 1(o)).

#### 29 儲備 (續)

- (c) (i) 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) 作為本集團於一九九四年二月進行之重組之一部份，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。總收益指所出售物業歷史賬面值與已收代價公平價值之差額。
- 該項交易之收益按已收現金及物業（「物業」）公平價值之比例分為已變現及未變現部份。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（二零零三年：4,087,000元）自資本儲備轉撥往保留溢利。
- (iii) 法定儲備由深圳維他奶及維他奶（澳門）有限公司分別根據中華人民共和國及澳門之法例設立。
- (iv) 本集團已根據有關換算海外附屬公司財務報表之會計政策設立及維持匯兌儲備（附註1(o)）。

## 29 Reserves (continued)

## 29 儲備 (續)

### (d) Reserves available for distribution

### (d) 可供分派儲備

		The Company 本公司	
		2004	2003
		\$'000 千元	\$'000 千元
General reserve	一般儲備	2,261	2,261
Retained profits	保留溢利	627,909	641,314
		<b>630,170</b>	<b>643,575</b>

## 30 Commitments

## 30 承擔

(a) At 31st March, 2004, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

(a) 於二零零四年三月三十一日，根據不可撤銷之經營租賃應付之未來租賃付款總額如下：

		The Group 本集團			
		2004		2003	
		Land and buildings	Plant and machinery and others	Land and buildings	Plant and machinery and others
		土地及樓宇	廠房與機器及其他	土地及樓宇	廠房與機器及其他
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Within 1 year	一年內	22,781	996	19,893	570
After 1 year but within 5 years	一年後但五年內	12,538	2,028	8,114	546
After 5 years	五年後	32	-	-	-
		<b>35,351</b>	<b>3,024</b>	<b>28,007</b>	<b>1,116</b>

## NOTES ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 30 Commitments (continued)

(a) (continued)

		The Company 本公司			
		2004		2003	
		Land and buildings 土地及 樓宇 \$'000 千元	Plant and machinery and others 廠房與 機器及其他 \$'000 千元	Land and buildings 土地及 樓宇 \$'000 千元	Plant and machinery and others 廠房與 機器及其他 \$'000 千元
Within 1 year	一年內	910	–	861	–
After 1 year but within 5 years	一年後但 五年內	–	–	41	–
		<b>910</b>	<b>–</b>	<b>902</b>	<b>–</b>

The Group leases a number of properties and items of plant and machinery and others under operating leases. The leases typically run for an initial period of one to seven years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

本集團根據經營租賃租用多項物業及廠房與機器項目及其他資產。該等租賃一般初步為期一年至七年，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。各項經營租賃並不包括或有租金。



### 30 Commitments (continued)

### 30 承擔 (續)

(b) Capital commitments outstanding at 31st March, 2004 not provided for in the financial statements were as follows:

(b) 於二零零四年三月三十一日，未在財務報表中撥備之未付資本承擔詳情如下：

		The Group 本集團		The Company 本公司	
		2004	2003	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Contracted for	已訂約	1,949	7,799	1,371	4,128
Authorised but not contracted for	已批准但未訂約	59,189	63,024	42,748	34,649
		<b>61,138</b>	70,823	<b>44,119</b>	38,777

### 31 Contingent liabilities

### 31 或有負債

(a) At 31st March, 2004, the Company had contingent liabilities in respect of the following:

(a) 本公司於二零零四年三月三十一日之或有負債如下：

		2004	2003
		\$'000 千元	\$'000 千元
Guarantees issued in respect of facilities granted by banks to certain subsidiaries	因銀行為若干附屬公司提供備用信貸而作出之擔保	124,064	131,920

(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.

(b) 本公司亦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 ON THE FINANCIAL STATEMENTS

### 財務報表附註

(Expressed in Hong Kong dollars) (以港幣計算)

#### 32 Material related party transactions

- (a) The products of the Group are distributed by a related party in Australia and a management fee is charged as a consideration of 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, which is on normal commercial terms and are on terms comparable to the prevailing market rate. Total management fee charged by the related party for the year amounted to \$3,322,000 (2003: \$2,353,000). The amount due to the related party as at 31st March, 2004 amounted to \$358,000 (2003: \$1,579,000).
- (b) The Group has purchased raw milk and milk products from a related party in the People's Republic of China (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 \$3,517,000 (2003: \$5,286,000) during the year. The amount due to the related party as at 31st March, 2004 amounted to \$766,000 (2003: \$126,000).
- (c) There were no material transactions with Directors except for those relating to remuneration as set out in note 10, and share options and shareholdings as set out in the Report of the Directors.

The transactions (a) and (b) also constitute connected transactions under the Listing Rules.

#### 33 Post balance sheet events

- (a) On 1st April, 2004, share options of 8,556,000 were granted to eligible participants under the New Share Option Scheme, with exercise period from 1st April, 2005 to 31st March, 2014 and exercise price of \$1.904. Further details of the New Share Option Scheme are set out in the Report of the Directors and note 26.
- (b) Subsequent to the balance sheet date the Directors proposed a final dividend and a special dividend. Further details are disclosed in note 13.

