



烟台北方安德利果汁股份有限公司

Yantai North Andre Juice Co., Ltd.

(於中華人民共和國註冊成立之有限公司)

(a joint stock limited company incorporated in the People's Republic of China)

二零零四年年報 Annual Report 2004

Characteristics of the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

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This report, for which the directors (the “Directors”) of Yantai North Andre Juice Co., Ltd (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”) for purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）的特色

創業板乃為帶有高投資風險的公司提供一個上市的市場，尤其在創業板上市的公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市的公司可因其新興性質及該等公司經營業務的行業或國家而帶有風險。有意投資的人士應瞭解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他經驗豐富的投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

創業板所發佈資料的主要途徑為在聯交所為創業板而設的互聯網網頁刊登。上市公司一般毋須在憲報指定報章刊登付款公佈。因此，有意投資的人士應注意，彼等須閱覽創業板網頁，以便取得創業板上市發行人的最新資料。

聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部份內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告遵照聯交所創業板（證券）上市規則（「創業板上市規則」）的規定提供有關烟台北方安德利果汁股份有限公司（「本公司」）的資料。本公司董事（「董事」）就本報告共同及個別承擔全部責任。並在作出一切合理諮詢後確認，就彼等所知及確信：(1)本報告所載本公司的資料在各重大方面均屬真實及完整，且無誤導成份；(2)並無遺漏任何其他事項致使本報告所載內容有所誤導；及(3)本報告表達的意見已經審慎周詳考慮並以公平及合理的基準及假設為依據。

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Directors

Executive Directors

Zheng Yue Wen
Wang An
Zhang Hui
Yu Hui Lin (于會林, formerly 于惠霖)

Non-executive Directors

Zhang Wan Xin
Ren Xiao Jian
Lei Liang Sheng

Independent non-executive Directors

Wu Jian Hui
Hu Xiao Song
Yu Shou Neng

Supervisors

Zou Ji Yu
Chen Ke Lin
Qu Wei Jia

Qualified Accountant

Lim Yeau Teng, CIMA

Company Secretary

Lim Yeau Teng, CIMA

Members of Audit Committee

Wu Jian Hui
Hu Xiao Song
Yu Shou Neng

Compliance Officer

Yu Hui Lin (于會林, formerly 于惠霖)
Senior Engineer

Authorised Representatives

Lim Yeau Teng, CIMA
Wang An

Auditors

KPMG

董事

執行董事

鄭躍文
王安
張輝
于會林(曾用名于惠霖)

非執行董事

張萬欣
任曉劍
雷良生

獨立非執行董事

鄔建輝
胡小松
俞守能

監事

鄒積余
陳克林
曲維佳

合資格會計師

林耀庭, CIMA

公司秘書

林耀庭, CIMA

審核委員會成員

鄔建輝
胡小松
俞守能

監察主任

于會林(曾用名于惠霖)
高級工程師

獲授權代表

林耀庭, CIMA
王安

核數師

畢馬威會計師事務所

Corporate Information

公司資料

Legal Advisers

As to Hong Kong Law

Baker & McKenzie

As to PRC Law

Beijing Jingtian & Gongcheng Attorneys At Law

Principal Bankers

China Construction Bank (Muping Branch, Yantai City)

China Agriculture Bank (Muping Branch, Yantai City)

The Hongkong & Shanghai Banking Corporation
Limited (Qingdao Branch)

Industrial and Commercial Bank of China
(Muping Branch, Yantai City)

Bank of China (Muping Branch, Yantai City)

H Share Register and Transfer Office

Tengis Limited

G/F BEA Harbour View Centre

56 Gloucester Road

Wanchai

Hong Kong

Registered Office and Principal Place of Business in the PRC

No. 18 Andre Avenue

Muping Economic Development Zone, Yantai City,
Shandong Province, the PRC

Investors Relationship & Principal Place of Business in Hong Kong

1905-8, Sun Hung Kai Centre

30 Harbour Road

WanChai, Hong Kong

Telephone : (852) 2511-6988

Facsimile : (852) 2587-9166

Email address : andrehk@biznetvigator.com

Company Homepage/Website

www.andre.com.cn

Stock Code

8259

法律顧問

香港法律

貝克•麥堅時律師事務所

中國法律

北京市競天公誠律師事務所

主要往來銀行

中國建設銀行(烟台市牟平支行)

中國農業銀行(烟台市牟平支行)

香港上海滙豐銀行有限公司(青島分行)

中國工商銀行(烟台市牟平支行)

中國銀行(烟台市牟平支行)

H股過戶登記處

登捷時有限公司

香港灣仔告士打道56號

東亞銀行港灣道中心地下

中國註冊辦事處及主要營業地點

中國山東省烟台市

牟平經濟開發區

安德利大街18號

投資者關係及香港營業地址

香港灣仔港灣道30號

新鴻基中心1905-8室

電話 : (852) 2511-6988

傳真 : (852) 2587-9166

電子郵件 : andrehk@biznetvigator.com

公司網頁／網站

www.andre.com.cn

股票編號

8259

Financial Highlights

財務摘要

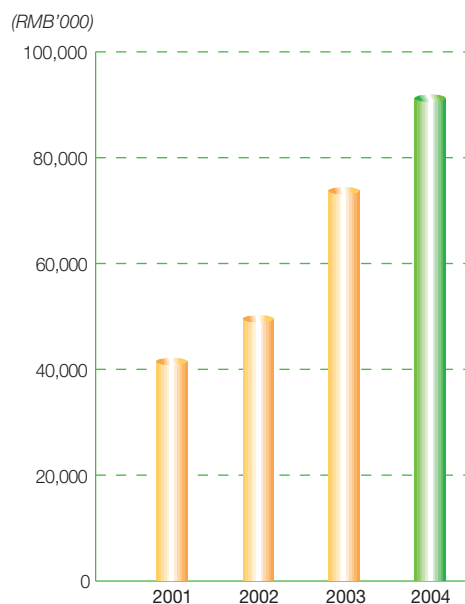
Results 業績

		For the year ended 31 December 截至十二月三十一日止年度			
		2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元	2002 二零零二年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元
Turnover	收入	563,734	363,855	233,230	139,799
Profit from operations	經營溢利	118,479	89,003	62,337	52,767
Profit from ordinary activities before taxation	除稅前正常業務 溢利	97,027	76,761	55,887	48,203
Profit from ordinary activities after taxation	除稅後正常業務 溢利	91,667	74,171	49,386	42,169
Minority interests	少數股東權益	(80)	285	646	-
Profit attributable to shareholders	股東應佔溢利	91,587	74,456	50,032	42,169
Basic earnings per share *	每股基本盈利*	<u>RMB人民幣0.06元</u>	<u>RMB人民幣0.05元</u>	<u>RMB人民幣0.04元</u>	<u>RMB人民幣0.04元</u>

* As if the subdivision of every Promoter Share and H Share with a nominal or face value of RMB1.00 in the share capital of the Company into ten Promoter Shares and ten H Shares with a nominal value or face value of RMB0.10 each had been effective throughout the periods presented.

* 假設本公司股本中每股面值人民幣1.00元之各發起人股及H股於各呈報期內已拆細為十股每股面值人民幣0.10元之發起人股及H股。

Profit Attributable to Shareholders 股東應佔溢利



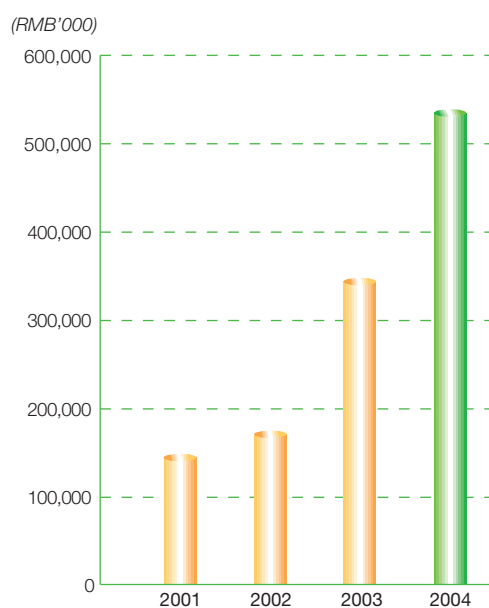
Financial Highlights

財務摘要

Assets and Liabilities 資產及負債

		As at 31 December 於十二月三十一日			
		2004 二零零四年	2003 二零零三年	2002 二零零二年	2001 二零零一年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Total Assets	資產總值	1,190,975	835,503	498,669	315,328
Total Liabilities	負債總值	642,557	493,483	303,609	167,159
Minority interests	少數股東權益	8,358	-	19,635	-
Net Assets	淨資產	540,060	342,020	175,425	148,169

Net Assets 淨資產



Chairman's Statement

主席報告書

I am pleased to submit to the shareholders the annual report of the Company and its subsidiaries (collectively known as the "Group") for the financial year ended 31 December 2004.

Annual Results and Review

The Group recorded a turnover of approximately RMB563,734,000 for the year ended 31 December 2004, representing an increase of approximately 55% over the previous year; profit attributable to shareholders was approximately RMB91,587,000, representing an increase of approximately 23% over the previous year, and basic earnings per share of approximately RMB0.06.

The year 2004 was a year of steady development making a major contribution to the solid foundation of the Company. Under the preliminary effect of macro economy control and increasingly keen market competition, the Company has still achieved encouraging results in various aspects of its operations. The turnover and net profit had been growing steadily. The new production line for pear juice concentrate ("PJC") and upgrading of existing production lines had been completed as scheduled, enabling the overall production capacity of the Group to increase to approximately 150,000 tonnes of processed juice concentrate per pressing season. The successful construction of three feedstuff production lines at 烟台龍口安德利果汁飲料有限公司 (Yantai Longkou Andre Juice Co., Ltd.) ("Longkou Andre"), 徐州安德利果蔬汁有限公司 (Xuzhou Andre Juice Co., Ltd.) ("Xuzhou Andre") and 白水安德利果蔬汁有限公司 (Baishui Andre Juice Co., Ltd.) ("Baishui Andre") respectively, also laid a good foundation for the production of pectin. In terms of research and development, the Company has successfully filed patents for two significant innovations, formulated a corporate standard and obtained a significant achievement in the technology of ultra-filtration strainer recycling. Reviewing the whole year, the Company has successfully completed its targets and goals, and laid a solid foundation for sustainable development.

本人欣然提呈本公司及子公司(合稱「本集團」)截至二零零四年十二月三十一日止年度報告，敬請各位股東瀏覽。

全年業績及回顧

本集團截至二零零四年十二月三十一日止年度實現收入約為人民幣563,734,000元，比去年同期上升約55%；實現股東應佔溢利約人民幣91,587,000元，比去年同期上升約23%，每股基本盈利約為人民幣0.06元。

二零零四年是公司穩步發展、夯實基礎的一年。在國家宏觀調控初見成效、市場競爭日趨激烈的情況下，公司的各項工作依然取得了可喜的成績：營業額和淨利潤獲得穩步增長；在改造現有生產線的同時，新建了一條梨汁生產線，使生產能力提高至每榨季加工濃縮果汁約15萬噸；分別在烟台龍口安德利果汁飲料有限公司(「龍口安德利」)、徐州安德利果蔬汁有限公司(「徐州安德利」)、白水安德利果蔬汁有限公司(「白水安德利」)興建了三條加工生物飼料的生產線，為果膠生產奠定了良好的基礎；在研發方面，本公司成功申報了兩項發明專利、制定了一項企業標準，並在超濾膜通率恢復技術上取得重大成果。回顧全年，公司圓滿地完成了各項任務指標，為實現可持續發展奠定了堅實的基礎。

Industry Overview

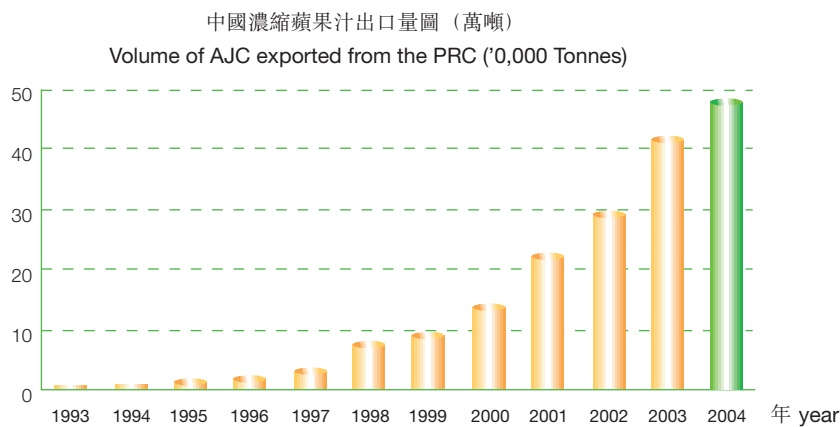
China exported approximately 486,000 tonnes of apple juice concentrate ("AJC") in 2004, representing an approximate increase of 17% as compared to 2003.

After 10 years of high growth – approximately 45% on average annually from 1993 to 2003 (as illustrated in the bar chart below), the growth rate in 2004 to some extent slowed down. We believe that the growth rate of AJC exported from China in 2005 will remain at the lower double-digit level. The Group will therefore actively develop its existing business as planned to ensure its steady development.

行業分析

二零零四年，中國濃縮蘋果汁出口量約為48.6萬噸，比2003年增長約17%。

經過從一九九三年至二零零三年，以平均年增長率約45%的十年高速增長期（見下圖），2004年比2003年的增長率相對放緩；我們相信二零零五年中國濃縮蘋果汁的出口量仍會維持在低雙位數之增長水平。本集團會按計劃推展已有業務，以保持集團之穩健發展。



Source: Custom General Administration of the PRC

資料來源：中國海關資訊中心

Chairman's Statement

主席報告書

In 2004, the world production volume of pear was approximately 17.91 million tonnes and the PRC production volume of pear was approximately 10.12 million tonnes, representing approximately 56.5% of the world's total production volume. Therefore the future development potential of PJC in the PRC is expected to be tremendous.

Business Outlook

In 2005, with the gradual implementation of specific measures of the China government's macro economy policies on agricultural industry, the Company will have even more development opportunities. Furthermore, through transferring part of the Company's equity interest to 成都統一企業食品有限公司 (Chengdu President Enterprise Food Co., Ltd.) ("Chengdu President") and part of Longkou Andre's equity interest to Mitsui & Co., Ltd. ("Mitsui"), the Company is expected to benefit from improved corporate governance structure, enhanced research and development capabilities, upgraded product quality, diversified product mix, expanded market place and increased market share.

In respect of AJC, in addition to expanding and rearranging the strategic network of our existing production facilities, the Group will also strive to consolidate the resources of the industry and enhance its own management capability to strengthen its position in the industry. With respect to product diversification, other than AJC, PJC, apple essence and feedstuff, the Group will endeavour to bring significant breakthroughs in the use of pomace, other fruit juice types and retail drinks to attain scale development of the Group.

At present, the Group has a sound financial base. The board of directors of the Company (the "Board of Directors") and I have full confidence in its future development. Our employees will continue to support the Group and contribute to the Group's continuous and steady development.

2004年，世界梨產量約為1,791萬噸，中國梨產量約為1,012萬噸，佔世界總產量約56.5%，預期中國濃縮梨汁未來的發展潛力將是巨大的。

前景與展望

二零零五年，隨著國家宏觀經濟政策向農業傾斜各項具體措施的逐步實施，本公司將面臨更好的發展機遇。另外，通過成功轉讓部分本公司股權予成都統一企業食品有限公司（「成都統一」）及轉讓部分龍口安德利股權予三井物產株式會社（「三井」），將更加有助於改善公司治理結構、提高研發能力、提升產品品質、促進產品多樣化、拓展市場並提高市場佔有率。

在濃縮蘋果汁領域，本集團除通過擴線建廠、調整現有生產線的戰略佈局外，還將致力於同行業的資源整合，做大做強，鞏固本集團於行業之領先優勢；在產品多樣化方面，除濃縮蘋果汁、濃縮梨汁、蘋果香精和生物飼料外，本集團將力求在果膠的開發生產、其它水果汁品種和最終飲料等方面有較大突破，謀求本集團的規模發展。

目前本公司財務狀況良好，本人及本公司董事會（「董事會」）對公司未來發展充滿信心，本公司全體員工將繼續努力，為本公司的持續穩定發展作出貢獻。

Chairman's Statement

主席報告書

I would like to take this opportunity to thank the Board of Directors and all the staff and express my deep appreciation for their hard work and valuable contribution. I would also like to thank the shareholders for their continuous support. The Group will continue to do its best to achieve good results in return for the shareholders.

Dividend

The Board of Directors proposes a final dividend of approximately RMB0.02 per share for the financial year 2004 in the forthcoming annual general meeting.

Appreciation

During the reporting period, the Group continued to maintain rapid development, achieved steady growth in the turnover and net profit at the same time, thereby strengthening the leading position of the Group in the industry. On behalf of the Board of Directors, I would like to express my gratitude to all the investors, loyal customers and suppliers for their appreciation and solid support to the Group.

Yantai North Andre Juice Co., Ltd.*

Zheng Yue Wen

Chairman

16 March 2005

本人在此謹向董事會同仁及公司全體員工致以衷心的謝意，感謝各位卓有成效的工作及不懈努力；同時感謝各位股東對本公司的一貫支持。本公司將一如既往，努力以良好的業績回報所有股東。

股利

董事會擬於即將召開的股東周年大會上建議派發二零零四年度股利每股約人民幣0.02元。

致謝

報告期內，本集團繼續保持快速發展，取得了營業額和淨利潤同步穩健增長的優良業績，鞏固了本集團同行業的領先地位。在此，本人謹代表董事會就各界投資者、忠誠客戶及廣大供應商對本集團的厚愛及堅定支持表示衷心感謝。

烟台北方安德利果汁股份有限公司

鄭躍文

董事長

二零零五年三月十六日

* For identification purpose only

Management Discussion and Analysis

管理層討論及分析

Financial Review

Results

For the year ended 31 December 2004, the Group's turnover increased to approximately RMB563,734,000 as compared to approximately RMB363,855,000, in 2003. The Group's turnover was principally derived from the manufacture and sale of AJC, PJC, apple essence, feedstuff and related products.

As compared with the same period in 2003, the increase in the Group's turnover was mainly attributable to higher income arising from the sales of AJC. The Directors believe that the quality of the Group's products had stimulated the demand from customers during 2004.

For the year ended 31 December 2004, the Group's net profit increased to approximately RMB91,587,000 as compared to approximately RMB74,456,000 in 2003.

Other Operating Income and Other Operating Expenses

For the year ended 31 December 2004, other operating income of the Group was approximately RMB23,718,000, as compared to approximately RMB7,095,000 for the last year, representing an increase of approximately RMB16,623,000. The increase was mainly due to the sales of packaging materials and the grants from government. For the year ended 31 December, 2004, other operating expenses of the Group were approximately RMB8,591,000, as compared to approximately RMB96,000 for the last year, representing an increase of approximately RMB8,495,000. The increase was mainly due to the cost of sale of packaging materials.

財務回顧

業績

截至二零零四年十二月三十一日止年度，本集團的收入增加至約人民幣563,734,000元。二零零三年，本集團的收入約為人民幣363,855,000元。本集團的收入主要來自生產及銷售濃縮蘋果汁、濃縮梨汁、蘋果香精、生物飼料及相關產品。

相比二零零三年同期，本集團之收入增加主要由於銷售濃縮蘋果汁的收入增加。董事相信，本集團產品優質，因此於二零零四年刺激了顧客的需求。

截至二零零四年十二月三十一日止年度，本集團的純利增加至約人民幣91,587,000元，二零零三年同期約為人民幣74,456,000元。

其他經營收入及其他經營支出

截至二零零四年十二月三十一日止年度，其他經營收入約為人民幣23,718,000元，與去年同期約人民幣7,095,000元相比，增加約人民幣16,623,000元，其他經營收入的增加主要是由於銷售包裝材料和政府補貼；其他經營支出約為人民幣8,591,000元，與去年同期約人民幣96,000元相比，增加約人民幣8,495,000元，其他經營支出的增加主要是由於銷售包裝材料結轉的成本所致。

Management Discussion and Analysis

管理層討論及分析

Distribution and General Administration Expenses

For the year ended 31 December 2004, the Group had incurred distribution expenses of approximately RMB88,921,000, as compared to approximately RMB64,428,000 of the previous year, representing an increase of approximately RMB24,493,000. The Group's distribution expenses mainly included transport, export inspection and marketing expenses. Partly due to the increase in prices, the increase in distribution expenses was primarily attributable to higher sea freight charges as a result of rise in sales volume. Sea freight charges in 2004 increased by approximately RMB23,071,000 compared with 2003.

For the year ended 31 December 2004, the Group had incurred general administration expenses of approximately RMB21,064,000 as compared to approximately RMB16,206,000 of last year, representing an increase of approximately RMB4,858,000. Such increase was mainly attributable to the increase in administrative expenses of Xuzhou Andre, which commenced operations in August 2003 and is owned as to 75% and 25% by the Company and Andre Juice Co., Ltd., a wholly-owned subsidiary of the Company, respectively; and the increase in operational scale of the Group.

Business Review and Outlook

Business Review

Expansion of Owned Production Capacity

The new production line for PJC and upgrading of existing production lines had been completed as scheduled, enabling the overall production capacity of the Group to increase to approximately 150,000 tonnes of processed juice concentrate per pressing season.

銷售及一般行政費用

截至二零零四年十二月三十一日止年度，本集團銷售費用約為人民幣88,921,000元。與去年同期約人民幣64,428,000元相比，增加約人民幣24,493,000元。本集團之銷售費用主要包括運輸費用，出口檢驗費及推廣費用。除部分為漲價因素外，銷售費用上升主要是由於海運費隨銷量增加而造成的。二零零四年度比二零零三年度海運費增加約人民幣23,071,000元。

截至二零零四年十二月三十一日止年度，本集團的一般行政費用約為人民幣21,064,000元。與去年同期約人民幣16,206,000元相比，增加約人民幣4,858,000元，費用上升主要是今年比去年同期增加了於二零零三年八月開業的徐州安德利(由本公司持有75%及由本公司全資子公司(安德利果汁有限公司)持有25%權益)的行政費用及本集團經營規模增加而造成的。

業務回顧及展望

業務回顧

提升自身生產力

本集團已按計劃新建了一條梨汁生產線和改造了現有生產線，使生產能力提高至每榨季加工濃縮果汁約15萬噸。

Management Discussion and Analysis

管理層討論及分析

Lease of Factory Premises and Ancillary Equipment

On 10 October 2004, the Company entered into three leasing agreements with each of 烟台源通果汁有限公司 (Yantai Oriental Juice Co., Ltd.), 栖霞源通果汁有限公司 (Qixia Oriental Juice Co., Ltd.) and 大連源通果汁有限公司 (Dalian Oriental Juice Co., Ltd.) respectively for the leasing of three AJC production factory premises and ancillary equipment to the Company for one year. The production capacity of juice concentrate per pressing season of the leased factory premises and ancillary equipment is approximately 40,000 tonnes. The Directors are of the view that such leasing arrangements are in line with the Company's business objective to procedurally increase its production capacity.

Use of Fruit Residue

As planned, the Group had constructed three feedstuff production lines at Longkou Andre, Xuzhou Andre and Baishui Andre respectively, and laid a good foundation for the production of pectin.

Worldwide Distribution Network

While continuing to strengthen its position in the US market, the Group is developing its markets in Europe and Japan. Since the year 2004, the Group has cooperated with Mitsui for sale of AJC to Japan.

租賃廠房及附屬設備

於二零零四年十月十日，本公司與烟台源通果汁有限公司、栖霞源通果汁有限公司及大連源通果汁有限公司分別訂立了租賃期為一年有關租賃廠房及附屬設備的租賃協議。租賃廠房及附屬設備的生產能力為每榨季生產濃縮果汁約4萬噸。董事認為，有關租賃安排與本公司逐步增加產量之業務目標相符。

果渣綜合利用

本集團已按計劃分別在龍口安德利、徐州安德利和白水安德利興建了三條加工生物飼料的生產線。為果膠生產奠定了良好的基礎。

全球分銷網路

除不斷鞏固美國市場外，本集團已逐步開拓了歐洲市場和日本市場。自二零零四年，本集團已跟三井合作，銷售濃縮蘋果汁至日本市場。

Management Discussion and Analysis

管理層討論及分析

Research & Development

The Group continued to undertake the rolling issue of the “Critical processing technology of apple and the research and development of facilities” for the last two years (2004-2005) under the “Tenth 5-year Plan” of the China government on major technological development. For the year ended 31 December 2004, the Group has achieved the following progress in research and development:

1. Filed patents for two innovations, namely:
 - I. Method to lower methylamine phosphorus level in apple juice
File No.: 200510042012.1
 - II. Technology in ultra-filtration strainer recycling
File No.: 200510042013.6
2. Formulated a corporate standard, namely:

Apple residue feedstuff
File No.: 370612B002-2004
3. Obtained significant achievement in the technology of ultra-filtration strainer recycling

Business Outlook

In 2005, with the gradual implementation of specific measures of the China government’s macro economy policies on agricultural industry, the Company will have even more development opportunities. Aiming at enlarging its business scale, the Group will strive to enhance productivity, to diversify products, to expand sales as well as to disperse markets, etc. Relevant plans are summarized as follows:

研究與開發

本集團繼續承擔國家「十五」科技攻關重大專項中「蘋果深加工關鍵技術與設備研究開發」後兩年（二零零四年至二零零五年）的滾動課題。截至二零零四年十二月三十一日止年度，本集團已在研究及開發方面取得下列成就：

- 一、申報了兩項發明專利，分別為：
 - 1、一種降低蘋果汁中甲胺磷含量的技術
檔案編號：200510042012.1
 - 2、一種恢復超濾膜通率的技術
檔案編號：200510042013.6
- 二、制定了一項企業標準，名為：

蘋果渣生物飼料
檔案編號：370612B002-2004
- 三、在超濾膜通率恢復技術上取得重大成果

未來展望

二零零五年，隨著國家宏觀經濟政策向農業傾斜各項具體措施的逐步實施，本公司將面臨更好的發展機遇。為謀求本集團的規模發展，本集團將致力於提升生產能力、產品多樣化、擴展銷售並分散市場等。有關的計劃概括如下：

Management Discussion and Analysis

管理層討論及分析

Cooperate with International Renowned Enterprise

Through transferring part of the Company's equity interest to Chengdu President and part of Longkou Andre's equity interest to Mitsui, the Company is expected to benefit from improved corporate governance structure, enhanced research and development capability, upgraded product quality, diversified product mix, expanded market place and increased market share.

