



VITOP BIOENERGY HOLDINGS LIMITED

天年生物控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

2008 ANNUAL REPORT 年報



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Han Qingyun (*Chairman*)  
Han Xiaoyue (*Joint Chairman*)  
Chen Henglong  
Zhang He  
Xu Nian Chun  
Guo Yan Ni  
Long Minfei

#### NON-EXECUTIVE DIRECTOR

Chan Yuk Tong

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Zhu Jing Hua  
Zhang Wen  
Li Xinzhong

#### COMPANY SECRETARY

Tsui Siu Hung

#### QUALIFIED ACCOUNTANT

Yeung Man, Simon

#### AUTHORISED REPRESENTATIVES

Chan Yuk Tong  
Yeung Man, Simon

#### AUDIT COMMITTEE

Zhu Jing Hua (*Chairman*)  
Zhang Wen  
Li Xinzhong

### 董事會

#### 執行董事

韓慶雲 (*主席*)  
韓曉躍 (*聯席主席*)  
陳恒龍  
張河  
徐念椿  
郭燕妮  
龍明飛

#### 非執行董事

陳育棠

#### 獨立非執行董事

朱靜華  
張文  
李新中

#### 公司秘書

徐兆鴻

#### 合資格會計師

楊敏

#### 授權代表

陳育棠  
楊敏

#### 審核委員會

朱靜華 (*主席*)  
張文  
李新中

## CORPORATE INFORMATION

### 公司資料

#### REMUNERATION COMMITTEE

Zhu Jing Hua (*Chairman*)  
Zhang Wen  
Li Xinzong

#### AUDITORS

NCN CPA Limited  
*Certified Public Accountants*

#### PRINCIPAL BANKERS

Bank of Communications  
China Everbright Bank  
Industrial and Commercial Bank of China  
Shanghai Commercial Bank Limited

#### REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 913-917, 9/F  
Sun Hung Kai Centre  
30 Harbour Road, Wanchai  
Hong Kong  
Tel : (852) 2868 2588  
Fax : (852) 2991 4711

#### HEAD OFFICE IN THE PRC

33/F, Everbright International Trade Centre  
47 South Haibin Road, Jida  
Zhuhai SEZ  
The People's Republic of China

#### 薪酬委員會

朱靜華 (主席)  
張文  
李新中

#### 核數師

德誠會計師事務所有限公司  
執業會計師

#### 主要往來銀行

交通銀行  
中國光大銀行  
中國工商銀行  
上海商業銀行

#### 註冊辦事處

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### 香港主要營業地點

香港  
灣仔港灣道30號  
新鴻基中心  
9樓913-917室  
電話 : (852) 2868 2588  
傳真 : (852) 2991 4711

#### 於中國之總辦事處

中華人民共和國  
珠海經濟特區  
吉大海濱南路47號  
光大國際貿易中心33樓

## CORPORATE INFORMATION

### 公司資料

#### SHARE REGISTRARS AND TRANSFER OFFICES

##### CAYMAN ISLANDS

Butterfield Fund Services (Cayman) Limited  
Butterfield House  
68 Fort Street, P.O. Box 705  
George Town, Grand Cayman  
Cayman Islands

##### HONG KONG

Union Registrars Limited  
Room 1901-02, Fook Lee Commercial Centre, Town Place  
33 Lockhart Road  
Wanchai  
Hong Kong

##### STOCK CODE

1178

##### WEBSITE ADDRESS

<http://www.vitop.com>

#### 股份過戶登記處

##### 開曼群島

Butterfield Fund Services (Cayman) Limited  
Butterfield House  
68 Fort Street, P.O. Box 705  
George Town, Grand Cayman  
Cayman Islands

##### 香港

聯合證券登記有限公司  
香港  
灣仔駱克道33號  
中央廣場  
福利商業中心1901-02室

##### 股份代號

1178

##### 網址

<http://www.vitop.com>

# CHAIRMAN'S STATEMENT

## 主席報告

Dear all Shareholders,

On behalf of the board of directors, I hereby present the annual report of Vitop Bioenergy Holdings Limited for the year ended 30 June 2008.

### OPERATION REVIEW

It was a difficult year under review, with the continuous downturn in the healthcare industry of the PRC as well as the rapid development of new marketing modes such as network marketing. Those healthcare companies which adopt meeting marketing mode were facing with an extreme hardship condition. The customers of those companies adopting meeting marketing were rapidly distracted by other new marketing modes as though, the consolidated turnover of the Group still increased approximately by HK\$6.89 million or approximately 6.61% over the same period of last year. Its gross profit margin increased approximately by 2.60% to approximately 44.25%, compared with approximately 41.65% over the same period of last year. Share option expense increased significantly by approximately HK\$8.62 million this year, resulting in the loss of the Group for the year amounted to approximately HK\$10.04 million. However, if share option expense was excluded, actual operational loss would be reduced to approximately HK\$1.42 million.

### BUSINESS PROSPECT

As the global economic downturn brought about by the sub-prime mortgage credit crisis in the United States has badly impaired the consumers' desire of purchase. Further, the costs of production and raw materials are continually uprising, the Group deeply believes that the operating in pearl river delta area would remain adverse and tough in the coming year. However, despite of this, the Group has made all its best efforts to secure a stream of steady operating income. Among them, brand planning was one of the major measures: having taken the edges from the Beijing Olympic Games, and by way of strengthening the strategic co-operation with the Training Bureau of the General Administration of Sport (國家體育總局訓練局), the Group has launched successfully a marketing and planning activity named as "Beijing Olympics Tour". Under this, not only a steady operating revenue was secured, but also a stable distribution network could be effectively maintained.

致各股東：

本人謹代表董事會提呈天年生物控股有限公司截至二零零八年六月三十日止年度之年報。

### 營運回顧

本回顧年度乃艱辛的一年，面對中國保健品行業持續低迷的同時，網絡營銷等新營銷模式急速發展下，採用會議營銷模式的保健品企業皆面臨極大的發展困局。雖然會議營銷企業的顧客轉移到其他新營銷模式企業，本集團之綜合營業額仍然較去年同期錄得約689萬港元或6.61%的增幅，而毛利率由去年同期約41.65%增加至約44.25%增幅，約為2.60%。由於本年度購股權開支大幅增加約862萬港元，導致本集團本年度錄得虧損約1,004萬港元。但是，撇除購股權開支之因素，實質業務虧損將減少至約142萬港元。

### 業務展望

美國次級按揭信貸危機引發之全球經濟低迷，嚴重削弱消費者的購買意慾。同時，面對珠三角地區之生產成本及原材料成本持續增長，本集團深信未來一年的經營環境依然是惡劣及嚴峻的。儘管在惡劣的營業環境中，本集團仍採取各種努力以確保營業收入穩定。其中，品牌策劃為主要舉措之一：本集團借助中國奧運契機，通過加強與國家體育總局訓練局的戰略合作夥伴關係，開展了「奧運北京行」的行銷策劃活動，並成功了，不僅保證了營業收入穩定，也有效維護了經銷網絡的穩定。

## CHAIRMAN'S STATEMENT

### 主席報告

Notwithstanding such efforts, the Group still faces the difficult operating environment. Therefore, the Group has realized that it should endeavor to seek the huge breakthrough in order to overcome the hardship and create a new environment for growth. Under the leadership of the new board of directors, the Group has made active efforts and measures focusing on the effective breakthrough of the existing marketing mode and the innovate attempts of brand-new marketing modes.

In light of the existing marketing mode, the Group has made a breakthrough mainly by introducing new products. The Group has taken the advantages of own competitive position in function water industry of the PRC to cooperate with a certain outstanding operators in the industry and develop household water electronic products actively. Some of the products are now put into trial sales, such as high-end water purifiers and innovative water generators. In addition, our product research and development department has put into efforts in areas of function textile products and biological food products. Our research team has devoted to strengthen the distributors' network and effectively secure a steady current sales by introducing competitive products. Meanwhile, the Group has made attempts on various new marketing modes, among which, the Group has rebuilt the existing distribution network by applying new direct marketing mode and achieved some breakthrough. Upon making further success in certain trial spots, it will be popularized through our distribution network. Our efforts in the new marketing mode would create a new path for the development of the Group.

## APPRECIATION

As the chairman of the board of directors, I would like to express my sincere gratitude to our shareholders, customers, suppliers and business partners for their full understanding and support during the hard-time. The Group's steady growth in the healthcare industry of the PRC over the past 16 years has relied on the contributions of all our staff and partners. I believe, with these supports, know-how and experience built up over these 16 years, brand advantages and the dedication of all our directors and staff, the Group will overcome any difficulties and well position itself for next boom of growth.

**Han Qingyun**  
*Chairman*

Hong Kong, 29 October 2008

儘管付出種種努力，本集團依然處於經營困境。因此，本集團認識到，必須努力尋求最大的突破，才能擺脫困境，開創新的發展局面。所以，本集團在新董事會的領導下，積極努力，著眼於對現有營銷模式的有效突圍以及新營銷模式的革新嘗試。

針對現有營銷模式，本集團主要通過引入新產品實現突圍。本集團利用自身在中國功能水行業的優勢，與業內優秀企業合作，積極發展水家電產品，目前已經進行市場試銷的包括高端淨水器和新型製水機。本集團產品研發部門還在功能紡織品和生物食品方面積極進取，通過引入具競爭力的產品，加強經銷商網絡的凝聚力，並有效維護現有銷售穩定。與此同時，本集團進行了多項新營銷模式的革新嘗試，其中，利用新型直複營銷改造現有經銷網絡的嘗試取得了一定突破，在進一步成功之後，本集團將全面採用於經銷網絡，以新營銷模式付出的努力有望為本集團開闢新的發展通道。

## 致謝

作為董事會主席，本人十分感激各位股東、客戶、供應商及業務夥伴在艱難環境中給予本集團的全面理解和鼎力支持，本集團在中國保健行業穩健發展十六年，有賴所有員工及夥伴的共同努力。我相信，在這些支持下，憑藉十六年積累的經驗、技能和品牌優勢，在所有董事和員工的努力下，本集團一定可以渡過難關，再次騰飛。

主席  
**韓慶雲**

香港，二零零八年十月二十九日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The principal activities of the Group are manufacturing and trading of multi-functional water generators, BIOenergy® products and healthcare food products in the PRC.

It was a difficult year under review, with the continuous downturn in the healthcare industry of the PRC as well as the rapid development of new marketing modes such as network marketing. Those healthcare companies which adopt meeting marketing mode were facing with an extreme hardship condition. The customers of those companies adopting meeting marketing were rapidly distracted by other new marketing modes as though, the consolidated turnover of the Group still increased approximately by HK\$6.89 million or approximately 6.61% over the same period of last year. Its gross profit margin increased approximately by 2.60% to approximately 44.25%, compared with approximately 41.65% over the same period of last year. Share option expense increased significantly by approximately HK\$8.62 million this year, resulting in the loss of the Group for the year amounted to approximately HK\$10.04 million. However, if share option expense was excluded, actual operational loss would be reduced to approximately HK\$1.42 million.

### MULTI-FUNCTIONAL WATER GENERATORS

During the year under review, the multi-functional water generators, the core business of the Group, achieved a turnover of approximately HK\$60.84 million (2007: approximately HK\$55.76 million), representing approximately 54.75% of the Group's turnover and an increase of approximately 9.12% as compared with turnover of last year. The increase in turnover was attributable to differentiate ourselves from other competitors with the excellent after-sales services and has built up good reputation among our customers. Gross profit margin increased by approximately 3.14% to approximately 42.32% (2007: approximately 39.18%). The increase in gross profit margin is due to a change in sales products mix to include the sales of high-end multi-functional water generators during the year.

### HEALTHCARE FOOD PRODUCTS

For the year ended 30 June 2008, the healthcare food products segment recorded a turnover of approximately HK\$27.95 million (2007: approximately HK\$24.63 million), which accounted for approximately 25.15% of the Group's turnover and represented an increase of approximately 13.48% as compared with turnover of the previous year. Gross profit margin increased by approximately 2.08% to approximately 45.03% (2007: approximately 42.95%). As our products are recognised by our customers, the segment continued to achieve improved result.

本集團的主要業務是於中國生產及銷售多功能製水機、天年素®系列產品及保健食品。

本回顧年度乃艱辛的一年，面對中國保健品行業持續低迷的同時，網絡營銷等新營銷模式急速發展下，採用會議營銷模式的保健品企業皆面臨極大的發展困局。雖然會議營銷企業的顧客轉移到其他新營銷模式企業，本集團之綜合營業額仍然較去年同期錄得約689萬港元或6.61%的增幅，而毛利率由去年同期約41.65%增加至約44.25%增幅，約為2.60%。由於本年度購股權開支大幅增加約862萬港元，導致本集團本年度錄得虧損約1,004萬港元。但是，撇除購股權開支之因素，實質業務虧損將減少至約142萬港元。

### 多功能製水機

於回顧年度，本集團的核心業務多功能製水機業務錄得約6,084萬港元營業額（二零零七年：約5,576萬港元），佔本集團營業額約54.75%，較去年增加約9.12%。營業額增加乃由於本集團憑藉優質的售後服務從競爭對手中脫穎而出，以及在顧客中形成良好口碑。毛利率約為42.32%，增加了約3.14%（二零零七年：約39.18%），此增幅乃由於改變產品銷售組合，年內高檔多功能製水機的銷量有所增加。

### 保健食品

截至二零零八年六月三十日止年度，保健食品分部錄得約2,795萬港元營業額（二零零七年：約2,463萬港元），佔本集團營業額約25.15%，較去年增加約13.48%。毛利率增加約2.08%，約為45.03%（二零零七年：約42.95%）。由於產品得到顧客的肯定，該分部的業績持續提升。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BIOENERGY® PRODUCTS

For the year ended 30 June 2008, the Bioenergy products segment recorded a turnover of approximately HK\$21.39 million (2007: approximately HK\$21.00 million), which accounted for approximately 19.25% of the Group's turnover and represented an increase of approximately 1.86% as compared with turnover of the previous year. Gross profit margin increased by approximately 1.50% to approximately 49.33% (2007: approximately 47.83%).

### PLEDGE OF ASSETS AND INVESTMENTS

As at 30 June 2008, the Group's gearing ratio, measured on the basis of total borrowings as a percentage of total equity attributable to the shareholders of the Company, was approximately 5.86% (2007: approximately 6.21%), of which the bank loans of approximately HK\$3.27 million (2007: approximately HK\$2.61 million) were secured by a pledge of our financial assets designated at fair value through profit or loss of HK\$2.16 million and pledged bank deposit of HK\$20,000 (2007: financial assets designated at fair value through profit or loss of HK\$2.36 million and pledged bank deposit of HK\$20,000) and supported by a corporate guarantee executed by the Company.

### SIGNIFICANT INVESTMENT

On 4 August 2007, the Company entered into an acquisition agreement with the Merdeka Holdings Limited to acquire 18% equity interest in the issued share capital of Access Boom Limited for a consideration of HK\$18 million. The consideration was satisfied by paying HK\$5 million in cash to the Merdeka Holdings Limited and HK\$13 million by the allotment and issue of the consideration shares credited as fully paid at the issue price of HK\$0.35 by the Company to the Merdeka Holdings Limited or its nominee. Access Boom Limited's principal business activity is in development and marketing of automobile lean-burn fuel-saving instruments, electronic management system, turbo engines and other related products in the PRC. The acquisition constitutes a discloseable transaction of the Company, details of which were disclosed in the announcement of the Company dated 6 August 2007 and the circular of the Company dated 17 August 2007.

### 天年素®系列產品

截至二零零八年六月三十日止年度，天年素系列產品分部錄得約2,139萬港元營業額(二零零七年：約2,100萬港元)，佔本集團營業額約19.25%，較去年上升約1.86%。毛利率增加約1.50%，約為49.33% (二零零七年：約47.83%)。

### 資產及投資抵押

於二零零八年六月三十日，本集團的資產負債比率(按總借款佔本公司股東應佔權益總額百分比計算)約為5.86%(二零零七年：約6.21%)。其中銀行貸款約327萬港元(二零零七年：約261萬港元)乃以本集團為數216萬港元的指定為按公平值以溢利或虧損列賬的財務資產及2萬港元的已抵押銀行存款(二零零七年：236萬港元的指定為按公平值以溢利或虧損列賬的財務資產及2萬港元的已抵押銀行存款)作抵押，並以本公司所提供的公司擔保支持。

### 重大投資

於二零零七年八月四日，本公司與Merdeka Holdings Limited訂立收購協議，收購Access Boom Limited已發行股本中的18%股本權益，代價為1,800萬港元。代價當中500萬港元由本公司以現金向Merdeka Holdings Limited支付，而1,300萬港元則由本公司按發行價0.35港元向Merdeka Holdings Limited或其代名人配發及發行入賬列為繳足的代價股份支付。Access Boom Limited主要於中國從事汽車稀燃節油裝置、電子管理系統、渦輪發動機及其他相關產品的開發及營銷。該收購事項構成本公司的須予披露交易，有關詳情已於本公司二零零七年八月六日的公佈及本公司二零零七年八月十七日的通函披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES/JOINTLY CONTROLLED ENTITIES

During the year, there was no other material acquisition or disposal of subsidiaries and associated companies/jointly controlled entities conducted by the Group.

### EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2008, the Group employed a total of 239 (2007: 271) employees, of which 233 were deployed in the PRC (2007: 265) and 6 (2007: 6) were deployed in Hong Kong. The total salaries (excluding directors' emoluments) for the year were approximately HK\$24.16 million (2007: HK\$17.53 million). Remuneration packages comprised salary, mandatory provident fund, bonus, medical allowance and share options.

### FOREIGN EXCHANGE RISK MANAGEMENT

The majority of the Group's operations are located in the PRC, and the main operational currencies are Hong Kong Dollars and Renminbi. The Company is paying regular and active attention to Renminbi exchange rate fluctuation and consistently assess exchange risks.

### LIQUIDITY AND FINANCIAL RESOURCE

The Group finances its operations with internally generated cash flows, banking facilities, and proceeds from the new share placements. As at 30 June 2008, the Group had aggregate available banking facilities of HK\$5.00 million (2007: HK\$5.00 million), of which approximately HK\$3.27 million (2007: approximately HK\$2.61 million) was utilized and subject to floating market rates. The Group's cash and bank balance at that date amounted to approximately HK\$10.20 million (2007: approximately HK\$30.56 million), which was denominated in mainly Hong Kong dollars, and Renminbi. This together with unutilized banking facilities will enable the Group to finance its operational needs.

As at 30 June 2008, the Group's current ratio and quick ratio were approximately 1.95 (2007: approximately 1.97) and approximately 1.33 (2007: approximately 1.56) respectively. At that date, the Group's total borrowing, was increased from approximately HK\$2.61 million as at 30 June 2007 to approximately HK\$3.27 million, which included

### 重大收購及出售附屬公司及聯營公司／共同控制實體

年內，本集團概無進行任何附屬公司及聯營公司／共同控制實體的重大收購或出售。

### 僱員及薪酬政策

於二零零八年六月三十日，本集團聘有合共239名(二零零七年：271名)僱員，其中233名(二零零七年：265名)在國內工作，另6名(二零零七年：6名)在香港工作。本年度薪酬(不包括董事酬金)合共約為2,416萬港元(二零零七年：1,753萬港元)。薪酬待遇包括薪金、強制性公積金、花紅、醫療津貼及購股權。

### 外匯風險管理

本集團的主要業務位於中國，而主要的營運貨幣為港元及人民幣。本公司會定期及積極關注人民幣匯率的波動情況，並持續評估其匯兌風險。

### 流動資金及財務資源

本集團營運所需資金，主要來自內部產生之現金流量、銀行融資及配售新股所得款項。於二零零八年六月三十日，本集團之可動用銀行融資總額為500萬港元(二零零七年：500萬港元)，其中約327萬港元(二零零七年：約261萬港元)經已動用，並須按浮動市場利率計息。本集團於該日之現金及銀行結存約為1,020萬港元(二零零七年：約3,056萬港元)，主要以港元及人民幣結算。連同未動用之銀行融資，本集團之流動資金足以應付日常營運所需。

於二零零八年六月三十日，本集團之流動比率及速動比率分別約為1.95(二零零七年：約1.97)及約1.33(二零零七年：約1.56)。本集團於該日之總借款額，由二零零七年六月三十日約261萬港元增加至約327萬港元，其中包括

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

revolving loan borrowing and term loan borrowing of HK\$2.50 million (2007: HK\$1.0 million) and approximately HK\$0.77 million (2007: approximately HK\$1.61 million) respectively. The increase in total borrowing was due to the increment of financing activities.