#### 32 重大關連人士交易

- (a) 本集團之產品由一名關連人士於澳洲分銷，該名關連人士收取服務費，作為提供服務之代價。服務費乃根據該名關連人士所分銷之產品總銷量按預先釐定之百分比計算，該百分比乃以一般商業條款及與當時市值相若之條款而釐定。該名關連人士於本年度收取之服務費總額為3,322,000元(二零零三年：2,353,000元)。於二零零四年三月三十一日應付該名關連人士之欠款為358,000元(二零零三年：1,579,000元)。
- (b) 本集團向一名在中華人民共和國(「中國」)之關連人士採購未加工牛奶及奶類製品。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市價作出調整。年內向該關連人士採購之貨品共值3,517,000元(二零零三年：5,286,000元)。於二零零四年三月三十一日應付該關連人士之款項為766,000元(二零零三年：126,000元)。
- (c) 除附註10所載之酬金及董事會報告書所載之購股權及股權外，本集團並無與董事進行任何重大交易。

根據上市規則，(a)及(b)項交易均構成關連交易。

#### 33 結算日後事項

- (a) 於二零零四年四月一日，合資格參與者根據新購股權計劃獲授予8,556,000項購股權，行使期由二零零五年四月一日至二零一四年三月三十一日止，行使價為1.904元。有關新購股權計劃之進一步詳情載於董事會報告書及附註26。
- (b) 董事會於結算日之後建議派發末期股息及特別股息，進一步詳情載於附註13。

# FIVE YEAR SUMMARY

## 五年財務摘要

(Expressed in Hong Kong dollars) (以港幣計算)

		2004	2003	2002	2001	2000
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Results</b>	<b>業績</b>					
Turnover	營業額	<b>2,269,422</b>	2,228,227	2,192,156	2,012,372	1,885,490
Profit from operations	經營溢利	<b>152,484</b>	175,352	148,006	177,814	170,539
Finance costs	融資成本	<b>(8,421)</b>	(9,617)	(17,355)	(12,951)	(12,679)
Restructuring cost	重組成本	–	(1,213)	(12,558)	–	–
Compensation for traffic accident	交通意外之賠償金	<b>1,464</b>	(781)	(3,567)	–	–
Profit on disposal of an associate	出售聯營公司之溢利	–	2,484	–	–	–
Share of (losses)/profits of associates	應佔聯營公司之(虧損)/溢利	–	(273)	(3,308)	647	1,779
Profit from ordinary activities before taxation	來自正常業務之除稅前溢利	<b>145,527</b>	165,952	111,218	165,510	159,639
Income tax	所得稅	<b>(35,019)</b>	(27,760)	(32,953)	(35,555)	(29,589)
Profit from ordinary activities after taxation	來自正常業務之除稅後溢利	<b>110,508</b>	138,192	78,265	129,955	130,050
Minority interests	少數股東權益	<b>5,517</b>	1,186	8,251	(1,809)	(3,915)
Profit attributable to shareholders	股東應佔溢利	<b>116,025</b>	139,378	86,516	128,146	126,135
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Fixed assets	固定資產	<b>846,388</b>	865,453	918,117	904,107	823,308
Bank deposits	銀行存款	<b>93,397</b>	100,000	–	–	–
Other non-current assets	其他非流動資產	<b>1,875</b>	1,461	11,593	20,961	17,063
Net current assets	淨流動資產	<b>385,727</b>	358,337	344,693	402,864	411,076
Total assets less current liabilities	總資產減流動負債	<b>1,327,387</b>	1,325,251	1,274,403	1,327,932	1,251,447
Non-current liabilities	非流動負債	<b>(36,067)</b>	(34,240)	(60,051)	(104,184)	(64,200)
Minority interests	少數股東權益	<b>(44,780)</b>	(42,267)	(33,648)	(45,873)	(26,221)
Net assets	淨資產	<b>1,246,540</b>	1,248,744	1,180,704	1,177,875	1,161,026

## FIVE YEAR SUMMARY

### 五年財務摘要

#### Notes:

- (1) Despite a change in accounting policy for employee retirement benefits in 2001, figures for the year 2000 have not been adjusted for comparison purposes as it is not practicable to do so.
- (2) Pursuant to the revised (December 2001) Hong Kong Statement of Standard Accounting Practice No. 11 “Foreign currency translation”, the Group changed its accounting policy for translation of the results of foreign subsidiaries in 2003. Figures for the years from 2000 to 2002 have not been adjusted for comparison purposes as the effect of this change in accounting policy is not material.
- (3) In order to comply with the Hong Kong Statement of Standard Accounting Practice No. 34 “Employee benefits”, the Group adopted a new accounting policy for employees' annual leave entitlement in 2003. Figures for the year 2002 have been adjusted and it is not practicable to restate earlier years for comparison purposes.

#### 附註：

- (1) 於二零零一年，本集團更改僱員退休福利之會計政策。二零零零年度之數字並未作出調整以供比較，因此舉並不可行。
- (2) 根據經修訂之香港會計準則（二零零一年十二月）第11號「外幣換算」，本集團於二零零三年就換算海外附屬公司業績而更改其會計政策。二零零零年至二零零二年年之數字並未作出調整以供比較，因更改此項會計政策之影響不大。
- (3) 為遵守香港會計準則第34號「僱員福利」之規定，本集團於二零零三年就僱員年假採納新會計政策。二零零二年度之數字已作出調整，惟重列以往年度之數字以供比較並不可行。



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**Vitasoy International Holdings Limited**

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

維他奶國際集團有限公司  
香港新界屯門建旺街一號

Tel 電話 (852) 2466 0333  
Fax 傳真 (852) 2456 3441