Uplift Production Capacity

To meet the growing demand for juice concentrate both in local and overseas markets, the Group plans to build a new production line in 陝西省咸陽市, (XianYang City, Shaanxi Province, the PRC) with an expected production capacity of approximately 30,000 tonnes juice concentrate per pressing season, bringing the annual production capacity of the Group's self-constructed production lines to reach approximately 180,000 tonnes juice concentrate. In addition, the Group will alter the strategic location of the existing juice concentrate production lines by moving one of Longkou Andre's production lines to Dalian to increase the output of high-acidity AJC capacity. The purpose is to make the locations of production lines more balanced, thereby increasing the overall production efficiency and adjusting the relative output proportion of AJC with high, medium and low acidity. The Group will also seek opportunities such as mergers and acquisitions to boost its annual production capacity of juice concentrate to attain approximately 250,000 tonnes, thereby strengthening the Group's leading position in the industry.

Expand Markets and Increase Marketing Activities

While strengthening its position in the existing markets, the Group will at the same time focus on market diversification. In respect of the overseas market, apart from strengthening its US market and the developed European market and Japanese market, the Group is actively liaising with its various customers and intend to set up sales office in Canada with a view to achieving further breakthroughs in the European,

與國際知名企業的合作

通過成功轉讓部分本公司股權予成都統一及轉讓部分龍口安德利股權予三井，將更加有助於改善公司治理結構、提高研發能力、提升產品品質、促進產品多樣化、拓展市場並提高市場佔有率。

提升生產能力

為滿足國內外對濃縮果汁日益增長的需求，本集團計劃在陝西省咸陽市新建一條每榨季生產能力約為3萬噸的濃縮果汁生產線，使本集團自建生產線年生產濃縮果汁的生產能力達到約18萬噸。另外，本集團將調整現有生產線的戰略佈局，將龍口安德利的其中一條濃縮果汁生產線搬遷至大連，增加高酸濃縮蘋果汁的產量，使現有生產線的戰略佈局更趨合理化，從而提高生產線的實際整體產能，並調整濃縮蘋果汁中高酸、中酸和低酸的產出比例；同時，本集團還將計劃運用兼併、收購等資本運作手段，使本集團年生產濃縮果汁的生產能力達到約25萬噸，鞏固本集團行業的領導地位。

擴展市場和增加市場推廣活動

本集團在鞏固現有市場的同時，將更加注重市場的多元化。國外市場方面，除了鞏固美國市場和現已開拓的歐洲市場及日本市場外，本集團現正積極與不同的客戶聯繫，並擬在加拿大設立銷售網點，力

Management Discussion and Analysis

管理層討論及分析

Canadian, Japanese, Asian and even Australian markets. At the same time, the Group will actively promote its products in the domestic PRC market.

Product Diversification

Other than AJC, PJC, apple essence and feedstuff, the Group will endeavour to bring significant breakthroughs in the use of pomace, other fruit juice types and retail drinks. With the approval of the Board of Directors, the plans for the production and sale of pectin will be carried out procedurally as planned; and the cooperation with renowned beverage manufacturer to produce OEM package of retail drinks will be implemented as soon as possible.

Research and Development

The Group will devote further effort to continue the research in the technology for extracting pectin and the industrialization of such technology, and endeavour to make significant breakthrough in the production technology of pectin.

Liquidity and Financial Resources

The Group generally financed its operations and investing activities by internally generated financial resources, proceeds from issuing of shares in April 2003 and placing of new H shares in July 2004 by the Company, as well as loans from banks. As at 31 December 2004, the Group had outstanding short-terms bank loans of approximately RMB457,424,000, terms of which are set out in note 25 on the Financial Statement. The unsecured, interest-free, long-term borrowings from the Yantai Finance Bureau amounted to RMB1,500,000. In the year 2004, the Group has repaid on time all debts that were due. The Directors consider that the Group has sufficient financial resources to meet its ongoing operation requirements.

Charge of Assets

Other than the pledge of the Group's property, plant and equipment to secure banking facilities of

求在歐洲、加拿大、日本和亞洲市場，以及澳洲市場有更大的突破。另外，我們也將積極拓展國內市場。

產品多樣化

除濃縮蘋果汁、濃縮梨汁、蘋果香精和生物飼料外，本集團將力求在果膠的開發生產、其他水果汁品種和最終飲料等方面有較大突破。經董事會批准，從事果膠生產和銷售的工作將按計劃逐步實施；與著名飲料生產商合作生產最終飲料的OEM罐裝計劃也將按計劃盡快實施。

研究與開發

本集團將致力於繼續研究蘋果渣產業化關鍵技術及產業化，爭取盡快在果膠生產技術方面有較大突破。

流動資金及財務資源

本集團一般以內部財務資源、本公司於二零零三年四月發行股份和二零零四年七月配售股份所得款項及銀行借貸等為其經營及投資活動之資金。於二零零四年十二月三十一日，本集團尚未償還之短期銀行借貸約為人民幣457,424,000元，其條款詳載於財務報表附註25。烟台財政局之無擔保、無利息長期借款為人民幣1,500,000元。二零零四年度本集團均按期償還到期借款。董事認為，本集團具有充足財務資源，滿足持續營運需要。

資產抵押

除本集團之物業、廠房和設備已抵押予銀行取得約人民幣10,000,000元銀行借貸外，於二零零四年十二

Management Discussion and Analysis

管理層討論及分析

RMB10,000,000, the Group did not have any other charge on its assets as at 31 December 2004.

Contingent Liabilities

As at 31 December 2004, the Group had no contingent liabilities.

Foreign Exchange Exposure

The operating revenue of the Group is substantially denominated in US dollars. It is the practice of the Group to convert its operating revenue denominated in US dollars to RMB to finance its operating expenses and capital requirements.

The official rate for US dollars and RMB has generally been stable. However, the results of operations and the financial position of the Group may be affected by any changes in the exchange rates.

On the other hand, the conversion of RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

Capital Commitment

For the capital commitment of the Group, please refer to note 34 on the Financial Statements.

Gearing Ratio

As at 31 December 2004, the Group had a net cash and cash equivalents of approximately RMB86,545,000. The Group's gearing ratio at 31 December 2004 was approximately 54% (31 December 2003: approximately 59%) which is calculated by dividing the Group's total liabilities of approximately RMB642,557,000 (31 December 2003: RMB493,483,000) by the Group's total equity, minority interests and liabilities of approximately RMB1,190,975,000 (31 December 2003: RMB835,503,000).

月三十一日，本集團概無抵押任何資產。

或然負債

於二零零四年十二月三十一日本集團並無或然負債。

外匯風險

本集團之經營收入主要以美元為貨幣單位。本集團一向將以美元為單位之經營收入兌換為人民幣，作為經營支出及資本需求。

美元及人民幣之官方匯率一向甚為穩定。然而，本集團之經營業績及財務狀況受匯率變動而影響。

另一方面，將以人民幣作為單位之款項兌換為外幣，須受中國政府頒佈之外匯控制規例及規條所限制。

資本承擔

本集團之資本承擔詳載於財務報表附註34。

資本負債比率

於二零零四年十二月三十一日，本集團之現金及現金等價物淨額約為人民幣86,545,000元。於二零零四年十二月三十一日，本集團之資產負債比率約為54% (二零零三年十二月三十一日：約59%)，乃按本集團之總負債約人民幣642,557,000元 (二零零三年十二月三十一日：約人民幣493,483,000元) 除以總股本、少數股東權益及負債約人民幣1,190,975,000元 (二零零三年十二月三十一日：約人民幣835,503,000元) 計算。

Comparison of Business Objective Plans with Actual Business Progress

業務目標計劃與實際業務進度比較

The Company was successfully listed on GEM on 22 April 2003 and its business objectives for the period starting from 1 January 2004 to 31 December 2004 have been clearly set out in the Prospectus. The followings were actual progress during the period from 1 January 2004 to 31 December 2004:

Business objectives for the year ended 31 December 2004 mentioned in the Prospectus 招股章程所述於截至二零零四年十二月三十一日止年度之業務目標

Expansion of Sales and Distribution Network 擴大銷售及分銷網路

1. Look for distribution agents, strategic alliance and set up representative office for the distribution of the Group's products in Italy
於義大利物色合適分銷代理、策略聯盟和成立代辦處分銷本集團的產品
2. Reinforce and expand the Group's sales network in Japan
加強及擴大本集團於日本的銷售網路
3. Promote the Group's products in all representative offices by means of advertisement and journals
透過廣告及報章於所有代辦處推廣本集團的產品

Modification of Production Facilities 改善生產設施

1. Conduct feasibility study on the latest market development on pomace and fruit essence
就果渣及水果香精的最新市場發展進行可行性研究
2. Formulate and plan for modification of existing production facilities
制定和規劃修訂現有生產設施

本公司於二零零三年四月二十二日成功於創業板上市。本公司已於其招股章程中闡明其於二零零四年一月一日起至二零零四年十二月三十一日止期間之業務目標。下文所述實際進度謹涵蓋二零零四年一月一日至十二月三十一日期間。

Actual progress for the year ended 31 December 2004 截至二零零四年十二月三十一日止年度之實際進展

The Company believes it is unnecessary for the time being to implement this objective in light of the current market demand and supply situation as well as the Company's sales strategy.
根據目前市場供求現狀和公司的行銷策略公司認為暫無必要執行該項業務目標

The objective was realized by the cooperation with Mitsui.
公司現已通過三井實施該業務目標

The Company believes it is unnecessary for the time being to implement this objective in light of the current market demand and supply situation as well as the Company's sales strategy.
根據目前市場供求現狀和公司的行銷策略公司認為暫無必要執行該項業務目標

Completed
已完成

Completed
已完成

Use of Proceeds 所得款項用途

Use of Proceeds from Listing

As at 31 December, 2003, the listing proceeds of approximately HK\$119,780,000 (after deducting the relevant listing expenses) had been fully utilised. As such, no listing proceeds was available for the year 2004.

Placing of Shares and Use of Proceeds

On 28 June 2004, the Company entered into a placing agreement with Deutsche Bank Aktiengesellschaft, Hong Kong Branch and Guotai Junan Capital Limited, as the joint lead managers in relation to the placing on a fully-underwritten basis of 178,500,000 new H Shares with a nominal value of RMB0.10 each at a price of HK\$0.80 per H Share. The placing shares represent approximately 10.5% of the existing issued share capital as enlarged by the issue of the placing shares. The total share capital of the Company increased to 1,697,300,000 shares from 1,518,800,000 shares (among the 1,697,300,000 shares, 558,500,000 of them are H Shares, 1,138,800,000 of them are promoter shares). The placing of the shares of the Company was completed on 14 July 2004. The placing shares are traded on the GEM.

Net proceeds from share placing which was approximately HK\$133,280,000 (after deducting the relevant placing expenses) had been fully utilised according to the recommended uses set out in the relevant circular and announcement.

上市所得款項用途

本公司股份上市募集資金約港幣119,780,000元(已扣除上市費用)已於二零零三年十二月三十一日全數動用。據此，概無上市募集資金餘額可供於二零零四年度使用。

配售股份及有關所得款項用途

於二零零四年六月二十八日，本公司與聯席牽頭經辦人德意志銀行香港分行及國泰君安證券(香港)有限公司訂立配售協定，以根據全數包銷方式按每H股港幣0.80元的價格，配售本公司股本中合共178,500,000股每股人民幣0.10元的新H股。配售股份佔經發行配售股份擴大之公司已發行股本約10.5%。公司的總股本由原來的1,518,800,000股增至1,697,300,000股(當中H股佔558,500,000股，發起人股佔1,138,800,000股)。本公司股份已於二零零四年七月十四日完成配售，配售股份已在創業板進行買賣。

本公司配售股份募集資金淨額約為港幣133,280,000元(已扣除配售費用)，現已按有關之通函及公告內之建議用途使用完畢。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Directors

Executive Directors

Mr. Zheng Yue Wen (鄭躍文), aged 43, is the Chairman and Executive Director of the Company. Mr. Zheng is a well-known entrepreneur in China. Mr. Zheng is a member of the Chinese People's Political Consultative Conference (CPPCC-全國政協) and is a Vice Chairman of the All-China Federation of Industry and Commerce (ACFIC-全國工商聯). In October 1999, Mr. Zheng graduated from the Asia International Open University (Macau) (亞洲國際公開大學(澳門)) with a degree in Master of Business Administration. He then obtained his PhD. in Economics from the Dongbei University of Finance and Economics (東北財經大學) in November 1999. In December 1999, Mr. Zheng was appointed as a visiting professor of the Department of Business Administration at Jianxi University of Economics (江西財經大學). He joined the Company in November 2000 and has been involving in the juice production industry since then. Mr. Zheng is responsible for the Group's corporate policy formulation, business strategic planning, business development and overall management of the Group. Currently, Mr. Zheng is the Chairman of Creat Group Co., Ltd. (科瑞集團有限公司) and also a Director of Henan Pinggao Electric Company Limited (河南平高電氣股份有限公司).

Mr. Wang An (王安), aged 42, is the Vice Chairman, Executive Director and President of the Company. Mr. Wang is a well known entrepreneur in China. Top ten of Outstanding Youths Entrepreneurs in Shangdong Province. Mr. Wang has been awarded the medal of "Labor Model of the Nation" and is a Representative of Shandong Province to the National People's Congress (人大代表). Mr. Wang graduated from the College of Chinese Communist Party (中共中央黨校函授學院) in June 1994. He was the General Manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. He joined the Company in March 1996 and has been involving in the juice production industry since then. Mr. Wang is responsible for the overall management of the Group.

董事

執行董事

鄭躍文先生，43歲，本公司董事長兼執行董事。鄭先生是全國著名的民營企業家、全國政協委員、全國工商聯副主席。一九九九年十月，鄭先生畢業於亞洲國際公開大學(澳門)取得工商管理碩士學位，其後於一九九九年十一月在東北財經大學取得其經濟系博士學位。於一九九九年十二月，鄭先生於江西財經大學工商管理系擔任客席教授。他於二零零零年十一月加入本公司，並自此投身濃縮果汁生產業。鄭先生負責本集團企業政策的制訂、業務策略規劃、業務發展及本集團的整體管理。鄭先生目前為科瑞集團有限公司董事長，亦為河南平高電氣股份有限公司之董事。

王安先生，42歲，本公司副董事長，執行董事兼總裁。王先生是全國著名的民營企業家、山東省十大傑出青年企業家、全國「五一」勞動獎章獲獎者、山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生於一九九六年三月加入本公司，並自此參予濃縮蘋果汁生產業。王先生負責本集團的整體管理。

Directors, Supervisors and Senior Management 董事、監事及高級管理層

Mr. Zhang Hui (張輝), aged 32, is an Executive Director and Executive President of the Company. He was the Deputy General Manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Muping Material (牟平物資) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the juice production industry since then. Mr. Zhang is responsible for assisting Mr. Wang for overall management of the Group.

Mr. Yu Hui Lin (于會林, formerly于惠霖), aged 56, is an Executive Director and Chief Engineer of the Company. He was the Assistant Manager of the engineering department for Rusan County Candy and Fruit Juice Factory (乳山縣糖果及果汁廠) in Shandong Province from March 1982 to March 1988 and has been involving in the juice production industry since then. Mr. Yu then joined Yantai Fruit Juice Factory (烟台市果汁廠) as the Chief of the Technical Department from April 1988 to March 1995. In April 1995, Mr. Yu joined the Shangdong Zhonglu Fruit Juice and Food Co. (山東中魯果汁食品公司) as the Assistant Supervisor of the Research and Development Department before joining the Group. Mr. Yu has over 20 years of experience in the juice production industry. He joined the Company in March 1996 and is responsible for the Group's equipment and the overall technical work.

張輝先生，32歲，本公司執行董事兼執行總裁。於加盟本集團前，他曾擔任牟平食品工業有限公司及牟平物資的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業。張先生協助王安先生負責本集團的整體管理。

于會林先生(曾用名于惠霖)，56歲，本公司執行董事兼總工程師。一九八二年三月至一九八八年三月，于先生曾於山東省乳山縣糖果及果汁廠擔任工程助理經理，並至此參予果汁生產業。于先生於其後加入烟台市果汁廠，一九八八年四月至一九九五年三月出任技術部總監。加入本集團前，于先生於一九九五年四月起加入山東中魯果汁食品公司擔任研究及開發部門助理主任。于先生於果汁生產業擁有二十多年經驗。于先生於一九九六年三月加入本公司，現負責本集團的設備、工藝等整體技術工作。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Non-executive Directors

Mr. Zhang Wan Xin (張萬欣), aged 74, is a non-executive Director. He graduated from Tsinghua University in 1952, and engaged in advanced studies in R&D Institutions and Corporations of former Soviet for two years. He had been awarded Top grade Award of National Technology Progress in 1986. He had been the Vice President of China Chemical Engineering Chemical Industry Association and Vice President of China National Petroleum and Petrochemical Industry Association for ten years. He was a part-time professor of Shenzhen, as the advisor of Doctor-degree for postgraduate candidate student in Tsinghua University, he was also the member of MBA China Advisory Board of New York State University, co-research professor in Danmark Technology University. He was the Senior Vice President of China National Petrochemical Corporation(SINOPEC), the Vice President for the Development Research Center of the State Council of the PRC, the Chairman and President of SAAX Corporation in U.S.A and Montpel Corporation in U.S.A. He is a Vice Chairman of National Society of Taiwan Studies, the China Western Region Economic Development Association, Deputy Director General I.B.C (England Cambridge), the Vice President of the Research of Development Research Center of the State Council of the PRC. He was also a member of the Chinese People's Political Consultative Conference(CPPCC) in 8th & 9th Session for ten years. He is a Director of Henan Pinggao Electric Company Limited. He joined the Company in November 2000.

Mr. Ren Xiao Jian (任曉劍), aged 48, is a non-executive Director. Mr. Ren obtained his Master Degree in Business Administration from La Trobe University in Australia in September 2001. He worked as a Senior Economist in China Agriculture Bank before joining the Group. Mr. Ren is also currently a Director of Henan Pinggao Electric Company Limited (河南平高電氣股份有限公司). Mr. Ren joined the Company in November 2000.

非執行董事

張萬欣先生，74歲，本公司非執行董事。張先生一九五二年畢業於清華大學，50年代曾在前蘇聯研究機構及企業進修、實習二年。為一九八六年中國國家科技進步特定獎獲得者。曾任中國化工學會及中國石油化學學會副理事長十年，曾任清華大學及深圳大學兼職教授及博士生導師，紐約州立大學MBA中國顧問委員會成員，丹麥技術大學合作研究教授。中國石化總公司副總經理，國務院開發研究中心副主任，美國SAAX中美捷通顧問公司及美國凱宇公司董事長兼總裁。現任全國台灣研究會副會長，中國西部經濟研究發展促進會副會長，國際傳記中心(英國劍橋)副總幹事，國務院發展研究中心研究員，全國政協第八、第九屆委員。張先生目前為河南平高電氣股份有限公司之董事。張先生於二零零零年十一月加入本公司。

任曉劍先生，48歲，本公司非執行董事。任先生於二零零一年九月在澳洲La Trobe University取得工商管理碩士學位。於加盟本集團前，他於中國農業銀行擔任高級經濟師。任先生目前為河南平高電氣股份有限公司之董事。任先生於二零零零年十一月加入本公司。

Directors, Supervisors and Senior Management 董事、監事及高級管理層

Mr. Lei Liang Sheng (雷良生), aged 46, is a non-executive Director. In 1984, Mr. Lei graduated from Chung Buk University in Korea and obtained his Bachelor Degree in Business Management in May 1984. He is currently the President of Cheongpoong ANT Corporation in Korea. He joined the Company in June 1998.

Independent non-executive Directors

Mr. Wu Jian Hui (鄔建輝), aged 35, is an independent non-executive Director of the Company. Mr. Wu is a Partner of Shenzhen Dahua Tiancheng Certified Public Accountants (深圳大華天城會計師事務所) and is a Registered Accountant in China, a Chartered Accountant in Securities Industry and a registered Estate Surveyor in China. Mr. Wu was responsible for initial public offering and issue of new shares for various companies and was a financial consultant to a number of listed companies in China. Mr. Wu was appointed as independent non-executive Director in May 2004 and re-appointed in November 2004.

Mr. Hu Xiao Song (胡小松), aged 44, is an independent non-executive Director. Mr. Hu is currently the Professor of the Food Science Faculty of China Agriculture University (中國農業大學食品學院). He graduated from the Food Science Faculty of Beijing Agriculture University (北京農業大學食品系) in June 1998 with a Master Degree in Agricultural Products Storage and Processing. Mr. Hu has been conducting research in agricultural products processing technology. He was appointed as independent non-executive Director in September 2002 and re-appointed in November 2004.

雷良生先生，46歲，本公司非執行董事。雷先生於一九八四年在韓國Chung Buk University畢業，並於一九八四年五月年獲頒工商管理學士學位。雷先生目前擔任韓國Cheongpoong ANT Corporation的總裁。雷先生於一九九八年六月加入本公司。

獨立非執行董事

鄔建輝先生，35歲，本公司獨立非執行董事，現任深圳大華天誠會計師事務所合夥人，中國註冊會計師，證券業特許會計師，中國註冊房地產估價師，曾負責多家企業首次發行及增發股票的審計，並擔任多家上市公司財務顧問。鄔先生於二零零四年五月獲委任為獨立非執行董事，並於二零零四年十一月再獲重新委任。

胡小松先生，44歲，本公司獨立非執行董事，目前為中國農業大學食品學院教授。胡先生於一九九八年六月畢業於北京農業大學食品系及獲頒農業產品貯藏及加工學碩士學位。胡先生於農產品加工技術一直有進行研究。胡先生於二零零二年九月獲委任為獨立非執行董事，並於二零零四年十一月再獲重新委任。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mdm. Yu Shou Neng (俞守能), aged 50, is an independent non-executive Director. Mdm. Yu possesses postgraduate qualification. She is a Representative of Shandong Province to the National People's Congress and is also the head and a senior lecturer of Shangdong Yantai Agriculture Institute (山東烟台農業學院). Mdm. Yu was appointed as independent non-executive Director in May 2004 and re-appointed in November 2004.

Supervisors

Mdm. Zou Ji Yu (鄒積余), aged 62, is an independent representative and chairman in the supervisor committee of the Company. In 1967, she graduated from the Faculty of Mechanical and Electrical Engineering of University of Tsinghua University (清華大學) and obtained her Bachelor Degree in high voltage technology. Ms. Zou is currently the Chairman of Pingdingshan City Yanhuang Culture Institute (平頂山市炎黃文化研究會). She was appointed as Supervisor in September 2002.

Mr. Chen Ke Lin (陳克林), aged 53, is an independent representative in the supervisor committee of the Company. In July 1983, he graduated from the University of Finance and Economics (江西財經學院) in Jiangxi Province and obtained his Bachelor Degree in Economics majoring in Business Accounting. Mr. Chen is a Certified Public Accountant in the PRC. He has been the Deputy Mayor of Jingtangshan City (井岡山市) of Jiangxi Province. He is currently a Partner of Shenxin Accounting Firm (深信會計師事務所) in Shenzhen. He was appointed as Supervisor in September 2002.

俞守能女士，50歲，本公司獨立非執行董事，碩士學歷，山東省人大代表，現為山東烟台農業學院院長及高級講師。俞女士於二零零四年五月獲委任為獨立非執行董事，並於二零零四年十一月再獲重新委任。

監事

鄒積余女士，62歲，本公司監事會獨立代表及主席。鄒女士於一九六七年畢業於清華大學電機系，並取得高電壓科技學士學位。鄒女士目前為平頂山市炎黃文化研究會會長。鄒女士於二零零二年九月獲委任為本公司監事。

陳克林先生，53歲，本公司監事會獨立代表。陳先生於一九八三年七月畢業於江西財經學院，並取得經濟學士學位，主修商業會計。陳先生為中國執業會計師，曾出任江西省井岡山市副市長，目前為深圳深信會計師事務所合夥人。陳先生於二零零二年九月獲委任為本公司監事。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mr. Qu Wei Jia (曲維佳), aged 56, is an employee representative in the supervisor committee of the Company. In 1991, he graduated from the Shangdong Muping Teachers Training Institute (山東牟平縣教師進修學校). Mr. Qu is currently the Manager of the Administration Department of the Group. He was appointed as Supervisor in April 2000.