### LITIGATION

Detail of the litigation is set out in note 29(b) to the financial statements.

### CONTINGENT LIABILITIES

The Group's bank loan facility amounting to HK\$5 million (2007: HK\$5 million) is supported by a corporate guarantee executed by the Company.

Save as disclosed above and that in the note 29 to the financial statements, neither the Group nor the Company had any significant contingent liabilities at the balance sheet date.

### OUTLOOK AND PROSPECT

The Board noted that the operating environment in the healthcare sector will continue to be challenging in the coming year. With the rapidly upsurging raw material and labour costs and the high operating costs in both Hong Kong and the PRC are eroding the Group's profit. The Group will continue to tighten its cost control measurement so as to improve the efficiency in operation and minimize operating costs. The Group will also implement conservative strategies on new investments and assess the prospects of the existing investments in light of the current market environment.

During the year under review, the Group has achieved in diversification on business. In August 2007, the Group entered into an acquisition agreement to acquire 18% equity interest in the issued share capital of Access Boom Limited. Access Boom Limited's principal business activity is in development and marketing of automobile lean-burn fuel-saving instruments, electronic management system, turbo engines and other related products in the PRC.

The Group believes that the acquisition provides a good opportunity for the Group to diversify its business, which will enable the Group to achieve profitability.

循環借款250萬港元(二零零七年：100萬港元)及期限借款約77萬港元(二零零七年：約161萬港元)。總借款額增加是由融資活動相應增加所致。

### 訴訟

訴訟詳情載於財務報表附註29(b)。

### 或然負債

本集團為數500萬港元的銀行貸款額度(二零零七年：500萬港元)，乃由本公司提供公司擔保。

除上述及於財務報表附註29披露外，本集團或本公司於結算日並沒有任何重大或然負債。

### 展望及未來前景

董事會深知，保健品行業來年的經營環境仍充滿挑戰。在原材料及勞工成本迅速上漲的情況下，香港及中國的高昂經營成本將削弱本集團的溢利。本集團將繼續實施嚴格的成本控制措施，以提升經營效率，並盡可能降低經營成本。本集團亦將對新投資實施保守策略，並根據現時的市場環境評估現有投資的前景。

於回顧年度，本集團拓闊了業務範圍。於二零零七年八月，本集團訂立一項收購協議，收購 Access Boom Limited 已發行股本中的18%股本權益。Access Boom Limited 主要於中國從事汽車稀燃節油裝置、電子管理系統、渦輪發動機及其他相關產品的開發及營銷。

本集團相信，此次收購為本集團製造了拓闊業務範圍的良機，有助本集團提升盈利能力。

# REPORT OF THE DIRECTORS

## 董事會報告書

The directors present their report and the audited financial statements of Vitop Bioenergy Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for the year ended 30 June 2008.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are manufacturing and trading of multi-functional water generators, BIOenergy® products, healthcare food products and other healthcare products in the People's Republic of China, excluding Hong Kong and Macau.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30 June 2008 and the state of affairs of the Group and the Company as at that date are set out in the financial statements on pages 35 to 115.

The directors do not recommend the payment of a final dividend to shareholders of the Company for the years ended 30 June 2008 and 2007 respectively.

### SUMMARY OF FINANCIAL INFORMATION

A summary of the published results and the assets, liabilities and minority interests of the Group for the last five financial years is set out on page 116. This summary does not form part of the audited financial statements.

### DONATIONS

During the year, the Group made charitable donations of approximately HK\$0.27 million (2007: HK\$0.36 million).

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the Group's property, plant and equipment during the year are set out in note 15 to the financial statements.

### INTANGIBLE ASSETS

Details of the movement in the Group's intangible assets during the year is set out in note 16 to the financial statements.

董事會謹提呈天年生物控股有限公司（「本公司」）及其附屬公司（以下統稱「本集團」）截至二零零八年六月三十日止年度的董事會報告書及經審核財務報表。

### 主要業務

本公司的主要業務為投資控股，其附屬公司的主要業務為於中華人民共和國（不包括香港及澳門）生產及買賣多功能製水機、天年素®系列產品、保健食品及其他健康產品。

### 業績及分派

本集團截至二零零八年六月三十日止年度的業績及本集團與本公司於當日的財務狀況載於財務報表第35至115頁。

董事不建議分別就截至二零零八年及二零零七年六月三十日止年度向本公司股東派付末期股息。

### 財務資料概要

本集團過去五個財政年度的已公佈業績及資產、負債及少數股東權益概要載於第116頁。此概要並不納為經審核財務報表的組成部分。

### 捐款

本集團於年內作出的慈善捐款約為27萬港元（二零零七年：36萬港元）。

### 物業、廠房及設備

年內，本集團物業、廠房及設備變動詳情載於財務報表附註15。

### 無形資產

年內，本集團無形資產變動詳情載於財務報表附註16。

# REPORT OF THE DIRECTORS

## 董事會報告書

### SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's share capital and share options during the year, together with the reasons therefore, are set out in notes 25 and 26 to the financial statements, respectively.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

### RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and note 27 to the financial statements, respectively.

### DISTRIBUTABLE RESERVES

As at 30 June 2008, the Company's reserve available for distribution, calculated in accordance with the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$31.09 million. This includes the Company's share premium account, in the capital amount of approximately HK\$64.15 million as at 30 June 2008, which may be distributed provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares.

### 股本及購股權

年內，本公司股本及購股權變動詳情連同有關原因分別載於財務報表附註25及26。

### 優先購股權

本公司組織章程細則或開曼群島(本公司註冊成立所在的司法權區)法律概無關於優先購股權的規定，致使本公司須按比例向現有股東發行新股。

### 購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司上市證券。

### 儲備

年內，本集團及本公司的儲備變動詳情分別載於綜合權益變動表及財務報表附註27。

### 可供分派儲備

於二零零八年六月三十日，本公司按照開曼群島公司法第22章(一九六一年第三法例，經綜合及修訂)的規定計算所得的可供分派儲備約達3,109萬港元。此乃包括本公司於二零零八年六月三十日可供分派的股份溢價賬內的資本金額約6,415萬港元，惟緊隨建議派發股息日期後，本公司於其日常業務過程中可償還其到期債務。股份溢價賬亦可以繳足紅股方式分派。

# REPORT OF THE DIRECTORS

## 董事會報告書

### MAJOR CUSTOMERS AND SUPPLIERS

During the year under review, the percentage of sales to the Group's five largest customers accounted for approximately 35.73% of the Group's total sales for the year and sales to the largest customer included therein amounted to approximately 11.81%. Purchases from the Group's five largest suppliers accounted for approximately 78.64% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 33.67%.

To the best knowledge of the directors, neither the directors, their associates, nor any shareholders who owned more than 5.0% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers and/or five largest suppliers during the year.

### DIRECTORS

The directors of the Company during the year and up to the date of this report were as follows:

### EXECUTIVE DIRECTORS

- Mr. Han Qingyun (*Chairman*)  
(*appointed as executive director on 15 April 2008 and re-designated from executive director to chairman on 28 April 2008*)
- Mr. Han Xiaoyue (*Joint Chairman*)
- Mr. Chen Henglong
- Mr. Zhang He
- Mr. Xu Nian Chun  
(*appointed on 15 April 2008*)
- Ms. Guo Yan Ni  
(*appointed on 15 April 2008*)
- Mr. Long Minfei  
(*appointed on 28 April 2008*)
- Mr. Tse Kam Fai  
(*appointed on 25 February 2008 and resigned on 15 April 2008*)
- Mr. Hung Kai So  
(*resigned on 25 February 2008*)
- Mr. Liu Jun  
(*resigned on 28 April 2008*)

### 主要客戶及供應商

於回顧年內，本集團首五大客戶的銷售額百分比佔本年度本集團總銷售額約35.73%，而其中向最大客戶銷售額則佔約11.81%。本集團首五大供應商的購貨額佔本年度總購貨額約78.64%，其中對最大供應商的購貨額則佔約33.67%。

就董事所知，董事、彼等的聯繫人士，或擁有本公司已發行股本5.0%以上的任何股東，於年內概無於本集團首五大客戶及／或首五大供應商中擁有任何實益權益。

### 董事

年內及截至本報告日期止，本公司董事如下：

### 執行董事

- 韓慶雲先生 (*主席*)  
(*於二零零八年四月十五日獲委任為執行董事，並於二零零八年四月二十八日由執行董事調任為主席*)
- 韓曉躍先生 (*聯席主席*)
- 陳恒龍先生
- 張河先生
- 徐念椿先生  
(*於二零零八年四月十五日獲委任*)
- 郭燕妮女士  
(*於二零零八年四月十五日獲委任*)
- 龍明飛先生  
(*於二零零八年四月二十八日獲委任*)
- 謝錦輝先生  
(*於二零零八年二月二十五日獲委任，且於二零零八年四月十五日辭任*)
- 洪繼蘇先生  
(*於二零零八年二月二十五日辭任*)
- 劉俊先生  
(*於二零零八年四月二十八日辭任*)



# REPORT OF THE DIRECTORS

## 董事會報告書

### NON-EXECUTIVE DIRECTOR

Mr. Chan Yuk Tong  
*(re-designated from executive director to non-executive director on 25 February 2008)*

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Li Xinzhong  
*(appointed on 25 February 2008)*

Mr. Zhang Wen  
*(appointed on 15 April 2008)*

Ms. Zhu Jing Hua  
*(appointed on 15 April 2008)*

Mr. Yuan Tsu I  
*(resigned on 28 February 2008)*

Mr. Chan Chiu Hung Alex  
*(resigned on 28 February 2008)*

Professor Li Li Te  
*(resigned on 15 April 2008)*

Mr. Zhang Fan  
*(appointed on 25 February 2008 and resigned on 15 April 2008)*

In accordance with article 86(3) of the articles of association of the Company, Mr. Han Qingyun, Mr. Xu Nian Chun, Ms. Guo Yan Ni, Mr. Long Minfei, Ms. Zhu Jing Hua, Mr. Zhang Wen and Mr. Li Xinzhong shall hold office only until the forthcoming annual general meeting of the Company and shall be eligible for re-election. Mr. Han Qingyun, Mr. Xu Nian Chun, Ms. Guo Yan Ni, Mr. Long Minfei, Ms. Zhu Jing Hua, Mr. Zhang Wen and Mr. Li Xinzhong, being eligible, will offer themselves for re-election at the meeting.

In accordance with article 87(1) of the articles of association of the Company, Mr. Chan Yuk Tong will retire by rotation at the forthcoming annual general meeting of the Company. Mr. Chan Yuk Tong, being eligible, will offer himself for re-election at the meeting.

### 非執行董事

陳育棠先生  
*(於二零零八年二月二十五日  
由執行董事調任為非執行董事)*

### 獨立非執行董事

李新中先生  
*(於二零零八年二月二十五日獲委任)*

張文先生  
*(於二零零八年四月十五日獲委任)*

朱靜華女士  
*(於二零零八年四月十五日獲委任)*

袁祖怡先生  
*(於二零零八年二月二十八日辭任)*

陳釗洪先生  
*(於二零零八年二月二十八日辭任)*

李里特教授  
*(於二零零八年四月十五日辭任)*

張凡先生  
*(於二零零八年二月二十五日獲委任，  
且於二零零八年四月十五日辭任)*

按照本公司組織章程細則第86(3)條，韓慶雲先生、徐念椿先生、郭燕妮女士、龍明飛先生、朱靜華女士、張文先生及李新中先生將任職僅至本公司應屆股東週年大會止，且符合資格膺選連任。韓慶雲先生、徐念椿先生、郭燕妮女士、龍明飛先生、朱靜華女士、張文先生及李新中先生符合資格並願意於會上膺選連任。

按照本公司組織章程細則第87(1)條，陳育棠先生將於本公司應屆股東週年大會上輪席退任。陳育棠先生符合資格並願意於會上膺選連任。

# REPORT OF THE DIRECTORS

## 董事會報告書

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 20 to 24 of the annual report.

### DIRECTORS' SERVICE CONTRACTS

Each of Mr. Han Qingyun, Mr. Xu Nian Chun, Ms. Guo Yan Ni, Mr. Long Minfei, Ms. Zhu Jing Hua, Mr. Zhang Wen and Mr. Li Xinzong, has not entered into a director's service agreement with the Company. They are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company. Either the Company or they may terminate the appointment by giving at least three months' notice in writing.

Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

### DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 30 to the financial statements under the heading "Related Party Transactions", there were no other contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interests, whether or any directly or indirectly subsisting at the end of the year or at any time during the year.

### 董事及高層管理人員個人資料

本公司董事及本集團高層管理人員個人資料詳情載於本年報第20至24頁。

### 董事的服務合約

韓慶雲先生、徐念椿先生、郭燕妮女士、龍明飛先生、朱靜華女士、張文先生及李新中先生各自並無與本公司訂立董事服務協議，彼等亦無以指定任期委任，惟須按照本公司組織章程細則的規定於本公司股東週年大會上輪席退任及膺選連任。本公司或彼等可發出最少三個月書面通知以終止委任。

除上文所披露者外，擬在應屆股東週年大會上膺選連任的董事，概無與本公司訂立任何本公司在一年內不可在不予賠償(法定賠償除外)的情況下終止的服務合約。

### 董事的合約權益

除財務報表附註30「關連人士交易」一節所披露之外，本公司董事概無於本公司或其任何附屬公司所訂立在本年度年底或年內任何時間仍然存續，並對本公司屬重大的任何其他合約中直接或間接擁有重大權益。



# REPORT OF THE DIRECTORS

## 董事會報告書

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

As at 30 June 2008, the interests and short positions of the directors of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (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 of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

### 董事於股份、相關股份及債權證的權益及淡倉

於二零零八年六月三十日，本公司董事於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第352條須予存置的登記冊所記錄的權益及淡倉；或根據上市公司董事進行證券交易的標準守則（「標準守則」）須通知本公司及香港聯合交易所有限公司（「聯交所」）的權益及淡倉如下：

### LONG POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

### 於本公司股份及相關股份的好倉

| Name of directors    | Capacity                                       | Number of shares held   | Number of underlying shares held pursuant to share options<br>根據購股權持有的相關股份數目 | Aggregate interest | Approximate percentage of interest |
|----------------------|--|-------------------------|--|--------------------|------------------------------------|
| 董事姓名                 | 身份   | 所持股份數目                  | 相關股份數目   | 總權益                | 權益概約百分比                            |
| Han Xiaoyue<br>韓曉躍   | Interest of controlled corporation<br>於受控法團的權益 | 3,805,112<br>(note 1)   | 5,584,000  | 9,389,112          | 1.28%                              |
| Han Qingyun<br>韓慶雲   | Interest of controlled corporation<br>於受控法團的權益 | 200,000,000<br>(note 2) | –  | 200,000,000        | 27.19%                             |
| Chen Henglong<br>陳恒龍 | Beneficial owner<br>實益擁有人                      | 52,200,000              | 6,584,000  | 58,784,000         | 7.99%                              |

Note 1: These 3,805,112 shares are owned by Portton Investments Limited ("Portton"), the issued share capital of which is beneficially owned by Mr. Han Xiaoyue (the joint-chairman of the Company) and Mr. Wang Jiandong as to 66.67% and 33.33% respectively. Each of Mr. Han Xiaoyue and Mr. Wang Jiandong are deemed to be interested in these 3,805,112 shares under Part XV of the SFO. Portton is wholly owned by Power Field International Limited.

附註1：該等3,805,112股股份乃由Portton Investments Limited（「Portton」）擁有，Portton已發行股本由韓曉躍先生（本公司聯席主席）及王建東先生分別實益擁有66.67%及33.33%。根據證券及期貨條例第XV部，韓曉躍先生及王建東先生均被視為擁有該等3,805,112股股份的權益。Portton由Power Field International Limited全資擁有。

Note 2: 181,843,836 shares held by Wide Cosmos International Holdings Co Ltd which is beneficially owned by Mr. Han Qingyun. Mr. Han Qingyun also personally holds 18,156,164 shares in the Company.

附註2：181,843,836股股份由韓慶雲先生實益擁有的Wide Cosmos International Holdings Co Ltd持有。韓慶雲先生亦個人持有本公司18,156,164股股份。

## REPORT OF THE DIRECTORS

### 董事會報告書

Save as disclosed above, as at 30 June 2008, none of the directors of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under section 352 of the SFO, or otherwise to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### DIRECTORS' REMUNERATION

The directors' fee is subject to shareholders' approval at general meeting. Other emoluments are determined by the Company's board of directors or its remuneration committee with reference to directors' duties, responsibilities and performance and the results of the Group.

### DIRECTORS' RIGHT TO ACQUIRE SHARES OF DEBENTURES

Save as disclosed in the share option scheme disclosures in note 26 to the financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate and none of the directors or their spouses or children under the age of 18 had any right to subscribe for securities of the Company, or had exercised any such right during the year.

### SHARE OPTION SCHEME

Details of the share option scheme are set out in note 26 to the financial statements.

除上文所披露者外，於二零零八年六月三十日，本公司董事概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第352條須予存置的登記冊所記錄的權益或淡倉；或根據標準守則須通知本公司及聯交所的權益或淡倉。

### 董事酬金

董事袍金須由股東於股東大會上批准。其他酬金則由本公司董事會或其薪酬委員會經參考董事的職務、責任及表現與本集團的業績而釐定。

### 董事購入股份或債權證的權利

除財務報表附註26所披露的購股權計劃外，本公司或其任何附屬公司年內並無參與訂立任何安排，以促使本公司董事可藉購入本公司或任何其他法人團體的股份或債務證券（包括債權證）而獲益；亦無任何董事或其配偶或18歲以下子女擁有任何可認購本公司證券的權利，或於年內行使任何該等權利。

### 購股權計劃

有關購股權計劃的詳情載於財務報表附註26。

## REPORT OF THE DIRECTORS

### 董事會報告書

#### INTEREST AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

As at 30 June 2008, so far as the directors of the Company are aware of and having made due enquires, the interests and short positions of the substantial shareholders/persons (other than the directors of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

#### LONG POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

#### 根據證券及期貨條例第336條須予存置的登記冊所記錄的主要股東／其他人士的權益及淡倉

於二零零八年六月三十日，就本公司董事所知及作出查詢後，根據證券及期貨條例第336條須予存置的登記冊所記錄，本公司董事以外的主要股東／人士在本公司股份及相關股份中擁有的權益及淡倉如下：

#### 於本公司股份及相關股份的好倉

| Name of shareholders                      | Capacity                                 | Number of shares held | Number of underlying shares held pursuant to share options<br>根據購股權持有的相關股份數目 | Aggregate interest | Approximate percentage of interest |
|---|--|-----------------------|--|--------------------|------------------------------------|
| 股東姓名                                      | 身份                                       | 所持股份數目                |  | 總權益                | 權益概約百分比                            |
| Wide Cosmos International Holdings Co Ltd | Beneficial owner (note 1)<br>實益擁有人 (附註1) | 181,843,836           | –  | 181,843,836        | 24.72%                             |
| Sae-lao Rakchanok<br>葉鈴                   | Beneficial owner<br>實益擁有人                | 48,902,949            | 4,151,700  | 53,054,649         | 7.21%                              |
| Chen Henglong<br>陳恒龍                      | Beneficial owner (note 2)<br>實益擁有人 (附註2) | 52,200,000            | 6,584,000  | 58,784,000         | 7.99%                              |

Note 1: Wide Cosmos International Holdings Co Ltd is beneficially owned by Mr. Han Qingyun, the chairman of the Company.