Senior Management

Mr. Wang An (王安), aged 42, is the Vice Chairman, Executive Director and President of the Company. Mr. Wang is a well known entrepreneur in China. Top ten of Outstanding Youths Entrepreneurs in Shandong Province. Mr. Wang has been awarded the medal of "Labor Model of the Nation" and is a Representative of Shandong Province to the National People's Congress (人大代表). Mr. Wang graduated from the College of Chinese Communist Party (中共中央黨校函授學院) in June 1994. He was the General Manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. He joined the Company in March 1996 and has been involving in the juice production industry since then. Mr. Wang is responsible for the overall management of the Group.

Mr. Zhang Hui (張輝), aged 32, is an Executive Director and Executive President of the Company. He was the Deputy General Manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Muping Material (牟平物資) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the juice production industry since then. Mr. Zhang is responsible for assisting Mr. Wang for overall management of the Group.

曲維佳先生，56歲，本公司監事僱員代表。曲先生於一九九一年在山東牟平縣教師進修學校畢業。曲先生目前為本集團行政部的經理。曲先生於二零零零年四月獲委任為本公司監事。

高級管理層

王安先生，42歲，本公司副董事長，執行董事兼總裁。王先生是全國著名的民營企業家、山東省十大傑出青年企業家、全國「五一」勞動獎章獲獎者、山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生於一九九六年三月加入本公司，並自此參予濃縮蘋果汁生產業。王先生負責本集團的整體管理。

張輝先生，32歲，本公司執行董事兼執行總裁。於加盟本集團前，他曾擔任牟平食品工業有限公司及牟平物資的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業。張先生協助王安先生負責本集團的整體管理。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mr. Yu Hui Lin (于會林，formerly于惠霖), aged 56, is an Executive Director and Chief Engineer of the Company. He was the Assistant Manager of the engineering department for Rusan County Candy and Fruit Juice Factory (乳山縣糖果及果汁廠) in Shandong Province from March 1982 to March 1988 and has been involving in the juice production industry since then. Mr. Yu then joined Yantai Fruit Juice Factory (烟台市果汁廠) as the Chief of the Technical Department from April 1988 to March 1995. In April 1995, Mr. Yu joined the Shangdong Zhonglu Fruit Juice and Food Co. (山東中魯果汁食品公司) as the Assistant Supervisor of the Research and Development Department before joining the Group. Mr. Yu has over 20 years of experience in the juice production industry. He joined the Company in March 1998 and is responsible for the Group's equipment and the overall technical work.

Mr. Jiang Hong Qi (姜洪奇), aged 39, is the Chief Financial Officer of the Company. Mr. Jiang holds a Master Degree in Economics majoring in Accounting. Mr. Jiang is a Certified Public Accountant in the PRC. He was the Business Manager and Senior Manager in Shangdong International Trust and Investment Corporation (山東省國際信託投資公司) before joining the Company. Mr. Jiang joined the Company in 2002 as a Deputy Chief Accountant. Mr. Jiang is responsible for the accounting and finance matters of the Group.

Mr. Yung Ka Hee Titus (容家禧), aged 47, is a Vice President of the Company. He holds Bachelor Degree in Economics. Mr. Yung was the District Sales Manager and Chief Representative of China of APV 遠東有限公司. He was the General Manager of Shanghai head office of Daya Group Company (大亞集團公司) and also the Deputy Manager of Shanghai Daya Economy Development Co. Ltd. (上海大亞經濟發展有限公司). Mr. Yung joined the Company in 2000 and is responsible for the overseas sales of the Group.

于會林先生(曾用名于惠霖)，56歲，本公司執行董事兼總工程師。一九八二年三月至一九八八年三月，于先生曾於山東省乳山縣糖果及果汁廠擔任工程助理經理，並至此參予果汁生產業。于先生於其後加入烟台市果汁廠，一九八八年四月至一九九五年三月出任技術部總監。加入本集團前，于先生於一九九五年四月起加入山東中魯果汁食品公司擔任研究及開發部門助理主任。于先生於果汁生產業擁有二十多年經驗。于先生於一九九八年十二月加入本公司，負責本集團的研究及開發專案，並監督本集團整個生產過程。于先生於一九九六年三月加入本公司，現負責本集團的設備、工藝等整體技術工作。

姜洪奇先生，39歲，經濟學碩士，本公司財務總監。姜先生主修會計學專業，亦為中國註冊會計師。姜先生曾任山東省國際信託投資公司(Shangdong International Trust and Investment Corporation)業務經理、高級經理等職。姜先生於二零零二年加入本公司，曾任本公司副總會計師。姜先生現負責本集團的會計及財務事務。

容家禧先生，47歲，本公司副總裁。經濟學學士。容先生曾任APV遠東有限公司地區銷售經理及中國首席代表，大亞集團公司(上海總部)海貿部總經理兼上海大亞經濟發展有限公司副總經理。容先生於二零零零年加入本公司，現負責本集團的海外銷售工作。

Directors, Supervisors and Senior Management 董事、監事及高級管理層

Mr. Li Kun Gui (李坤貴), aged 50, is a Vice president of the Company. In 1988, he was appointed as the Head of Administration Department of the Muping County Office. In 1995, he was appointed as a Deputy Manager of Yangmadao Resort (養馬島渡假村). Mr. Li joined the Company in June 1998 and is responsible for the administrative matters of the Group.

Mr. Yang Tao (楊濤), aged 35, is a Vice President of the Company. Mr. Yang joined the Company in March 1996 and had worked as production line leader, supervisor and factory manager. He is well experienced in juice manufacturing. He is currently responsible for the production of the Group.

Mr. Ren Hou Kun (任厚坤), aged 46, is a Vice President of the Company. Mr. Ren had worked as production line leader and Deputy General Manager in Muping Plastic Manufactory (牟平區塑膠廠) and has been awarded Muping District Outstanding Personnel (牟平區技術拔尖人才) for 2 consecutive years. Before joining the Company, Mr. Ren was the Deputy General Manager of Ji Nan Ju Ji Fa Dian Xun Plastic Company Ltd (濟南巨集發電訊塑膠股份有限公司) for 2 years. Mr. Ren joined the Company in 2002 and worked as Assistant to President and currently responsible for the research and development and quality control of the Group.

Ms. Peng Xiao Jun (彭小峻), aged 29, is a Vice President of the Company. Ms. Peng formerly was the sales supervisor of Chongqing Jianshe Motor Co. Ltd. (重慶建設摩托車有限公司) and Nanjing Siemens Co. Ltd. (南京西門子有限公司). Ms. Peng joined the Company in 2002 as an Assistant to President. She is currently responsible for the domestic sales of the Group.

李坤貴先生，50歲，大專學歷，本公司副總裁。於一九八八年，李先生獲委任為牟平縣辦公室的行政部主管，並於一九九五年獲委任為養馬島度假村的副總經理。李先生於一九九八年六月加入本公司，現負責本集團的行政事務。

楊濤先生，35歲，大專學歷，本公司副總裁。楊先生於一九九六年三月加入本公司，曾任本公司生產班長、車間主任、分廠廠長等職，楊先生有著豐富的果汁生產經驗，現負責本集團的生產工作。

任厚坤先生，46歲，大專學歷，本公司副總裁。任先生曾任牟平區塑膠廠車間主任、副總經理，並連續兩年被評為「牟平區技術拔尖人才」。於加入本公司前，任先生曾擔任兩年的濟南宏發電訊塑膠股份有限公司的總經理。任先生於二零零二年加入本公司，曾任本公司總裁助理，現負責本集團的研發和質控工作。

彭小峻女士，29歲，研究生學歷，本公司副總裁。彭女士主修國際貿易和國際金融。彭女士曾任重慶建設摩托車有限公司和南京西門子有限公司的銷售主管。彭女士於二零零二年加入本公司，曾任本公司總裁助理，現負責本集團的國內銷售工作。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Qualified Accountant and Company Secretary

Mr. Lim Yeau Teng (林耀庭), aged 34, is the Qualified Accountant and Company Secretary of the Company. Mr. Lim graduated from University of Portsmouth in England and obtained his Master in Business Administration in 2001. He is a Chartered Management Accountant and an Associate Member of the Chartered Institute of Management Accountants, possessing over 4 years of experience in the accounting and finance field. Mr. Lim has worked in S. Thillaimutu & Company and Southern Steel Berhad in Malaysia as well as China Construction Group (Hong Kong) before joining the Group. Mr. Lim joined the Company in 16 September 2002 and is responsible for the accounting and finance matters of the Group.

合資格會計師及公司秘書

林耀庭先生，34歲，本公司合資格會計師及公司秘書。林先生畢業於英國University of Portsmouth，並於二零零一年獲頒工商管理碩士。林先生為執業管理會計師及特許管理會計協會的會員，並於會計及金融業擁有逾四年經驗。林先生於加入本集團前，在馬來西亞S.Thillaimutu & Company and Southern Steel Berhad及中國建築集團(香港)工作。於二零零二年九月十六日加入本集團後，林先生負責本集團之會計及金融事務。

Report of Directors

董事會報告

The Directors have pleasure in submitting the annual report together with the audited financial statements for the year ended 31 December 2004.

Principal Activities

The principal activities of the Group are manufacturing and sale of AJC, PJC, apple essence, feedstuff and related products. Principal activities of the Company's subsidiaries are set out in note 16 on the Financial Statements.

Results

The results and financial status of the Group for the year ended 31 December 2004 are set out in Page 49 to Page 106 of the Annual Report.

Major Customers and Suppliers

In the reporting period, the Group mainly exported products to the US market, and was expanding its market to Europe and Japan. The sales attributable to the top five customers of the Group accounted for about 48% of the Group's total turnover and sales to the largest customer included therein amounted to about 15%.

Purchases from the Group's top five largest suppliers accounted for about 27% of total purchases for the year. The largest supplier accounted for about 14% of the total purchases of the Group for the year.

None of the Directors, Supervisors, their respective associates or any shareholders which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital had any interest in the top five largest suppliers or customers of the Group.

董事會欣然提呈二零零四年年報及本集團截至二零零四年十二月三十一日止年度經審核財務報表。

主要業務

本集團主要從事生產及銷售濃縮蘋果汁、濃縮梨汁、蘋果香精、生物飼料等產品，本公司之子公司之主要業務詳情載於財務報表附註16。

業績

本集團截至二零零四年十二月三十一日止年度的業績及財務狀況載於年報第49頁至106頁。

主要客戶與供應商

於本報告期內，本集團的產品主要是銷往美國市場，但已逐步開拓了歐洲市場和日本市場。本集團向五大客戶的銷售額佔本集團營業額約48%。本集團向最大客戶的銷售額佔本集團營業額約15%。

本集團從五大供應商的採購約佔總採購量的27%。同期，本集團最大的供應商約佔總採購量的14%。

就董事所知概無擁有超過本公司已發行股本5%以上的董事、監事、他們各自的聯繫人士或任何股東，於本集團五大客戶或供應商中擁有權益。

Dividends

The Board of Directors has resolved to recommend a final dividend of approximately RMB33,946,000 (inclusive of tax), or approximately RMB0.02 per share for 2004. The proposal to declare and pay this final dividend will be submitted to the shareholders of the Company at the forthcoming annual general meeting to be held on 17 May 2005. Final dividend for Promoter Shares will be distributed and paid in RMB whereas dividend for H Shares will be declared in RMB and paid in Hong Kong dollars. The register of holders of H Shares of the Company will be closed from 16 April 2005 to 16 May 2005 (both days inclusive) during which no transfers of H Shares will be registered. The final dividend will be distributed within one month from the conclusion of the forthcoming annual general meeting.

Share Capital

The change(s) in share capital of the Company is set out in note 29 on the Financial Statements.

Placing of Shares and Use of Proceeds

At 28 June 2004, the Company entered into a placing agreement with Deutsche Bank Aktiengesellschaft, Hong Kong Branch and Guotai Junan Capital Limited, as the joint lead managers in relation to the placing on a fully-underwritten basis of 178,500,000 new H Shares with a nominal value of RMB0.10 each at a price of HK\$0.80 per H Share. The placing shares represent approximately 10.5% of the existing issued share capital as enlarged by the issue of the placing shares. The total share capital of the Company increased to 1,697,300,000 shares from 1,518,800,000 shares (among the 1,697,300,000 shares, 558,500,000 of them are H Shares, 1,138,800,000 of them are promoter shares). The placing of the shares of the Company was completed on 14 July 2004. The placing shares are traded on the GEM.

股利

董事會提議案派付二零零四年度末期股息約人民幣33,946,000元(含稅)或每股約人民幣0.02元。宣告和支付末期股息的建議將於二零零五年五月十七日召開的股東周年大會上提呈予本公司之股東。發起人股東的末期股息將以人民幣宣告並支付，而H股股東的末期股息將以人民幣宣告並以港幣支付。本公司將於二零零五年四月十六日至二零零五年五月十六日止(首尾兩日包括在內)暫停辦理H股登記手續，期間將不會登記H股過戶。末期股息將於即將舉行之股東週年大會結束後之一個月內派付。

股本

本公司股本於本年內之變動詳情載於財務報表附註29。

配售股份及有關所得款項用途

於二零零四年六月二十八日，本公司與聯席牽頭經辦人德意志銀行香港分行及國泰君安證券(香港)有限公司訂立配售協定，以根據全數包銷方式按每H股港幣0.80元的價格，配售本公司股本中合共178,500,000股每股人民幣0.10元的新H股。配售股份佔經發行配售股份擴大之公司已發行股本約10.5%。公司的總股本由原來的1,518,800,000股增至1,697,300,000股(當中H股佔558,500,000股，發起人股佔1,138,800,000股)。本公司股份已於二零零四年七月十四日完成配售，配售股份已在創業板進行買賣。

Net proceeds from share placing which was approximately HK\$133,280,000 (after deducting the relevant placing expenses) had been fully utilised according to the recommended uses set out in the relevant circular and announcement.

Reserves

The change(s) in reserves of the Company in the year is set out in the statement of changes in equity of the Group and the Company in the Financial Statements.

The distributable reserves of the Company as at 31 December 2004 amounted to approximately RMB105,847,000 (2003: RMB 68,022,000).

Property, Plant and Equipment

During the year, the Group incurred approximately RMB156,693,000 for construction of factory and acquiring plant and equipment. With respect to the expansion of its production capacity, the Group had established a new PJC production line and renovated existing production facilities; for the use of fruit residue, it had built three production lines for processing feedstuff in Longkou Andre, Xuzhou Andre and Baishui Andre respectively.

The change(s) of property, plant and equipment of the Group is set out in note 14 on the Financial Statements.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association or the Company Law of the PRC which oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Purchase, Sale or Redemption of Shares

For the year ended 31 December 2004, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's shares.

本公司配售股份募集資金淨額約為港幣133,280,000元(已扣除配售費用)，現已按有關之通函及公告內之建議用途使用完畢。

儲備

本公司儲備於本年內之變動詳情載於本集團及本公司股東權益變動表。

於二零零四年十二月三十一日，本集團股東可分配利潤約為人民幣105,847,000元(二零零三年：約人民幣68,022,000元)。

物業、廠房及設備

本年度、本集團支出了大約人民幣156,693,000元用於興建廠房，購買機器設備。在提升生產能力方面，本集團新建了一條梨汁生產線和改造了現有生產線；在果渣綜合利用方面，本集團分別在龍口安德利、徐州安德利和白水安德利興建了三條加工生物飼料的生產線。

本集團物業、廠房及設備於本年內之變動詳情載於財務報表附註14。

優先認購權

本公司之公司組織章程或中國法例並無訂明本公司須按比例向現有股東發售新股的優先認購權條文。

購買、出售或購回股份

截至二零零四年十二月三十一日止年度，本公司或其任何子公司概無購入、出售或購回本公司任何股份。

Directors' and Supervisors' Rights to Acquire Shares or Debentures

None of the Directors or Supervisors of the Company or their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporate, or had exercised any such right as at 31 December 2004.

Significant Investment

No significant investment was held by the Group as at 31 December 2004.

Material Acquisitions and Disposals During the Period

Apart from the transfer of Longkou Andre's 10% equity interest to Mitsui, the Group did not have any material acquisitions or disposals of subsidiaries and associated companies during the year ended 31 December 2004.

Employee and Remuneration Policy

As at 31 December 2004, the Group had a total of 538 employees (31 December 2003: 402). Staff costs including directors' remuneration for the year ended 31 December 2004 and 2003 were approximately RMB9,181,000 and approximately RMB6,515,000 respectively. Details of the emoluments of the Directors and supervisors of the Company and the top five highest paid individuals of the Group are set out in notes 11 and 12 on the Financial Statements. The Group's employment and remuneration policies remained unchanged from those described in the prospectus of the Company dated 11 April 2003. The salaries and benefits of employees of the Group are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system which is reviewed annually. A wide range of benefits, including statutory compulsory welfare plans, are also provided to the employees.

董事及監事購入股份或債券的權利

本公司或其附屬公司概無授出任何權利，以致本公司董事或監事或彼等各自的聯繫人可藉購入本公司或任何其他法人團體的股份或債券而獲益，而彼等亦無於二零零四年十二月三十一日行使任何該等權利。

重大投資

於二零零四年十二月三十一日，本集團概無持有任何重大投資。

期內重大收購及出售

截至二零零四年十二月三十一日止年度，本公司除向三井轉讓其於龍口安德利之10%股本權益外，本公司概無對子公司及聯繫公司進行重大收購或出售。

僱員及薪酬政策

於二零零四年十二月三十一日，本集團僱用共538名員工（二零零三年十二月三十一日：402名）。截至二零零四年及二零零三年十二月三十一日止年度之員工成本（包括董事酬金）分別約為人民幣9,181,000元及約人民幣6,515,000元。本公司之董事和監事及本集團之五名最高薪酬人士之薪酬詳情載於財務報表附註11及12。本集團僱用及薪酬政策保持與本集團於二零零三年四月十一日的售股章程所述者不變。本集團僱員之薪金及福利維持於具競爭力水準，而僱員之薪酬及福利根據本集團之薪金及花紅制度按僱員表現每年檢討厘定。本集團向僱員提供多種福利（包括法定強制性福利計劃）。

Retirement Fund Scheme

The retirement fund scheme is set out in note 6 on the Financial Statements.

Directors and Supervisors

As at 31 December, 2004, the Directors and Supervisors of the Company were as follows:-

Executive Directors: Zheng Yue Wen, Wang An, Zhang Hui and Yu Hui Lin (formerly 于惠霖)

Non-executive Directors: Zhang Wan Xin, Ren Xiao Jian and Lei Liang Sheng

Independent non-executive Directors: Wu Jian Hui, Hu Xiao Song, Yu Shou Neng

Supervisors: Zou Ji Yu, Chen Ke Lin and Qu Wei Jia

Each of the Directors and Supervisors (including the independent non-executive Directors and Supervisors) has entered into a service contract with the Company for a term of three years. None of the Directors or the Supervisors had entered into any service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts

None of the Directors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company was a party in 2004.

退休金計劃

本公司退休金計劃詳情載於財務報表附註6。

董事及監事

於二零零四年十二月三十一日，本公司之董事及監事如下：

執行董事：鄭躍文、王安、張輝和于會林(曾用名于惠霖)

非執行董事：張萬欣、任曉劍和雷良生

獨立非執行董事：鄒建輝、胡小松和俞守能

監事：鄒積余、陳克林和曲維佳

各董事及監事(包括獨立非執行董事及監事)已分別與本公司訂立服務合約，為期三年。概無董事或監事與本公司訂有任何不可以由本公司於一年內終止而毋須賠償(法定補償除外)之服務合約。

董事於合約之權益

於二零零四年內，概無董事於對本集團業務具重大影響之本公司所訂合約中直接或間接持有任何重大權益。

Report of Directors

董事會報告

Directors', Supervisors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2004, the interests and short positions of the directors, supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the "GEM Listing Rules", were as follows:

Long positions in the shares of the Company

Name of Directors 董事姓名	Class of shares 股份類別	Number of shares held 所持股份數目
Zheng Yue Wen (Note 1) 鄭躍文 (附註 1)	Promoter Shares 發起人股	558,714,000 (L) 558,714,000 (長)
Wang An (Note 2) 王安 (附註 2)	Promoter Shares 發起人股	461,226,730 (L) 461,226,730 (長)

董事、監事及最高行政人員於本公司股份及債權證中的權益及淡倉

於二零零四年十二月三十一日，董事、監事及最高行政人員於本公司及其聯繫法團（按《證券及期貨條例》第XV部的涵義）擁有根據《證券及期貨條例》第352條須予備存之登記冊所載或根據創業板上市規則第5.46條有關董事進行證券交易的標準而通知本公司及聯交所之股份、相關股份及債權證中的權益及淡倉如下：

公司長倉股份

Capacity 身份	Type of Interest 權益種類	Percentage in Promoter Shares 佔發起人股百分比	Percentage in total share capital 佔總股本百分比
Interest of controlled corporation 受控制法團權益	Personal 個人	49.06%	32.92%
Interest of controlled corporation 受控制法團權益	Personal 個人	40.50%	27.17%

Report of Directors

董事會報告

Notes:

- (1) As at 31 December 2004, Zheng Yue Wen was taken to be interested in the 558,714,000 Promoter Shares through its controlled corporations. As at 31 December 2004, out of the 558,714,000 Promoter Shares, 光彩專業國土綠化整理有限公司 (Glory Cause Land Afforestation Co., Ltd.*) was having a direct interest of 546,624,000 Promoter Shares whereas 北京瑞澤網絡銷售有限責任公司 (Beijing RAJ Network Sales Co., Ltd.*) was having a direct interest of 12,090,000 Promoter Shares. As at 31 December 2004, 光彩事業國土綠化整理有限公司 (Glory Cause Land Afforestation Co., Ltd.*) was controlled (as to 79%) by 北京亞太世紀科技發展有限責任公司 (Beijing Asia Pacific Century Technology Development Limited Liability Company*) which in turn was controlled (as to 80%) by 北京瑞澤網絡銷售有限責任公司 (Beijing RAJ Network Sales Co., Ltd.*). As at 31 December 2004, Zheng Yue Wen controlled 43% interest in 北京瑞澤網絡銷售有限責任公司 (Beijing RAJ Network Sales Co., Ltd.*).
- (2) As at 31 December 2004, Wang An was taken to be interested in the 461,226,730 Promoter Shares through its controlled corporations. As at 31 December 2004, out of the 461,226,730 Promoter Shares, 烟台東華果業有限公司 (Yantai Donghua Fruit Co., Ltd.*) was having a direct interest of 176,526,730 Promoter Shares whereas Donghua Fruit Industry Co., Ltd. was having a direct interest of 284,700,000 Promoter Shares. As at 31 December 2004, Wang An controlled 66.72% and 90% interests in 烟台東華果業有限公司 (Yantai Donghua Fruit Co., Ltd.*) and Donghua Fruit Industry Co., Ltd., respectively. The Company has received notice that Donghua Fruit Industry Co., Ltd. is no longer a controlled corporation of Wang An as from 4 February 2005. Notwithstanding the above changes, Wang An continues to have 29% equity interest in Donghua Fruit Industry Co., Ltd..
- (3) The information disclosed is based on the information available on the website of the Stock Exchange.
- (4) The letter "L" denotes a long position.

附註：

- (1) 於二零零四年十二月三十一日，鄭躍文透過其受控制法團擁有558,714,000股發行人股份。於二零零四年十二月三十一日，從558,714,000股發行人股份中，光彩事業國土綠化整理有限公司（「光彩」）擁有546,624,000股發行人股份直接權益，而北京瑞澤網絡銷售有限責任公司（「北京瑞澤」）擁有12,090,000股發行人股份直接權益。於二零零四年十二月三十一日，光彩由北京亞太世紀科技發展有限責任公司（「北京亞太」）控制（佔79%），而北京亞太由北京瑞澤控制（佔80%）。於二零零四年十二月三十一日，鄭躍文控制北京瑞澤43%之權益。
- (2) 於二零零四年十二月三十一日，王安透過其受控制法團擁有461,226,730股發行人股份。於二零零四年十二月三十一日，從461,226,730股發行人股份中，烟台東華果業有限公司擁有176,526,730股發行人股份直接權益，而Donghua Fruit Industry Co., Ltd.擁有284,700,000股發行人股份直接權益。於二零零四年十二月三十一日，王安分別控制烟台東華果業有限公司66.72%權益及Donghua Fruit Industry Co., Ltd. 90%權益。本公司獲函通知，Donghua Fruit Industry Co., Ltd.自二零零五年二月四日起，已不再是一家王安之控制法團。除上述變更外，王安繼續持有Donghua Fruit Industry Co., Ltd. 29%股權。
- (3) 資料根據聯交所網頁內所得作披露。
- (4) 「長」表示長倉。

* For identification purpose only

Report of Directors

董事會報告

Save as disclosed above, as at 31 December 2004, none of the directors, supervisors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of GEM Listing Rules.

Substantial Shareholders' Interests and Short Positions in the Shares, Underlying Shares of the Company

As at 31 December 2004, so far as the Directors are aware, the following persons (other than the directors, supervisors and chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

於二零零四年十二月三十一日，除上文所披露外，本公司各董事、監事及最高行政人員於本公司或其聯繫法團（按《證券及期貨條例》第XV部的涵義）並沒有擁有根據《證券及期貨條例》第352條須予備存之登記冊所載或根據創業板上市規則第5.46條有關董事進行證券交易的標準而通知本公司及聯交所之股份，相關股份及債權證中的權益及淡倉。

主要股東於股份的權益及淡倉

據董事所知，於二零零四年十二月三十一日，除本公司董事、監事及最高行政人員以外，根據《證券及期貨條例》第336條而備存之登記冊所載，以下人士擁有本公司之股份及相關股份的權益或淡倉：

Report of Directors 董事會報告

Long positions in the shares of the Company

公司長倉股份

Name of substantial Shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in	Percentage
					Promoter Shares /H Shares 佔發起人股 /H股百分比	in total share capital 佔總股本百分比
Zheng Yue Wen 鄭躍文	Promoter Shares 發起人股	558,714,000 (L) 558,714,000 (長)	Interest of controlled corporation (controlling 43% interest of such corporation) 受控制法團權益 (控制該法團的 43%權益)	Personal 個人	49.06%	32.92%
Beijing RAJ Network Sales Co., Ltd.* 北京瑞澤網絡銷售有限責任公司	Promoter Shares 發起人股	12,090,000 (L) 12,090,000 (長)	Beneficial owner 實益擁有人	Corporate 公司	1.06%	0.71%
	Promoter Shares 發起人股	546,624,000 (L) 546,624,000 (長)	Interest of controlled corporation (controlling 80% interest of such corporation) 受控制法團權益 (控制該法團的 80%權益)	Corporate 公司	48.00%	32.21%

* For identification purpose only

Report of Directors

董事會報告

Name of substantial Shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in	Percentage
					Promoter Shares /H Shares 佔發起人股 /H股百分比	in total share capital 佔總股本百分比
Beijing Asia Pacific Century Technology Development Limited Liability Company* 北京亞太世紀科技發展有限責任公司	Promoter Shares 發起人股	546,624,000 (L) 546,624,000(長)	Interest of controlled corporation (controlling 79% interest of such corporation) 受控制法團權益 (控制該法團的 79%權益)	Corporate 公司	48.00%	32.21%
Glory Cause Land Afforestation Co., Ltd.* 光彩事業國土綠化整理有限公司	Promoter Shares 發起人股	546,624,000 (L) 546,624,000(長)	Beneficial owner 實益擁有人	Corporate 公司	48.00%	32.21%
Wang An 王安	Promoter Shares 發起人股	176,526,730 (L) 176,526,730(長)	Interest of controlled corporation (controlling 66.72% interest of such corporation) 受控制法團權益 (控制該法團的 66.72%權益)	Personal 個人	15.50%	10.40%
	Promoter Shares 發起人股	284,700,000 (L) 284,700,000(長)	Interest of controlled corporation (controlling 90% interest of such corporation) 受控制法團權益 (控制該法團的 90%權益)	Personal 個人	25.00%	16.77%

* For identification purpose only

Report of Directors

董事會報告

Name of substantial Shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in	Percentage
					Promoter Shares /H Shares 佔發起人股 /H股百分比	in total share capital 佔總股本百分比
Yantai Donghua Fruit Co., Ltd.* 烟台東華果業有限公司	Promoter Shares 發起人股	176,526,730 (L) 176,526,730(長)	Beneficial owner 實益擁有人	Corporate 公司	15.50%	10.40%
Donghua Fruit Industry Co., Ltd.	Promoter Shares 發起人股	284,700,000 (L) 284,700,000(長)	Beneficial owner 實益擁有人	Corporate 公司	25.00%	16.77%
Oh Jeong Taek (Note 1) 吳正鐸 (附註1)	Promoter Shares 發起人股	284,700,000 (L) 284,700,000(長)	Interest of controlled corporation (controlling 55% interest of such corporation) 受控制法團權益 (控制該法團的 55%權益)	Personal 個人	25.00%	16.77%
Korea Jeong Soo Andre Co., Ltd.* (Note 1) 韓國正樹安德利株式會社 (附註1)	Promoter Shares 發起人股	284,700,000 (L) 284,700,000(長)	Beneficial owner 實益擁有人	Corporate 公司	25.00%	16.77%
Uni-President Enterprises Corp. (Note 2) 統一企業股份有限公司 (附註2)	Promoter Shares 發起人股	84,695,270 (L) 84,695,270(長)	Beneficial owner 實益擁有人	Corporate 公司	7.44%	4.99%
Lloyd George Investment Management (Bermuda) Ltd	H Shares H 股	29,865,000 (L) 29,865,000(長)	Investment manager 投資經理	Corporate 公司	5.35%	1.76%
UBS AG	H Shares H 股	60,740,000 (L) 60,740,000(長)	Having a security interest in shares 對股份持有保證權益	Corporate 公司	10.88%	3.58%

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Report of Directors

董事會報告

Name of substantial Shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in	Percentage
					Promoter Shares /H Shares 佔發行人股/H股百分比	in total share capital 佔總股本百分比
Martin Currie China Hedge Fund Limited	H Shares H 股	38,015,000 (L) 38,015,000(長)	Investment manager 投資經理	Corporate 公司	6.81%	2.24%
Martin Currie Investment Management Limited	H Shares H 股	53,050,000 (L) 53,050,000(長)	Investment manager 投資經理	Corporate 公司	9.50%	3.13%

Notes:

附註：

- (1) Korea Jeong Soo Andre Co., Ltd.*, the shareholding of which is owned as to 55% by Oh Jeong Taek, entered into a conditional sale and purchase agreement on 6 September 2004, with Donghua Fruit Industry Co., Ltd., the shareholding of which is owned as to 90% by Wang An. Pursuant to the conditional sale and purchase agreement, Korea Jeong Soo Andre Co., Ltd. agreed to sell its entire beneficially-owned 284,700,000 Promoter Shares to Donghua Fruit Industry Co., Ltd.. As at 31 December 2004, no corporate substantial shareholder notice and individual substantial shareholder notice was filed by Korea Jeong Soo Andre Co., Ltd.* and Oh Jeong Taek, respectively, indicating that they had ceased to have an interest in at least 5% in the Promoter Shares.
- (2) As at 31 December 2004, the corporate substantial shareholder notice filed by 統一企業股份有限公司 (Uni-President Enterprises Corp.) showed that it was taken to be interested in 84,695,270 Promoter Shares through its wholly-controlled subsidiaries. As at 31 December 2004, the subsidiary having a direct interest in 84,695,270 Promoter Shares was 成都統一企業食品有限公司 (Chengdu President Enterprises Food Co., Ltd.).
- (3) The information disclosed is based on the information available on the website of the Stock Exchange.
- (1) 於二零零四年九月六日，由王安擁有90%股權之 Donghua Fruit Industry Co., Ltd. 與韓國正樹安德利株式會社 (其55%股權由吳正鐸擁有) 訂立一項有條件買賣協議。根據該有條件買賣協議，韓國正樹安德利株式會社同意出售其實益擁有本公司之284,700,000股發行人股予 Donghua Fruit Industry Co., Ltd.。於二零零四年十二月三十一日止，韓國正樹安德利株式會社及吳正鐸並無分別將法團大股東及個人大股東通知存檔，以顯示其不再擁有多於5%發行人股份權益。
- (2) 於二零零四年十二月三十一日，統一企業股份有限公司 (Uni-President Enterprises Corp.) 存檔之法團大股東通知內顯示其透過其全控制子公司擁有84,695,270股發行人股份權益。於二零零四年十二月三十一日，擁有84,695,270股發行人股份直接權益之子公司為成都統一企業食品有限公司 (Chengdu President Enterprises Food Co., Ltd.)。
- (3) 資料根據聯交所網頁內所得作披露。

* For identification purpose only

(4) The Company has received notice that Donghua Fruit Industry Co., Ltd. is a controlled corporation of Prosper United Limited as from 4 February 2005.

(5) The letter "L" denotes a long position.

Save as disclosed above, as at 31 December 2004, the Directors were not aware of any other person (other than the directors, supervisors and chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Competing Interests

None of the Directors, the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) had any interest in a business which competes or may compete with the businesses of the Group or has or may have any other conflicts of the interest with the Group.

Practices and Procedures of the Board of Directors

The Company has complied with the requirement of the Board's Practices and Procedures as set out in Rules 5.34 to 5.45 of the GEM Listing Rules (before the amendment relating to the Code on Corporate Governance Practices) during the year ended 31 December 2004.

Moreover, the Company has adopted the relevant guidelines in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of securities transactions by directors. Having made specific enquiry of the Directors, during the reporting period, the Directors have complied with such code of securities transactions.

(4) 本公司獲函通知，Donghua Fruit Industry Co., Ltd.自二零零五年二月四日起，成為一家Prosper United Limited之控制法團。

(5) 「長」表示長倉。

除上文所披露外，本公司各董事未獲悉任何人(除各董事、監事及最高行政人員外)於二零零四年十二月三十一日擁有根據《證券及期貨條例》第336條規定設置的權益登記冊所載之本公司股份或相關股份之權益或淡倉。

競爭權益

本公司董事或管理層股東或彼等各自之聯繫人(定義見創業板上市規則)概無於任何構成或可能構成與本集團業務出現競爭業務中擁有任何權益，亦無本集團產生或可能產生利益衝突。

董事會的常規及程式

本公司於截至二零零四年十二月三十一日止年度期間一直遵從創業板上市規則(就《企業管治常規守則》進行修訂前)第5.34條至5.45條所載的董事會的常規及程式的規定。

此外，本公司亦以創業板上市規則第5.48至5.67條所載之有關條例作為董事證券交易的守則。經向公司全體董事作出特定查詢後，本報告期內，公司董事遵守了該證券交易守則。

Length of Term of Non-executive Directors

The existing non-executive Directors were appointed for a term of three years from 11 June 2004 to 10 June 2007 whereas the term of the existing independent non-executive Directors is from 15 November 2004 to 10 June 2007.

Independence of independent non-executive Directors

The Company confirms that the Company has received written independence status confirmation from all independent non-executive Directors in accordance with rule 5.09 of the GEM Listing Rule. All independent non-executive Directors are considered as independent.

Sponsor's Interests

Pursuant to a sponsor agreement dated 22 April 2003 between the Company and Barits Securities (Hong Kong) Limited ("Barits"), Barits has been appointed as the sponsor to the Company as required under the GEM Listing Rules for a fee from 22 April 2003 to 31 December 2005. Barits, its directors, employees or their respective associates did not have any interest in any securities of the Company or any of its associated corporations as at 31 December 2004.

非執行董事之服務年期

本公司現任非執行董事之委任期由二零零四年六月十一日至二零零七年六月十日，為期三年。而現任獨立非執行董事之委任期由二零零四年十一月十五日至二零零七年六月十日。

獨立非執行董事之獨立性

本公司確認已根據創業板上市規則第5.09條向本公司各獨立非執行董事收取獨立地位確認書，而全體獨立非執行董事均被認為獨立。

保薦人權益

倍利證券(香港)有限公司(「倍利」)已經與本公司於二零零三年四月二十二日訂立保薦協議，據此，倍利已獲本公司委任，根據創業板上市規則，由二零零三年四月二十二日至二零零五年十二月三十一日期間擔任本公司保薦人，並收取費用。倍利、其董事、僱員或彼等各自的聯繫人於二零零四年十二月三十一日概無於本公司或其任何聯繫法團擁有任何證券權益。

Audit Committee

The Company has established an audit committee with written terms of reference based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control of the Group, ensuring compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The audit committee comprises three independent non-executive Directors, namely Wu Jian Hui, who is the Chairman of the audit committee, Hu Xiao Song and Yu Shou Neng.

During the period, the audit committee has reviewed the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters with the Directors, including a review of the annual results for the year ended 31 December 2004. The audit committee held 4 meetings during the period.

Connected Transactions

On 23 December 2004, Longkou Andre entered into an agreement with Mitsui & Co., (Qingdao) Ltd., a wholly-owned subsidiary of Mitsui, pursuant to which Longkou Andre agreed to supply AJC to Mitsui & Co., (Qingdao) Ltd. at a consideration of RMB9,980,200 from December 2004 to July 2005. The consideration was determined on an arm's length basis with reference to the prices of similar AJC products offered by the Group to other customers and is payable upon receipt of invoice 15 days after delivery of goods by way of tele-transfer on a pre order basis. Since Mitsui & Co., (Qingdao) Ltd. is a wholly-owned subsidiary of Mitsui and Longkou Andre is owned as to 65% by the Company, 25% by Andre Juice Co., Ltd., a wholly-owned subsidiary of the Company and 10% by Mitsui, Mitsui & Co., (Qingdao) Ltd. is a connected person of Longkou Andre and the entering into the agreement constitutes a continuing connected transaction of the

審核委員會

本公司已設立審核委員會，其書面職權範圍乃參考香港會計師公會刊發之「審核委員會指引」而制訂。審核委員會之主要職責為審核及監管本集團之財務申報程式及內部控制，以符合創業板上市規則第5.28至5.33條。審核委員會由三名獨立非執行董事（即鄔建輝、胡小松和俞守能）組成。鄔建輝為審核委員會主席。

於報告期內，審核委員會已審核本集團所採用的會計原則及慣例，並與董事討論內部控制及財務申報事宜，包括審核本集團截至二零零四年十二月三十一日止之年度業績。本年度審核委員會已舉行四次會議。

關連交易

於二零零四年十二月二十三日，由龍口安德利與三井的全資子公司三井物產（青島）有限公司簽訂了於二零零四年十二月至二零零五年七月止總價款為人民幣9,980,200元的供應濃縮蘋果汁的銷售合同。此交易代價乃經參考本集團向其他供應類似濃縮蘋果汁產品之價格後經公平磋商後釐定，並須以電傳方式在付運貨品後15日收訖發票後按比例支付。由於三井物產（青島）有限公司乃三井之全資附屬公司，而龍口安德利乃由本公司持有65%股權、由本公司全資附屬公司（安德利果汁有限公司）持有25%股權，及由三井持有10%股權，按此，三井物產（青島）有限公司為龍口安德利之關連人士，而根據創業板上市規則，訂立該協議構成本公司一項持續關連交易。

Report of Directors

董事會報告

Company under the GEM Listing Rules. For the year ended 31 December 2004, the Group has sold approximately RMB6,130,000 AJC to Mitsui & Co., (Qingdao) Ltd.. Since Mitsui is well established in the trading and sale of AJC, the Directors believe that by entering into the agreement, the strong position of Mitsui in the Japanese market would facilitate the Group's business development in Japan.

The Directors (including the independent non-executive Directors) confirmed that the sale of AJC to Mitsui & Co., (Qingdao) Ltd. was made during the year in the ordinary and usual course of business for Longkou Andre and the Company on normal commercial terms, in accordance with the terms of the sales agreement and on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

The Directors confirmed that the Company's auditors have provided a letter to the Board of Directors in respect of their factual findings on the abovementioned continuing connected transactions.

Auditors

KPMG shall retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

In the past 3 years, the Company's auditors remained unchanged.

By Order of the Board of Directors
Yantai North Andre Juice Co., Ltd.*
Zheng Yue Wen
Chairman

Yantai, the PRC, 16 March 2005

* For identification purpose only

截至二零零四年十二月三十一日止年度，本集團已完成約人民幣6,130,000元的合同值。董事相信，由於三井在濃縮蘋果汁之貿易及銷售方面已建立牢固根基並在日本市場佔優越地位，訂立該協議，必將有利於本集團開拓日本市場。

董事（包括獨立非執行董事）確認，年內銷售予三井物產（青島）有限公司之濃縮蘋果汁乃按龍口安德利及本公司之一般及日常業務過程進行，屬一般商業條款，並根據相關銷售合同之條款，其條款屬公平合理並符合本公司全體股東之利益。

董事確認，本公司核數師已向董事會提供彼等就上述持續關連交易之據實調查結果之函件。

核數師

在即將召開的股東周年大會中，將提請通過續聘畢馬威會計師事務所為本公司核數師的議案。

本公司於過去三年並無更改核數師。

承董事會命
烟台北方安德利果汁股份有限公司
鄭躍文
主席

中國，烟台，二零零五年三月十六日

Report of Supervisory Committee

監事會報告

To the Shareholders:

The Supervisory Committee (the "Supervisory Committee") of Yantai North Andre Juice Co., Ltd.*, in compliance with the provisions of the Company Law of the People's Republic of China (the "PRC Company Law"), the relevant laws and regulations of Hong Kong and the Articles of Association of the Company, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its shareholders.

During the year, Supervisory Committee had reviewed cautiously the development plans of the Company and provided reasonable suggestions and opinions to the Board of Directors. It also strictly and effectively monitored and supervised the Company's management in making significant policies and decisions to ensure that they are in compliance with the laws and regulations of the PRC and the Articles of Association of the Company, and in the interests of its shareholders.

We have reviewed and agreed to the report of the Directors, audited financial statements and the dividend to be proposed by the Board of Directors for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the general manager and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association of the Company. The operation is becoming more regulated and the internal control is becoming more perfect. The transactions between the Company and connected parties are in the interests of the shareholders as a whole and under fair and reasonable price.

各位股東：

烟台北方安德利果汁股份有限公司監事會（「本監事會」）遵照《中華人民共和國公司法》、香港有關法律、法規及公司章程的規定，認真履行職權，維護股東權益，維護本公司利益，遵守誠信原則，恪盡職守，合理謹慎、勤勉主動地開展工作。

在本年度內本監事會對本公司的經營及發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及具體決定是否符合國家法律法規以及本公司章程，是否維護股東利益等，進行了嚴格有效的監督。

本監事會認真審閱並同意董事會擬提呈予本次股東年會的董事會報告、經審核的財務報表以及股東利派發方案，認為本公司董事會成員、總經理及其他高級管理人員，嚴格遵守誠信原則，工作克勤盡職，真誠地以公司最大利益為出發點行使職權，能夠按照《公司章程》開展各項工作，運作較為規範，內部控制制度日趨完善。本公司與關聯企業交易嚴格按符合本公司股東整體利益之條款及公平合理價格執行。

Report of Supervisory Committee

監事會報告

Up till now, none of the Directors, general manager and senior management staff had been found to have abused their authority, damaged the interests of the Company or infringed upon the interests of its shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association of the Company.

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2004 and has great confidence in the future of the Company.

By Order of the Supervisory Committee
Yantai North Andre Juice Co., Ltd.*
Zou Ji Yu

16 March 2005

至今未發現董事、總經理及高級管理人員濫用職權，損害公司利益及侵犯本公司股東和本公司員工權益之行為，亦未違反法例、規則或本公司的公司章程。

本監事會對本公司二零零四年度各項工作和取得的經濟效益表示滿意，對公司未來的發展前景充滿信心。

承監事會命
烟台北方安德利果汁股份有限公司
鄒積余

二零零五年三月十六日

* For identification purpose only

Auditors' Report

核數師報告書

Auditors' report to the shareholders of
Yantai North Andre Juice Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

We have audited the financial statements on pages 49 to 106 which have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of 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, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public 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.

致**烟台北方安德利果汁股份有限公司**各股東
(於中華人民共和國成立的有限公司)

我們已審核刊於第49至106頁按照國際會計準則委員會頒布的國際財務報告準則編製的財務報表。

董事及核數師的責任

貴公司的董事須負責編製真實與公允的財務報表。在編製真實與公允的財務報表時，董事必須貫徹採用合適的會計政策，作出審慎及合理之判斷和估計，並說明任何重大偏離適用會計準則之原因。

我們的責任是根據我們審核工作的結果，對這些財務報表提出獨立的意見，並只向作為法人團體的股東作出報告，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之內容，對任何其他人士負責或承擔法律責任。

意見的基礎

我們是按照香港會計師公會頒布的《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之憑證，亦包括評估董事於編製財務報表時所作出之主要估計和判斷、所釐定之會計政策是否適合 貴公司及 貴集團之具體情況，以及有否貫徹運用並足夠披露這些會計政策。

Auditors' Report

核數師報告書

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 31 December 2004 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants
Hong Kong, 16 March 2005

我們在策劃和進行審核工作時，是以取得一切我們認為必須的資料及解釋為目標，使我們能獲得充分的憑證，就財務報表是否存在重大的錯誤陳述，作合理的確定。在提出意見時，我們亦已衡量財務報表所載的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，上述的財務報表均真實與公允地反映 貴公司及 貴集團於二零零四年十二月三十一日的財政狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照國際會計準則委員會頒布的國際財務報告準則及香港《公司條例》的披露規定適當編製。

畢馬威會計師事務所

執業會計師
香港，二零零五年三月十六日

Consolidated Income Statement

合併損益表

for the year ended 31 December 2004
(Expressed in Renminbi Yuan)
截至二零零四年十二月三十一日止年度
(以人民幣列示)

		Note	2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Turnover	收入	3	563,734	363,855
Cost of sales	銷售成本		(350,397)	(201,217)
Gross profit	毛利		213,337	162,638
Other operating income	其他經營收入	4	23,718	7,095
Distribution expenses	銷售費用		(88,921)	(64,428)
Administrative expenses	一般及行政費用		(21,064)	(16,206)
Other operating expenses	其他經營費用	5	(8,591)	(96)
Profit from operations	經營溢利		118,479	89,003
Net finance costs	財務成本淨額	7	(22,935)	(12,242)
Investment income	投資收入	8	1,483	-
Profit from ordinary activities before taxation	除稅前正常業務溢利		97,027	76,761
Income tax	所得稅	10	(5,360)	(2,590)
Profit from ordinary activities after taxation	除稅後正常業務溢利		91,667	74,171
Minority interests	少數股東權益		(80)	285
Profit attributable to shareholders	股東應佔溢利	13	91,587	74,456
Dividends attributable to the year	本年度股息			
Final dividend proposed after the balance sheet date	結算日後建議分派末期股息	30	33,946	34,932
Basic earnings per share	每股基本盈利	31	人民幣0.06	人民幣0.05

The notes on pages 57 to 106 form part of these financial statements.
第57至106頁的附註屬本財務報表的一部份。

Consolidated Balance Sheet

合併資產負債表

at 31 December 2004

(Expressed in Renminbi Yuan)

於二零零四年十二月三十一日

(以人民幣列示)

		Note	2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
		附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	468,480	352,919
Lease prepayments	預付土地租賃費	15	25,239	23,858
Other investments	其他投資	17	-	14,886
Goodwill	商譽	18	1,452	1,813
Total non-current assets	非流動資產合計		495,171	393,476
Current assets	流動資產			
Inventories	存貨	19	341,905	220,527
Trade receivables	應收賬款	20	190,515	123,507
Other receivables and prepayments	其他應收款及 預付賬款	21	76,839	59,565
Cash and cash equivalents	現金及現金等價物	24	86,545	38,428
Total current assets	流動資產合計		695,804	442,027
Total assets	資產合計		1,190,975	835,503
EQUITY, MINORITY INTERESTS AND LIABILITIES	股東權益、少數股東 權益及負債			
Current liabilities	流動負債			
Short-term bank loans	短期銀行貸款	25	457,424	312,284
Trade payables	應付賬款	26	56,004	23,788
Other payables and accrued expenses	其他應付款及 預提費用	27	124,491	152,393
Income tax payable	應付所得稅		2,756	2,626
Total current liabilities	流動負債合計		640,675	491,091
Net current assets/(liabilities)	淨流動資產/負債		55,129	(49,064)
Total assets less current liabilities	資產合計扣除流動負債		550,300	344,412

Consolidated Balance Sheet

合併資產負債表

at 31 December 2004
(Expressed in Renminbi Yuan)
於二零零四年十二月三十一日
(以人民幣列示)

		Note	2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Other long-term liabilities	其他長期負債	28	1,882	2,392
Total non-current liabilities	非流動負債合計		1,882	2,392
Total liabilities	負債合計		642,557	493,483
Minority interests	少數股東權益		8,358	–
Capital and reserves	股本及儲備			
Paid-in capital	股本	29(a)	169,730	151,880
Capital surplus	資本公積	29(b)	10	10
Share premium	股本溢價		212,606	89,071
Statutory reserves	法定儲備	29(c)	51,867	33,037
Retained earnings	未分配利潤	29(d)	105,847	68,022
Total capital and reserves	股本及儲備合計		540,060	342,020
Total equity, minority interests and liabilities	股東權益、少數股東權益 及負債合計		1,190,975	835,503

Approved and authorised for issue by the board of directors on 16 March 2005.
董事會於二零零五年三月十六日核准並授權發出。

Zheng Yue Wen)
鄭躍文) Directors
) 董事
Wang An)
王安)

The notes on pages 57 to 106 form part of these financial statements.
第57至106頁的附註屬本財務報表的一部份。

Balance Sheet

資產負債表

at 31 December 2004

(Expressed in Renminbi Yuan)

於二零零四年十二月三十一日

(以人民幣列示)

		Note	2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
		附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	145,086	120,529
Lease prepayments	預付土地租賃費	15	8,743	8,964
Investments in subsidiaries	對子公司投資	16	260,096	146,800
Other investments	其他投資	17	-	14,886
Goodwill	商譽	18	1,452	1,813
Total non-current assets	非流動資產合計		415,377	292,992
Current assets	流動資產			
Inventories	存貨	19	185,308	176,835
Trade receivables	應收賬款	20	145,437	111,857
Other receivables and prepayments	其他應收款及 預付賬款	21	60,797	51,747
Dividends receivable	應收股息	22	51,510	-
Amounts due from subsidiaries	應收子公司款項	23	182,789	127,011
Cash and cash equivalents	現金及現金等價物	24	67,884	28,703
Total current assets	流動資產合計		693,725	496,153
Total assets	資產合計		1,109,102	789,145
EQUITY AND LIABILITIES	股東權益及負債			
Current liabilities	流動負債			
Short-term bank loans	短期銀行貸款	25	364,424	215,284
Trade payables	應付賬款	26	37,088	15,205
Other payables and accrued expenses	其他應付款及 預提費用	27	83,522	114,301
Amounts due to subsidiaries	應付子公司款項	23	81,978	99,415
Income tax payable	應付所得稅		530	1,420
Total current liabilities	流動負債合計		567,542	445,625
Net current assets	淨流動資產		126,183	50,528
Total assets less current liabilities	資產合計扣除流動負債		541,560	343,520