附註1：Wide Cosmos International Holdings Co Ltd由本公司主席韓慶雲先生實益擁有。

Note 2: Mr. Chen Henlong is the executive director of the Company.

附註2：陳恒龍先生為本公司執行董事。

Save as disclosed above, as at 30 June 2008, no person, other than the directors of the Company whose interests are set out in the section "Directors' interests and short positions in shares, underlying shares and debentures" above, had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文所披露者外，於二零零八年六月三十日，概無任何人士(擁有上文「董事於股份、相關股份及債權證的權益及淡倉」一節所載權益的本公司董事除外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條須予存置的登記冊所記錄的權益或淡倉。

# REPORT OF THE DIRECTORS

## 董事會報告書

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this report, none of the directors of the Company is interested in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive director the annual confirmation of his/her independence pursuant to rule 3.13 of the Listing Rules. The Company, based on such confirmation, considers that the three independent non-executive directors of the Company are independent as at the date of this annual report.

### AUDITORS

During the year, Messrs. Grant Thornton resigned as auditors of the Group and NCN CPA Limited was appointed by the Directors to fill the casual vacancy so arising.

A resolution for the reappointment of NCN CPA Limited as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

**Han Qingyun**  
Chairman

Hong Kong, 29 October 2008

### 董事於競爭業務中的權益

年內及截至本報告日期止，除在本集團業務擁有權益外，本公司董事於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中概無擁有任何權益。

### 公眾持股量

根據本公司所得的公開資料並就本公司董事所知，於本報告日期，本公司已發行股份的公眾持股量不少於上市規則所規定的25%。

### 獨立非執行董事

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度確認，以確認彼等的獨立性。於本年報日期，根據有關確認，本公司認為本公司三名獨立非執行董事均屬獨立。

### 核數師

年內，均富會計師事務所辭任為本集團核數師，德誠會計師事務所有限公司獲董事委任，填補該臨時空缺。

一項關於委任德誠會計師事務所有限公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

主席  
韓慶雲

香港，二零零八年十月二十九日

# BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員個人資料

### EXECUTIVE DIRECTORS

**Mr. Han Qingyun (韓慶雲)**, aged 49, has been appointed as an executive director of the Company with effect from 15 April 2008 and re-designated from executive director to chairman of the Company on 28 April 2008. Mr. Han graduated from the Chinese Academy of Social Sciences in 1998. Mr. Han Qingyun is a highly successful entrepreneur in the PRC and has substantial experience in enterprise operations and management. He currently also acts as the chairman of Guangdong Bo Ao Hong Ji Investment Company Limited. Previous to this, he was the chairman of his own founded Tai Gu Real Estate Development Company Limited and responsible for the operation of that company for years.

**Dr. Han Xiaoyue (韓曉躍)**, aged 46, is an executive director and joint chairman of the Company. Dr. Han joined the Group in April 2007. Dr. Han holds a Bachelor Degree of Computer Science from Tsinghua University, Beijing and a PhD in Finance from the University of Texas, the United States. He has over 18 years' of experience in investment banking and has worked for multi-national securities firms such as Merrill Lynch and Societe Generale. He has involved actively in large-scale investment projects in the PRC and has rich experience in investment management. Dr. Han had been appointed as an executive director and the chief executive officer of Sino Gas Group Limited, a company listed on the Stock Exchange. He is well-versed with the operation and management of the listed company.

**Mr. Zhang He (張河)**, aged 48, is an executive director of the Company. Mr. Zhang joined the Group in May 2007. Mr. Zhang graduated from Renmin University of China and obtained the Bachelor Degree of Economics in 1982. After returning from Tokyo, where he worked as an intern with Deloitte Tokyo for one year, he joined the China Everbright Group. During the period of more than 13 years with the China Everbright Group, he held the posts of finance manager, financial controller, and deputy general manager in various group companies in the China Everbright Group in Hong Kong and Mainland China and gained extensive experience in large group enterprise management. From 2002 to 2005, Mr. Zhang was an executive director of Beijing Gaojin Investment Consultant Ltd. and led consulting engagements in the area of assisting companies in the People's Republic of China getting listed overseas. All of these posts further enhanced Mr. Zhang's experience in finance, tax, accounting management, company reorganization, and overseas capital operations of foreign investment enterprises. Since April 2006, Mr. Zhang has been an executive director of Hong Kong China National Resources Development Holdings Limited, a company listed on the Stock Exchange.

### 執行董事

**韓慶雲先生**，49歲，於二零零八年四月十五日起獲委任為本公司執行董事，並於二零零八年四月二十八日由執行董事調任為本公司主席。韓先生於一九九八年畢業於中國社會科學院。韓慶雲先生是中國非常成功之企業家，具有豐富之企業經營及管理經驗。現任廣東博澳鴻基投資有限公司董事長。此前，彼任其本人創立之太古房地產開發有限公司董事長並經營該公司多年。

**韓曉躍博士**，46歲，本公司執行董事兼聯席主席。韓博士於二零零七年四月加盟本集團。韓博士持有北京清華大學計算機科學學士學位及美國德克薩斯州大學金融學博士學位，並於投資銀行行業方面工作積逾18年經驗。彼曾任職於美林證券、法國興業銀行等跨國證券行。彼曾參與不少中國之大型投資項目，並具有豐富投資管理經驗。韓博士曾獲委任為於聯交所上市的中油潔能集團有限公司之執行董事兼行政總裁。彼熟悉上市公司之運作及管理。

**張河先生**，48歲，本公司執行董事。張先生於二零零七年五月加盟本集團。張先生於一九八二年畢業於中國人民大學，並取得經濟學學士學位。彼曾於日本德勤國際東京事務所實習一年，自東京回國後，彼加入了中國光大集團公司。於中國光大集團公司工作超過13年，期間彼於中國光大集團公司於香港及中國內地之多間集團公司擔任財務經理、財務總監及副總經理，積累了管理大型集團性公司之豐富經驗。由二零零二年至二零零五年，張先生為北京高金投資顧問公司執行董事，從事協助於中華人民共和國之公司在海外上市之諮詢工作。上述工作進一步豐富了張先生對於外商投資企業之財務、稅務、會計管理、公司重組及海外資本運作等經驗。二零零六年四月至今，張先生為香港中國資源開發集團有限公司執行董事，該公司於聯交所上市。



## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高層管理人員個人資料

**Dr. Chen Henglong (陳恒龍)**, aged 43, is an executive director of the Company and chief executive officer of the Group. Dr. Chen joined the Group in May 2007. Dr. Chen graduated from the University of Delaware in the United States in 1994 and obtained a PhD in Biochemistry. Afterwards, Dr. Chen worked in Dupont and Imperial Chemical Industries in the areas of bio-pharmaceutical research and development. Dr. Chen had also founded and successfully operated MNC Pharmaceutical Group for ten years and had accumulated profuse experience in corporate governance, market strategy and sales and research and development of new products. In 2006, Dr. Chen was invited to join the Science Academy of China as visiting scientist researcher and was mainly engaged in market strategy and sales in relation to, among others, environmental protection and biopharmaceutical projects.

**Mr. Xu Nian Chun (徐念椿)**, aged 63, has been appointed as an executive director of the Company with effect from 15 April 2008. Mr. Xu graduated from the Nanjing University of Chemical Technology and is a senior engineer. He has engaged in the management of petroleum and chemical systems for years and has substantial experience in management. He acted as the general manager of Southern China Supply Company of the Ministry of Chemical Industry and was awarded for his substantial contributions by the State Council. He currently acts as the deputy chairman of Shenzhen China Petroleum Tong Da Company (深圳中油通達石油公司).

**Ms. Guo Yan Ni (郭燕妮)**, aged 39, has been appointed as an executive director of the Company with effect from 15 April 2008. Ms. Guo graduated from the Zhanjiang Ocean University and majoring in finance and accounting. Ms. Guo has years of experience in financial and accounting and financial management. She acted as the treasurer in the finance department of the Huazhou City Agricultural, Industrial and Commercial Supply Company, and acted as the financial controller of the finance department the Guangzhou Yayuan Real Estates Company Limited for years.

**Mr. Long Mingfei (龍明飛)**, aged 36, has been appointed as an executive director of the Company with effect from 28 April 2008. Mr. Long graduated from Industrial and Civil Construction Department of South China University of Technology in 1994 and is an intermediate engineer. Mr. Long has years of experience in corporate management. He has been the manager of cost management department in Guang Dong Yitao Group Co., Ltd. and became the manager of investment department in Guang Dong Yitao Group Co., Ltd. since 2008.

陳恒龍博士，43歲，本公司執行董事及本集團之首席執行官。陳博士於二零零七年五月加盟本集團。陳博士於一九九四年畢業於美國特拉華大學，獲生物化學博士學位。隨後，陳博士分別就業於美國杜邦公司及帝國化學公司，從事生物製藥之研究與開發。陳博士亦創辦並成功經營了美國麥恩斯製藥集團達十年之久，在企業管治、市場策略、銷售及新產品研發方面積累了豐富經驗。於二零零六年，陳博士受聘為中國科學院之特邀歸國研究員，主要從事有關(其中包括)環保及生物製藥項目之市場策略及銷售。

徐念椿先生，63歲，於二零零八年四月十五日起獲委任為本公司執行董事。徐先生畢業於南京化工大學本科，高級工程師，在石油化工系統擔任管理工作多年，具有豐富之管理經驗，曾擔任化學工業部華南供銷公司總經理職務，國務院授予重大貢獻獎勵。現任深圳中油通達石油公司副董事長職務。

郭燕妮女士，39歲，於二零零八年四月十五日起獲委任為本公司執行董事。郭女士畢業於湛江海洋大學財會專業，郭女士具有多年之財會及財務管理經驗。曾於化州市農工商供銷公司財務部任出納職務，並任廣州雅苑房地產有限公司財務部財務總監職務多年。

龍明飛先生，36歲，於二零零八年四月二十八日起獲委任為本公司執行董事。龍先生於一九九四年畢業於華南理工大學工業與民用建築系，為中級工程師。龍先生具有多年之企業管理經驗，長期擔任廣東逸濤集團有限公司成本管理經理職務，並於二零零八年起擔任廣東逸濤集團有限公司投資部經理。

# BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員個人資料

### NON-EXECUTIVE DIRECTOR

**Mr. Chan Yuk Tong (陳育棠)**, aged 46, has been re-designated as a non-executive director of the Company since February 2008. Mr. Chan joined the Group in September 2005 and was previously an executive director of the Company until February 2008. He holds a Bachelor's degree in Commerce from the University of Newcastle in Australia and a Master's degree in Business Administration from the Chinese University of Hong Kong. He has more than 20 years of experience in auditing, accounting, management consultancy and financial advisory services. Mr. Chan is a practising fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. He is an independent non-executive director of BYD Electronic (International) Company Limited, Daisho Microline Holdings Limited, Global Sweeteners Holdings Limited, Jia Sheng Holdings Limited (previously "Carico Holdings Limited"), Kam Hing International Holdings Limited and Sichuan Xinhua Winshare Chainstore Co., Ltd., the shares of these companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Mr. Chan is an independent non-executive director of Anhui Conch Cement Company Limited, the shares of which are listed on the Shanghai Stock Exchange. He was also an independent non-executive director of Luks Group (Vietnam Holdings) Co. Limited (previously "Luks Industrial (Group) Limited") and China Pipe Group Limited (previously "World Trade Bun Kee Limited"), listed companies in Hong Kong, during the period from 30 September 2004 to 1 December 2005 and from 1 January 2007 to 3 July 2007, respectively.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Zhu Jing Hua (朱靜華)**, aged 66, has been appointed as an independent non-executive director of the Company with effect from 15 April 2008. Ms. Zhu graduated from the Dongbei University of Finance and Economics and became a senior accountant in October 1992. She was approved as a chartered accountant by the Chinese Institute of Certified Public Accountants in April 1994. She has worked for the Ministry of Chemical Industry, holding positions of the deputy director and the director of the production for outlet and supply and marketing department of the Ministry of Chemical Industry, the deputy chief of the Bureau of Economics of the Ministry of Chemical Industry, the chief of the Bureau of Finance of the Ministry of Chemical Industry, the deputy chief accountant of State Bureau of Petroleum and Chemical Industries. She currently acts as the deputy president of China Petroleum and Chemical Industry Association. From 2002 till now, she has acted as an independent director of Guizhou Chitianhua Co., Ltd.

### 非執行董事

**陳育棠先生**，46歲，於二零零八年二月起調任為本公司非執行董事。陳先生於二零零五年九月加盟本集團，曾任本公司執行董事直至二零零八年二月止。彼持有澳洲紐卡素大學商業學士學位及香港中文大學工商管理碩士學位，並於審計、會計、管理諮詢及財務顧問服務方面工作積逾20年經驗。陳先生為香港會計師公會執業資深會員及澳洲會計師公會會員。彼為比亞迪電子(國際)有限公司、大昌微綫集團有限公司、大成糖業控股有限公司、嘉盛控股有限公司(前稱「中汽資源投資有限公司」)、錦興國際控股有限公司及四川新華文軒連鎖股份有限公司(此等公司股份於香港聯合交易所有限公司主板上市)的獨立非執行董事。陳先生為安徽海螺水泥股份有限公司(此公司股份於上海交易所上市)之獨立非執行董事。彼亦分別在二零零四年九月三十日至二零零五年十二月一日期間及二零零七年一月一日至二零零七年七月三日期間為香港上市公司陸氏集團(越南控股)有限公司(前稱「陸氏實業(集團)有限公司」)及中國管業集團有限公司(前稱「世貿彬記集團有限公司」)之獨立非執行董事。

### 獨立非執行董事

**朱靜華女士**，66歲，於二零零八年四月十五日起獲委任為本公司獨立非執行董事。朱女士畢業於東北財經大學，一九九二年十月成為高級會計師，一九九四年四月被中國註冊會計師協會認證為註冊會計師。彼曾於中國化工部工作，歷任化工部財務司生產代銷供銷財務處副處長、處長、化工部經濟協調司副司長、化工部財務司司長、石油和化學工業局副總會計師。目前在中國石油和化學工業協會任副會長。二零零二年至今還在貴州赤天化股份公司任獨立董事。

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高層管理人員個人資料

**Mr. Li Xinzong (李新中)**, aged 50, has been appointed as an independent non-executive director of the Company with effect from 25 February 2008. After graduating from Nankai University in 1983 with a degree in Economics, Mr. Li spent seven years working in the PRC as a lecturer, part-time lawyer and the deputy general manager of a consulting firm in Tianjin before receiving his LL.M. degree at the University of London in 1991. Mr. Li joined Miramar Group as an advisor of China affairs in 1992 and then joined Peregrine Capital Limited in 1993 and became a director in 1996. He spent two years with Alta Capital (H.K.) Limited as an executive director before joining BNP Paribas Peregrine Capital Limited in 2000 as an executive director. He joined Anglo Chinese Corporate Finance Limited in 2003 as a director and then joined DBS Asia Capital Limited as China Team Head of Mergers and Acquisitions in June 2004 responsible for origination of China related corporate finance transactions. He is currently a director and senior consultant of shenzhen Sino-Source Investment Consulting Company. Mr. Li has over fifteen years' experience in corporate finance.

**Mr. Zhang Wen (張文)**, aged 40, has been appointed as an independent non-executive director of the Company with effect from April 2008. Mr. Zhang graduated from the University of Hong Kong with a master of business and administration and from the postgraduate class of the postgraduate department of the Shenzhen University. From 2006 till now, he has been the deputy general manager of New Smart Energy Group Limited. Previous to this, he was the deputy president of China Natural Oil And Gas Co., Ltd. and the managing director of Poliwell International Limited for years and accumulated substantial experience in corporate management.

## SENIOR MANAGEMENT

**Dr. Lu Gen Xin (盧根鑫)**, aged 55, joined the Group in July 2007 as the chief operating officer of Vitop Group. He is responsible for strategic development, market operation and innovative projects of the Group. He graduated from Wuhan University and Fudan University and is a senior visiting scholar in University of Maryland, US and an economics professor with Doctorate of Law degree. He held senior positions and worked as an executive chairman in large-scale state-owned enterprises in the PRC and has extensive experience in strategic planning, investment, mergers and acquisitions, operation and marketing.

**李新中先生**，50歲，於二零零八年二月二十五日起獲委任為本公司獨立非執行董事。一九八三年畢業於南開大學取得經濟學學位後，李先生曾於中國工作七年，擔任講師、兼職律師及天津一家顧問公司之副總經理職位。其後於一九九一年獲倫敦大學頒授法律碩士學位。李先生於一九九二年加盟美麗華集團出任中國事務顧問，其後於一九九三年加入百富勤融資有限公司，並於一九九六年擔任董事。於二零零零年出任法國巴黎百富勤融資有限公司執行董事前，彼曾任職Alta Capital (H.K.) Limited執行董事兩年。二零零三年，彼加盟英高財務顧問有限公司為董事，其後於二零零四年六月加盟星展亞洲融資有限公司，擔任中國部合併與收購主管，負責策劃與中國有關之企業融資交易。彼目前為深圳厚源投資諮詢公司董事及高級顧問。李先生於企業融資方面擁有逾15年經驗。

**張文先生**，40歲，於二零零八年四月起獲委任為本公司獨立非執行董事。張先生畢業於香港大學，獲工商管理碩士(MBA)，以及於深圳大學研究生院金融研究生班畢業。二零零六年至今任駿新能源集團有限公司副總經理。此前，彼任深圳中油中泰燃氣有限公司副總裁及保利華國際有限公司董事總經理多年，於企業管理方面具有豐富經驗。

## 高層管理人員

**盧根鑫博士**，55歲，於二零零七年七月加盟本集團，任職天年集團首席營運官，負責本集團發展戰略、市場營運和創新項目。彼先後畢業於武漢大學及復旦大學，為美國馬里蘭大學高級訪問學者、經濟學教授、法學博士。彼曾擔任過中國大型國有企業高級職務和執行董事長，並於戰略、投資、併購、經營和市場行銷方面具有豐富經驗。



## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高層管理人員個人資料

**Mr. Xing He Ping (邢和平)**, aged 53, joined the group in April 2007 as the general manager of Vitop Bioenergy (China) Ltd. He is responsible for the strategic planning, business development and overall management of the Company. He obtained a Bachelor of Arts degree and a Master's degree in Economics from Wuhan University and Huazhong Normal University and is a senior economist, a law professor and an international arbitrator. He has held senior management positions in well-known state-owned enterprises, foreign-invested enterprises and large-scale private pharmaceutical companies and has extensive experience in international trading, strategic planning and management operations in pharmaceutical market.