Balance Sheet

資產負債表

at 31 December 2004
(Expressed in Renminbi Yuan)
於二零零四年十二月三十一日
(以人民幣列示)

		Note	2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Other long-term liabilities	其他長期負債	28	1,500	1,500
Total non-current liabilities	非流動負債合計		1,500	1,500
Total liabilities	負債合計		569,042	447,125
Capital and reserves	股本及儲備			
Paid-in capital	股本	29(a)	169,730	151,880
Capital surplus	資本公積	29(b)	10	10
Share premium	股本溢價		212,606	89,071
Statutory reserves	法定儲備	29(c)	51,867	33,037
Retained earnings	未分配利潤	29(d)	105,847	68,022
Total capital and reserves	股本及儲備合計		540,060	342,020
Total equity and liabilities	股東權益及負債合計		1,109,102	789,145

Approved and authorised for issue by the board of directors on 16 March 2005.
董事會於二零零五年三月十六日核准並授權發出。

Zheng Yue Wen)	
鄭躍文)	Directors
)	董事
Wang An)	
王安)	

The notes on pages 57 to 106 form part of these financial statements.
第57至106頁的附註屬本財務報表的一部份。

Consolidated Cash Flow Statement

合併現金流量表

for the year ended 31 December 2004

(Expressed in Renminbi Yuan)

截至二零零四年十二月三十一日止年度

(以人民幣列示)

		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Cash flows from operating activities	經營活動產生的現金流量		
Profit before taxation	除稅前溢利	97,027	76,761
Adjustments for:	調整：		
Depreciation	折舊	40,874	28,395
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	17
Amortisation of lease prepayments	預付土地租賃費攤銷	664	613
Amortisation of goodwill	商譽攤銷	198	165
Interest expenses	利息費用	19,070	11,315
Interest income	利息收入	(263)	(240)
Increase in inventories	存貨增加	(121,378)	(101,543)
Increase in trade receivables	應收賬款增加	(67,008)	(59,483)
Increase in other receivables and prepayments	其他應收款及預付賬款增加	(9,692)	(7,305)
Increase in trade payables	應付賬款增加	32,216	1,592
(Decrease)/Increase in other payables and accrued expenses	其他應付款及預提費用(減少)/增加	(32,002)	21,662
Investment income	投資收入	(1,483)	-
Income tax paid	支付的所得稅	(5,230)	(1,783)
Interest paid	支付的利息	(19,070)	(11,315)
Interest received	收到的利息	263	240
Net cash used in operating activities	經營活動之現金流出淨額	(65,814)	(40,909)

Consolidated Cash Flow Statement

合併現金流量表

for the year ended 31 December 2004
(Expressed in Renminbi Yuan)
截至二零零四年十二月三十一日止年度
(以人民幣列示)

		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Cash flows from investing activities	投資活動產生的現金流量		
Acquisition of property, plant and equipment	購買物業、廠房及設備	(149,098)	(167,131)
Lease prepayments	預付土地租賃費	(2,045)	(2,152)
Other investments	其他投資	-	(14,191)
Acquisition of a subsidiary's equity interests	購買子公司股東權益	-	(22,309)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	258	710
Proceeds from disposal of a subsidiary's equity interests	出售子公司權益所得款項	10,010	-
Advances to a related party	借款予關聯方	(2,739)	-
Advances to third parties	借款予第三方	(3,542)	-
Net cash used in investing activities	投資活動之現金流出淨額	(147,156)	(205,073)
Cash flows from financing activities	籌資活動產生的現金流量		
Proceeds from bank loans	新增銀行貸款	669,973	364,514
Repayments of bank loans	償還銀行貸款	(524,833)	(211,129)
Proceeds from other borrowings	新增其他貸款	-	1,500
Net proceeds from the issue of share capital	發行股本的所得款項淨額	141,385	127,071
Dividends paid	已付股息	(34,932)	(34,932)
Advances from a related party	從關聯方借款	-	14,800
Advances from a third party	從第三方借款	9,494	-
Repayments to third parties	償還第三方借款	-	(3,000)
Net cash from financing activities	籌資活動之現金流入淨額	261,087	258,824
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	48,117	12,842
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	38,428	25,586
Cash and cash equivalents at end of year	年末之現金及現金等價物	86,545	38,428

The notes on pages 57 to 106 form part of these financial statements.
第57至106頁的附註屬本財務報表的一部份。

Statement of Changes in Equity of the Group and the Company

本集團及本公司股東權益變動表

for the year ended 31 December 2004

(Expressed in Renminbi Yuan)

截至二零零四年十二月三十一日止年度

(以人民幣列示)

		Paid-in capital	Capital surplus	Share premium	Statutory reserves	Retained earnings	Total capital and reserves
		Note29(a) RMB'000	Note29(b) RMB'000	RMB'000	Note29(c) RMB'000	RMB'000	RMB'000
		股本	資本公積	股本溢價	法定儲備	未分配利潤	股本及儲備 合計
		附註29(a) 人民幣千元	附註29(b) 人民幣千元	人民幣千元	附註29(c) 人民幣千元	人民幣千元	人民幣千元
Balance at	於二零零三年						
1 January 2003	一月一日之結餘	113,880	10	-	14,443	47,092	175,425
Issuance of shares	發行股份	38,000	-	111,163	-	-	149,163
Share issue expenses	發行股份之開支	-	-	(22,092)	-	-	(22,092)
Net profit for the year	本年淨利潤	-	-	-	-	74,456	74,456
Appropriations	調撥	-	-	-	18,594	(18,594)	-
Dividends declared in respect of previous year	宣派上年度 的股息	-	-	-	-	(34,932)	(34,932)
	於二零零三年 十二月三十一日 之結餘	<u>151,880</u>	<u>10</u>	<u>89,071</u>	<u>33,037</u>	<u>68,022</u>	<u>342,020</u>
Balance at	於二零零四年						
1 January 2004	一月一日之結餘	151,880	10	89,071	33,037	68,022	342,020
Issuance of shares (Note 29(a))	發行股份 (附註29(a))	17,850	-	133,632	-	-	151,482
Share issue expenses	發行股份之開支	-	-	(10,097)	-	-	(10,097)
Net profit for the year	本年淨利潤	-	-	-	-	91,587	91,587
Appropriations	調撥	-	-	-	18,830	(18,830)	-
Dividends declared in respect of previous year	宣派上年度 的股息	-	-	-	-	(34,932)	(34,932)
	於二零零四年 十二月三十一日 之結餘	<u>169,730</u>	<u>10</u>	<u>212,606</u>	<u>51,867</u>	<u>105,847</u>	<u>540,060</u>

The notes on pages 57 to 106 form part of these financial statements.

第57至106頁的附註屬本財務報表的一部份。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

1 Organisation and Principal Activities

Yantai North Andre Juice Company Limited (the "Company") was established in the form of a Sino-foreign equity joint venture in Yantai, Shandong province, the People's Republic of China ("the PRC") on 30 March 1996.

With approval from the Ministry of Foreign Trade and Economic Co-operation, the legal form of the Company was changed from that of a Sino-foreign equity joint venture to a Sino-foreign joint stock limited company on 26 June 2001.

The Company is principally engaged in the manufacture and sale of all kinds of fruit juice, apple extract, and related products.

2 Principal Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") promulgated by the International Accounting Standards Board. IFRS include International Accounting Standards and Interpretations. These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

(a) Basis of preparation

The financial statements are prepared on the historical cost basis.

The accounting policies have been consistently applied by the Group and are consistent with those used in previous years.

1 組織和主要活動

烟台北方安德利果汁股份有限公司（「本公司」）是於一九九六年三月三十日在中華人民共和國（「中國」）山東省烟台市註冊成立的中外合資經營企業。

二零零一年六月二十六日經對外經濟貿易合作部批准，本公司由中外合資經營企業變更為中外合資股份有限公司。

本公司主要從事生產銷售各類果汁、蘋果香精及相關產品。

2 主要會計政策

此財務報表是按照國際會計準則委員會所頒布的國際財務報告準則編製。國際財務報告準則包括國際會計準則及解釋。此財務報表亦符合香港《公司條例》的披露規定以及香港聯合交易所有限公司創業板的《創業板上市規則》中適用的披露條例。

(a) 編製基準

本財務報表是以歷史成本作為編製基準。

本集團採用的會計政策是連貫一致的，與以前年度相同。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(a) Basis of preparation (cont'd)

The International Accounting Standards Board has issued a number of new and revised IFRS and IAS ("new IFRS") which are effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new IFRS in the financial statements for the year ended 31 December 2004. The Group has commenced an assessment of the impact of these new IFRS but is not yet in a position to state whether these new IFRS would have a significant impact on its results of operations and financial position.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2 主要會計政策(續)

(a) 編製基準(續)

國際會計準則委員會制定和修改了一系列於二零零五年一月一日及以後生效的國際財務報告準則和國際會計準則(統稱為「新的國際財務報告準則」)。於截至二零零四年十二月三十一日止年度的財務報表中本集團並未提前採用新的國際財務報告準則。本集團已著手評估就採用新的國際財務報告準則的影響，但目前尚未能夠表明新的國際財務報告準則是否將對本集團的經營情況和財務狀況產生重大影響。

(b) 合併基準

(i) 子公司

子公司是指被本公司控制的企業。控制是指本公司有能力直接或間接決定其他企業的財務和經營政策，並從其業務取得利益。自這種控制出現起，至其結束終，子公司的財務報表將包含於合併財務報表之中。

(ii) 編製合併財務報表中的抵銷交易事項

集團內部的交易及其產生的科目餘額，和任何由集團內部的交易事項產生的未實現利潤，將在編製合併財務報表中抵銷。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(c) Investments in subsidiaries

Investments in subsidiaries in the Company's balance sheet are accounted for using the equity method.

Profits or losses on disposal of investments in subsidiaries are determined as the difference between the net disposal proceeds and the carrying amount of the investments and are accounted for in the income statement as they arise.

(d) Other investments

Other investments represent the Company's investments in the equity interest of a company of which the Company holds more than half of the equity interest but the Company's control over the investee is prohibited by specific legal restriction. These investments are accounted for using the equity method.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (Note 2(k)). The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition and location for its intended use. When payment for an item of property, plant and equipment is deferred beyond normal credit terms, its cost is the cash price equivalent; the difference between this amount and the total payments is recognised as interest expense over the period of credit.

2 主要會計政策(續)

(c) 對子公司投資

在本公司資產負債表中，對子公司的投資以權益法核算。

轉讓對子公司的投資按實際取得的價款與賬面價值的差額計入當期損益。

(d) 其他投資

其他投資為本公司佔被投資公司一半以上權益，但由於相關法規使本公司對其實質控制權受到限制的投資。其他投資以權益法核算。

(e) 物業、廠房及設備

物業、廠房及設備是以成本減累計折舊及耗蝕虧損(附註2(k))入賬。資產的成本包括採購價及為使資產達到其可使用狀態及位置所發生的直接成本。當購買某項物業、廠房及設備的付款期限超過一般的信用期限時，其成本為其現金售價價值，現金售價價值與付款總額的差異確認為信用期間的利息支出。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(e) Property, plant and equipment (cont'd)

Expenditure incurred after the assets have been put into operation is capitalised only when it is probable that future economic benefits in excess of the originally assessed standard of performance of the item of property, plant and equipment will flow to the Group. All other expenditure is charged to the income statement in the period in which it is incurred.

Depreciation of property, plant and equipment is provided to write off the cost in equal annual amounts over their estimated useful lives, after taking into account their estimated residual values, as follows:

Buildings	8-20 years
Machinery and equipment	10 years
Motor vehicles	5 years
Office equipment	5 years

In respect of assets which are used for production of goods for only part of the year, due to seasonal factors, the full year's depreciation charge is allocated on a systematic basis to the periods during the year in which the assets are used for production.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset. They are recognised in the income statement on the date of retirement or disposal.

2 主要會計政策(續)

(e) 物業、廠房及設備(續)

只有當物業、廠房及設備給公司帶來的未來經濟利益流入很可能超過其原來估計的水平時，其在投入使用後發生的支出才予以資本化。所有其他支出於實際發生時在當期損益表中列支。

折舊是按物業、廠房及設備的下列預計使用年限，扣除預計殘值後，以每年相等的金額沖銷其成本計算：

建築物	8-20年
機器及設備	10年
汽車	5年
辦公室設備	5年

與生產有關的機器設備，由於季節性原因，未在整個會計期間中使用，其年度折舊額是根據系統性的方法分配到該資產投入使用的期間。

報廢或出售物業、廠房及設備所產生的損益以估計處理變賣所得淨額與資產的賬面數額之間的差額釐定，並於報廢或出售當日在損益表中列支。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(e) Property, plant and equipment (cont'd)

Construction in progress represents buildings and various plant and equipment under construction and pending installation, and is stated at cost less impairment losses. Cost comprises direct costs of construction incurred during the periods of construction. Borrowing costs are not capitalised.

Construction in progress is transferred to buildings, and machinery and equipment when the asset is substantially ready for its intended use.

No depreciation is provided for construction in progress.

(f) Goodwill

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired. Goodwill is amortised to the consolidated income statement on a straight-line basis over a 10-year period. Goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and any impairment losses (Note 2(k)).

(g) Lease prepayments

Lease prepayments represent amounts paid to the municipal governments to acquire land use rights. Land use rights are stated at cost and are amortised on a straight-line basis over the 50-year period of the rights.

2 主要會計政策(續)

(e) 物業、廠房及設備(續)

在建工程是指興建中和待安裝的建築物、廠房及設備，並按成本減去耗蝕虧損列示。成本包括建築期間發生的直接建築成本。借款利息未予資本化。

在建工程在資產實質上達到擬定用途時轉入建築物、機器及設備。

在建工程不提任何折舊。

(f) 商譽

商譽產生於收購時收購成本高於被收購的可辨認淨資產之公平價值。商譽按十年期限以直線法攤銷計入合併損益表。商譽以成本減累積攤銷及耗蝕虧損(附註2(k))列示於合併資產負債表。

(g) 預付土地租賃費

預付土地租賃費是指支付給地方政府的土地使用權費。土地使用權是以成本入賬並按照50年期限，以直線法進行攤銷。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents 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.

The cost of inventories is calculated based on the weighted-average costing method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their existing location and condition.

When inventories are sold, the carrying amount of those inventories is recognised as an expense of 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 of the period in which 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 of the period in which the reversal occurs.

(i) Trade and other receivables

Trade and other receivables are stated at their cost less allowance for doubtful accounts. Allowance for doubtful accounts is provided based upon the evaluation of the recoverability of these receivables at the balance sheet date.

2 主要會計政策(續)

(h) 存貨

存貨是以成本及可變現淨值兩者中的較低數額入賬。可變現淨值是以日常業務過程中的估計售價減去完成生產及銷售所需的估計成本後所得之金額。

存貨成本以加權平均成本法計算，其中包括採購存貨所產生的開支及將存貨變成現狀和運輸的成本。

所出售存貨的賬面金額在相關收入獲確認的期間內列支。存貨金額撇減至可變現淨值及存貨的所有虧損，均在出現減值或虧損的期間內列支。因可變現淨值增加引致存貨的任何減值逆轉之數，均在出現逆轉的期間內確認。

(i) 應收賬款及其他應收款

應收賬款及其他應收款以成本減除壞賬準備入賬。壞賬準備是依據結算日應收款的可收回性來估計。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(j) Cash equivalents

Cash equivalents consist of time deposits with financial institutions with an initial term of less than three months.

(k) Impairment

The carrying amounts of the Group's non-current assets, other than deferred tax assets (Note 2(q)), are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value. The amount of the reduction is recognised as an expense in the income statement.

The Group assesses at each balance sheet date whether there is any indication that an impairment loss recognised for an asset in prior years may no longer exist. An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. A subsequent increase in the recoverable amount of an asset, when the circumstances and events that led to the write-down or write-off cease to exist, is recognised as income. The reversal is reduced by the amount that would have been recognised as depreciation or amortisation had the write-down or write-off not occurred.

2 主要會計政策(續)

(j) 現金等價物

現金等價物包括存於金融機構之短於三個月的定期存款。

(k) 耗蝕虧損

本集團對除遞延稅項資產(附註2(q))外的非流動資產的賬面值會定期作出審閱，以評估其可收回值是否已跌至賬面值以下。當發生事項或情況變化顯示所記錄的賬面值可能無法收回時，這些資產便需進行減值測試。若出現這種減值情況，賬面值會減低至可收回值。可收回值是以淨售價與使用價值兩者中的較高者計算。在確定使用價值時，由資產產生的預期未來現金流量會折現至其現值。減值的數額在損益表內確認為支出。

本集團於各結算日評估是否有任何跡象顯示於以前年度確認的資產耗蝕虧損可能不再存在。假如用以釐定可收回值的估計有回升的轉變，則耗蝕虧損便會逆轉。當引致撇減或撇銷的情況及事項不再存在時，其後增加的資產可收回值會確認為收益。逆轉會扣除倘沒有撇減或撇銷的情況下原應確認為折舊或攤銷的金額。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(l) Trade payables and other payables

Trade and other payables are stated at their cost.

(m) Provisions

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation resulting from a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(n) 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) Sale of goods

Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, or the possible return of goods.

(ii) Interest income

Interest income is recognised in the income statement as it is accrued, taking into account the effective yield on the asset.

2 主要會計政策 (續)

(l) 應付賬款及其他應付款

應付賬款及其他應付款以成本入賬。

(m) 準備

如果本集團因過往事項而承擔法律或推定責任，而且經濟效益很可能需要流出以處理有關的責任，準備會在資產負債表內確認。

(n) 收入確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本(如適用)時，按下列方式在當期損益表內確認：

(i) 銷售收入

銷售收入會在客戶接收擁有權的重大風險及回報時在當期損益表中確認。假如在收回到期價款、相關成本或退貨的可能性存在重大的不明朗因素，則不會確認收入。

(ii) 利息收入

利息收入是以資產的實際回報，於實際發生時在當期損益表內確認。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(o) Expenses

(i) *Retirement benefits*

Defined contributions to retirement benefit schemes are recognised as an expense in the income statement as and when incurred.

(ii) *Financing costs*

Net financing costs comprise interest payable on borrowings, interest receivable on funds invested, dividend income, and foreign exchange gains and losses that are recognised in the income statement.

The interest expense component of repayment of the long-term liabilities in relation to the acquisition of buildings is recognised in the income statement using the effective interest rate method.

(iii) *Operating lease payments*

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expenses.

(iv) *Research and development expenses*

Research and development costs are expensed as incurred.

2 主要會計政策(續)

(o) 支出

(i) 養老保險金

養老保險金的固定供款於實際發生時在當期損益表中列支。

(ii) 融資成本

融資成本淨額包括借款的應付利息、已投資基金的應收利息、股息收入及匯兌損益，並在當期損益表中列支。

與取得建築物相關的長期負債所構成之融資成本以實際利率法於損益表確認。

(iii) 經營租賃付款

經營租賃付款於相關租賃期以直線法記入損益表。獲得的租賃激勵措施作為經營租賃費用整體的一部份記入損益表。

(iv) 研究及開發費用

研究及開發費用在發生時列支。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(p) Government grants

Unconditional government grants are recognised in the income statement as revenue upon receipt. These grant amounts are determined and paid at the sole discretion of the local government of certain jurisdictions in the PRC.

Grants that compensate the Group for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for cost of an asset are recognised in the income statement as revenue on a systematic basis over the useful life of the asset.

(q) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax.

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.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Initial recognition of assets or liabilities that affect neither accounting nor taxable profit is regarded as a temporary difference which is not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

2 主要會計政策(續)

(p) 政府補貼

無限制條件的政府補貼於實際收到時在當期損益表內確認。該等補貼金額的確定及支付全由中國當地政府酌情決定。

用於彌補本集團之開支費用的補貼在相關費用發生的當期按系統性的方法配比計入當期損益表。用於彌補本集團資產成本的補貼按系統性的方法在相關資產的預計使用年限間分期計入損益表。

(q) 所得稅

當期損益表內的所得稅包括本期間稅項及遞延稅項。

本期間稅項包括以結算日施行或實質上施行的稅率計算的本年度應評稅收入的預計應付稅金，以及對以往年度應付稅金作出的任何調整。

遞延稅項是就作財務匯報用的資產與負債的賬面數額與稅務數額之間的所有暫時差異，按負債法計提準備。不影響會計及應評稅收入的首次資產或負債確認會視為不予計提準備的暫時差額。遞延稅項準備的數額是以資產及負債賬面數額實現時預期採用的變現或結清的方法為基準並按結算日施行或實質上施行的稅率計算。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(q) Income tax (cont'd)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be used. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Foreign currency transactions

Transactions in foreign currencies are translated into Renminbi at the foreign exchange rate quoted by the People's Bank of China ("PBOC rates") prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Renminbi at the PBOC rates on that date. Foreign exchange differences arising from translation are recognised in the income statement.

The overseas subsidiaries are considered to be an integral part of the Company's operations. Accordingly, the related foreign exchange differences arising on translation are also recognised in the income statement.

(s) 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 influences. Related parties may be individuals or other entities.

2 主要會計政策(續)

(q) 所得稅(續)

遞延稅項資產只有在很可能在未來會獲得足夠的應稅利潤而又可使用未動用的稅務損失及抵免時才予以確認。遞延稅項資產會在相關稅務利益不再是很可能實現時減少。

(r) 外幣換算

外幣交易按交易日的中國人民銀行(「人民銀行」)頒佈的匯率換算為人民幣。外幣的貨幣性資產及負債則按該結算日的人民銀行頒佈的匯率換算為人民幣。所發生的匯兌差額會在當期損益表中確認。

境外子公司被計為本公司運營的組成部分。因此，有關交易所產生的匯兌差額會在當期損益中確認。

(s) 關聯方

就本報告而言，如果本集團能夠直接或間接監控另一方或對另一方的財務及經營決策發揮重大的影響力，或另一方能夠直接或間接監控本集團或對本集團的財務及經營決策發揮重大的影響力，或本集團與另一方均受制於共同的監控或共同的重大影響下，該方即被視為本集團的關聯方。關聯方可以是個別人士或其他實體。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Principal Accounting Policies (cont'd)

(t) Segmental reporting

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

3 Turnover and segmental information

The Group is principally engaged in the production and sale of condensed juice. Turnover primarily represents income arising from the sale of condensed juice net of value added tax.

The Group's products are mainly exported to the United States. The directors consider that the Group operates within a single business and geographical segment.

4 Other operating income

2 主要會計政策(續)

(t) 分部報告

每個分部是本集團一個可以區分的部份，提供產品(業務分部)或某種經濟環境下提供產品(地區分部)，而且須承受與其他分部不同的風險及取得與其他分部不同的回報。

3 收入及分部資料

本集團之主要業務為生產及銷售濃縮果汁。收入主要指銷售濃縮果汁所產生之收入，當中已扣除增值稅。

本集團產品主要出口美國。董事們認為本集團在單一業務及地區分部內經營。

4 其他經營收入

			2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Sale of packaging materials	銷售包裝材料	(i)	7,783	—
Government grants	政府補貼	(ii)	14,767	6,805
Compensation from a carrier	海運公司賠償款	(iii)	777	—
Others	其他		391	290
Total	合計		<u>23,718</u>	<u>7,095</u>

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

4 Other operating income (cont'd)

- (i) This represents the sales of all unused steel materials, which are the major materials for the manufacture of drums for the storage of the Group's products.
- (ii) Government grants
The Group received the following government grants in 2004:
- An amount of RMB9,600,000 (2003: RMB nil) was received from China Planning and Development Committee for an improvement project on the technology of extracting apple essence (Note 27(v)). The improvement project was completed in 2004.
 - A total amount of RMB3,162,000 (2003: RMB5,298,000) was paid by Yantai Finance Bureau, Longkou Finance Bureau, Baishui Finance Bureau and Xuzhou Municipal Government to the Group to reward the Group for its contributions to the local fruit industry.
 - A total amount of RMB1,099,000 (2003: RMB723,000) was received from Yantai Forest Bureau and Yantai Finance Bureau, representing interest subsidies paid to the Company to subsidise the loan interest.

4 其他經營收入(續)

- (i) 指本公司銷售所有未用的鋼材，這些鋼材主要用於生產儲存本集團產品之圓桶。
- (ii) 政府補貼
於二零零四年，本集團收到以下政府補貼款：
- 中國國家發展計劃委員會提供之撥款人民幣9,600,000元(二零零三年：人民幣零元)，用於改善提取蘋果香精技術項目研究(附註27(v))。該研究項目已於2004年完成。
 - 烟台市財政局、龍口市財政局、白水縣財政局及徐州市人民政府於二零零四年支付的用於獎勵本集團對當地果業產業所作出的貢獻，金額為人民幣3,162,000元(二零零三年：人民幣5,298,000元)。
 - 本公司收到的烟台市林業局及烟台市財政局發放的銀行貸款的利息補貼人民幣1,099,000元(二零零三年：人民幣723,000元)。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

4 Other operating income (cont'd)

- (ii) Government grants (cont'd)
- A total amount of RMB906,000 (2003: RMB784,000) was received from various authorities mainly representing an incentive for the purchase of domestically manufactured equipment, subsidies to support development of a subsidiary in Longkou, PRC and a reward for export sales.

The grant amounts were determined and paid at the sole discretion of the respective government authorities. There is no assurance that the Group will continue to receive such government grants in the future.

- (iii) This represents the compensation received from a marine carrier for a delayed delivery of the Group's products.

5 Other operating expenses

Cost of packaging materials sold	包裝材料銷售成本
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損
Others	其他
Total	合計

4 其他經營收入(續)

- (ii) 政府補貼(續)
- 本集團自不同政府機關收到的用於鼓勵購買國產設備，支持位於中國龍口市之子公司的發展及獎勵出口政府補貼款共計人民幣906,000元(二零零三年：人民幣784,000元)。

上述政府補貼款是由相應政府機構酌情決定並支付的。無任何保證本集團將在日後繼續收到該等補貼。

- (iii) 指本集團向有關海運公司收取的延遲運送本集團產品的賠償款。

5 其他經營費用

	2004	2003
	RMB'000	RMB'000
	二零零四年	二零零三年
	人民幣千元	人民幣千元
Cost of packaging materials sold	8,108	—
Loss on disposal of property, plant and equipment	—	17
Others	483	79
Total	8,591	96

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

6 Personnel expenses

6 職工費用

		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Salaries, wages and staff welfare	薪金、工資及員工福利	8,361	5,955
Contributions to retirement benefit schemes	退休福利計劃供款	820	560
Total	合計	<u>9,181</u>	<u>6,515</u>
Average number of employees during the year	於年內之平均 僱員數目	<u>432</u>	<u>375</u>

As stipulated by the regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal governments for its staff. The Group is required to make contributions to the retirement plans at 20% (2003: 20%) of the salaries, bonuses and certain allowances of its staff of last year. A member of the plan is entitled to a pension, to be paid by the municipal governments, equal to a fixed proportion of the salary prevailing at his retirement date. The Group has no other material obligation for the payment of pension benefits associated with these plans beyond the annual contributions described above.

根據中國有關勞工條例，本集團參與由地方政府管理之僱員固定供款退休計劃。本集團須就退休計劃按上年之薪金、花紅及某些補貼之20%（二零零三年：20%）作出供款。參加計劃的員工有權取得由地方政府支付相等於退休時薪金固定比例之退休金。本集團除上述年度供款以外，毋須就這些計劃承擔其他任何有關支付退休金的重大責任。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

7 Net finance costs

Bank charges	銀行費用
Exchange loss	匯兌虧損
Interest expenses	利息費用
Interest income	利息收入
Total	合計

Effective interest rate on bank loans per annum	銀行貸款實際 年利息率
--	----------------

7 財務成本淨額

2004	2003
RMB'000	RMB'000
二零零四年	二零零三年
人民幣千元	人民幣千元
772	331
3,356	836
19,070	11,315
(263)	(240)
22,935	12,242
4.8%	5.1%

8 Investment income

On 22 August 2004, the Company entered into an agreement in relation to the transfer of 10% equity interest in its subsidiary, Yantai Longkou Andre Juice Co., Ltd. ("Longkou Andre"), to Mitsui & Co., Ltd., for a total consideration of US\$1,200,000. The transfer was effective upon the payment of consideration on 17 November 2004. The investment income arising from this disposal of equity interests in Longkou Andre represents the difference between the net disposal proceeds and the carrying amount of the interests disposed.

8 投資收入

於二零零四年八月二十二日，本公司與三井物產株式會社訂立一項轉讓烟台龍口安德利果汁飲料有限公司（「龍口安德利」）之10%權益的協議，作價1,200,000美元。該權益轉讓於二零零四年十一月十七日三井物產株式會社支付上述轉讓價款後生效。投資收入是指在上述龍口安德利權益轉讓中實際取得的價款與轉讓權益賬面價值的差額。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

9 Profit before taxation

Profit before taxation is arrived at after charging:

9 除稅前溢利

除稅前溢利已扣除下列項目：

		2004	2003
		RMB'000	RMB'000
		二零零四年	二零零三年
		人民幣千元	人民幣千元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	40,874	28,395
Auditors' remuneration-audit services	核數師酬金－審核服務	1,698	1,116
Operating lease charge	經營租賃費用		
– land use rights	– 土地使用權	664	613
– hire of plant and equipment	– 租賃廠房及設備	2,886	–
– hire of other assets (including property rental)	– 租賃其他資產(包括租賃物業)	1,200	407
Research and development expenditure	研究及開發費用	258	7
Amortisation of goodwill	商譽攤銷	198	165
		<u>40,874</u>	<u>28,395</u>

10 Taxation

(a) Taxation in the consolidated income statements represents:

10 稅項

(a) 合併損益表中的稅項指：

		2004	2003
		RMB'000	RMB'000
		二零零四年	二零零三年
		人民幣千元	人民幣千元
Current tax expenses	本期稅項費用	5,360	2,512
Deferred taxation	遞延稅項	–	78
		<u>5,360</u>	<u>2,590</u>

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

10 Taxation (cont'd)

- (a) Taxation in the consolidated income statements represents: (cont'd)

The Company is subject to PRC income tax, before any relief or concessions, at a rate of 24%. In accordance with the relevant PRC tax rules and regulations, the Company is entitled to a 50% relief on PRC income tax in 2004 as the Company's export sales account for more than 70% of its total sales for the year. The Company has obtained approval from the local tax authorities on this tax preferential policy for the year ended 31 December 2004.

The subsidiary operating in the United States is subject to income tax at the appropriate current rates of taxation ruling in the United States.

The other subsidiaries operating in the PRC are subject to PRC income tax, before any relief or concession, at rates of 15% to 33%. In accordance with the relevant PRC tax rules and regulations, these subsidiaries are exempt from PRC income tax for two years starting from their first profit-making year, and are entitled to a 50% relief on PRC income tax for the following three years.

10 稅項 (續)

- (a) 合併損益表中的稅項指：(續)

在無任何稅務減免或優惠下，本公司適用之中國企業所得稅稅率為24%。根據中國有關稅務規則及規例，本公司於二零零四年度，因出口銷售量佔整體銷售量多於70%而獲減半徵收企業所得稅。本公司已自相關稅務機關取得對上述二零零四年度企業所得稅減半優惠的批准。

在美國經營的子公司適用的所得稅稅率為美國稅法規定下現行稅率。

在無任何稅務減免或優惠下，本公司在中國經營的各子公司適用之中國企業所得稅稅率為15%至33%。根據中國有關稅務規則及規例，該等子公司從開始獲利的年度起，第一年和第二年免徵企業所得稅，第三年至第五年減半徵收企業所得稅。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

10 Taxation (cont'd)

(b) The following is a reconciliation of income taxes calculated at the applicable tax rate with income tax expense:

10 稅項 (續)

(b) 以下乃按適用稅率計算之所得稅與所得稅費用之調節：

		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Accounting profit before tax	除稅前溢利	<u>97,027</u>	<u>76,761</u>
Expected PRC income tax expense at a tax rate of 24%	按適用稅率24%計算之所得稅	23,286	18,423
Tax effect of exemption and relief granted	稅務減免	(16,833)	(16,323)
Tax effect of the difference in tax rates between the Company and the subsidiaries	本公司與子公司適用稅率差別之影響	(1,420)	46
Others*	其他*	<u>327</u>	<u>444</u>
Income tax expense	所得稅費用	<u>5,360</u>	<u>2,590</u>

* Others primarily represent the tax effect of non-deductible expenses.

* 其他主要為不可作稅務抵扣支出的稅務影響。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

11 Directors' and supervisors' emoluments

Details of directors' and supervisors' emoluments are as follows:

11 董事及監事酬金

董事及監事酬金之詳情如下：

Name	姓名	Fees		Salaries, allowances and benefits in kind		Retirement scheme contributions		Total	
		2004	2003	2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
(Amounts in RMB'000) (人民幣千元)									
Executive Directors:	執行董事：								
Zheng Yuewen	鄭躍文	-	-	-	-	-	-	-	-
Wang An	王安	-	-	58	40	7	7	65	47
Yu Huijin	于會林	-	-	58	40	7	7	65	47
Zhang Hui	張輝	-	-	58	40	7	7	65	47
Non-executive Directors:	非執行董事：								
Zhang Wanxin	張萬欣	-	-	-	-	-	-	-	-
Ren Xiaojian	任曉劍	-	-	-	-	-	-	-	-
Lei Liangsheng	雷良生	-	-	-	-	-	-	-	-
Independent non-executive Directors:	獨立非執行董事：								
Hu Xiaosong	胡小松	30	-	-	-	-	-	30	-
Wu Jianhui	鄒建輝	18	-	-	-	-	-	18	-
Yu Shoung	俞守能	18	-	-	-	-	-	18	-
Supervisors:	監事：								
Qu Weijia	曲維佳	-	-	33	27	5	4	38	31
Zou Jiyu	鄒積余	-	-	-	-	-	-	-	-
Chen Kelin	陳克林	-	-	-	-	-	-	-	-
		66	-	207	147	26	25	299	172

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

11 Directors' and supervisors' emoluments (cont'd)

For the years ended 31 December 2004 and 2003, no emoluments were paid to the directors or supervisors as an inducement to join or upon joining the Company or as compensation for loss of office. During the year ended 31 December 2004, a total fee of RMB169,000 (2003: Nil) was waived by the seven executive and non-executive directors and there was no other waiver of any emoluments by the directors or supervisors during the year.

12 Senior management's emoluments

Among the five highest paid individuals, three (2003: three) were executive directors whose emoluments are disclosed in note 11 above. The emoluments of the other two (2003: two) individuals are as follows:

11 董事及監事酬金(續)

於截至二零零四年及二零零三年十二月三十一日止年度，本公司並未向董事及監事支付任何酬金以作為吸引其加入本公司的獎勵或離職補償。於截至二零零四年十二月三十一日止年度，七名執行及非執行董事放棄總金額為人民幣169,000元(二零零三年：人民幣零元)之酬金。除此之外，於本年度董事或監事概無其他放棄酬金。

12 高級管理層酬金

在五位最高薪高級管理層人士中，三人(二零零三年為三人)為執行董事，其酬金已在之上的附註11中予以披露。另二人(二零零三年為二人)酬金列示如下：

		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Basic salaries, allowances and other benefits	基本薪金、津貼及其他福利	90	80
Retirement scheme contributions	退休福利計劃供款	13	14
Total	合計	<u>103</u>	<u>94</u>

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

12 Senior management's emoluments (cont'd)

An analysis of emoluments paid to these highest paid individuals by numbers of individuals and emolument range is as follows:

HKD Nil – HKD1,000,000

港幣零元至港幣1,000,000元

For the years ended 31 December 2004 and 2003, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13 Profit attributable to shareholders

The profit attributable to shareholders includes a profit of RMB91,587,000 (2003: RMB74,456,000) which has been dealt with in the financial statements of the Company.

12 高級管理層酬金(續)

付予這些最高薪人士酬金按人數及酬金範圍之分析如下：

2004 Number 二零零四年 人數	2003 Number 二零零三年 人數
<u>2</u>	<u>2</u>

於截至二零零四年及二零零三年十二月三十一日止年度，本集團並未向五位最高薪僱員支付任何酬金以作為吸引其加入本集團的獎勵或離職補償。

13 股東應佔溢利

股東應佔溢利包括利潤人民幣91,587,000元(二零零三年：人民幣74,456,000元)，已列入本公司財務報表。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

14 Property, plant and equipment

14 物業、廠房及設備

The property, plant and equipment of the Group for the year ended 31 December 2004 are as follows:

本集團截至二零零四年十二月三十一日止年度的物業、廠房及設備如下：

		Machinery and Motor Office Construction					Total
		Buildings	equipment	vehicles	equipment	in progress	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本						
Balance at 1 January 2004	於二零零四年一月一日之結餘	87,627	308,753	8,814	7,885	6,480	419,559
Additions	添置	25,817	70,568	2,311	1,421	56,576	156,693
Transfers	重新分類	47,789	7,380	-	-	(55,169)	-
Disposals	處置	-	-	(326)	-	-	(326)
Balance at 31 December 2004	於二零零四年十二月三十一日之結餘	161,233	386,701	10,799	9,306	7,887	575,926
Accumulated depreciation	累計折舊						
Balance at 1 January 2004	於二零零四年一月一日之結餘	(6,276)	(56,800)	(2,044)	(1,520)	-	(66,640)
Charge for the year	本年度折舊	(5,892)	(31,878)	(1,718)	(1,386)	-	(40,874)
Written back on disposal	處置時撥回	-	-	68	-	-	68
Balance at 31 December 2004	於二零零四年十二月三十一日之結餘	(12,168)	(88,678)	(3,694)	(2,906)	-	(107,446)
Net book value	賬面值						
At 31 December 2004	於二零零四年十二月三十一日	149,065	298,023	7,105	6,400	7,887	468,480
At 31 December 2003	於二零零三年十二月三十一日	81,351	251,953	6,770	6,365	6,480	352,919

As at 31 December 2004, property, plant and equipment of the Group at net book value totaling RMB30,931,977 (2003: RMB38,637,000) were pledged to secure certain bank loans amounting to RMB10,000,000 (2003: RMB20,000,000) (Note 25).

於二零零四年十二月三十一日，本集團賬面淨值共計人民幣30,931,977元（二零零三年：人民幣38,637,000元）的物業、廠房及設備已作為共計人民幣10,000,000元之抵押（二零零三年：人民幣20,000,000元）的銀行貸款（附註25）。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

14 Property, plant and equipment (cont'd)

The property, plant and equipment of the Company for the year ended 31 December 2004 are as follows:

14 物業、廠房及設備(續)

本公司截至二零零四年十二月三十一日止年度的物業、廠房及設備如下：

		Machinery and Motor Office Construction					Total
		Buildings	equipment	vehicles	equipment	in progress	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本						
Balance at 1 January 2004	於二零零四年一月一日之結餘	36,980	122,942	5,671	3,654	-	169,247
Additions	添置	13,138	59,801	1,230	883	13,151	88,203
Transfers	重新分類	7,009	1,823	-	-	(8,832)	-
Disposals *	處置	-	(76,012)	-	-	-	(76,012)
Balance at 31 December 2004	於二零零四年十二月三十一日之結餘	57,127	108,554	6,901	4,537	4,319	181,438
Accumulated depreciation	累計折舊						
Balance at 1 January 2004	於二零零四年一月一日之結餘	(4,113)	(42,026)	(1,591)	(988)	-	(48,718)
Charge for the year	本年度折舊	(2,628)	(11,779)	(1,047)	(552)	-	(16,006)
Written back on disposal	處置時撥回	-	28,372	-	-	-	28,372
Balance at 31 December 2004	於二零零四年十二月三十一日之結餘	(6,741)	(25,433)	(2,638)	(1,540)	-	(36,352)
Net book value	賬面值						
At 31 December 2004	於二零零四年十二月三十一日	50,386	83,121	4,263	2,997	4,319	145,086
At 31 December 2003	於二零零三年十二月三十一日	32,867	80,916	4,080	2,666	-	120,529

* The disposals represent machinery and equipment transferred to the subsidiaries.

* 處置為將機器及設備轉予子公司。

No property, plant and equipment of the Company was pledged at 31 December 2004 (2003: Nil).

於二零零四年十二月三十一日，本公司並沒有物業、廠房及設備用作抵押(二零零三年：零)。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

15 Lease prepayments

		The Group 本集團		The Company 本公司	
		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元	2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
Balance at 1 January	於一月一日之結餘	23,858	19,338	8,964	9,185
Additions	增加額	2,045	5,133	-	-
Amortisation	攤銷額	(664)	(613)	(221)	(221)
Balance at 31 December	於十二月三十一日 之結餘	<u>25,239</u>	<u>23,858</u>	<u>8,743</u>	<u>8,964</u>

Lease prepayments represent payments for land use rights.

預付土地租賃費指為土地使用權所支付的款項。

16 Investments in subsidiaries – the Company

		31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Share of net assets	應佔淨資產	<u>260,096</u>	<u>146,800</u>

16 對子公司投資 – 本公司

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

16 Investments in subsidiaries – the Company (cont'd)

As at 31 December 2004, the Company held investments in the following subsidiaries:

16 對子公司投資 – 本公司(續)

於二零零四年十二月三十一日，本公司投資於以下子公司：

Name of company 公司名稱	Place and date of incorporation 成立地點 及日期	Principal activities 主營業務	Authorised/ Registered capital 法定/ 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Yantai North Andre Juice Inc. 美國烟台北方安德利 果汁股份有限公司	The United States of America 21 March 2001 美國 二零零一年 三月二十一日	Sale of juice 果汁銷售	US\$100,000 100,000美元	US\$100,000 100,000美元	100%	–
Baishui Andre Juice Co., Ltd. 白水安德利果蔬汁有限公司	Shaanxi, PRC 13 December 2001 中國陝西省 二零零一年 十二月十三日	Manufacture and sale of juice 果汁生產 及銷售	US\$3,025,000 3,025,000美元	US\$3,025,000 3,025,000美元	75%	25%
Yantai Longkou Andre Juice Co., Ltd. 烟台龍口安德利果汁飲料 有限公司	Shandong, PRC 9 April 2002 中國山東省 二零零二年四月九日	Manufacture and sale of juice 果汁生產 及銷售	US\$10,000,000 10,000,000美元	US\$10,000,000 10,000,000美元	65%	25%
Xuzhou Andre Juice Co., Ltd. 徐州安德利果蔬汁有限公司	Jiangsu, PRC 4 November 2002 中國江蘇省 二零零二年十一月四日	Manufacture and sale of juice 果汁生產 及銷售	US\$5,000,000 5,000,000美元	US\$5,000,000 5,000,000美元	75%	25%
Andre Juice Co., Ltd. 安德利果汁有限公司	British Virgin Islands 17 June 2003 英屬處女島 二零零三年六月十七日	Investment holding 投資控股	US\$50,000 50,000美元	US\$1 1美元	100%	–

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

16 Investments in subsidiaries – the Company (cont'd)

16 對子公司投資 – 本公司(續)

Name of company 公司名稱	Place and date of incorporation 成立地點 及日期	Principal activities 主營業務	Authorised/ Registered capital 法定/ 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Yantai North Andre Pectin Co., Ltd. 烟台北方安德利果膠有限公司	Shandong, PRC 25 September 2003 中國山東省 二零零三年 九月二十五日	Manufacture and sale of pectin 果膠生產 及銷售	US\$12,000,000 12,000,000美元	US\$10,597,085 10,597,085美元	75%	25%
Xuzhou Andre Bio-feedstuff Co., Ltd. 徐州安德利生物飼料有限公司	Jiangsu, PRC 7 January 2004 中國江蘇省 二零零四年 一月七日	Manufacture and sale of bio-feedstuff 生物飼料生產 及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	-	100%
Longkou Andre Bio-feedstuff Co., Ltd. 龍口安德利生物飼料有限公司	Shandong, PRC 6 February 2004 中國山東省 二零零四年 二月六日	Manufacture and sale of bio-feedstuff 生物飼料生產 及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	-	100%

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

17 Other investments – the Group and the Company

17 其他投資 – 本集團及本公司

		31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Share of net assets	應佔淨資產	-	14,886

As at 31 December 2004, the Company held investments in the following company:

於二零零四年十二月三十一日，本公司投資於下列公司：

Name of company 公司名稱	Place and date of incorporation 成立地點 及日期	Principal activities 主營業務	Registered capital 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Baishui Andre Bio-feedstuff Co., Ltd. 白水安德利生物飼料有限公司	Shaanxi, PRC 16 December 2004 中國陝西省 二零零四年 十二月十六日	Manufacture and sale of bio-feedstuff 生物飼料生產 及銷售	US\$500,000 500,000美元	-	-	100%

According to “The Supplement of the Regulations for the Capital Contributions of Sino-foreign Joint Venture Enterprises’ Investors” issued by the Ministry of Foreign Trade and Economic Co-operation and the State Administration for Industry & Commerce, the parent company cannot obtain the control of a Sino-foreign joint venture subsidiary unless the parent company has fully contributed its share of the subsidiary’s registered capital.

根據中國對外經濟貿易合作部及國家工商管理行政管理局發佈的《〈中外合資經營企業各方出資的若干規定〉的補充規定》，中外合資經營企業中控股的投資者，在其實際繳付的投資額未達到其認繳的全部出資額前，母公司未能取得中外合資子公司的控制權。

As at 31 December 2004, the Company had not fully contributed its share of registered capital of Baishui Andre Bio-feedstuff Co., Ltd. Accordingly, the investment in Baishui Andre Bio-feedstuff Co., Ltd. is accounted for under the equity method in the Group’s consolidated financial statements.

於二零零四年十二月三十一日，本公司尚未繳清應繳白水安德利生物飼料有限公司的全部出資。因此，本公司對白水安德利生物飼料有限公司的投資，於本集團的合併財務報表中以權益法核算。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

17 Other investments – the Group and the Company (cont'd)

As at 31 December 2004, Baishui Andre Bio-feedstuff Co., Ltd. had advances from the Group of RMB2,739,000 (Note 21(iii)), prepayments of RMB1,900,000, inventories of RMB805,000 and equipment of RMB34,000.

The balance as at 31 December 2003 represents the Company's investments in Yantai North Andre Pectin Co., Ltd. In 2004, the Company fully contributed its share of registered capital of Yantai North Andre Pectin Co., Ltd. Therefore, Yantai North Andre Pectin Co., Ltd. was consolidated in the Group's consolidated financial statements for the year ended 31 December 2004.

17 其他投資 – 本集團及本公司(續)

於二零零四年十二月三十一日，白水安德利生物飼料有限公司擁有向本集團借款人民幣2,739,000元(附註21(iii))、預付賬款人民幣1,900,000元、存貨人民幣805,000元及設備人民幣34,000元。

於二零零三年十二月三十一日，該餘額指本公司對烟台北方安德利果膠有限公司的投資。於二零零四年度，本公司已繳清應繳烟台北方安德利果膠有限公司的全部出資，因此烟台北方安德利果膠有限公司的財務報表已納入本集團的截至二零零四年十二月三十一日止年度的合併財務報表中。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

18 Goodwill – the Group and the Company

18 商譽 – 本集團及本公司

		2004 RMB'000 二零零四年 人民幣千元	2003 RMB'000 二零零三年 人民幣千元
	Note 註釋		
Cost:	成本：		
Balance at 1 January	於一月一日之結餘	1,978	–
Addition arising from acquisition of equity interests in a subsidiary	收購一家子公司之權益導至增加	–	1,978
	(i)		
Disposal of equity interests in a subsidiary	出售一家子公司之權益	(198)	–
	(ii)		
Balance at 31 December	於十二月三十一日之結餘	<u>1,780</u>	<u>1,978</u>
Accumulated amortisation:	累積攤銷：		
Balance at 1 January	於一月一日之結餘	(165)	–
Amortisation for the year	本年度攤銷	(198)	(165)
Written back on disposal	出售時撥回	35	–
	(ii)		
Balance at 31 December	於十二月三十一日之結餘	<u>(328)</u>	<u>(165)</u>
Carrying amounts:	賬面值：		
At 31 December	於十二月三十一日之結餘	<u>1,452</u>	<u>1,813</u>

(i) The goodwill arising on the acquisition represents the excess of the cost of the acquisition over the fair value of the 49% equity interest of Yantai Longkou Andre Juice Co., Ltd. acquired in 2002.

(ii) This represents the disposal of 10% equity interests in Yantai Longkou Andre Juice Co., Ltd. during the year (Note 8).

(i) 商譽是指於二零零二年度本公司收購烟台龍口安德利果汁飲料有限公司49%的權益而支付的價款超過該等權益之公平價值的溢價。

(ii) 指本年度出售烟台龍口安德利果汁飲料有限公司10%的權益(附註8)。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

19 Inventories

19 存貨

		The Group 本集團		The Company 本公司	
		31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Raw materials	原材料	34,399	24,856	13,512	9,811
Finished goods	產成品	307,506	195,671	171,796	167,024
		341,905	220,527	185,308	176,835

No inventories were stated at net realisable value as at 31 December 2004.

於二零零四年十二月三十一日，存貨概無按可變現淨值列賬。

The cost of inventories recognised as an expense in the consolidated income statement amounted to RMB358,505,000 for the year ended 31 December 2004 (2003: RMB201,217,000).

存貨成本在二零零四年之合併損益表內獲確認列支總額為人民幣358,505,000元(二零零三年：人民幣201,217,000元)。

20 Trade receivables

20 應收賬款

An ageing analysis of trade receivables is as follows:

應收賬款之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		31 December 2004 RMB'000 二零零四年 十二月三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月三十一日 人民幣千元
Within 3 months	三個月以內	164,709	103,417	121,955	91,880
Over 3 months but less than 6 months	三個月以上但少 於六個月	25,806	20,090	23,482	19,977
		190,515	123,507	145,437	111,857

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財務報表附註

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(以人民幣列示)

20 Trade receivables (cont'd)

Customers are normally granted credit terms of three to six months (2003: three to six months), depending on the credit standing of individual customers.

All of the trade receivables are expected to be recovered within one year.

20 應收賬款(續)

客戶一般享有三個月至六個月賒賬期(二零零三年：三個月至六個月)，視乎個別客戶之信譽程度。

所有應收賬款預計將於一年內收回。

21 Other receivables and prepayments

21 其他應收款及預付賬款

		The Group 本集團		The Company 本公司	
		31 December 2004 RMB'000 二零零四年 十二月三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月三十一日 人民幣千元
Prepayments in connection with construction work and equipment purchases	建築工程及設備採購預付款	5,325	4,024	3,485	3,480
Prepayments to suppliers	預付供應商款	23,768	4,575	22,185	4,404
Value added tax ("VAT") refunds for export sales	出口銷售之增值稅返還 (i)	6,828	7,426	6,448	7,426
Restricted deposits for letters of credit and bills payable	信用證及應付票據保證金	12,864	5,101	12,864	5,101
Recoverable input VAT	可抵扣進項增值稅	19,421	36,449	11,137	30,598
Advances to third parties	借款予第三方 (ii)	3,542	-	3,042	-
Advances to a related party	借款予關聯方 (iii)	2,739	-	-	-
Others	其他	2,352	1,990	1,636	738
Total	合計	76,839	59,565	60,797	51,747

(i) The Company's sales are subject to VAT at the rate of 17% but the Company is entitled to VAT refunds of 13% in respect of export sales. As at 31 December 2004, no bank loan (2003: RMB11,490,000) was secured by VAT refunds for export sales (Note 25).