**Mr. Liu Yi Song (劉一松)**, aged 64, is the general manager of Hefei Vitop Meiling Environmental Technologies Co., Ltd (合肥天年美菱環保科技有限責任公司) ("Vitop Meiling"), a subsidiary of the Company, and is a director of a subsidiary of the Group. Mr. Liu joined the Group in April 2004 and is responsible for the management of Vitop Meiling. He graduated from the Department of Management Engineering of Hefei university of Technology (合肥工業大學) in 1984. Prior to Joining the Group, he had over 21 years of experience in business management.

**Mr. Yeung Man Simon (楊敏)**, aged 36, is the financial controller of the Company. Mr. Yeung joined the Group in November 2004 and is responsible for the financial and internal control of the Group. He graduated from the University of Georgia, the United States of America with a Bachelor degree in Accounting and a Bachelor degree in Finance and Banking. Mr. Yeung is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Prior to joining the Company, he worked in an international accounting firm. He has over 11 years of experience in auditing, finance and accounting.

**Ms. He Rui Hong (何瑞紅)**, aged 38, is the deputy general manager of Vitop China. Ms. He joined the Group in July 1993 and is responsible for the financial and management of the daily operation of the Group. She graduated from the Department of Economics and Management of Henan Polytechnic University (河南理工大學) major in accounting and auditing, with a Bachelor degree in Engineering in 1992 and completed a postgraduate course in accounting in the School of Management of Sun Yat-Sen University in 2003. She has over 15 years of experience in financial management.

**Mr. Xiao Cheng Zhi (肖承志)**, aged 37, joined the group in August 2005 as a deputy general manager of Vitop Bioenergy (China) Ltd. He is responsible for overall marketing and coordination of the Company. He graduated from Hubei University in 1992 and is an intermediate economist. Before joining our Company in 2002, he has over 11 years of experience in marketing and management.

邢和平先生，53歲，於二零零七年四月加盟本集團，任職天年生物(中國)有限公司總經理，負責本公司策略規劃、業務發展及整體管理。彼持有武漢大學、華中師範大學文學學士和經濟學碩士學位，為高級經濟師、法學教授、國際仲裁員。彼曾就職於著名國有企業、外商投資企業和大型民營醫藥公司並擔任高級管理職務，在國際貿易、醫藥終端保健品的市場策劃和管理運作方面具有豐富經驗。

劉一松先生，64歲，本公司附屬公司合肥天年美菱環保科技有限責任公司(「天年美菱」)總經理及本集團一家附屬公司之董事。劉先生於二零零四年四月加盟本集團，負責天年美菱管理工作。彼於一九八四年畢業於合肥工業大學管理工程系。彼於加盟本集團前，已在企業管理方面積逾21年經驗。

楊敏先生，36歲，本公司財務總監。楊先生於二零零四年十一月加盟本集團，負責本集團財務及內部監控工作。彼畢業於美國喬治亞州大學，持有會計與金融及銀行雙學士學位。楊先生為香港會計師公會及美國會計師公會會員。在加入本公司前，楊先生曾於一間國際會計師事務所任職。彼於核數、財務及會計方面積逾11年經驗。

何瑞紅女士，38歲，天年中國副總經理。何女士於一九九三年七月加盟本集團，負責本集團財務及日常業務管理工作。彼於一九九二年畢業於河南理工大學經濟管理系，主修會計及審計，持工學學士學位，並於二零零三年在中山大學管理學院修畢會計學專業研究生課程。彼於財務管理方面積逾15年經驗。

肖承志先生，37歲，於二零零五年八月加盟本集團，任職天年生物(中國)有限公司副總經理，負責本公司整體行銷和協調工作。彼於一九九二年畢業於湖北大學，為中級經濟師。彼於二零零二年加盟本公司前，已於行銷管理方面積逾11年經驗。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to establishing and maintaining high standards of corporate governance. The directors of the Company believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders' interests.

During the year, the Company has applied the principles and complied with the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Listing Rules, except for the deviations from code provisions A.1.1, A.4.1 and E.1.2 as stated and explained below.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code for securities transactions by Directors. All members of the Boards have confirmed, following specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code during the year.

### BOARD OF DIRECTORS

The Board comprises eleven directors, of which seven are executive directors; one is non-executive director and three are independent non-executive directors. The members of the Board as at the date of this annual report are as follows:

### EXECUTIVE DIRECTORS

Mr. Han Qinyun (*Chairman*)  
Mr. Han Xiaoyue (*Joint Chairman*)  
Mr. Chen Henglong  
Mr. Zhang He  
Mr. Xu Xian Chun  
Ms. Guo Yan Ni  
Mr. Long Minfei

### 企業管治常規

本公司一直致力建立及維持高水平的企業管治。本公司董事相信穩健及合理的企業管治常規對本集團增長以及保障和擴大股東權益實屬必要。

年內，本公司已應用上市規則附錄十四企業管治常規守則（「守則」）所載的原則，並已遵守守則內的守則條文，惟偏離下文所述及闡釋的守則條文第A.1.1、A.4.1及E.1.2條則除外。

### 董事的證券交易

本公司已採納上市規則附錄十所載的上市公司董事進行證券交易的標準守則（「標準守則」）為其董事進行證券交易的守則。經本公司作出特別查詢後，全體董事會成員已確認彼等於年內已遵守標準守則所載的規定標準。

### 董事會

董事會由十一名董事組成，其中七名為執行董事，一名為非執行董事，三名為獨立非執行董事。於本年報日期，董事會成員如下：

### 執行董事

韓慶雲先生 (*主席*)  
韓曉躍先生 (*聯席主席*)  
陳恒龍先生  
張河先生  
徐念椿先生  
郭燕妮女士  
龍明飛先生

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### NON-EXECUTIVE DIRECTOR

Mr. Chan Yuk Tong

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Zhu Jing Hua

Mr. Zhang Wen

Mr. Li Xinzhong

The Board assumes responsibility for leadership and control of the Company and shall be collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board formulates overall strategies and policies of the Group and monitors the performance and activities of the management. With delegating authorities from the Board, the management of the Company is responsible for the day-to-day operations of the Group under the leadership of the Joint Chairman.

To the best knowledge of the Company, there is no financial, business, family or other material/relevant relationships among members of the Board and in particular, between the Chairman and the Joint Chairman.

Under code provision A.1.1 of the Code, at least four regular board meetings should be held a year at approximately quarterly intervals with active participation of a majority of directors of the Company, either in person or through other electronic means of communication. As the Company did not announce its quarterly results, two regular board meetings were held during the year for reviewing and approving the interim and annual financial performance of the Group. Board meetings will be held on other occasions when board decisions are required.

### 非執行董事

陳育棠先生

### 獨立非執行董事

朱靜華女士

張文先生

李新中先生

董事會負有領導及監控本公司的責任，並共同負責統管及監督本公司事務以促使本公司成功發展。董事會制定本集團的整體策略及政策，並監察管理層的表現及運作。本公司管理層獲董事會授權，負責在聯席主席的領導下管理本集團日常業務。

就本公司所知，董事會成員之間(特別是主席與聯席主席之間)概無存有財務、業務、家屬或其他重大／相關的關係。

根據守則的守則條文第A.1.1條，本公司應每年召開至少四次董事會定期會議，大約每季一次，而本公司大部份董事須親身出席，或透過其他電子通訊方法積極參與。本公司並無宣佈其季度業績，故此年內召開了兩次董事會定期會議，以審閱及批准本集團中期及年度財務表現。董事會將於其他事宜需要董事會作出決定時召開董事會會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year, 10 full board meetings (including two regular board meetings) were held and the individual attendance of each director at the board meetings was as follows:

年內，本公司召開了10次全體董事會會議（包括二次董事會定期會議），而各董事於董事會會議的出席率如下：

| Directors   | Attendance | 董事  | 出席率   |
|---|------------|---|-------|
| <i>Executive directors</i>  |            |   |       |
| Mr. Han Qingyun (Chairman)<br>(appointed as executive director on 15 April 2008 and re-designated from executive director to chairman on 28 April 2008) | 2/2        | 韓慶雲先生 (主席)<br>(於二零零八年四月十五日獲委任為執行董事，並於二零零八年四月二十八日由執行董事調任為主席) | 2/2   |
| Mr. Han Xiaoyue (Joint Chairman)  | 10/10      | 韓曉躍先生 (聯席主席)  | 10/10 |
| Mr. Chen Henglong   | 10/10      | 陳恒龍先生   | 10/10 |
| Mr. Zhang He  | 10/10      | 張河先生  | 10/10 |
| Mr. Xu Nian Chun<br>(appointed on 15 April 2008)  | 2/2        | 徐念椿先生<br>(於二零零八年四月十五日獲委任)                                   | 2/2   |
| Ms. Guo Yan Ni<br>(appointed on 15 April 2008)  | 2/2        | 郭燕妮女士<br>(於二零零八年四月十五日獲委任)                                   | 2/2   |
| Mr. Long Minfei<br>(appointed on 28 April 2008)   | 3/10       | 龍明飛先生<br>(於二零零八年四月二十八日獲委任)                                  | 3/10  |
| Mr. Hung Kai So<br>(resigned on 25 February 2008)   | 2/2        | 洪繼蘇先生<br>(於二零零八年二月二十五日辭任)                                   | 2/2   |
| Mr. Tse Kam Fai<br>(appointed on 25 February 2008 and resigned on 15 April 2008)  | 6/6        | 謝錦輝先生<br>(於二零零八年二月二十五日獲委任，且於二零零八年四月十五日辭任)                   | 6/6   |
| Mr. Liu Jun<br>(resigned on 28 April 2008)  | 9/9        | 劉俊先生<br>(於二零零八年四月二十八日辭任)                                    | 9/9   |
| <i>Non-executive director</i>   |            |   |       |
| Mr. Chan Yuk Tong<br>(re-designated from executive director to non-executive director on 25 February 2008)  | 8/10       | 陳育棠先生<br>(於二零零八年二月二十五日由執行董事調任為非執行董事)                        | 8/10  |
| <i>Independent non-executive directors</i>  |            |   |       |
| Mr. Li Xinzhong<br>(appointed on 25 February 2008)  | 8/8        | 李新中先生<br>(於二零零八年二月二十五日獲委任)                                  | 8/8   |
| Mr. Zhang Wen<br>(appointed on 15 April 2008)   | 2/2        | 張文先生<br>(於二零零八年四月十五日獲委任)                                    | 2/2   |
| Ms. Zhu Jing Hua<br>(appointed on 15 April 2008)  | 2/2        | 朱靜華女士<br>(於二零零八年四月十五日獲委任)                                   | 2/2   |
| Mr. Yuan Tsu I<br>(resigned on 28 February 2008)  | 5/5        | 袁祖怡先生<br>(於二零零八年二月二十八日辭任)                                   | 5/5   |
| Mr. Chan Chiu Hung Alex<br>(resigned on 28 February 2008)   | 3/3        | 陳釗洪先生<br>(於二零零八年二月二十八日辭任)                                   | 3/3   |
| Professor Li Li Te<br>(resigned on 15 April 2008)   | 8/8        | 李里特教授<br>(於二零零八年四月十五日辭任)                                    | 8/8   |
| Mr. Zhang Fan<br>(appointed on 25 February 2008 and resigned on 15 April 2008)  | 2/2        | 張凡先生<br>(於二零零八年二月二十五日獲委任，且於二零零八年四月十五日辭任)                    | 2/2   |

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

For a regular board meeting, notice of at least fourteen days is given to all directors of the Company, who are given an opportunity to include matters in the agenda for discussion, and an agenda and accompanying board papers are sent to all directors of the Company at least three days before the intended date of a regular board meeting.

Minutes of board meetings and meetings of board committees are kept by the secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any director of the Company. Draft and final versions of minutes of board meetings are sent to all directors of the Company for their comment and records respectively, in both cases within a reasonable time after the board meeting is held.

Appropriate insurance cover has been arranged in respect of legal action against the directors and officers of the Group.

### NON-EXECUTIVE DIRECTORS

Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and be subject to re-election.

The three independent non-executive directors of the Company were not appointed for a specific term, but are subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company.

### REMUNERATION OF DIRECTORS

The remuneration committee comprises three independent non-executive directors of the Company, namely Ms. Zhu Jing Hua (the chairman of the committee), Mr. Zhang Wen and Mr. Li Xinzhong.

The role and function of the remuneration committee primarily include reviewing, considering and approving proposals as well as making recommendations to the Board on the Company's policy and structure relating to the remuneration of directors and senior management.

就董事會定期會議而言，本公司全體董事均獲發至少十四天通知，並均有機會提出商討事項列入會議議程，而會議議程及隨附會議文件至少在計劃舉行董事會定期會議日期前三天送交本公司全體董事。

董事會會議及董事委員會會議紀錄由公司秘書備存，若有本公司任何董事發出合理通知，可在任何合理的時段查閱有關會議紀錄。董事會會議結束後，於合理時段內先後將董事會會議紀錄的初稿及最終定稿發送本公司全體董事，初稿供董事表達意見，最終定稿則作其紀錄之用。

本公司已就本集團董事及高級職員可能會面對的法律行動作適當的投保安排。

### 非執行董事

根據守則的守則條文第A.4.1條，非執行董事的委任應有指定任期，並須接受重選。

本公司三名獨立非執行董事的委任並無設有指定任期，惟須根據本公司組織章程細則的規定於本公司股東週年大會上輪席退任及接受重選。

### 董事薪酬

本公司薪酬委員會由三名獨立非執行董事組成，分別為朱靜華女士(委員會主席)、張文先生及李新中先生。

薪酬委員會的角色及職能主要包括審閱、考慮及批准有關董事及高級管理層薪酬的建議，以及向董事會就本公司有關董事及高級管理層薪酬的政策及架構提供建議。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

During the year, there was one meeting held by the remuneration committee. The following was the attendance record of the remuneration committee meeting held during the year:

|   |     |   |     |
|---|-----|---|-----|
| Ms. Zhu Jing Hua<br>(appointed on 15 April 2008)                                    | 0/0 | 朱靜華女士<br>(於二零零八年四月十五日獲委任)                       | 0/0 |
| Mr. Zhang Wen<br>(appointed on 15 April 2008)                                       | 0/0 | 張文先生<br>(於二零零八年四月十五日獲委任)                        | 0/0 |
| Mr. Li Xinzhong<br>(appointed on 25 February 2008)                                  | 0/0 | 李新中先生<br>(於二零零八年二月二十五日獲委任)                      | 0/0 |
| Mr. Yuan Tsu I<br>(resigned on 28 February 2008)                                    | 1/1 | 袁祖怡先生<br>(於二零零八年二月二十八日辭任)                       | 1/1 |
| Mr. Chan Chiu Hung Alex<br>(resigned on 28 February 2008)                           | 1/1 | 陳釗洪先生<br>(於二零零八年二月二十八日辭任)                       | 1/1 |
| Professor Li Li Te<br>(resigned on 15 April 2008)                                   | 1/1 | 李里特教授<br>(於二零零八年四月十五日辭任)                        | 1/1 |
| Mr. Zhang Fan<br>(appointed on 25 February 2008<br>and resigned on<br>5 April 2008) | 0/0 | 張凡先生<br>(於二零零八年二月二十五日<br>獲委任，且於二零零八年<br>四月五日辭任) | 0/0 |

年內，薪酬委員會召開了一次會議。年內召開的薪酬委員會會議的出席記錄如下：

## NOMINATION OF DIRECTORS

### EXECUTIVE DIRECTORS

The Board is empowered under the articles of association of the Company to appoint any person as a director of the Company either to fill a casual vacancy or as an addition to the existing Board. No nomination committee was established by the Company in view of the small size of the Board. The Board as a whole is responsible for considering the suitability of an individual to act as a director of the Company, and approving and terminating the appointment of a director of the Company.

The executive directors of the Company are responsible for selecting and recommending suitable candidates for members of the Board based on their characters, qualifications, experience and background, when there is a vacancy or an additional director is considered necessary. The recommendations of the executive directors are then put forward for consideration by the Board.

During the year, the executive directors recommended nine candidates for the appointments to the Board.

## 董事提名

### 執行董事

董事會獲本公司組織章程細則授權委任任何人士為本公司董事，以填補臨時空缺或增聘現時董事會成員。基於董事會規模不大，本公司並無成立提名委員會。董事會全面負責考慮個別人士是否勝任本公司董事一職，並負責批准及終止本公司董事委任。

本公司執行董事負責根據候選人的品格、資歷、經驗及背景挑選及推薦合適人選出任董事，以填補空缺或在有需要時新增董事名額。執行董事的推薦其後呈交董事會考慮。

年內，執行董事推薦九名候選人加入董事會。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year, four meetings were held by the Board to consider and approve the appointments and resignations of directors of the Company. The attendances of the meetings comprised a majority of the executive directors and independent non-executive directors, with no director being involved in fixing his/her own terms of appointment and no independent non-executive director being involved in assessing his/her own independence. All such appointments and resignations are unanimously resolved by the members of the Board attending at the meetings.

The individual attendance of each director at the board meetings was as follows:

| Directors   | Attendance | 董事  | 出席率 |
|---|------------|---|-----|
| Mr. Han Qingyun ( <i>chairman</i> )<br>( <i>appointed as executive director on 15 April 2008 and re-designated from executive director to chairman on 28 April 2008</i> ) | 1/1        | 韓慶雲先生 (主席)<br>(於二零零八年四月十五日獲委任為執行董事，並於二零零八年四月二十八日由執行董事調任為主席) | 1/1 |
| Mr. Han Xiaoyue ( <i>Join Chairman</i> )  | 4/4        | 韓曉躍先生 (聯席主席)  | 4/4 |
| Mr. Chen Henglong   | 4/4        | 陳恒龍先生   | 4/4 |
| Mr. Zhang He  | 4/4        | 張河先生  | 4/4 |
| Mr. Xu Nian Chun<br>( <i>appointed on 15 April 2008</i> )   | 1/1        | 徐念椿先生<br>(於二零零八年四月十五日獲委任)                                   | 1/1 |
| Ms. Guo Yan Ni<br>( <i>appointed on 15 April 2008</i> )   | 1/1        | 郭燕妮女士<br>(於二零零八年四月十五日獲委任)                                   | 1/1 |
| Mr. Long Minfei<br>( <i>appointed on 28 April 2008</i> )  | 1/1        | 龍明飛先生<br>(於二零零八年四月二十八日獲委任)                                  | 1/1 |
| Mr. Tse Kam Fai<br>( <i>appointed on 25 February 2008 and resigned on 15 April 2008</i> )   | 1/1        | 謝錦輝先生<br>(於二零零八年二月二十五日獲委任且於二零零八年四月十五日辭任)                    | 1/1 |
| Mr. Hung Kai So<br>( <i>resigned on 25 February 2008</i> )  | 1/1        | 洪繼蘇先生<br>(於二零零八年二月二十五日辭任)                                   | 1/1 |
| Mr. Liu Jun<br>( <i>resigned on 28 April 2008</i> )   | 3/3        | 劉俊先生<br>(於二零零八年四月二十八日辭任)                                    | 3/3 |
| Mr. Chan Yuk Tong<br>( <i>re-designated from executive director to non-executive director on 25 February 2008</i> )   | 3/3        | 陳育棠先生<br>(於二零零八年二月二十五日由執行董事調任為非執行董事)                        | 3/3 |
| Ms. Zhu Jing Hua<br>( <i>appointed on 15 April 2008</i> )   | 1/1        | 朱靜華女士<br>(於二零零八年四月十五日獲委任)                                   | 1/1 |
| Mr. Zhang Wen<br>( <i>appointed on 15 April 2008</i> )  | 1/1        | 張文先生<br>(於二零零八年四月十五日獲委任)                                    | 1/1 |
| Mr. Li Xinzong<br>( <i>appointed on 25 February 2008</i> )  | 3/3        | 李新中先生<br>(於二零零八年二月二十五日獲委任)                                  | 3/3 |
| Mr. Yuan Tsu I<br>( <i>resigned on 28 February 2008</i> )   | 1/1        | 袁祖怡先生<br>(於二零零八年二月二十八日辭任)                                   | 1/1 |
| Mr. Chan Chiu Hung Alex<br>( <i>resigned on 28 February 2008</i> )  | 1/1        | 陳釗洪先生<br>(於二零零八年二月二十八日辭任)                                   | 1/1 |
| Professor Li Li Te<br>( <i>resigned on 15 April 2008</i> )  | 2/2        | 李里特教授<br>(於二零零八年四月十五日辭任)                                    | 2/2 |
| Mr. Zhang Fan<br>( <i>appointed on 25 February 2008 and resigned on 15 April 2008</i> )   | 1/1        | 張凡先生<br>(於二零零八年二月二十五日獲委任，且於二零零八年四月十五日辭任)                    | 1/1 |

年內，董事會召開了四次會議，以考慮及批准本公司董事的委任及辭任。大部份執行董事及獨立非執行董事均有出席該等會議，且概無董事參與釐定其本身的委任條款，亦無獨立非執行董事參與評核其本身的獨立性。出席該等會議的董事會成員一致決議通過全部該等委任及辭任。

各董事於董事會會議的出席率如下：

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### AUDITORS' REMUNERATION

An amount of approximately HK\$0.47 million was charged to the Group's consolidated income statement for the year ended 30 June 2008 for audit services provided by Messrs. NCN CPA Limited. There were no significant non-audit services provided by Messrs. NCN CPA Limited during the year.