(i) 本公司銷售產品適用之增值稅稅率為17%，並享受13%的出口銷售退稅。於二零零四年十二月三十一日，並無以應收出口銷售之增值稅返還作為銀行貸款之抵押(二零零三年：人民幣11,490,000元)(附註25)。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

21 Other receivables and prepayments (cont'd)

- (ii) This represents advances of RMB3,042,000 to Yantai Muping Finance Bureau and advances of RMB500,000 to Xuzhou Fengcheng Finance Bureau. These advances were unsecured, interest free and had no fixed terms of repayment.
- (iii) This represents advances to Baishui Andre Bio-feedstuff Co., Ltd. (Note 17), a related party of the Group. The advances were unsecured, interest free and had no fixed terms of repayment.

22 Dividends receivable – the Company

This represents the dividends receivable from the Company's subsidiaries, Yantai Longkou Andre Juice Co., Ltd. and Baishui Andre Juice Co., Ltd.

23 Amounts due from and due to subsidiaries – the Company

Amounts due from and due to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

24 Cash and cash equivalents

21 其他應收款及預付賬款(續)

- (ii) 該餘額包括給予烟台市牟平區財政局借款人民幣3,042,000元及給予徐州市鳳城財政局借款人民幣500,000元。該等借款無抵押、無利息，並且無固定償還期限。
- (iii) 該餘額為給予本集團的關聯方白水安德利生物飼料有限公司之借款(附註17)，該借款無抵押、無利息，並且無固定償還期限。

22 應收股息 – 本公司

該餘額為本公司應向子公司烟台龍口安德利果汁飲料有限公司及白水安德利果蔬汁有限公司收取之股息。

23 應收及應付子公司款項 – 本公司

應收及應付子公司款項無抵押、無利息，並且無固定的償還期限。

24 現金及現金等價物

		The Group 本集團		The Company 本公司	
		31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Cash in hand	現金	5,406	4,462	489	1,101
Cash at bank	銀行存款	81,139	33,966	67,395	27,602
Total	合計	86,545	38,428	67,884	28,703

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

25 Short-term bank loans

Details of short-term bank loans as at 31 December 2004 are as follows:

		The Group 本集團		The Company 本公司	
		31 December 2004	31 December 2003	31 December 2004	31 December 2003
		RMB'000	RMB'000	RMB'000	RMB'000
		二零零四年 十二月 三十一日	二零零三年 十二月 三十一日	二零零四年 十二月 三十一日	二零零三年 十二月 三十一日
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Secured bank loans	有抵押銀行貸款	(ii) 10,000	31,490	-	11,490
Guaranteed bank loans	有擔保銀行貸款	(iii) 215,276	178,794	215,276	178,794
Unsecured bank loans	無抵押銀行貸款	232,148	102,000	149,148	25,000
Total	合計	(i) 457,424	312,284	364,424	215,284

(i) Bank loans of RMB457,424,000 (2003: RMB312,284,000) as at 31 December 2004 bear interest at rates ranging from 3.00% to 6.14% (2003: 2.50% to 5.84%) per annum.

(ii) Bank loans of RMB10,000,000 (2003: RMB20,000,000) of the Group as at 31 December 2004, were secured by property, plant and equipment (Note 14).

As at 31 December 2003, the Group and the Company's bank loans of RMB11,490,000 were secured by receivables in respect of value added tax refunds for export sales. As at 31 December 2004, none of the Group's and the Company's bank loans were secured by receivables in respect of value added tax refunds for export sales.

(iii) Bank loans of US\$1,000,000 (equivalent RMB8,276,000) (2003: US\$3,237,000 (equivalent RMB26,794,000)) and RMB50,000,000 (2003: RMB70,000,000) as at 31 December 2004 of the Company were guaranteed by an unrelated third party, Yantai North Andre Barrel Making Co., Ltd. Bank loans of RMB57,000,000 as at 31 December 2004 (2003: Nil) of the Company were guaranteed by an unrelated third party of the Group, Yantai Jiuyuan Materials Co., Ltd. Bank loans of RMB100,000,000 as at 31 December 2004 (2003: RMB82,000,000) of the Company were guaranteed by a related party of the Group, Creat Group Co., Ltd.

25 短期銀行貸款

短期銀行貸款於二零零四年十二月三十一日之詳情如下：

		The Group 本集團		The Company 本公司	
		31 December 2004	31 December 2003	31 December 2004	31 December 2003
		RMB'000	RMB'000	RMB'000	RMB'000
		二零零四年 十二月 三十一日	二零零三年 十二月 三十一日	二零零四年 十二月 三十一日	二零零三年 十二月 三十一日
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Secured bank loans	有抵押銀行貸款	(ii) 10,000	31,490	-	11,490
Guaranteed bank loans	有擔保銀行貸款	(iii) 215,276	178,794	215,276	178,794
Unsecured bank loans	無抵押銀行貸款	232,148	102,000	149,148	25,000
Total	合計	(i) 457,424	312,284	364,424	215,284

(i) 於二零零四年十二月三十一日銀行貸款人民幣457,424,000元(二零零三年：人民幣312,284,000元)，年利率為3.00%–6.14%(二零零三年：2.50%–5.84%)。

(ii) 於二零零四年十二月三十一日，本集團有銀行貸款人民幣10,000,000元(二零零三年：人民幣20,000,000元)以物業、廠房及設備作為抵押(附註14)。

於二零零三年十二月三十一日，本集團及本公司有銀行貸款人民幣11,490,000元以應收出口銷售之增值稅返還作為抵押。於二零零四年十二月三十一日，本集團及本公司並無以任何應收出口銷售之增值稅返還作為抵押之銀行貸款。

(iii) 於二零零四年十二月三十一日，本公司有銀行貸款1,000,000美元(折合人民幣8,276,000元)(二零零三年：3,237,000美元(折合人民幣26,794,000元))和人民幣50,000,000元(二零零三年：人民幣70,000,000元)由非關聯第三方烟台北方安德利製桶有限公司提供擔保。於二零零四年十二月三十一日，本公司有銀行貸款人民幣57,000,000元(二零零三年：人民幣零元)由非關聯第三方烟台市久源物資有限公司提供擔保。於二零零四年十二月三十一日，本公司有銀行貸款人民幣100,000,000元(二零零三年：人民幣82,000,000元)由本集團之關聯方科瑞集團有限公司提供擔保。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

26 Trade payables

An ageing analysis of trade payables is as follows:

Within 6 months	六個月以內
Over 6 months but less than 1 year	六個月以上但少於一年
Over 1 year	一年以上
Total	合計

All the trade payables are expected to be settled within one year.

26 應付賬款

應付賬款的賬齡分析如下：

The Group 本集團		The Company 本公司	
31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
53,803	23,521	36,399	15,191
1,486	218	38	8
715	49	651	6
56,004	23,788	37,088	15,205

所有應付賬款預計於一年內償還。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

27 Other payables and accrued expenses

Other payables and accrued expenses include:

27 其他應付款及預提費用

其他應付款及預提費用包括：

		The Group 本集團		The Company 本公司	
		31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Staff and workers' bonus and welfare fund	職工獎勵及福利基金 (i)	4,668	3,665	1,638	1,593
Amount payable in relation to the acquisition of property, plant and equipment	與購入物業、廠房及設備相關之應付款項	59,149	49,743	37,164	36,308
Advances from a related party	從關聯方借款 (ii)	-	14,800	-	9,500
Advances from a third party	從第三方借款 (iii)	9,494	-	-	-
Bills payable	應付票據 (iv)	40,000	60,000	40,000	60,000
Advance payments from customers	客戶訂金	657	2,199	-	2,199
Other taxes payable	應付其他稅金	1,957	5,842	130	35
Payables in relation to a government project	政府項目相關應付款項 (v)	-	9,600	-	-
Others	其他	8,566	6,544	4,590	4,666
Total	合計	124,491	152,393	83,522	114,301

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

27 Other payables and accrued expenses (cont'd)

- (i) This represents provision for staff and workers' bonus and welfare fund, applicable to the Company being a Sino-foreign equity joint venture enterprise before 26 June 2001 and its subsidiaries in PRC being Sino-foreign equity joint venture enterprises, provided at a certain percentage of the Company's and the subsidiaries' profit after taxation determined in accordance with PRC accounting rules and regulations. The percentage for this appropriation was decided by the directors of the Company and the subsidiaries.
- (ii) The balance at 31 December 2003 represents advances from Yantai North Andre Pectin Co., Ltd., a subsidiary not qualified to be consolidated in the Group's consolidated financial statements in accordance with the relevant regulations of PRC. As at 31 December 2004, the subsidiary's financial statements were consolidated in the Group's consolidated financial statements. (Note 17)
- (iii) Advances from a third party represent the advances from Richride Investments Limited, a potential investor of Yantai North Andre Pectin Co., Ltd. The amounts were unsecured, interest free and had no fixed terms of repayment.
- (iv) Bills payable of RMB40,000,000 (2003: RMB60,000,000) were guaranteed by Yantai North Andre Barrel Making Co., Ltd., which is an unrelated third party.

27 其他應付款及預提費用(續)

- (i) 該餘額為本公司於二零零一年六月二十六日以前作為中外合資企業及本公司在中國的子公司作為中外合資企業，以本公司及該等子公司按照中國會計規則及規定決算之淨利潤的一定比例計提之職工獎勵及福利基金準備。該計提比例是本公司及該等子公司之董事會決定的。
- (ii) 二零零三年十二月三十一日之餘額指烟台北方安德利果膠有限公司提供之借款。根據中國有關法規規定，於二零零三年十二月三十一日烟台北方安德利果膠有限公司的財務報表尚不能納入本集團的合併財務報表中。於二零零四年十二月三十一日，該子公司的財務報表已納入本集團的合併財務報表中(附註17)。
- (iii) 從第三方借款為烟台北方安德利果膠有限公司之潛在投資者，富邦投資有限公司提供之借款。該借款無抵押、無利息，並且無固定償還期限。
- (iv) 人民幣40,000,000元(二零零三年：人民幣60,000,000元)之應付票據由本集團的非關聯第三方烟台北方安德利製桶有限公司提供擔保。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

27 Other payables and accrued expenses (cont'd)

- (v) The balance at 31 December 2003 represents special funds received from China Planning and Development Committee which were to be used for an improvement project on the technology of extracting apple essence. In 2004, the grant was recognised as an income upon the completion of the project and approval of the relevant authority.

28 Other long-term liabilities

Amount payable in relation to acquisition of buildings (i)	與購入建築物相關之應付款項(i)
Other borrowings (ii)	其他借款(ii)

- (i) The balance represents an amount due to Shaanxi Baishui Municipal Government for the acquisition of buildings in Baishui. The amount payable will be due over the period from 2006 to 2030.
- (ii) The balance represents interest-free borrowings from the Yantai Finance Bureau. The borrowing is unsecured and will be due for repayment on 30 September 2006.

27 其他應付款及預提費用(續)

- (v) 二零零三年十二月三十一日之餘額為中國國家發展計劃委員會提供之特別撥款，用於改善提取蘋果香精技術項目研究。於二零零四年，該撥款於項目完成後並經有關當局批准確認為本集團之收入。

28 其他長期負債

The Group 本集團		The Company 本公司	
31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
382	892	-	-
1,500	1,500	1,500	1,500
1,882	2,392	1,500	1,500

- (i) 此餘額為向陝西省白水縣政府購買建築物之應付款項。該應付款項將於二零零六年至二零三零年之間償還。
- (ii) 此餘額為烟台財政局之無利息借款，此借款無抵押並應於二零零六年九月三十日償還。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

29 Capital and reserves – the Group and the Company

29 股本及儲備 – 本集團及本公司

(a) Capital

(a) 股本

	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Registered, issued and fully paid:		
1,138,800,000 (2003: 1,138,800,000) Promoter shares of RMB0.10 each (2003: RMB0.10 each)	113,880	113,880
558,500,000 (2003: 380,000,000) H shares of RMB0.10 each (2003: RMB0.10 each)	55,850	38,000
	169,730	151,880

(a) Capital (cont'd)

Pursuant to a resolution passed at a Special General Meeting and the Class Meetings of the holders of the H shares and Promoter shares of the Company on 2 June 2004 and approvals from relevant government authorities, the Company was authorised to issue not less than 152,000,000 and not more than 304,000,000 new H Shares.

On 14 July 2004, the Company issued 178,500,000 new H shares with a par value of RMB0.10 each, at a price of HK\$0.80 per H share by placing.

All the shares issued by the Company rank pari passu.

(b) Capital surplus

Capital surplus represents exchange differences arising from the use of different exchange rates in translating the paid-in capital contributed by the investors.

(a) 股本 (續)

根據於二零零四年六月二日召開的股東特別大會及本公司之H股與發起人股持有人的類別股東大會通過之決議案及有關政府機關之批准，本公司獲授權增發不少於152,000,000股及不多於304,000,000股之H股。

於二零零四年七月十四日，本公司以配售方式按每股H股港幣0.8元之價格增發178,500,000股每股面值人民幣0.10元之H股。

本公司發行之所有股份均享有同等權益。

(b) 資本公積

資本公積為資本換算差額，即有關資本賬戶於分期收到投資人出資時所採用的換算匯率與合同約定的換算匯率不同而產生的差額。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

29 Capital and reserves – the Group and the Company (cont'd)

(c) Statutory reserves

		The Company		The subsidiaries		Total
		Statutory surplus reserve	Statutory public welfare fund	Reserve fund	Enterprise expansion fund	
		(i)	(ii)	(iii)	(iv)	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2003	於二零零三年一月一日之結餘	8,124	3,613	1,353	1,353	14,443
Appropriations from retained earnings	未分配利潤中作調撥	7,445	3,723	3,713	3,713	18,594
Balance at 31 December 2003	於二零零三年十二月三十一日之結餘	15,569	7,336	5,066	5,066	33,037
Balance at 1 January 2004	於二零零四年一月一日之結餘	15,569	7,336	5,066	5,066	33,037
Appropriations from retained earnings	未分配利潤中作調撥	9,159	4,579	2,546	2,546	18,830
Balance at 31 December 2004	於二零零四年十二月三十一日之結餘	24,728	11,915	7,612	7,612	51,867

(i) According to the Company's Articles of Association, the Company is required to transfer 10% of its net profit to statutory surplus reserve. The transfer to this reserve must be made before distributing dividends to shareholders.

The statutory surplus reserve can be used to make up for previous years' losses, if any. It may be converted into share capital by issuing new shares to shareholders proportionate to their existing shareholdings, provided that the balance after such issue is not less than 25% of the registered capital.

29 股本及儲備 – 本集團及本公司 (續)

(c) 法定儲備

		The Company		The subsidiaries		Total
		Statutory surplus reserve	Statutory public welfare fund	Reserve fund	Enterprise expansion fund	
		(i)	(ii)	(iii)	(iv)	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2003	於二零零三年一月一日之結餘	8,124	3,613	1,353	1,353	14,443
Appropriations from retained earnings	未分配利潤中作調撥	7,445	3,723	3,713	3,713	18,594
Balance at 31 December 2003	於二零零三年十二月三十一日之結餘	15,569	7,336	5,066	5,066	33,037
Balance at 1 January 2004	於二零零四年一月一日之結餘	15,569	7,336	5,066	5,066	33,037
Appropriations from retained earnings	未分配利潤中作調撥	9,159	4,579	2,546	2,546	18,830
Balance at 31 December 2004	於二零零四年十二月三十一日之結餘	24,728	11,915	7,612	7,612	51,867

(i) 按照本公司章程的規定，本公司須按淨利潤的10%作為法定公積金。提取法定公積金須在向股東分配股息前進行。

法定公積金可用作彌補以往年度虧損(如有)，並可藉向股東按現有所持股權比重發行新股份轉換為股本，惟於發行股份後之結餘不得少於註冊股本25%。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

29 Capital and reserves – the Group and the Company (cont'd)

(c) Statutory reserves (cont'd)

(ii) According to the Company's Articles of Association, the Company is required to transfer 5% of its net profits to the statutory public welfare fund. This fund can only be used on capital items for the collective benefit of the Company's employees (such as for the construction of dormitories, canteens and other staff welfare facilities). This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to shareholders.

(iii) According to the Articles of Association of the subsidiaries incorporated in PRC, the subsidiaries are required to transfer a certain percentage of their net profits to the reserve fund. The percentage of this appropriation was decided by the directors of the subsidiaries.

The reserve fund can be used for the subsidiaries' working capital purposes and to make up for previous years' losses, if any. This fund can also be used to increase capital of the subsidiaries, if approved. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to the Company.

(iv) According to the Articles of Association of the subsidiaries incorporated in PRC, the subsidiaries are required to transfer a certain percentage of their net profits to the enterprise expansion fund. The percentage of this appropriation was decided by the directors of the subsidiaries.

29 股本及儲備 – 本集團及本公司 (續)

(c) 法定儲備 (續)

(ii) 根據本公司章程的規定，本公司須按淨利潤的5%調撥作法定公益金。此項基金僅可用於本公司僱員集體福利之資本項目，如興建宿舍、食堂及其他員工福利設施。除於清盤時外，此項基金不可作為股息分派。本公司須於分派股息予股東前將有關款項調撥作法定公益金。

(iii) 根據本公司在中國境內設立之子公司的章程規定，該等子公司須按各自淨利潤的一定比例調撥作儲備基金。該調撥比例是由該等子公司之董事會決定的。

儲備基金可用作該等子公司補充運營資金之目的，並可彌補以往年度虧損（如有）。此項基金亦可用作增加該等子公司之資本金（如經批准）。除於清盤時外，此項基金不可用作股息分派。本公司須於分派股息予股東前將有關款項調撥作儲備基金。

(iv) 根據本公司在中國境內設立之子公司的章程規定，該等子公司須按各自淨利潤的一定比例調撥作企業發展基金。該調撥比例是該等子公司之董事會決定的。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

29 Capital and reserves – the Group and the Company (cont'd)

(c) Statutory reserves (cont'd)

The enterprise expansion fund can be used for the subsidiaries' business development purposes and for working capital purposes. This fund can also be used to increase capital of the subsidiaries, if approved. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to the Company.

(d) Distributable reserves

Pursuant to the Company's Articles of Association, the Company's net profit for the purpose of profit distribution to shareholders will be the lesser of (i) the net profit determined in accordance with the PRC accounting rules and regulations; or (ii) the net profit determined in accordance with IFRS.

Under PRC company Law and the Company's Articles of Association, net profit after tax can be distributed as dividends after allowance has been made for:

- (i) making up cumulative prior years' losses, if any;
- (ii) allocations of 10% after-tax profit to the Company's statutory surplus reserve;
- (iii) allocations of 5% of after-tax profit to the Company's statutory public welfare fund; and
- (iv) allocations to the discretionary surplus reserve, if approved by the shareholders.

29 股本及儲備 – 本集團及本公司 (續)

(c) 法定儲備 (續)

企業發展基金可用作該等子公司業務發展及補充運營資金之目的。此項基金亦可用作增加該等子公司之資本金 (如經批准)。除於清盤時外,此項基金不可用作股息分派。本公司須於分派股息予股東前將有關款項調撥作企業發展基金。

(d) 可分派儲備

根據本公司採用的章程,本公司分配予股東之淨利潤為下列較低者(i)按照中國會計規則及規定釐定之淨利潤;或(ii)按照國際財務報告準則釐定之淨利潤。

根據中國公司法及本公司之章程,除稅後淨利潤須支付下列各項後方可作為股息分派:

- (i) 彌補以前年度累計虧損(如有);
- (ii) 將稅後利潤之10%撥作本公司之法定公積金;
- (iii) 將稅後利潤之5%撥作本公司之法定公益金;及
- (iv) 倘獲得股東大會批准,提撥任意盈餘公積金。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

29 Capital and reserves – the Group and the Company (cont'd)

(d) Distributable reserves (cont'd)

As at 31 December 2004, the Company's retained earnings determined in accordance with the PRC accounting rules and regulations, and IFRS were RMB105,847,000 (2003: RMB68,022,000) and RMB105,847,000 (2003: RMB68,022,000), respectively. Accordingly, the distributable reserve of the Company as at 31 December 2004 amounted to RMB105,847,000 (2003: RMB68,022,000).

30 Dividends

(a) Dividends attributable to the year

Final dividend proposed after the balance sheet date of RMB0.02 per share (2003: RMB0.023 per share)

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends attributable to the previous financial year, approved and paid during the year

Final dividend in respect of the previous financial year approved and paid during the year, of RMB0.023 per share (2003: RMB0.23 per share)

29 股本及儲備 – 本集團及本公司 (續)

(d) 可分派儲備 (續)

於二零零四年十二月三十一日，本公司按照中國會計規則及規定釐定之可供分派的儲備及按照國際財務報告準則釐定之可供分派的儲備分別為人民幣105,847,000元（二零零三年：人民幣68,022,000元）及人民幣105,847,000元（二零零三年：人民幣68,022,000元）。因此，於二零零四年十二月三十一日，本公司可供分派的儲備為人民幣105,847,000元（二零零三年：人民幣68,022,000元）。

30 股息

(a) 本年度股息

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
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於結算日後建議分派

末期股息每股人民幣0.02元

(二零零三年：每股人民幣0.023元)

33,946 34,932

於結算日後建議分派末期股息並未在結算日確認為負債。

(b) 屬於上一財政年度，並於本年度核准及支付的股息

2004 二零零四年 RMB'000 人民幣千元	2003 二零零三年 RMB'000 人民幣千元
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屬於上一財政年度，並於本年度

核准及支付之末期股息為

每股人民幣0.023元

(二零零三年：每股人民幣0.23元)

34,932 34,932

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

31 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders of RMB91,587,000 (2003: RMB74,456,000) and the weighted average of 1,602,197,541 shares (2003: 1,408,443,840 shares) in issue during the year.

(b) Diluted earnings per share

Diluted earnings per share has not been presented as there were no dilutive potential ordinary shares in existence for the years ended 31 December 2003 and 2004.

32 Related party transactions

Particulars of significant transactions between the Group and its shareholders and other related parties are as follows:

Transactions with other related parties:

- (i) As at 31 December 2004, a related party of the Group, Creat Group Co., Ltd. provided guarantees for bank loans of the Company amounting to RMB100,000,000 (2003: RMB82,000,000) (Note 25 (iii)).
- (ii) As at 31 December 2004, the advances to Baishui Andre Bio-feedstuff Co., Ltd. amounted to RMB2,739,000 (Note 21(iii)). The advances were unsecured, interest free and had no fixed terms of repayment.

31 每股盈利

(a) 每股基本盈利

本年每股基本盈利的計算基礎為本年股東應佔溢利人民幣91,587,000元（二零零三年：人民幣74,456,000元）及本年已發行股份加權平均數1,602,197,541股（二零零三年：1,408,443,840股）。

(b) 每股攤薄盈利

由於截至二零零三年及二零零四年十二月三十一日止期內並無潛在攤薄普通股，因此並無列示每股攤薄盈利。

32 關聯方交易

本集團與其股東及其他關聯方的重大交易如下：

與其他關聯方的交易：

- (i) 於二零零四年十二月三十一日，本公司有銀行貸款人民幣100,000,000元（二零零三年：人民幣82,000,000元）獲本集團關聯方科瑞集團有限公司提供擔保（附註25(iii)）。
- (ii) 於二零零四年十二月三十一日，本集團提供白水安德利生物飼料有限公司借款人民幣2,739,000元（附註21(iii)），該款項無抵押、無利息，並且無固定償還期限。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

33 Financial instruments

The Group's financial assets include cash and cash equivalents, trade and other receivables. The Group's financial liabilities include bank loans, trade and other payables.

The Group does not hold nor has issued financial instruments for trading purposes. Exposure to credit, interest, and currency risks arises in the normal course of the Group's business.

(a) Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral for financial assets. At the balance sheet date, the Group had no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

(b) Interest rate risk

The interest rates and terms of repayment of the Group's bank loans are disclosed in Note 25.

33 金融工具

本集團之金融資產包括現金及現金等價物、應收賬款及其他應收款。本集團之財務負債包括銀行貸款、應付賬款及其他應付款。

本集團並無持有或發行金融工具供買賣用途。本集團在日常業務當中承受信貸、利率及外匯風險。

(a) 信貸風險

管理層實行信貸政策，而信貸風險持續受到監察。客戶若要求超過一定金額之信貸，均須接受信貸評估。本集團並無要求就金融資產提供抵押品。於結算日，本集團並無任何重大集中信貸風險情況。最高信貸風險指資產負債表之每項金融資產賬面值。

(b) 利率風險

本集團銀行貸款之利率及償還條款於附註25披露。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

33 Financial instruments (cont'd)

(c) Foreign currency risk

Renminbi is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi must take place through the PBOC or other institutions authorised to buy and sell foreign exchange. The exchange rate adopted for the foreign exchange transactions are the rates of exchange quoted by the PBOC that are determined largely by supply and demand.

Foreign currency payments, including the remittance of earnings outside the PRC, are subject to the availability of foreign currency (which depends on the foreign currency denominated earnings of the Group) or must be arranged through the PBOC with government approval.