### AUDIT COMMITTEE

The audit committee of the Company was established on 18 January 2002 with written terms of reference which were revised on 21 March 2005 in compliance with the code provision C.3.3 of the Code. The audit committee comprises three independent non-executive directors of the Company, namely Ms. Zhu Jing Hua (chairman of the committee), Mr. Li Xinzong and Mr. Zhang Wen. Ms. Zhu Jing Hua possesses appropriate professional accounting qualifications and related financial management expertise as required under rule 3.10(2) of the Listing Rules.

The primary duties of the audit committee include the review and supervision of the financial reporting process and internal control system, and the review of the interim and annual reports of the Group.

During the year, two meetings were held by the audit committee to review the annual report of the Group for the year ended 30 June 2008 and the interim report of the Group for the six months ended 31 December 2007 before submission to the Board for approval, and to provide advice and comments thereon to the Board. The individual attendance of each member at the audit committee meetings was as follows:

| Members   | Attendance | 成員                                       | 出席率 |
|---|------------|--|-----|
| Mr. Li Xinzong<br>(appointed on 25 February 2008)   | 2/2        | 李新中先生<br>(於二零零八年二月二十五日獲委任)               | 2/2 |
| Ms. Zhu Jing Hua<br>(appointed on 15 April 2008 and acted as Chairman of the committee)           | 1/1        | 朱靜華女士<br>(於二零零八年四月十五日獲委任，出任委員會主席)        | 1/1 |
| Mr. Zhang Wen<br>(appointed on 15 April 2008)   | 1/1        | 張文先生<br>(於二零零八年四月十五日獲委任)                 | 1/1 |
| Mr. Chan Chiu Hung Alex<br>(resigned and ceased as chairman of the committee on 28 February 2008) | 1/1        | 陳釗洪先生<br>(於二零零八年二月二十八日辭任及停任委員會主席)        | 1/1 |
| Mr. Yuan Tsu I<br>(resigned on 28 February 2008)  | 1/1        | 袁祖怡先生<br>(於二零零八年二月二十八日辭任)                | 1/1 |
| Professor Li Li Te<br>(resigned on 15 April 2008)   | 1/1        | 李里特教授<br>(於二零零八年四月十五日辭任)                 | 1/1 |
| Mr. Zhang Fan<br>(appointed on 25 February 2008 and resigned on 15 April 2008)                    | 1/1        | 張凡先生<br>(於二零零八年二月二十五日獲委任，且於二零零八年四月十五日辭任) | 1/1 |

### 核數師酬金

德誠會計師事務所有限公司提供的核數服務款額約為47萬港元，有關款額已於本集團截至二零零八年六月三十日止年度的綜合收益表內扣除。年內，德誠會計師事務所有限公司並無提供重大非核數服務。

### 審核委員會

本公司審核委員會於二零零二年一月十八日成立，為符合守則的守則條文第C.3.3條，其書面職權範圍已於二零零五年三月二十一日作出修訂。審核委員會由本公司三名獨立非執行董事組成，分別為朱靜華女士(委員會主席)、李新中先生及張文先生。根據上市規則第3.10(2)條的規定，朱靜華女士具備適當專業會計資格及有關財務管理專長。

審核委員會的主要職責包括檢討及監察財務匯報程序及內部監控系統，並審閱本集團的中期及年度報告。

年內，審核委員會召開了兩次會議，以在提交董事會審批前，審閱本集團截至二零零八年六月三十日止年度的年報及截至二零零七年十二月三十一日止六個月的中期報告，以及就此向董事會提供相關建議及意見。各成員於審核委員會會議的出席率如下：



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIRECTORS' AND AUDITORS' RESPONSIBILITIES ON THE ACCOUNTS

The directors of the Company acknowledge their responsibility for preparing the accounts of the Group for the year ended 30 June 2008.

The statement by Messrs. NCN CPA Limited, the existing external auditors of the Company, about their reporting responsibilities on the accounts of the Group is set out in the Report of the Auditors on pages 33 and 34.

As at 30 June 2008, the directors of the Company confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the directors of the Company have prepared the accounts of the Group on a going concern basis.

### INTERNAL CONTROL

The Board has the responsibility to ensure that the Company maintains sound and effective internal controls to safeguard the shareholders' investments and the Company's assets. The internal control system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and the management rather than elimination of risks associated with the business activities of the Group.

### COMMUNICATION WITH SHAREHOLDERS

The Board endeavours to maintain an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with shareholders and encourage their participation.

The directors of the Company host the annual general meeting each year to meet the shareholders and answer their enquiries.

Under code provision E.1.2 of the Code, the Chairman of the Board should attend, and the chairmen of the audit and remuneration committees should be available to answer questions at, the annual general meeting of the Company.

The Chairman of the Board and the chairmen of the audit committee and remuneration committee were unable to attend the annual general meeting of the Company held on 10 December 2007 in person, but the Chairman of the Board has already delegated to one of the joint chairmen of the Company to chair the meeting on his behalf and has also arranged for two executive directors of the Company to be available to answer questions at the annual general meeting on behalf of the chairman of the audit committee and the remuneration committee.

### 董事及核數師對賬目的責任

本公司董事承認彼等負有編製本集團截至二零零八年六月三十日止年度賬目的責任。

本公司現有外聘核數師德誠會計師事務所有限公司就其對本集團賬目發表有關其申報責任的聲明載於第33及34頁的核數師報告書內。

於二零零八年六月三十日，本公司董事確認，就彼等作出一切合理查詢後所深知、所悉及確信，彼等並不知悉存在任何重大不明朗事件或情況可能會嚴重影響本公司持續經營的能力。因此，本公司董事已按持續經營基準編製本集團賬目。

### 內部監控

董事會有責任確保本公司的內部監控穩健有效，以保障股東的投資及本公司的資產。內部監控系統旨在就是否存在重大錯誤陳述或損失，作出合理但不絕對的確定，並會管理而非消除與本集團業務活動有關的風險。

### 與股東的溝通

董事會致力與股東持續保持對話，尤其是藉股東週年大會或其他股東大會與股東溝通及鼓勵彼等參與。

本公司董事每年主持股東週年大會，會見股東並回答股東的詢問。

根據守則的守則條文E.1.2條，董事會主席應出席本公司股東週年大會，而審核委員會及薪酬委員會主席應在本公司股東週年大會上回答提問。

董事會主席以及審核委員會及薪酬委員會主席未能親身出席本公司於二零零七年十二月十日舉行的股東週年大會，但董事會主席已委任本公司其中一名聯席主席代為主持大會，且亦已安排本公司兩名執行董事代表審核委員會及薪酬委員會主席在股東週年大會上回答提問。

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告書

**To the shareholders of Vitop Bioenergy Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Vitop Bioenergy Holdings Limited (the "Company") set out on pages 35 to 115, which comprise the consolidated and company balance sheets as at 30 June 2008 and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit 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.

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

致：天年生物控股有限公司各股東  
(於開曼群島註冊成立之有限公司)

我們已審核載於第35頁至第115頁的天年生物控股有限公司(「貴公司」)的綜合財務報表，包括於二零零八年六月三十日的綜合及公司資產負債表，截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

### 董事就財務報表須承擔的責任

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定，編製及真實而公平地列報此等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表有關的內部監控，以確保並無重大錯誤陳述(不論是否因欺詐或錯誤引起)；選擇並應用適當的會計政策；及在不同情況下作出合理的會計估算。

### 核數師的責任

我們的責任是根據審核工作的結果，對此等財務報表提出意見，僅向整體股東報告。除此以外，我們的報告書概不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

我們按照香港會計師公會頒佈的香港核數準則進行審核工作，此等準則要求我們須遵守道德規範，並規劃及進行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告書

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

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2008 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### **NCN CPA Limited**

*Certified Public Accountants*  
20/F., Hong Kong Trade Centre,  
161-167 Des Voeux Road,  
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Hong Kong, 29 October 2008

#### **Choi Man Chau, Michael**

*Practising Certificate Number P01188*

審核工作涉及執行情序，以取得與財務報表所載金額及披露事項有關的審核憑證。選取此等程序取決於核數師的判斷，包括評估財務報表出現重大錯誤陳述（不論是否因欺詐或錯誤引起）的風險。在作出此等風險評估時，核數師考慮與公司編製及真實而公平列報財務報表有關的內部監控，以設計適當審核程序，但並非為對公司的內部監控是否有效表達意見。審核工作亦包括評價董事所採用的會計政策是否恰當及所作的會計估算是否合理，以及評價財務報表的整體呈列方式。

我們相信，我們已取得充份恰當的審核憑證，為我們的審核意見提供基礎。

### 意見

我們認為，按照香港財務報告準則編製的綜合財務報表真實公平地反映 貴公司及 貴集團於二零零八年六月三十日的財政狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港公司條例的披露規定適當地編製。

#### **德誠會計師事務所有限公司**

*執業會計師*  
中國香港特別行政區  
香港中環  
德輔道中161-167號  
香港貿易中心20樓

香港，二零零八年十月二十九日

#### **蔡文洲**

*執業證書編號P01188*

# CONSOLIDATED INCOME STATEMENT

## 綜合收益表

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

|   |                          | Notes<br>附註 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|---|--------------------------|-------------|----------------------------------|----------------------------------|
| <b>Revenue</b>  | 收益                       | 6           | <b>111,137</b>                   | 104,247                          |
| Cost of sales   | 銷售成本                     |             | <b>(61,962)</b>                  | (60,826)                         |
| <b>Gross profit</b>   | 毛利                       |             | <b>49,175</b>                    | 43,421                           |
| Other income  | 其他收入                     | 7           | <b>3,379</b>                     | 4,922                            |
| Selling and distribution costs  | 銷售及分銷成本                  |             | <b>(22,125)</b>                  | (28,234)                         |
| Administrative expenses   | 行政管理費用                   |             | <b>(36,335)</b>                  | (27,201)                         |
| Other operating expenses  | 其他經營費用                   |             | <b>(2,963)</b>                   | (6,525)                          |
| <b>Loss from operating activities</b>   | 經營虧損                     | 8           | <b>(8,869)</b>                   | (13,617)                         |
| Finance costs   | 財務支出                     | 9           | <b>(159)</b>                     | (273)                            |
| (Loss)/gain on disposal<br>of subsidiary  | 出售附屬公司<br>(虧損)/收益        |             | <b>(328)</b>                     | 682                              |
| Gain on disposal of a<br>jointly-controlled entity  | 出售共同<br>控制實體收益           |             | —                                | 1,161                            |
| <b>Loss before income tax expense</b>   | 除所得稅開支前虧損                |             | <b>(9,356)</b>                   | (12,047)                         |
| Income tax expense  | 所得稅開支                    | 10          | <b>(679)</b>                     | (174)                            |
| Loss for the year   | 本年度虧損                    |             | <b>(10,035)</b>                  | (12,221)                         |
| <b>Attributable to:</b>   | 下列人士應佔：                  |             |                                  |                                  |
| Equity holders of the Company   | 本公司權益持有人                 | 11          | <b>(10,225)</b>                  | (12,681)                         |
| Minority interests  | 少數股東權益                   |             | <b>190</b>                       | 460                              |
| <b>Loss for the year</b>  | 本年度虧損                    |             | <b>(10,035)</b>                  | (12,221)                         |
| Dividends   | 股息                       | 12          | —                                | —                                |
| <b>Loss per share attributable to<br/>equity holders of the Company<br/>during the year</b> | 年內本公司權<br>益持有人應佔<br>每股虧損 | 13          |                                  |                                  |
| Basic   | 基本                       |             | <b>HK(1.40) cents</b> 港仙         | HK(1.82) cents 港仙                |
| Diluted   | 攤薄                       |             | <b>N/A</b> 不適用                   | N/A 不適用                          |

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 30 June 2008  
於二零零八年六月三十日

|  | Notes<br>附註                     | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|--|---------------------------------|----------------------------------|----------------------------------|
| <b>ASSETS AND LIABILITIES</b>  | <b>資產及負債</b>                    |                                  |                                  |
| <b>Non-current assets</b>  | <b>非流動資產</b>                    |                                  |                                  |
| Property, plant and equipment  | 物業、廠房及設備 15                     | 6,568                            | 8,902                            |
| Intangible assets  | 無形資產 16                         | 2,397                            | 3,626                            |
| Available-for-sale investments   | 可供出售投資 19                       | 21,700                           | —                                |
| Financial assets designated<br>at fair value through<br>profit or loss | 指定為按公平值以<br>溢利或虧損列賬<br>之財務資產 18 | 2,162                            | 2,356                            |
| Pledged bank deposit   | 已抵押銀行存款 22                      | 20                               | 20                               |
|  |                                 | <b>32,847</b>                    | 14,904                           |
| <b>Current assets</b>  | <b>流動資產</b>                     |                                  |                                  |
| Inventories  | 存貨 20                           | 16,398                           | 12,760                           |
| Trade receivables  | 貿易應收賬款 21                       | 4,342                            | 2,226                            |
| Deposits, prepayments and other<br>receivables                         | 訂金、預付款項及<br>其他應收賬款              | 20,319                           | 14,904                           |
| Cash and bank balances   | 現金及銀行結存 22                      | 10,196                           | 30,563                           |
|  |                                 | <b>51,255</b>                    | 60,453                           |
| <b>Current liabilities</b>   | <b>流動負債</b>                     |                                  |                                  |
| Trade payables   | 貿易應付賬款 23                       | 5,550                            | 6,417                            |
| Accrued liabilities and other payables                                 | 應計負債及其他應付賬款                     | 8,436                            | 13,691                           |
| Deposits received  | 已收按金                            | 8,975                            | 8,656                            |
| Interest-bearing bank loans  | 計息銀行貸款 24                       | 3,265                            | 1,842                            |
| Provision for income tax   | 所得稅撥備                           | 66                               | 37                               |
|  |                                 | <b>26,292</b>                    | 30,643                           |

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 30 June 2008  
於二零零八年六月三十日

|   |              | Notes<br>附註 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|---|--------------|-------------|----------------------------------|----------------------------------|
| <b>Net current assets</b>                                   | 流動資產淨值       |             | <b>24,963</b>                    | 29,810                           |
| <b>Total assets less current liabilities</b>                | 資產總值減流動負債    |             | <b>57,810</b>                    | 44,714                           |
| <b>Non-current liabilities</b>                              | 非流動負債        |             |                                  |                                  |
| Interest-bearing bank loans                                 | 計息銀行貸款       | 24          | -                                | 770                              |
| <b>Net assets</b>   | 資產淨值         |             | <b>57,810</b>                    | 43,944                           |
| <b>EQUITY</b>   | 權益           |             |                                  |                                  |
| <b>Equity attributable to equity holders of the Company</b> | 本公司權益持有人應佔權益 |             |                                  |                                  |
| Share capital   | 股本           | 25          | <b>18,392</b>                    | 17,464                           |
| Reserves  | 儲備           | 27          | <b>37,319</b>                    | 24,571                           |
|   |              |             | <b>55,711</b>                    | 42,035                           |
| <b>Minority interests</b>                                   | 少數股東權益       |             | <b>2,099</b>                     | 1,909                            |
| <b>Total equity</b>   | 總權益          |             | <b>57,810</b>                    | 43,944                           |

**Han Xiaoyue**

Director

韓曉躍

董事

**Zhang He**

Director

張河

董事

# BALANCE SHEET

## 資產負債表

As at 30 June 2008  
於二零零八年六月三十日

|   |                    | Notes<br>附註 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|---|--------------------|-------------|----------------------------------|----------------------------------|
| <b>ASSETS AND LIABILITIES</b>               | <b>資產及負債</b>       |             |                                  |                                  |
| <b>Non-current assets</b>                   | <b>非流動資產</b>       |             |                                  |                                  |
| Interests in subsidiaries                   | 於附屬公司之權益           | 17          | 29,691                           | 29,691                           |
| Available-for-sale investments              | 可供出售投資             | 19          | 21,700                           | —                                |
|   |                    |             | <b>51,391</b>                    | 29,691                           |
| <b>Current assets</b>                       | <b>流動資產</b>        |             |                                  |                                  |
| Amounts due from subsidiaries               | 應收附屬公司款項           | 17          | 7,928                            | 18,902                           |
| Deposits, prepayments and other receivables | 訂金、預付款項及其他應收賬款     |             | 319                              | 4,038                            |
| Cash and bank balances                      | 現金及銀行結存            | 22          | 26                               | 20                               |
|   |                    |             | <b>8,273</b>                     | 22,960                           |
| <b>Current liabilities</b>                  | <b>流動負債</b>        |             |                                  |                                  |
| Amounts due to subsidiaries                 | 應付附屬公司款項           | 17          | 7,999                            | 7,619                            |
| Accrued liabilities and other payables      | 應計負債及其他應付賬款        |             | 2,180                            | 1,083                            |
|   |                    |             | <b>10,179</b>                    | 8,702                            |
| <b>Net current (liabilities)/assets</b>     | <b>流動(負債)/資產淨值</b> |             | <b>(1,906)</b>                   | 14,258                           |
| <b>Net assets</b>                           | <b>資產淨值</b>        |             | <b>49,485</b>                    | 43,949                           |
| <b>EQUITY</b>                               | <b>權益</b>          |             |                                  |                                  |
| <b>Share capital</b>                        | <b>股本</b>          | 25          | 18,392                           | 17,464                           |
| <b>Reserves</b>                             | <b>儲備</b>          | 27          | 31,093                           | 26,485                           |
| <b>Total equity</b>                         | <b>總權益</b>         |             | <b>49,485</b>                    | 43,949                           |

**Han Xiaoyue**

Director

韓曉躍

董事

**Zhang He**

Director

張河

董事

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

|  | Notes<br>附註            | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| <b>Cash flows from operating activities</b>                                  | <b>經營業務之現金流量</b>       |                                  |                                  |
| Loss before income tax   | 除所得稅前虧損                | <b>(9,356)</b>                   | (12,047)                         |
| Adjustments for:   | 已作出下列調整：               |                                  |                                  |
| Interest income  | 利息收入                   | <b>(1,348)</b>                   | (864)                            |
| Depreciation   | 折舊                     | <b>3,834</b>                     | 5,044                            |
| Amortisation   | 攤銷                     | <b>1,514</b>                     | 2,000                            |
| Loss on disposal of property, plant and equipment                            | 出售物業、廠房及設備之虧損          | <b>407</b>                       | 104                              |
| Loss/(Gain) on disposal of subsidiaries                                      | 出售附屬公司虧損/(收益)          | <b>328</b>                       | (682)                            |
| Gain on disposal of a jointly-controlled entity                              | 出售共同控制實體收益             | -                                | (1,161)                          |
| Impairment loss on trade receivables   | 貿易應收賬款之減值虧損            | <b>567</b>                       | 1,766                            |
| Provision for obsolete and slow moving inventories                           | 陳舊及滯銷存貨撥備              | <b>311</b>                       | 1,919                            |
| Fair value loss on share option granted                                      | 已授出購股權之公平值虧損           | <b>8,619</b>                     | -                                |
| Finance costs  | 財務支出                   | <b>159</b>                       | 273                              |
| Operating profit/(loss) before working capital changes                       | 未計營運資金變動之經營溢利/(虧損)     | <b>5,035</b>                     | (3,648)                          |
| (Increase)/Decrease in inventories   | 存貨(增加)/減少              | <b>(3,949)</b>                   | 4,877                            |
| (Increase)/Decrease in trade receivables                                     | 貿易應收賬款(增加)/減少          | <b>(2,683)</b>                   | 1,321                            |
| Increase in deposits, prepayments and other receivables                      | 訂金、預付款項及其他應收賬款增加       | <b>(5,415)</b>                   | (8,434)                          |
| Decrease in financial assets designated at fair value through profit or loss | 指定為按公平值以溢利或虧損列賬之財務資產減少 | <b>194</b>                       | 124                              |
| Decrease in trade payables   | 貿易應付賬款減少               | <b>(867)</b>                     | (2,531)                          |
| (Decrease)/Increase in accrued liabilities and other payables                | 應計負債及其他應付賬款(減少)/增加     | <b>(5,255)</b>                   | 2,715                            |
| Increase in deposits received  | 已收訂金增加                 | <b>319</b>                       | 89                               |
| Cash used in operations  | 經營已動用之現金               | <b>(12,621)</b>                  | (5,487)                          |
| PRC corporate income taxes paid  | 已付中國企業所得稅              | <b>(679)</b>                     | (194)                            |
| Interest paid  | 已付利息                   | <b>(159)</b>                     | (273)                            |
| Net cash used in operating activities  | 經營業務已動用之現金淨額           | <b>(13,459)</b>                  | (5,954)                          |



# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

|  | Notes<br>附註              | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|--|--------------------------|----------------------------------|----------------------------------|
| <b>Cash flows from investing activities</b>  | <b>投資活動之現金流量</b>         |                                  |                                  |
| Purchase of property, plant and equipment  | 購買物業、廠房及設備               | (1,247)                          | (729)                            |
| Proceeds from disposal of property, plant and equipment                                  | 出售物業、廠房及設備所得款項           | -                                | 238                              |
| Purchase of intangible assets  | 購買無形資產                   | -                                | (3,708)                          |
| Decrease in time deposits with original maturity of more than three months when acquired | 收購時原定到期日超過三個月之定期存款減少     | 8,034                            | 2,585                            |
| Invest in available-for-sale investment  | 於可供出售投資之投資               | (21,700)                         | -                                |
| Proceeds from disposal of subsidiaries   | 出售附屬公司所得款項               | -                                | 7,725                            |
| Proceeds from disposal of a jointly-controlled entity                                    | 出售共同控制實體所得款項             | -                                | 1,161                            |
| Interest received  | 已收利息                     | 1,348                            | 864                              |
| Net cash (used in)/generated from investing activities                                   | 投資活動(已動用)/所產生之現金淨額       | (13,565)                         | 8,136                            |
| <b>Cash flows from financing activities</b>  | <b>融資活動之現金流量</b>         |                                  |                                  |
| New bank loans   | 新增銀行貸款                   | 2,500                            | -                                |
| Repayment of bank loans  | 償還銀行貸款                   | (1,847)                          | (1,277)                          |
| Dividend paid to minority shareholder of a subsidiary                                    | 已付一間附屬公司少數股東股息           | -                                | (341)                            |
| Net proceed from issued of ordinary shares   | 發行普通股之所得款項淨額             | 13,000                           | -                                |
| Net cash generated from/(used in) financing activities                                   | 融資活動所產生/(已動用)之現金淨額       | 13,653                           | (1,618)                          |
| <b>Net (decrease)/increase in cash and cash equivalents</b>                              | <b>現金及現金等值物(減少)/增加淨額</b> | <b>(13,371)</b>                  | <b>564</b>                       |
| <b>Cash and cash equivalents at beginning of the year</b>                                | <b>年初之現金及現金等值物</b>       | <b>22,529</b>                    | <b>20,663</b>                    |
| <b>Effect of foreign exchange rate changes</b>   | <b>匯率變動之影響</b>           | <b>1,038</b>                     | <b>1,302</b>                     |
| <b>Cash and cash equivalents at end of the year</b>                                      | <b>年終之現金及現金等值物</b>       | <b>10,196</b>                    | <b>22,529</b>                    |
| <b>Analysis of balances of cash and cash equivalents</b>                                 | <b>現金及現金等值物結存分析</b>      |                                  |                                  |
| Cash and bank balances   | 現金及銀行結存                  | 10,196                           | 30,563                           |
| Time deposits with original maturity of more than three months when acquired             | 收購時原定到期日超過三個月之定期存款       | -                                | (8,034)                          |
| <b>Cash and cash equivalents at 30 June</b>  | <b>於六月三十日之現金及現金等值物</b>   | <b>10,196</b>                    | <b>22,529</b>                    |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

|   |                       | Equity attributable to equity holders of the Company<br>本公司權益持有人應佔權益 |                 |                     |                              |                   |                       |                        |                      |          |                    |              |
|---|-----------------------|--|-----------------|---------------------|------------------------------|-------------------|-----------------------|------------------------|----------------------|----------|--------------------|--------------|
|   |                       | Share capital  | Share premium * | Statutory reserve * | Capital redemption reserve * | Capital reserve * | Translation reserve * | Share option reserve * | Accumulated losses * | Total    | Minority interests | Total equity |
|   |                       | 股本   | 股份溢價*           | 法定儲備*               | 贖回儲備*                        | 資本儲備*             | 匯兌儲備*                 | 購股權儲備*                 | 累積虧損*                | 總額       | 股東權益少數             | 總權益          |
|   |                       | HK\$'000   | HK\$'000        | HK\$'000            | HK\$'000                     | HK\$'000          | HK\$'000              | HK\$'000               | HK\$'000             | HK\$'000 | HK\$'000           | HK\$'000     |
|   |                       | 千港元  | 千港元             | 千港元                 | 千港元                          | 千港元               | 千港元                   | 千港元                    | 千港元                  | 千港元      | 千港元                | 千港元          |
| At and 1 July 2006                                  | 於二零零六年七月一日            | 17,464   | 33,131          | 8,789               | 29                           | 28,764            | 1,478                 | -                      | (38,406)             | 51,249   | 1,790              | 53,039       |
| Translation adjustment                              | 匯兌調整                  | -  | -               | -                   | -                            | -                 | 3,467                 | -                      | -                    | 3,467    | -                  | 3,467        |
| Net income/(expenses) recognised directly in equity | 直接於權益中確認之收入/(開支)淨額    | -  | -               | -                   | -                            | -                 | 3,467                 | -                      | -                    | 3,467    | -                  | 3,467        |
| Loss for the year                                   | 本年度虧損                 | -  | -               | -                   | -                            | -                 | -                     | -                      | (12,681)             | (12,681) | 460                | (12,221)     |
| Total recognised income and expense for the year    | 年內已確認之收入及開支總額         | -  | -               | -                   | -                            | -                 | 3,467                 | -                      | (12,681)             | (9,214)  | 460                | (8,754)      |
| Dividend paid to minority shareholders              | 支付少數股東之股息             | -  | -               | -                   | -                            | -                 | -                     | -                      | -                    | -        | (341)              | (341)        |
| At 30 June 2007 and 1 July 2007                     | 於二零零七年六月三十日及二零零七年七月一日 | 17,464   | 33,131          | 8,789               | 29                           | 28,764            | 4,945                 | -                      | (51,087)             | 42,035   | 1,909              | 43,944       |
| Translation adjustment                              | 匯兌調整                  | -  | -               | -                   | -                            | -                 | 2,282                 | -                      | -                    | 2,282    | -                  | 2,282        |
| Net income/(expenses) recognised directly in equity | 直接於權益中確認之收入/(開支)淨額    | -  | -               | -                   | -                            | -                 | 2,282                 | -                      | -                    | 2,282    | -                  | 2,282        |
| Issued of share capital                             | 發行股本                  | 928  | 12,072          | -                   | -                            | -                 | -                     | -                      | -                    | 13,000   | -                  | 13,000       |
| Equity-settled share option arrangement             | 以股權支付的購股權安排           | -  | -               | -                   | -                            | -                 | -                     | 8,619                  | -                    | 8,619    | -                  | 8,619        |
| Loss for the year                                   | 本年度虧損                 | -  | -               | -                   | -                            | -                 | -                     | -                      | (10,225)             | (10,225) | 190                | (10,035)     |
| Total recognised income and expense for the year    | 年內已確認之收入及開支總額         | 928  | 12,072          | -                   | -                            | -                 | 2,282                 | 8,619                  | (10,225)             | 13,676   | 190                | 13,866       |
| At 30 June 2008                                     | 於二零零八年六月三十日           | 18,392   | 45,203          | 8,789               | 29                           | 28,764            | 7,227                 | 8,619                  | (61,312)             | 55,711   | 2,099              | 57,810       |

\* These reserve accounts comprise the consolidated reserves of HK\$37,319,000 (2007: HK\$24,571,000) in the consolidated balance sheet.

\* 以上儲備賬戶包括載於綜合資產負債表中 37,319,000 港元之綜合儲備 (二零零七年: 24,571,000 港元)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 15 February 2001 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company withdrew the listing of its shares on The Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 10 February 2003, and on the same date, by way of introduction, listed its entire issued share capital on the Main Board of the Stock Exchange.

The Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-111, Cayman Islands. The Company’s principal place of business has been changed from Suites 918-920, 9/F Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong to Suites 913-917, 9/F Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong during the year.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are manufacturing and trading of BIOenergy® products, healthcare food products, multi-functional water generators and other healthcare products in the People’s Republic of China, excluding Hong Kong and Macau (the “PRC”).

The financial statements on pages 35 to 115 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants. The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”).

The financial statements for the year ended 30 June 2008 were approved and authorised for issue by the board of directors on 29 October 2008.

### 1. 一般資料

本公司於二零零一年二月十五日根據開曼群島公司法第22章(一九六一年第三法例，經綜合及修訂)於開曼群島註冊成立為獲豁免有限公司。於二零零三年二月十日，本公司撤銷其股份在香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)的上市地位，並於同日，其所有已發行股本以介紹方式在聯交所主板上市。

本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-111, Cayman Islands。年內，本公司的主要營業地點由香港灣仔港灣道30號新鴻基中心9樓918-920室改為香港灣仔港灣道30號新鴻基中心9樓913-917室。

本公司的主要業務為投資控股。其附屬公司的主要業務是在中華人民共和國(不包括香港及澳門，「中國」)生產及銷售天年素®系列產品、保健食品、多功能製水機及其他健康產品。

第35至第115頁的財務報表已根據香港會計師公會頒佈的香港財務報告準則(「香港財務報告準則」)編製，其為統稱，其中包括所有適用的個別香港財務報告準則、香港會計準則及詮釋。財務報表同時亦載有香港公司條例及聯交所證券上市規則(「上市規則」)的適當披露規定。

截至二零零八年六月三十日止年度的財務報表已於二零零八年十月二十九日獲董事會批准及授權刊發。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to additional disclosures, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements.

|                    |  |
|--------------------|--|
| HKAS 1 (Amendment) | Presentation of Financial Statements — Capital Disclosures |
| HKFRS 7            | Financial Instruments: Disclosures                         |
| HK(IFRIC) – Int 10 | Interim Financial Reporting and Impairment                 |
| HK(IFRIC) – Int 11 | HKFRS 2: Group and Treasury Share Transactions             |

The principal effects of adopting these new and revised HKFRSs are as follows:

#### (A) AMENDMENT TO HKAS 1 PRESENTATION OF FINANCIAL STATEMENTS – CAPITAL DISCLOSURES

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

### 2. 新訂及經修訂香港財務報告準則的影響

本集團首次就本年度財務報表採納下列新訂及經修訂香港財務報告準則。除若干情況下須作出額外披露外，採納該等新訂及經修訂準則及詮釋並無對財務報表造成重大影響。

|                          |                       |
|--------------------------|-----------------------|
| 香港會計準則第1號(修訂)            | 財務報表的呈列 — 資本披露        |
| 香港財務報告準則第7號              | 金融工具：披露               |
| 香港(國際財務報告詮釋委員會) — 詮釋第10號 | 中期財務報告及減值             |
| 香港(國際財務報告詮釋委員會) — 詮釋第11號 | 香港財務報告準則第2號：集團及庫存股份交易 |

採納該等新訂及經修訂香港財務報告準則的主要影響如下：

#### (A) 香港會計準則第1號(修訂)財務報表的呈列 — 資本披露

該修訂規定本集團作出披露，以使財務報表使用者能夠評估本集團管理資本的目標、政策及程序。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

#### (B) HKFRS 7 FINANCIAL INSTRUMENTS: DISCLOSURES

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/revised where appropriate.

#### (C) HK(IFRIC) – INT 10 INTERIM FINANCIAL REPORTING AND IMPAIRMENT

The Group has adopted this interpretation as of 1 July 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available-for-sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

#### (D) HK(IFRIC) – INT 11 GROUP AND TREASURY SHARE TRANSACTIONS

This interpretation requires arrangements whereby an employee is granted rights to the Group's equity instruments, to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group currently has no such transactions, the interpretation is unlikely to have any financial impact on the Group.

### 2. 新訂及經修訂香港財務報告準則的影響 (續)

#### (B) 香港財務報告準則第7號金融工具－披露

該準則規定作出披露，以使財務報表使用者能夠評估本集團金融工具的重要性及該等金融工具所產生風險的性質及程度。本集團的財務狀況或經營業績並未受此影響，而比較資料則已載入／經修訂(如適用)。

#### (C) 香港(國際財務報告詮釋委員會)－詮釋第10號中期財務報告及減值

本集團已於二零零七年七月一日採納該詮釋。該詮釋規定，於上一個中期期間就商譽或於分類為可供銷售股權工具或按成本列賬的財務資產的投資所確認的減值虧損，其後不得撥回。由於本集團先前並無撥回有關資產的減值虧損，故該詮釋對本集團的財務狀況或經營業績並無影響。

#### (D) 香港(國際財務報告詮釋委員會)－詮釋第11號集團及庫存股份交易

該詮釋規定，將僱員獲授本集團股權工具權利所依據的安排列為以權益結算的計劃，即使有關工具乃由本集團向另一方收購或所需股權工具由股東提供。香港(國際財務報告詮釋委員會)－詮釋第11號亦載明涉及本集團旗下兩個或以上實體以股份支付的交易的會計處理方法。因本集團現時並無該等交易，故該詮釋不大可能對本集團造成任何財務影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The Group has not applied the following new and revised standards or interpretations that have been issued but are not yet effective.

|                                |  |
|--------------------------------|--|
| HKAS 1 (Revised)               | Presentation of Financial Statements <sup>1</sup>  |
| HKAS 23 (Revised)              | Borrowing Costs <sup>1</sup>   |
| HKAS 27 (Revised)              | Consolidated and Separate Financial Statements <sup>2</sup>  |
| HKAS 32 and HKAS 1 (Amendment) | Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup> |
| HKFRS 2 (Amendment)            | Share-based Payment - Vesting Conditions and Cancellations <sup>1</sup>  |
| HKFRS 3 (Revised)              | Business Combinations <sup>2</sup>   |
| HKFRS 8                        | Operating Segments <sup>1</sup>  |
| HK(IFRIC) – Int 12             | Service Concession Arrangements <sup>3</sup>   |
| HK(IFRIC) – Int 13             | Customer Loyalty Programmes <sup>4</sup>   |
| HK(IFRIC) – Int 14             | HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction <sup>3</sup>  |
| HK(IFRIC) – Int 15             | Agreements for the Construction of Real Estate <sup>1</sup>  |
| HK(IFRIC) – Int 16             | Hedges of a Net Investment in a Foreign Operation <sup>5</sup>   |

### 2. 新訂及經修訂香港財務報告準則的影響 (續)

本集團並無應用下列已頒佈但尚未生效的新訂及經修訂準則或詮釋。

|                          |  |
|--------------------------|--|
| 香港會計準則第1號(修訂)            | 財務報表的呈列 <sup>1</sup>   |
| 香港會計準則第23號(修訂)           | 借款費用 <sup>1</sup>  |
| 香港會計準則第27號(修訂)           | 綜合及獨立財務報表 <sup>2</sup>   |
| 香港會計準則第32號及香港會計準則第1號(修訂) | 香港會計準則第32號「金融工具：呈列」及香港會計準則第1號「財務報表的呈列」的修訂－可沽售金融工具及清盤產生的責任 <sup>1</sup> |
| 香港財務報告準則第2號(修訂)          | 以股份支付－歸屬條件及註銷 <sup>1</sup>   |
| 香港財務報告準則第3號(修訂)          | 業務合併 <sup>2</sup>  |
| 香港財務報告準則第8號              | 經營分部 <sup>1</sup>  |
| 香港(國際財務報告詮釋委員會)－詮釋第12號   | 服務經營權安排 <sup>3</sup>   |
| 香港(國際財務報告詮釋委員會)－詮釋第13號   | 客戶獎勵計劃 <sup>4</sup>  |
| 香港(國際財務報告詮釋委員會)－詮釋第14號   | 香港會計準則第19號－界定利益資產的限額、最低資金規定及相互間的關係 <sup>3</sup>                        |
| 香港(國際財務報告詮釋委員會)－詮釋第15號   | 房地產建築協議 <sup>1</sup>   |
| 香港(國際財務報告詮釋委員會)－詮釋第16號   | 對沖海外業務淨投資 <sup>5</sup>   |



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2009
- <sup>2</sup> Effective for annual periods beginning on or after 1 July 2009
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2008
- <sup>4</sup> Effective for annual periods beginning on or after 1 July 2008
- <sup>5</sup> Effective for annual periods beginning on or after 1 October 2008

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and financial position of the Group.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 BASIS OF PREPARATION

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements have been prepared on the historical cost basis except for the revaluation of certain assets and liabilities. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### 3.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

### 2. 新訂及經修訂香港財務報告準則的影響 (續)

- <sup>1</sup> 於二零零九年一月一日或以後開始的年度期間生效
- <sup>2</sup> 於二零零九年七月一日或以後開始的年度期間生效
- <sup>3</sup> 於二零零八年一月一日或以後開始的年度期間生效
- <sup>4</sup> 於二零零八年七月一日或以後開始的年度期間生效
- <sup>5</sup> 於二零零八年十月一日或以後開始的年度期間生效

本公司董事預期，應用該等準則或詮釋對本集團的業績及財務狀況並無任何重大影響。

### 3. 主要會計政策概要

#### 3.1 編製基準

編製該等財務報表所採用的主要會計政策於下文概述。除另有指明外，該等政策已貫徹應用於所有呈列的年度。

除重估若干資產及負債外，財務報表乃根據歷史成本法基準編製。有關計量基準詳載於下文的會計政策。

謹請留意，編製財務報表時曾採用會計估計及假設。雖然此等估計乃根據管理層對現時事項及行動的最佳認識及判斷而作出，惟實際結果最終可能與此等估計有出入。附註4披露涉及較高水平的判斷及複雜性的範疇，或其假設及估計對財務報表而言重要的範疇。

#### 3.2 綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至各年度六月三十日止的財務報表。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.3 SUBSIDIARIES

Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that control ceases.