The Group is exposed to foreign currency risk on sales, purchase, acquisition of machinery and equipment, and borrowings that are denominated in currencies other than Renminbi, primarily US Dollars. Depreciation or appreciation of the Renminbi against foreign currencies can affect the Group's results. The Group is not able to hedge its foreign currency exposure effectively other than by retaining its foreign currency denominated earnings and receipts to the extent permitted by the State Administration of Foreign Exchange.

33 金融工具(續)

(c) 外匯風險

人民幣不可自由兌換為外幣。所有涉及人民幣之外匯交易均須透過人民銀行或其他獲授權買賣外匯之機構進行。外匯交易所採用匯率乃人民銀行所頒布之匯率，大致由供求決定。

外匯付款，包括將盈利匯出中國，須視乎外幣供應情況，（而外幣供應則視乎本集團以外幣為單位之盈利金額），或須在政府批准後透過中國人民銀行安排。

本集團的銷售、採購、購置機器設備及貸款部份以外幣為單位，主要是美元。故此，人民幣兌外幣的貶值或升值會對本集團的業績構成影響。本集團除了在中國國家外匯管理局允許的範圍內保留其以外幣為單位的盈利及收入，並無其他方法可有效地對沖其外幣風險。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

33 Financial instruments (cont'd)

(d) Fair value

The carrying amounts of significant financial assets and liabilities approximate their respective fair values as at 31 December 2003 and 2004.

- (i) Cash and cash equivalents, trade and other receivables, trade and other payables (current portion)

The carrying values approximate their fair values because of the short maturities of these items.

- (ii) Bank loans

The carrying amount of bank loans approximates their fair value based on the borrowing rates currently available for bank loans with similar terms and maturities.

- (iii) Other long-term liabilities

The fair values of long-term liabilities are estimated by discounting future cash flows using current market interest rates offered to the Group for debt with substantially the same characteristics and maturities.

As at 31 December 2004, the carrying amount and fair value of the Group's other borrowings were RMB1,500,000 and RMB1,372,000, respectively.

The carrying amount of amounts payable in relation to the acquisition of buildings represents their fair value.

33 金融工具(續)

(d) 公平價值

於二零零三年及二零零四年十二月三十一日，重大金融資產及負債之賬面金額約為其公平價值。

- (i) 現金及現金等價物、應收賬款及其他應收款(一年內到期部份)

鑒於此等工具之到期日短暫，因此賬面值約為其公平價值。

- (ii) 銀行貸款

以現行相若貸款條件及到期日之銀行貸款利率為依據，銀行貸款之賬面金額約為其公平價值。

- (iii) 其他長期負債

長期負債之公平價值是將未來現金流用現行市場給予本集團相若貸款條件及到期日之貸款利率折現而確定的。

於二零零四年十二月三十一日，本集團之其他借款賬面值及公平價值分別為人民幣1,500,000元及人民幣1,372,000元。

收購物業相關應付款項之賬面金額為其公平價值。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

34 Commitments

- (a) As at 31 December 2004, the Group and the Company had capital commitments in respect of property, plant and equipment not provided for in the financial statements as follows:

Contracted for	已簽約
Authorised but not contracted for	已授權未簽約

- (b) As at 31 December 2004, the Group and the Company had commitments in respect of capital contributions not provided for in the financial statements as follows:

- (i) The Group was committed to contribute RMB30,000,000 and US\$1,208,000 as capital contributions in a new subsidiary to be set up in Yongshou County, Shaanxi Province, PRC.

The Company was committed to contribute RMB30,000,000 as capital contributions in the new subsidiary as described above.

- (ii) The Group was committed to contribute RMB3,104,000 and US\$375,000 to Baishui Andre Bio-feedstuff Co., Ltd. as capital contributions.

34 承擔

- (a) 於二零零四年十二月三十一日，本集團及本公司就購置物業、廠房及設備而未在財務報表撥備的資本承擔如下：

The Group 本集團		The Company 本公司	
31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
-	45,043	-	31,809
-	68,191	-	38,191
-	113,234	-	70,000

- (b) 於二零零四年十二月三十一日，本集團及本公司就承諾繳付出資而未在財務報表撥備的承擔如下：

- (i) 本集團承諾繳付出資人民幣30,000,000元及1,208,000美元到一家在中國陝西省永壽縣新設之子公司。

本公司承諾繳付出資人民幣30,000,000元到上述新設立之子公司。

- (ii) 本集團承諾繳付出資人民幣3,104,000元及375,000美元到白水安德利生物飼料有限公司。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

34 Commitments (cont'd)

- (iii) The Group was committed to contribute US\$1,403,000 to Yantai North Andre Pectin Co., Ltd. as capital contributions.
- (c) As at 31 December 2004, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

34 承擔(續)

- (iii) 本集團承諾繳付出資1,403,000美元到烟台北方安德利果膠有限公司。
- (c) 於二零零四年十二月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額總數如下：

		The Group 本集團		The Company 本公司	
		31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元	31 December 2004 RMB'000 二零零四年 十二月 三十一日 人民幣千元	31 December 2003 RMB'000 二零零三年 十二月 三十一日 人民幣千元
Within 1 year	一年內到期	4,200	1,200	4,200	1,200
After 1 year but within 5 years	一年以上至 五年以內	900	2,100	900	2,100
Over 5 years	五年以上	848	1,973	-	-
		5,948	5,273	5,100	3,300

The Group leases certain land use rights, buildings, and machinery and equipment under operating leases. For the land use rights, the lease period is fifty years. For buildings, and machinery and equipment, the leases typically run for an initial period of one to three years. None of the leases includes contingent rentals.

本集團以經營租賃租用部分土地使用權、物業及機器設備。土地使用權的租賃期為五十年。物業及機器設備的租賃一般初步為期一年至三年。各項經營租賃均不包含或有租金。

Notes on the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Ultimate holding company

The directors of the Company consider as at 31 December 2004, Beijing RAJ Network Sales Co., Ltd., established in the PRC, to be the Company's ultimate holding company.

36 Subsequent events

The following significant events took place subsequent to 31 December 2004:

- (a) After the balance sheet date, the directors proposed a final dividend. Further details are disclosed in note 30.
- (b) According to the revised joint venture agreement and the related supplementary agreements of the Company's subsidiary, Yantai North Andre Pectin Co., Ltd. ("Andre Pectin"), signed on 3 March 2005, the Group will transfer US\$4,000,000 equity interests in Andre Pectin to an unrelated party, Richride Investments Limited at cost and the registered capital of Andre Pectin will increase from US\$12,000,000 to US\$20,000,000, of which US\$7,000,000 and US\$5,000,000 are shared by Bytetrion Limited, which is also an unrelated party, and Richride Investments Limited, respectively. The Group, Bytetrion Limited and Richride Investments Limited will share 40%, 35% and 25% equity interests of Andre Pectin respectively.

This revised joint venture agreement and the related supplementary agreements are still subject to the local authorities' approval.

35 最終控股公司

本公司的董事們認為於二零零四年十二月三十一日，於中華人民共和國成立的北京瑞澤網絡銷售有限責任公司為本公司最終控股公司。

36 期後事項

於二零零四年十二月三十一日後發生的重大期後事項如下：

- (a) 董事於結算日後建議分派末期股息，詳見附註30。
- (b) 根據於二零零五年三月三日簽訂的修改後本公司之子公司烟台北方安德利果膠有限公司（「安德利果膠」）的合資協議及相關補充協議，本集團將以成本價轉讓安德利果膠之4,000,000美元權益予一非關聯方，富邦投資有限公司，並且安德利果膠的註冊資本將由12,000,000美元增加至20,000,000美元。另一非關聯方，百特創業有限公司及富邦投資有限公司將分別佔有其中7,000,000美元和5,000,000美元的註冊資本。本集團，百特創業有限公司及富邦投資有限公司將分別享有安德利果膠40%，35%及25%的權益。

該修改後的合資協議及相關補充協議尚待當地政府部門的批准。

Notice of Annual General Meeting

股東週年大會通告

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**AGM**”) of 烟台北方安德利果汁股份有限公司 (Yantai North Andre Juice Co., Ltd.*) (the “**Company**”, and together with its subsidiaries, the “**Group**”) will be held at 3rd Floor, No. 18 Andre Avenue, Muping Economic Development Zone, Yantai City, Shandong Province, the PRC on Tuesday, 17 May 2005 at 10:00 a.m. for the following purposes:

As ordinary resolutions:

1. To consider and approve the report of the board of directors of the Company (the “**Board**”) for the year ended 31 December 2004.
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2004.
3. To consider and approve the audited consolidated financial statements of the Company and the report of the auditors for the year ended 31 December 2004.
4. To consider and approve the profit distribution plan for the year ended 31 December 2004, and the final dividend distribution plan for the year ended 31 December 2004 (if any), and to authorize the Board for the distribution of the final dividends (if any) to the shareholders of the Company.
5. To consider and determine (if appropriate) the remuneration of the directors and supervisors of the Company for the year ending 31 December 2005.

茲通告烟台北方安德利果汁股份有限公司(「**本公司**」，連同其附屬公司，合稱「**本集團**」)謹訂於二零零五年五月十七日星期二上午十時正假座中國山東省烟台市牟平經濟開發區安德利大街18號3樓舉行股東週年大會(「**股東週年大會**」)，藉以處理下列事項：

作為普通決議案：

1. 審議及通過截至二零零四年十二月三十一日止年度的本公司董事會(「**董事會**」)報告。
2. 審議及通過截至二零零四年十二月三十一日止年度的本公司監事會報告。
3. 審議及通過截至二零零四年十二月三十一日止年度的本公司經審核合併財務報表及核數師報告。
4. 審議及通過截至二零零四年十二月三十一日止年度的利潤分配計劃及截至二零零四年十二月三十一日止年度之末期股息分派計劃(如有)，並授權董事會分派末期股息(如有)予本公司股東。
5. 審議及釐定(如適當)本公司董事及監事於截至二零零五年十二月三十一日止年度之酬金。

Notice of Annual General Meeting

股東週年大會通告

6. To consider and approve the re-appointment of KPMG and KPMG Huazhen as the auditors of the Company (international and PRC auditors, respectively) for the year ending 31 December 2005 and to authorize the Board to fix their remunerations.
7. To consider and approve the resignation of Mr. Lei Liang Sheng (雷良生) as a non-executive director of the Company, effective from the conclusion of the AGM (the reason(s) of the resignation is/are set out in Appendix A to this Notice);
8. To consider and approve the appointment of Mr. Luo Zhi Xian (羅智先) as a non-executive director of the Company, to commence from the conclusion of the AGM and to terminate at the same time as the termination of the term of the existing Board, that is on 10 June 2007 (the biography of Mr. Luo Zhi Xian is set out in Appendix B to this Notice);

As special resolution:

9. To consider and, if thought fit, pass the following resolution:

THAT:

- (1) there be granted to the Board an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company (whether Promoter Shares or H Shares) and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

6. 審議及通過續聘畢馬威會計師事務所及畢馬威華振會計師事務所為截至二零零五年十二月三十一日止年度的本公司核數師(分別為國際及中國核數師)，並授權董事會釐定其酬金。
7. 審議及通過雷良生先生辭任本公司非執行董事，於股東週年大會結束時生效(辭任原因載於本通告附錄A)；
8. 審議及通過委任羅智先先生為本公司非執行董事，並由股東週年大會結束時開始至本屆董事會的任期屆滿為止，即二零零七年六月十日(羅智先先生的簡歷載於本通告附錄B)；

作為特別決議案：

9. 審議並酌情通過下列決議案：

動議：

- (1) 授予董事會無條件的一般授權以發行、配發及處置本公司股本中的額外股份(不論是發起人股或H股)，以及就此作出或授予要約、協議及購股權，惟須受以下條件規限：

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- (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
- (b) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board otherwise than pursuant to the share option scheme (if any) adopted by the Company for the grant or issue of shares of the Company, shall not exceed:
- i. 20% of the aggregate nominal amount of Promoter Shares of the Company in issue; and/or
 - ii. 20% of the aggregate nominal amount of H Shares of the Company in issue,

in each case as at the date of this resolution; and

- (a) 有關授權不可超越有關期間，惟董事會在有關期間作出或授予要約、協議或購股權而需要在有關期間完結後行使有關權力者除外；
- (b) 除卻本公司根據購股權計劃（如有）所授予或發行股份外，董事會可配發或有條件或無條件同意配發的股份（不論是否按購股權或其他方式）的總面值，不可超過：
- i. 本公司已發行的發起人股的總面值的20%；及／或
 - ii. 本公司已發行的H股的總面值的20%，

以上兩種情況均以本決議案當日為準；及

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(c) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;

For the purposes of this resolution:

“**Promoter Shares**” mean the ordinary shares in the share capital of the Company with a nominal amount value of RMB0.10 each, which were subscribed for by the promoters of the Company in RMB and the ordinary shares in the share capital of the Company with a nominal value of RMB0.10 each, which were subscribed for by the promoters of the Company in a currency other than RMB;

“**H Shares**” mean the overseas-listed foreign invested shares in the share capital of the Company, with a nominal value of RMB0.10 each, which are held and traded in Hong Kong dollars;

(c) 董事會僅可按照(不時修訂之)中國公司法以及香港聯合交易所有限公司創業板證券上市規則行使獲授予的權力，且必須向中國證券監督管理委員會及/或中國政府其他有關機構取得各項所需批准後方可行使；

就本決議案而言：

「**發起人股**」指本公司發起人按人民幣計價認購的本公司股本中每股面值人民幣0.10元的普通股，以及本公司發起人按人民幣以外其他貨幣計價認購的本公司股本中每股面值人民幣0.10元的普通股；

「**H股**」指本公司股本中每股面值人民幣0.10元的境外上市外資股，以港元為單位持有及買賣；

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“**PRC**” means the People’s Republic of China, excluding, for the purpose of this resolution only, the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan;

“**Relevant Period**” means the period from the date of passing this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiry date of the 12-month period following the passing of this resolution; or
- (c) the passing of a special resolution of the Company in general meeting revoking or varying the authority set out in this resolution;

“**RMB**” means Renminbi, the lawful currency of the PRC.

- (2) contingent on the Board resolving to issue shares pursuant to paragraph (1) of this resolution, the Board be and is hereby authorized:

「**中國**」指中華人民共和國，僅就本決議案而言，並不包括中國香港特別行政區、中國澳門特別行政區及台灣；

「**有關期間**」指本決議案通過之日起至以下最早發生者為止：

- (a) 本決議案通過後，本公司下屆股東週年大會結束；或
- (b) 本決議案通過後十二個月屆滿之後；或
- (c) 本公司股東大會上通過特別決議案撤銷或更改本決議案所述的權力。

「**人民幣**」指人民幣，中國的法定貨幣；

- (2) 待董事會議決根據本決議案第(1)段發行股份後，授權董事會：

* For identification purpose only

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- (a) to approve, execute and do or procure to be executed and done all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares of the Company, including, without limitation, determining the time and place of issue, making all necessary applications to the relevant authorities, entering into underwriting agreement (or any other agreements);
 - (b) to determine the use of proceeds and to make necessary filings and registration with the PRC, the Hong Kong Special Administrative Region of the PRC and other relevant authorities;
 - (c) to make amendments to the articles of association of the Company as it may deem appropriate for the increase of the registered capital of the Company and to reflect the new share capital structure of the Company under the intended allotment and issue of the shares of the Company pursuant to the resolution under paragraph (1) of this resolution.
- (a) 批准、簽訂、作出、促使簽訂及作出所有其認為有關於發行本公司新股份的各項文件、契約及事宜，包括但不限於發行時間和地點、向有關機關提出所有必須之申請、訂立承銷協議或任何其他協議等；
 - (b) 議定收益的用途，並須向中國、中國香港特別行政區及其他有關機關申報及登記；
 - (c) 以其認為適當的情況下，修訂本公司組織章程，以增加本公司的註冊資本及反映本決議案第(1)段配發和發行股份後本公司新的股本結構。

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As an ordinary resolution:

10. To consider and approve any written proposals (if any) put forward by shareholders having voting rights of 5 per cent. or more at the meeting.

By Order of the Board

Yantai North Andre Juice Co., Ltd.*

Zheng Yue Wen

Chairman

Yantai, the PRC, 31 March 2005

Registered Office:

No. 18 Andre Avenue

Muping Economic Development Zone

Yantai City

Shandong Province

The PRC

Principal Place of Business in Hong Kong

Rooms 1905-08

Sun Hung Kai Centre

30 Harbour Road

Wanchai

Hong Kong

Notes:

- (A) The register of holders of H Shares of the Company will be closed from 16 April 2005 (Saturday) to 16 May 2005 (Monday) (both days inclusive) during which period no transfer of H Shares will be registered. Any holder of the H Shares of the Company and whose name appearing in the Company's register of holders of H Shares with Tengis Limited at the close of business on 15 April 2005 (Friday) and have completed the registration process, will be entitled to attend and vote at the AGM.

The address of Tengis Limited is as follows:

G/F., BEA Harbour View Centre

56 Gloucester Road

Wanchai

Hong Kong

Fax: (852) 2810 8185

作為普通決議案：

10. 審議通過持有5%或以上股東大會投票權的股東所提呈的書面建議(如有)。

承董事會命

烟台北方安德利果汁股份有限公司

主席

鄭躍文

中國烟台市，二零零五年三月三十一日

註冊辦事處：

中國

山東省

烟台市

牟平經濟開發區

安德利大街18號

香港主要營業地點：

香港

灣仔

港灣道30號

新鴻基中心

1905-8室

附註：

- (A) 本公司將於二零零五年四月十六日(星期六)起至二零零五年五月十六日(星期一)止(首尾兩日包括在內)暫停辦理H股登記手續，期間將不會登記H股過戶。於二零零五年四月十五日(星期五)營業時間結束時，名列本公司設於登捷時有限公司的登記冊並辦妥登記手續的H股股東，可出席股東週年大會並於會上投票。

登捷時有限公司的地址為：

香港

灣仔

告士打道56號

東亞銀行港灣中心地下

傳真：(852) 2810 8185

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- (B) Holders of Promoter Shares or H Shares, who intend to attend the AGM, must complete and return the reply slips for attending the AGM and return them to the Company's principal place of business in Hong Kong (as set out above in this notice) (for holders of H Shares) or to the registered office of the Company (as set out above in this notice) (for holders of Promoter Shares) not later than 20 days before the date of the AGM.
- (C) Each holder of H Shares entitled to attend the AGM and having voting rights is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM. For shareholders appointing more than one proxy, its proxy may exercise its voting right by polling only.
- (D) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, in the case of a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing such attorney to sign or other authorization documents must be notarially certified.
- (E) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H Share registrar, Tengis Limited, the address of which is set out in Note (A) above, not less than 24 hours before the time for holding the AGM or any adjournment thereof in order for such documents to be valid.
- (F) Each holder of Promoter Shares is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on its behalf at the AGM, Notes (C) to (E) also apply to holders of Promoter Shares, except that a notarially certified copy of the proxy form or other documents of authority must be delivered to the registered office of the Company, the address of which is set out above in this Notice, not less than 24 hours before the time for holding the AGM or any adjournment thereof in order for such documents to be valid.
- (B) 擬出席股東週年大會的發起人股或H股股東，必須於股東週年大會舉行之日前20日內，將填妥的出席股東週年大會回條，交回本公司在香港的主要營業地點（地址載於上述本通告）（H股持有人）或本公司的註冊辦事處（地址載於上述本通告）（發起人股份持有人）。
- (C) 每名有權出席股東週年大會並於會上投票之H股股東有權以書面委派一名或多名代表（不論是否股東），代其出席股東週年大會並於會上投票。若股東委派的代表多於一人，有關的代表只可於表決時投票。
- (D) 委派代表的文據必須以書面提出，並由委派人或其以書面正式授權的代表簽署作實。如股東為一間公司，則該文據須蓋上公司印鑑，或由公司負責人或其授權人或獲授權簽署之其他人士簽署。若該文據由委派人授權的代表簽署，則該授權書或授權文件必須經公證行核實。
- (E) 代表委任表格（如委任表格由根據授權書或其他授權文件代表委派人之人士簽署，則須連同授權書或其他授權文件的公證文件一併提交）必須於股東週年大會或其任何續會舉行前24小時內送達本公司在香港的H股登記處登捷時有限公司後方為有效，登捷時有限公司的地址列於以上附註(A)。
- (F) 每名發起人股東有權委派一名或多於一名代表代為出席股東週年大會及於大會上投票（不論股東是否出席）。附註(C)及(D)亦適用於發起人股東，除發起人股東的代表委任表格或其他授權文件必須於股東週年大會或其任何續會舉行前24小時內交回本通告上文所示本公司註冊地址後方為有效。

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- (G) If a proxy attends the AGM on behalf of a shareholder, he/she should produce his/her ID card and the instrument signed by the proxy or his/her legal representative, and specifying the date of its issuance. If a legal person shareholder appoints its corporate representative to attend the AGM, such representative should produce his/her ID card and the notarised copy of the resolution passed by the board of directors or other authorities or other notarised copy of the licence issued by such legal person shareholder.
- (H) In the case of joint registered holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the AGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose seniority shall be determined by the order in which the names stand in the register of member in respect of the joint holding.
- (I) The AGM is expected to last for half a day. Shareholders and their proxies attending the AGM are responsible for their own transportation and accommodation expenses.
- (G) 若委派代表出席股東週年大會，有關的代表必須出示身份證明文件以及委派人或其法定代表所簽署的授權書或授權文件，其上應註明文件簽發的日期。若法人股東委派公司代表出席股東週年大會，則有關的代表必須出示身份證明文件以及董事會決議的公證副本或其他授權書的公證副本或法人股東所簽發的執照的公證副本。
- (H) 如屬任何股份之聯名登記持有人，該等人士任何一位均可就該等股份親身或由受委代表代表其於大會上投票，猶如其為唯一有權投票之股東，惟倘超過一位此等聯名持有人親身或委派代表出席，則此等出席之持有人中，只有在股東名冊內排名首位之聯名持有人方有權就該等股份投票。
- (I) 預期股東週年大會歷時半日。出席大會的股東及彼等之代表自行承擔交通和住宿費用。

Appendix A

Mr. Lei Liang Sheng has tendered his resignations as a director of the Company with effect from the conclusion of the AGM due to his new job arrangements. The Board and Mr. Lei Liang Sheng confirm that (i) there has been no dispute between Mr. Lei Liang Sheng, the Board and the Company; and (ii) in relation to his resignation, there are no matters that need to be brought to the attention of the shareholders of the Company.

附錄A

由於雷良生先生的新工作安排，雷先生已提出辭任本公司董事職務，由股東週年大會結束起生效。董事會及雷良生先生確認，(i) 雷良生先生、董事會與本公司之間並無任何糾紛；及(ii)並無有關其辭任而須股東留意的事宜。

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Appendix B

Mr. Luo Zhi Xian, aged 49, is a proposed non-executive director of the Company. Mr. Luo had studied in the Department of Foreign Language of Tainan Cheng Kung University, and the Research Institute of Business Administration of University of California Los Angeles where he obtained his master degree in business administration. Mr. Luo was the Taiwan regional general manager of De Beers Diamond Promotion Services before 1986. He was the section chief of Uni-President Enterprises Corp. between 1986 and 1991 and the business general manager and the chief operation officer of a U.S. subsidiary of Uni-President Enterprises Corp. between 1991 and 1997. Subsequently, he held positions such as the special assistant to the chief executive officer of President Enterprises (China) Investment Co. and senior vice president of Uni-President Enterprises Corp.. Since July 2003, he has been the executive vice president of Uni-President Enterprises Corp.. Mr. Luo is also the director of President Chain Store Corp., a listed company in Taiwan. Save as disclosed, Mr. Luo has not held any directorship in other listed public companies in the last three years. Save as the aforesaid relationship with the Company, Mr. Luo does not have any relationship with any other directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Mr. Luo has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Mr. Luo will enter into a service contract with the Company after his appointment comes into effect. His term of service shall commence from the conclusion of the AGM (i.e. from 17 May 2005) until 10 June 2007. Mr. Luo will receive an annual salary from the Company of RMB 50,000, which is determined by arm's length negotiation between the parties with reference to prevailing market conditions, and will not receive any additional bonus. As far as the Company is aware, in relation to the appointment of Mr. Luo, there are no other matters that need to be brought to the attention of the shareholders of the Company.

附錄B

羅智先先生，49歲，本公司候任非執行董事。羅先生曾就學於台南成功大學外語系，並於美國洛杉磯加州大學企管研究所獲得工商管理碩士學位。羅先生於一九八六年之前任De Beers鑽石推廣服務(De Beers Diamond Promotion Services)台灣區總經理，一九八六年至一九九一年任統一企業股份有限公司課長，一九九一年至一九九七年任統一企業股份有限公司美國子公司之事業群總經理及營運長，後任統一企業(中國)投資公司最高行政人員的特別協理及統一企業股份有限公司高級副總裁等職。二零零三年七月起任統一企業股份有限公司執行副總裁。羅先生亦是統一超商股份有限公司(為台灣上市公司)之董事。除所披露者外，羅先生近三年並無擔任其它上市公司之董事職位。除上文所述與本公司的關係外，羅先生與本公司任何其它董事、高級管理人員、管理層股東、主要股東或控股股東概無任何其它關係。羅先生概無於本公司股份中擁有《證券及期貨條例》(香港法例第571章)第XV部內所界定的權益。於其委任生效後，羅先生將與本公司訂立服務合約，服務期限由股東周年大會結束起(即二零零五年五月十七日起)至二零零七年六月十日。羅先生於本公司的年薪擬為人民幣5萬元，乃經雙方參考通行市況公平磋商後釐定。其將不會收取任何額外花紅。就本公司所知，並無其它有關羅先生任命之事項需要本公司股東留意。