Business combinations are accounted for by applying the purchase method. This involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the Company's balance sheet, subsidiaries are carried at cost less impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the balance sheet date.

Minority interest represents the portion of the profit or loss and net assets of a subsidiary attributable to equity interest that are not owned by the Group and are not the Group's financial liabilities.

### 3. 主要會計政策概要 (續)

#### 3.3 附屬公司

附屬公司乃所有本集團對其財務及營運決策有控制權，以從其業務取得利益的實體。當判斷本集團是否控制另一實體時，均會考慮現時可行使的潛在表決權是否存在及其影響。附屬公司乃自控制權轉讓予本集團當日起全面綜合計算，並自控制權終止當日起不再綜合計算。

業務合併以收購法列賬，其中涉及按公平值重估於收購日期的所有可識別資產及負債，包括該附屬公司的或然負債，而不論該等資產及負債於收購前是否記錄於該附屬公司的財務報表中。於初步確認時，該附屬公司的資產及負債會按公平值計入綜合資產負債表，亦會根據本集團的會計政策用作其後計量的基準。

編製綜合財務報表時，集團內部的交易、結餘及集團公司間交易的未變現收益均予以對銷。除非交易提供證據顯示所轉讓資產出現減值，否則亦會對銷未變現虧損。

除非附屬公司乃可供銷售或列為出售的資產，否則於本公司的資產負債表中，附屬公司乃按成本減去任何減值虧損列賬。附屬公司的業績由本公司按照於結算日的已收及應收股息基準入賬。

少數股東權益指附屬公司的溢利或虧損及資產淨值中，並非由本集團擁有的股權所應佔，且並非本集團財務負債的部份。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.3 SUBSIDIARIES (continued)

Minority interests are presented in the consolidated balance sheet within equity, separately from the equity attributable to the equity holders of the Company. Profit or loss attributable to the minority interests are presented separately in the consolidated income statement as an allocation of the Group's results. Where losses applicable to the minority exceed the minority interests in the subsidiary's equity, the excess and further losses applicable to the minority are allocated against the minority interests to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. Otherwise, the losses are charged against the Group's interests. If the subsidiary subsequently reports profits, such profits are allocated to the minority interests only after the minority's share of losses previously absorbed by the Group has been recovered.

#### 3.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

### 3. 主要會計政策概要 (續)

#### 3.3 附屬公司 (續)

少數股東權益會在綜合資產負債表的權益項目中，與本公司權益持有人的應佔權益分開呈列。少數股東權益應佔溢利或虧損在綜合收益表分開呈列為本集團業績分配。少數股東攤佔的虧損超過附屬公司權益中的少數股東權益，少數股東攤佔的超出額及額外虧損乃以少數股東的權益為限對銷，惟倘如少數股東有具約束力的義務及能夠額外作出投資以填補虧損則除外。否則，該等虧損將於本集團的權益中扣除。倘附屬公司隨後錄得溢利，該等溢利只會在過往由本集團承擔的少數股東攤佔虧損收回後才分配至少數股東權益。

#### 3.4 物業、廠房及設備

除在建工程外，物業、廠房及設備乃按成本值減累計折舊及累計減值虧損列賬。資產成本包括其購買價及任何令資產達致其營運狀況及地點以作其擬定用途的直接應佔成本。其後成本僅會在與項目有關的未來經濟利益可能流入本集團且該項目成本能可靠計量時，視乎情況計入資產賬面值或確認為獨立資產。所有其他成本，如維修及保養乃於其產生的財政期間內於收益表扣除。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.4 PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation is calculated on the straight-line basis to write off the cost of property, plant and equipment, less any estimated residual values, over the following estimated useful lives:

|                                |   |
|--------------------------------|---|
| Leasehold improvements         | 5 years or over the lease terms, whichever is shorter |
| Machinery and equipment        | 8 to 12 years   |
| Furniture and office equipment | 3 to 8 years  |
| Motor vehicles                 | 8 years   |

The gain or loss arising on disposal or retirement of an item of property, plant and equipment recognised in the income statement is the difference between the net sales proceeds and the carrying amount of the relevant asset.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses and is not depreciated. Cost comprises direct cost of construction during the period of construction.

#### 3.5 FINANCIAL ASSETS

Financial assets other than hedging instruments are classified into the following categories: loans and receivables, financial assets at fair value through profit or loss, available-for-sale financial assets and held-to-maturity investments.

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

### 3. 主要會計政策概要 (續)

#### 3.4 物業、廠房及設備 (續)

折舊乃按以下的估計可使用年期以直線法撇銷物業、廠房及設備的成本，減去任何估計的剩餘價值計算：

|          |                      |
|----------|----------------------|
| 租賃物業裝修   | 五年或按租約年期<br>(以較短者為準) |
| 機器及設備    | 八至十二年                |
| 傢具及辦公室設備 | 三至八年                 |
| 汽車       | 八年                   |

於收益表內確認因出售或報廢物業、廠房及設備的項目產生的收益或虧損乃出售有關資產所得淨額及賬面值的差異。

資產的剩餘價值及可使用年期會於每個結算日進行檢討及調整(如適用)。

在建工程指在建樓宇，並按成本減任何減值虧損列賬，且不會予以折舊。成本包括建築期間內直接的建築成本。

#### 3.5 財務資產

對沖工具以外的財務資產列作以下類別：貸款及應收賬款、按公平值以溢利或虧損列賬的財務資產、可供銷售財務資產及持至到期投資。

管理層於首次確認時根據所購入財務資產的目的決定其財務資產的分類，並在容許及適當時，於每個報告日期重新評估有關分類。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.5 FINANCIAL ASSETS (continued)

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. At each balance sheet date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any of such evidence exists, impairment loss is determined and recognised based on the classification of the financial assets.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

### 3. 主要會計政策概要 (續)

#### 3.5 財務資產 (續)

所有財務資產均於(及僅於)本集團成為工具合約條文的訂約方時方確認。財務資產於首次確認時按公平值加, 如投資並非按公平值以溢利或虧損列賬, 直接應佔交易成本計量。

收取投資的現金流量的權利屆滿或轉讓且所有權絕大部份風險及回報轉讓時, 終止確認財務資產。於各結算日, 財務資產予以審閱, 以評估是否有減值的客觀證據。倘任何有關證據出現, 減值虧損則根據財務資產的類別予以釐定及確認。

#### 按公平值以溢利或虧損列賬的財務資產

按公平值以溢利或虧損列賬的財務資產包括持作交易財務資產及由本集團指定於首次確認時按公平值以溢利或虧損列賬的財務資產。

財務資產如以短期賣出為目的而購買, 則分類為持作交易財務資產。除非衍生工具(包括獨立的內含衍生工具)指定為有效的對沖工具或財務擔保合約, 否則亦會分類為持作交易財務資產。

倘合約包括一項或多項內含衍生工具, 則整項混合式合約或須列為按公平值以溢利或虧損列賬的財務資產, 惟若內含衍生工具對現金流量並無重大影響或明確禁止將內含衍生工具分開入賬則除外。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.5 FINANCIAL ASSETS (continued)

##### Financial assets at fair value through profit or loss (continued)

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or
- the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the group of financial assets is provided internally on that basis to the key management personnel; or
- the financial asset contains an embedded derivative that would need to be separately recorded.

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial assets is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

### 3. 主要會計政策概要 (續)

#### 3.5 財務資產 (續)

##### 按公平值以溢利或虧損列賬的財務資產 (續)

倘符合下列條件，財務資產將於首次確認時指定為按公平值以溢利或虧損列賬：

- 該指定消除或顯著地減低按不同基準計量資產或確認其損益而出現不一致處理的情況；或
- 該資產成為一組財務資產的一部份，該組財務資產按既定的風險管理策略進行管理，其表現以公平值來衡量，而有關該組財務資產的資料則以該基準由內部向主要管理人員提供；或
- 該財務資產包含需分開列賬的內含衍生工具。

##### 可供銷售財務資產

可供銷售財務資產為非衍生工具，指定或未歸類為按公平值以溢利或虧損列賬的財務資產、貸款、應收賬款及持至到期投資。於首次確認後的各結算日，可供銷售財務資產按公平值計算。公平值的變動於權益確認，直至該財務資產被出售或被釐定有所減值，屆時過往於權益確認的累計收益或虧損會自權益剔除，並於損益中確認。可供銷售財務資產的任何減值虧損於損益中確認。可供出售股本投資的減值虧損將不會於以後期間撥回損益中。就可供出售債務投資而言，倘投資的公平值增加能客觀地確實與已確認減值虧損後所發生的事件有關時，則減值虧損會於隨後期間撥回。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.5 FINANCIAL ASSETS (continued)

##### Available-for-sale financial assets (continued)

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured to cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the assets is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

### 3. 主要會計政策概要 (續)

#### 3.5 財務資產 (續)

##### 可供銷售財務資產 (續)

就於活躍市場並無市場報價及其公平值無法可靠計量的可供出售股本投資而言，及與該等並無市場報價股本工具掛鉤並須以交付此等股本工具作結算的衍生工具，均於初始確認後於各結算日按成本減任何已識別減值虧損計量。當有客觀憑證顯示資產減值時，則於損益確認減值虧損。減值虧損的款額乃以資產賬面值與按類似財務資產的現行市場回報率折現的估計未來現金流量現值的差額計量。該項減值虧損將不會於往後期間撥回。

倘可供銷售資產出現減值，包含其成本(扣除任何主要付款及攤銷)及其當前公平值的差額，在扣除過往於收益表確認的任何減值虧損後，由權益賬轉移至收益表。倘公平值重大或長期下跌至低於其成本或有其他客觀證據顯示出現減值，則將就可供出售股本投資作出減值撥備。釐定「重大」或「長期」則需作出判斷。此外，本集團評估其他因素，如股價波動。分類為可供出售股本工具的減值虧損不會於收益表撥回。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.5 FINANCIAL ASSETS (continued)

##### Trade receivables

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

##### Impairment of financial assets

At each balance sheet date, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment. If any such evidence exists, the impairment loss is measured and recognised as follows:

##### Trade receivables

If there is objective evidence that an impairment loss on trade receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in the income statement of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in the income statement of the period in which the reversal occurs.

### 3. 主要會計政策概要 (續)

#### 3.5 財務資產 (續)

##### 貿易應收賬款

貿易應收賬款為擁有固定或可釐定付款但並無在活躍市場報價的非衍生財務資產。貿易應收賬款其後以實際利率法按攤銷成本減任何減值虧損計量。計算攤銷成本時計及任何收購折讓或溢價，並包括構成整體實際利率及交易成本的費用。

##### 財務資產減值

於各結算日，本公司檢討並非按公平值以溢利或虧損列賬的財務資產，以確定是否存在減值的客觀證據，若出現此等證據，減值虧損則按下列情況計量及確認：

##### 貿易應收賬款

倘出現客觀證據顯示以攤銷成本入賬的貿易應收賬款出現減值虧損，虧損金額按該資產的賬面值及以該財務資產原實際利率折現的估計未來現金流量的現值（不包括仍未產生的未來信用虧損）之間的差額計算。虧損金額乃於減值發生期間於收益表確認。

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生的事件有聯繫，則撥回過往確認的減值虧損，惟於撥回減值當日不得導致財務資產賬面值超過如無確認減值的原有攤銷成本。撥回金額於撥回發生期間於收益表中確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.6 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined using weighted average method and, in the case of work in progress and finished goods, comprise direct materials, where applicable, direct labour and an appropriate proportion of overheads. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

#### 3.7 INTANGIBLE ASSETS AND RESEARCH AND DEVELOPMENT COSTS

##### Intangible assets

Intangible assets acquired separately are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives.

Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses. Intangible assets are tested for impairment as described below in note 3.11. Amortisation commences when the intangible assets are available for use.

### 3. 主要會計政策概要 (續)

#### 3.6 存貨

存貨以成本與可變現淨值兩者之較低者列賬。成本採用加權平均法決定，而就在製品及製成品而言，成本包括直接材料（倘適用）、直接勞工及適當比例的間接成本。可變現淨值為日常業務過程的估計售價減任何適用銷售開支。

#### 3.7 無形資產及研發成本

##### 無形資產

獨立收購的無形資產初步按成本確認。初步確認後，可使用年期有限的無形資產按成本減累計攤銷及任何累計減值虧損列賬。可使用年期有限的無形資產於估計可使用年期內按直線法作攤銷撥備。

可使用年期無限的無形資產乃按成本減任何其後累計減值虧損列賬。誠如下文附註3.11所述，無形資產會進行減值測試。無形資產一旦可供使用即開始攤銷。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.7 INTANGIBLE ASSETS AND RESEARCH AND DEVELOPMENT COSTS (continued)

##### Research and development costs

Costs associated with research activities are expensed in the income statement as they occur. Costs that are directly attributable to the development phase are recognised as intangible assets provided they meet the following recognition requirements:

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) there is intention to complete the intangible asset and use or sell it;
- (iii) the Group's ability to use or sell the intangible asset is demonstrated;
- (iv) the intangible asset will generate probable economic benefits through internal use or sale;
- (v) sufficient technical, financial and other resources are available for completion; and
- (vi) the expenditure attributable to the intangible asset can be reliably measured.

Direct costs include employee costs incurred on development along with an appropriate portion of relevant overheads. The costs of internally generated product developments are recognised as intangible assets. They are subject to the same subsequent measurement method as externally acquired intangible assets.

All other development costs are expensed as incurred.

### 3. 主要會計政策概要 (續)

#### 3.7 無形資產及研發成本 (續)

##### 研發成本

與研究活動有關的成本於產生時在收益表內支銷。開發階段直接應佔的成本在符合以下確認要求時確認為無形資產：

- (i) 供內部使用或銷售的潛在產品的技術可行性得到證明；
- (ii) 有意圖完成並使用或出售無形資產；
- (iii) 顯示出本集團有能力使用或出售無形資產；
- (iv) 無形資產將可能透過內部使用或銷售產生經濟利益；
- (v) 有足夠技術、財務及其他資源可供完成研發；及
- (vi) 無形資產應佔支出可以可靠計量。

直接成本包括開發時產生的僱員成本及適當比例的相關間接成本。產品開發所產生的內部成本確認為無形資產。該等無形資產的其後計量方法與從外部收購的無形資產所使用者相同。

所有其他開發成本於產生時支銷。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.8 PREPAID LAND LEASE PAYMENTS

Prepaid land lease payments represent up-front payments to acquire the land use rights/leasehold land. They are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisations are charged to the consolidated income statement over the remaining period of the lease on a straight line basis.

#### 3.9 INCOME TAX

Income tax for the year comprises current tax and deferred tax. Current income tax assets and/or liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

### 3. 主要會計政策概要 (續)

#### 3.8 預付土地租賃付款

預付土地租賃付款指購入土地使用權／租賃土地的預付款項。該等款項按成本減累計攤銷及累計減值虧損列賬。攤銷於餘下租期內按直線法於綜合收益表內扣除。

#### 3.9 所得稅

本年度所得稅包括即期稅項及遞延稅項。即期所得稅資產及／或負債包括本期或過往呈報期間（而於結算日尚未支付），向稅務當局繳納稅款的責任或來自稅務當局申索。該等金額乃根據年內應課稅溢利按相關期間適用的稅率及稅法計算。即期稅項資產或負債的所有變動於收益表確認為稅項開支的一部份。

遞延稅項乃指財務報表中資產及負債的賬面值與計算應課稅溢利時所採用的相應稅基之間的差額中，預計須繳納或可收回的稅項，並採用資產負債表負債法入賬。遞延稅項負債一般會就所有應課稅暫時差異作出確認，而遞延稅項資產則以在未來可能有應課稅溢利供利用可扣減暫時差異為前提進行確認。倘於交易中初步確認其他資產與負債所產生的暫時差異不會影響稅務溢利或會計溢利，則不會確認該項遞延稅項資產及負債。

遞延稅項負債乃就於附屬公司的投資所產生的應課稅暫時差異予以確認，惟本集團可控制暫時差異的撥回及暫時差異可能將不會於可見將來撥回則除外。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.9 INCOME TAX (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are not discounted. Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### 3.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and in hand as well as short term bank deposits.

#### 3.11 IMPAIRMENT OF ASSETS

Property, plant and equipment, intangible assets and interests in subsidiaries are subject to impairment testing.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

### 3. 主要會計政策概要 (續)

#### 3.9 所得稅 (續)

遞延稅項資產的賬面值會於各結算日進行審閱，而倘未來不可能有足夠應課稅溢利令有關資產得以全部或部分回收時則相應作出扣減。被扣減的遞延稅項資產若將來可能出現足夠的應課稅溢利時，則予以撥回。

遞延稅項資產及負債並無折讓。遞延稅項乃按預期於負債清償或資產變現年度適用的稅率計算。遞延稅項均計入收益表或自收益表內扣除，惟倘遞延稅項與直接計入權益或自權益中扣除的項目有關，則亦將在權益中處理。

#### 3.10 現金及現金等值物

現金及現金等值物包括銀行現金、手頭現金及短期銀行存款。

#### 3.11 資產減值

物業、廠房及設備、無形資產及於附屬公司的權益須進行減值測試。

減值虧損按資產的賬面值超過其可收回金額的部份即時確認為支出。可收回金額為反映市況的公平值減去出售成本與使用價值兩者的較高者。估算使用價值時，估計未來現金流量乃使用稅前折現率折現至現值，而有關折現率須反映市場現時對金錢時間價值及相關資產的特定風險的評估。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 IMPAIRMENT OF ASSETS (continued)

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment losses recognised for cash-generating units is charged pro rata to the assets in the cash generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

An impairment is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of an impairment loss is credited to the income statement in the period in which it arises.

### 3. 主要會計政策概要 (續)

#### 3.11 資產減值 (續)

就評估減值而言，倘資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以獨立產生現金流入的最小資產類別（即現金產生單位）來釐定可收回金額。因此，部份資產個別進行減值測試，部份則在現金產生單位層次進行測試。

就現金產生單位確認的減值虧損乃按比例自該現金產生單位資產中扣除，惟資產賬面值將不會調減至低於其個別公平值減出售成本或使用價值（如可釐定）外。

倘用以釐定資產可收回金額的估計出現有利變動，則會撥回減值，惟資產賬面值不得超過倘並無確認減值虧損時原應釐定的賬面值（扣除折舊或攤銷）。撥回的減值虧損會計入進行撥回的相關期間的收益表內。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.12 EMPLOYEE BENEFITS

##### (i) Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Retirement Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the Retirement Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the Retirement Scheme. The assets of the Retirement Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the Retirement Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when an employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the Retirement Scheme.

Pursuant to the relevant regulations of the government of the PRC, subsidiaries of the Group operating in the PRC are required to participate in an employee pension scheme operated by the relevant local government authorities in the PRC and to make contributions for employees who are registered as permanent residents in the PRC. Such contributions are charged to the income statement as they become payable.

### 3. 主要會計政策概要 (續)

#### 3.12 僱員福利

##### (i) 退休金計劃

本集團根據強制性公積金計劃條例設有定額供款強制性公積金退休福利計劃(「退休計劃」)，對象為該等合資格參與退休計劃的僱員。供款乃根據僱員基本薪金的某個百分比計算，並於根據退休計劃的規則於到期應付時在收益表扣除。退休計劃的資產與本集團的資產分開持有，由獨立管理的基金管理。本集團向退休計劃作出僱主供款後，有關供款即全部屬僱員所有，惟本集團的自願僱主供款除外。倘若僱員於該等自願供款未全屬本身所有時不再受僱於本集團，有關供款則會根據退休計劃的規則退還予本集團。

根據中國政府的有關規例，本集團在中國經營業務的附屬公司須參與中國有關地方政府當局所管理的僱員退休金計劃，並為登記為中國永久居民的僱員作出供款。該等供款乃於到期應付時在收益表扣除。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.12 EMPLOYEE BENEFITS (continued)

##### (ii) Share-based employee compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. The value is appraised at the grant date and excludes the impact of any nonmarket vesting conditions.

All share-based compensation is recognised as an expense in income statement, unless it qualifies for recognition as asset, with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

### 3. 主要會計政策概要 (續)

#### 3.12 僱員福利 (續)

##### (ii) 以股份支付的僱員薪酬

本集團運作以權益結算並以股份支付的薪酬計劃為其僱員提供薪酬。

所有僱員用以交換任何以股份支付的薪酬的服務按公平值計量，並經參考已授出的購股權間接釐定。該等服務的價值於授出當日評定，且不計及任何非市場歸屬條件的影響。

所有以股份支付的薪酬於收益表內確認為開支（若符合確認為資產除外），並相應計入購股權儲備。如歸屬期或其他歸屬條件適用，開支於歸屬期內根據對預期將歸屬的購股權數目的最佳有效估計確認。對預期將歸屬的購股權數目的假設包括非市場歸屬條件。倘有任何跡象表明預期將歸屬的購股權數目不同於之前估計，其後應對估計進行修訂。倘最終獲行使的購股權少於原先估計，於以往期間已確認的開支不予調整。

購股權獲行使時，之前已於購股權儲備中確認的金額將轉至股份溢價賬。倘購股權遭沒收或於到期日仍未獲行使，之前已於購股權儲備中確認的金額將轉至滾存溢利。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.13 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

##### (i) Share options granted to employees

Details of the accounting policy are set out in note 3.12(ii).

##### (ii) Share options granted to customers/suppliers

Share options issued to customers/suppliers in exchange for goods or services are measured at the fair values of the goods or services received. The fair values of the goods or services received are recognised immediately as expenses, unless the goods or services qualify for recognition as assets.

#### 3.14 FINANCIAL LIABILITIES

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in finance costs in the income statement.

Borrowings are recognised initially at fair value, net of transaction costs incurred, and are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method.

### 3. 主要會計政策概要 (續)

#### 3.13 以權益結算並以股份支付的交易

##### (i) 授予僱員的購股權

會計政策詳情載於附註 3.12(ii)。

##### (ii) 授予客戶／供應商的購股權

發行予客戶／供應商以換取貨品或服務的購股權乃按所獲貨品或服務的公平值計量。除非所獲貨品或服務符合資格確認為資產，否則貨品或服務的公平值即時確認為開支。

#### 3.14 財務負債

財務負債於本集團成為該契約的合約協議訂約方時確認。所有與權益有關的開支於收益表中確認為財務支出項下的開支。

借款初步按公平值扣除所產生的交易成本確認，其後借款按攤銷成本列賬。所得款項(扣除交易成本)與贖回價值間的任何差額於借款期間使用實際利率法於收益表內確認。

除非本集團擁有無條件權利延遲至結算日後至少12個月清償負債，否則借款分類為流動負債。

貿易及其他應付賬款首次按公平值確認，其後使用實際利率法按攤銷成本計量。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.15 SHARE CAPITAL

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefits) to the extent they are incremental costs directly attributable to the equity transaction.

#### 3.16 INCOME RECOGNITION

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (i) Revenue from the sales of goods is recognised on the transfer of risks and rewards of ownership, provided that the Group maintains neither managerial involvement to the degree usually associated with the ownership, nor effective control over the goods sold;
- (ii) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable; and
- (iii) Dividend income is recognised when the Group's right as a shareholder to receive payment is established.

#### 3.17 GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement in gross amount over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are recognised in the income statement on a straight line basis over the expected lives of the related assets.

### 3. 主要會計政策概要 (續)

#### 3.15 股本

普通股分類為權益。股本按已發行股份的面值釐定。

如與發行股份有關的任何交易成本為股本交易直接應佔的遞增成本，則任何該等成本乃從股份溢價賬中扣除(減去任何相關所得稅利益)。

#### 3.16 收入確認

當經濟利益有可能流向本集團，而有關收益能可靠計量時，按以下基準確認收益：

- (i) 銷售貨品的收益於所有權的風險及回報已轉讓時確認，惟本集團不得再牽涉所有權通常附帶的管理事宜，亦不再對出售的貨品有任何實際控制權；
- (ii) 利息收入乃根據時間比例確認(經考慮未償還本金額及適用實際利率)；及
- (iii) 股息收入在確定本集團作為股東有權收取派發的款項時確認。

#### 3.17 政府補貼收益

政府補貼收益乃於可合理地保證將可收取後及本集團將遵守一切附帶條件時，按其公平值確認。與成本有關的政府補貼收益乃於收益表中的總數按與擬補償的成本進行配對所需期間作出遞延及確認。與購買物業、廠房及設備有關的政府補貼收益則計入非流動負債中列作遞延政府補貼收益，並於收益表中以直線法按有關資產的預計使用年期確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.18 RELATED PARTIES

Parties are considered to be related to the Group if:

- (i) directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with, the Group; or
  - has an interest in the Group that gives it significant influence over the Group; or
  - has joint control over the Group;
- (ii) the party is an associate or a jointly controlled entity;
- (iii) the party is a member of the key management personnel of the Group or its parent;
- (iv) the party is a close member of the family or any individual referred to in (i) or (iii);
- (v) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iii) or (iv); or
- (vi) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

### 3. 主要會計政策概要 (續)

#### 3.18 關連人士

被視為與本集團有關連的人士指：

- (i) 透過一個或多個中介人直接或間接：
  - 控制本集團、被本集團控制或與本集團受共同控制的人士；或
  - 於本集團擁有權益使其對本集團可施以重大影響力的人士；或
  - 於本集團有共同控制權的人士；
- (ii) 為一家聯營公司或共同控制實體的人士；
- (iii) 為本集團或其母公司主要管理人員的人士；
- (iv) 為第(i)或(iii)條所述任何個人的直系親屬的人士；
- (v) 為第(iii)或(iv)條所述任何個人直接或間接地控制、共同控制或有重大影響力或有重大投票權的實體的人士；或
- (vi) 為本集團或其關連人士的任何實體的僱員離職後福利計劃的受益人。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.19 OPERATING LEASES

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

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases. Where the Group has the use of assets held under operating leases, payment made under the leases are charged to the income statement on a straight line basis over the lease terms.

#### 3.20 FOREIGN CURRENCIES

The financial statements are presented in Hong Kong dollars (HK\$), which is also the functional currency of the Company.

In the separate financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the income statement.

### 3. 主要會計政策概要 (續)

#### 3.19 經營租約

倘本集團把一項安排(包括一項交易或一系列交易)確定為在協定期間內轉讓一項或一些特定資產的使用權以換取一筆或多筆付款,則這項安排便屬於或包含一項租賃。確定時是以對有關安排的實質所作評估為準,而不管這項安排是否以租賃的法律形式作出。

並未向本集團轉讓所有權的絕大部份風險及回報的租賃,歸類為經營租賃。如屬本集團透過經營租賃使用資產的情況,則根據租賃作出的付款會於租期內按直線法於收益表扣除。

#### 3.20 外幣

財務報表以港元呈報,港元為本公司的功能貨幣。

各綜合實體各自的財務報表中,外幣交易按交易日當時的匯率換算為個別實體的功能貨幣入賬。於結算日,外幣計值的貨幣資產及負債以結算日的外匯利率換算。因結算該等交易及按年末匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於收益表中確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.20 FOREIGN CURRENCIES (continued)

In the consolidated financial statements, all separate financial statements of subsidiaries and jointly controlled entities originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rate at the balance sheet date. Income and expenses have been converted into Hong Kong dollars at the exchange rates ruling at the transaction dates, or the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been dealt with in the translation reserve in equity. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Hong Kong dollars at the closing rates.

#### 3.21 FINANCIAL GUARANTEE CONTRACT

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised as investment in subsidiaries on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in the income statement over the term of the guarantee as income from financial guarantee issued. In addition, provisions are recognised if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount, where appropriate.

### 3. 主要會計政策概要 (續)

#### 3.20 外幣 (續)

於綜合財務報表中，所有附屬公司及共同控制實體各自的財務報表原先並非以本集團的呈報貨幣呈報，現均已換算為港元。資產與負債按結算日的收市匯率換算為港元。收入及開支已按交易日的匯率或報告期間的平均匯率換算為港元(匯率並無重大變動)。因此而產生的任何匯兌差額，在權益的匯兌儲備中處理。因收購一家海外實體產生的商譽及公平值調整已作為該海外實體的資產及負債處理，並按收市匯率換算為港元。

#### 3.21 財務擔保合約

財務擔保合約為一項要求發行人(或擔保人)作出特定付款，以付還持有人因特定欠債人未能根據一項債務工具的條款於債務到期時還款所蒙受的損失的合約。

倘本集團發出財務擔保，則該擔保的公平值首次確認為貿易及其他應付賬款內的遞延收入。倘在發行該擔保時已收取或應收取該代價，則根據本集團適用於該類資產的政策確認有關代價。倘概無該等已收取或應收取代價，則於首次確認任何遞延收入時立即將開支確認為於附屬公司的投資。

首次確認為遞延收入的擔保款額，按擔保年期於收益表攤銷為所發出財務擔保的收入。此外，倘擔保持有人有可能根據擔保向本集團提出索償及對本集團提出的索償款額預期超過現時的賬面值(如適用)，則確認撥備。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.22 DIVIDENDS

Final dividends proposed by the directors are classified as a separate allocation of retained profits or other distributable reserves, where appropriate, within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### (I) IMPAIRMENT OF RECEIVABLES

The Group's management determines impairment of receivables on a regular basis. This estimate is based on the credit history of its customers and current market conditions. The management of the Group reassesses the impairment of receivables at the balance sheet date.

### 3. 主要會計政策概要 (續)

#### 3.22 股息

董事建議派發的末期股息於股東在股東大會批准派發前，乃列作資產負債表權益項目內的滾存溢利或其他可分派儲備(如適用)獨立分配。當該等股息獲股東批准並宣派，則會確認為負債。

中期股息乃於建議時同時宣派，概因本公司組織章程大綱及組織章程細則授予董事權力宣派中期股息。因此，中期股息於建議派發並宣派後隨即確認為負債。

### 4. 主要會計估計及判斷

估計與判斷會被持續評估，並根據過往經驗及其他因素進行，包括在有關情況下對未來事件據信為合理的預測。

本集團對未來作出估計及假設，而就此得出的會計估計按所定義者，很少會與相關的實際結果相同。很大機會導致下個財政年度的資產及負債的賬面值作出重大調整的估計及假設論述如下。

#### (I) 應收賬款減值

本集團的管理層會定期釐定應收賬款的減值。此項估計乃根據其客戶的信貸記錄及現時市況計算。本集團的管理層會於結算日重新評估應收賬款的減值。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (II) IMPAIRMENT OF INVENTORIES

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective net realisable values. A considerable amount of judgement is required in determining such allowance. If conditions which have impact on the net realisable value of inventories deteriorate, additional allowances may be required.

#### (III) AMORTISATION OF INTANGIBLE ASSETS

The Company amortises its intangible assets on a straight-line basis over the estimated useful life ranged from three to ten years, commencing from the date on which the intangible assets are available for use. The estimated useful life reflects the directors' estimate of the periods that the company intends to derive future economic benefits from its intangible assets.

#### (IV) IMPAIRMENT TEST OF ASSETS

The Group determines whether an asset is impaired at least on an annual basis or where an indication of impairment exists. This requires an estimation of the value in use of the asset. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

### 4. 主要會計估計及判斷 (續)

#### (II) 存貨減值

為確定陳舊及滯銷存貨所需撥備的金額，本集團將評估存貨報廢時間分析，並比較存貨的賬面值與其各自的可變現淨值。在確定該等撥備時需作出大量判斷。若影響存貨的可變現淨值的情況變壞，則可能需增加撥備。

#### (III) 無形資產攤銷

本公司以直線法，於自其無形資產可供使用之日起計三至十年的預計可使用年期攤銷無形資產。預計可使用年期即董事估計本公司計劃使用其無形資產獲得未來經濟利益的期間。

#### (IV) 資產減值測試

本集團最少每年或於出現減值跡象時釐定資產是否經已減值。此舉需要對資產之使用價值作出估計，而估計使用價值需要本集團對預期資產所產生之未來現金流量作出估計，並選用適當之貼現率以計算該等現金流量之現值。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 5. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products they sell. Each of the Group's business segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments.

Summary details of the business segments are as follows:

- the BIOenergy® products segment consists of the manufacturing and trading of bedding products, underclothing and body protection accessories containing the BIOenergy® compound;
- the healthcare food products segment consists of the trading of healthcare food products, including polypeptide products;
- the multi-functional water generators segment consists of the manufacturing and trading of multi-functional water generators; and
- the "others" segment consists of the trading of other healthcare products and others.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments on the location of the assets.

### 5. 分部資料

分部資料以兩種分部方式呈列：(i)以業務分部為主要分部申報基準；及(ii)以地區分部為次要分部申報基準。

本集團的營運業務乃根據業務性質及所售產品而劃分並分開管理。本集團各業務分部指提供產品的策略業務單位，各業務分部的風險及回報彼此不盡相同。

業務分部的資料概要如下：

- 天年素®系列產品分部，包括含天年素®複合物的床上用品產品、內衣及保健配件的生產及銷售；
- 保健食品分部，包括多肽產品等保健食品的銷售；
- 多功能製水機分部，包括多功能製水機的生產及銷售；及
- 「其他」分部，包括其他保健產品的銷售及其他。

於決定本集團的地區分部時，分部的應佔收益及業績乃根據客戶所在地區而決定，而分部的應佔資產則根據資產所在地區而決定。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 5. SEGMENT INFORMATION (continued)

#### (A) BUSINESS SEGMENTS

The following tables present revenue, results and certain assets, liabilities and expenditure information for the Group's business segments:

|  | BIOenergy®<br>products<br>天年素®系列產品 |                                  | Healthcare<br>food products<br>保健食品 |                                  | Multi-functional<br>water generators<br>多功能製水機 |                                  | Others<br>其他                     |                                  | Consolidated<br>綜合               |                                  |
|--|------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  | 2008<br>二零零八年<br>HK\$'000<br>千港元   | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元    | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元               | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Segment revenue: 分部收益:                                     |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  |                                  |                                  |
| Sales to external customers 對外客戶銷售                         | 21,389                             | 20,998                           | 27,952                              | 24,631                           | 60,843   | 55,759                           | 953                              | 2,859                            | 111,137                          | 104,247                          |
| Segment results 分部業績                                       | 2,805                              | 2,698                            | 3,666                               | 2,463                            | 7,979  | 7,410                            | 125                              | (1,302)                          | 14,575                           | 11,269                           |
| Unallocated other income 其他未分配收入                           |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | 3,379                            | 4,922                            |
| Unallocated expenses 未分配開支                                 |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (26,823)                         | (29,808)                         |
| Loss from operating activities 經營虧損                        |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (8,869)                          | (13,617)                         |
| Finance cost 財務支出  |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (159)                            | (273)                            |
| (Loss)/gain on disposal of subsidiaries 出售附屬公司(虧損)/收益      |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (328)                            | 682                              |
| Gain on disposal of a jointly-controlled entity 出售共同控制實體收益 |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | -                                | 1,161                            |
| Loss before income tax 除所得稅前虧損                             |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (9,356)                          | (12,047)                         |
| Income tax expense 所得稅開支                                   |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (679)                            | (174)                            |
| Loss for the year 本年度虧損                                    |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | (10,035)                         | (12,221)                         |

### 5. 分部資料(續)

#### (A) 業務分部

下表呈列本集團業務分部的收益、業績及若干資產、負債及開支資料：



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### 5. SEGMENT INFORMATION (continued)

#### (A) BUSINESS SEGMENTS (continued)

|  |                              | BIOenergy®<br>products<br>天年素®系列產品 |                                  | Healthcare<br>food products<br>保健食品 |                                  | Multi-functional<br>water generators<br>多功能製水機 |                                  | Others<br>其他                     |                                  | Consolidated<br>綜合               |                                  |
|--|------------------------------|------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  |                              | 2008<br>二零零八年<br>HK\$'000<br>千港元   | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元    | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元               | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| <b>Segment assets</b>  | <b>分部資產</b>                  | <b>8,132</b>                       | 10,214                           | <b>1,868</b>                        | 1,165                            | <b>5,662</b>                                   | 4,724                            | <b>1,193</b>                     | 796                              | <b>16,855</b>                    | 16,899                           |
| Unallocated assets   | 未分配資產                        |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>67,247</b>                    | 58,458                           |
| Total assets   | 總資產                          |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>84,102</b>                    | 75,357                           |
| <b>Segment liabilities</b>   | <b>分部負債</b>                  |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  |                                  |                                  |
| Unallocated liabilities  | 未分配負債                        |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>26,292</b>                    | 31,413                           |
| Total liabilities  | 總負債                          |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>26,292</b>                    | 31,413                           |
| <b>Other segment information:</b>  | <b>其他分部資料：</b>               |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  |                                  |                                  |
| Depreciation   | 折舊                           | -                                  | -                                | -                                   | -                                | 117  | 103                              | -                                | 11                               | 117                              | 114                              |
| Unallocated amount of depreciation   | 未分配折舊金額                      |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>3,717</b>                     | 4,930                            |
| Amortisation of intangible assets  | 無形資產的攤銷                      | 2                                  | 1,425                            | 1,512                               | 575                              | -  | -                                | -                                | -                                | 1,514                            | 2,000                            |
| Capital expenditure  | 資本開支                         | -                                  | -                                | -                                   | -                                | 66   | 105                              | -                                | 12                               | 66                               | 117                              |
| Unallocated amounts of capital expenditure   | 未分配資本開支金額                    |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>22,881</b>                    | 612                              |
| Provision for obsolete and slow-moving inventories   | 陳舊及滯銷存貨撥備                    | -                                  | 286                              | -                                   | -                                | -  | 295                              | 311                              | 1,338                            | 311                              | 1,919                            |
| Unallocated provision for impairment of trade receivables and deposits, prepayment and other receivables | 貿易應收賬款及訂金、預付款項及其他應收賬款減值未分配撥備 |                                    |                                  |                                     |                                  |  |                                  |                                  |                                  | <b>567</b>                       | 1,766                            |

### 5. 分部資料 (續)

#### (A) 業務分部 (續)

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### 5. SEGMENT INFORMATION (continued)

#### (B) GEOGRAPHICAL SEGMENTS

A geographical analysis of the Group's revenue, certain asset and expenditure information is not presented as the Group's revenue and assets in geographical segments other than the PRC are less than 10% of the aggregate amount of all segments.

### 6. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts where applicable. All significant intra-group transactions have been eliminated on consolidation.

### 7. OTHER INCOME

### 5. 分部資料 (續)

#### (B) 地區分部

由於本集團按地區分部(中國除外)的收益及資產少於全部分部合計款項的10%，故並無呈列本集團按地區劃分的收益、若干資產及開支資料分析。

### 6. 收益

收益，亦即為本集團的營業額，指已扣除退貨及貿易折扣(如適用)後的銷售貨品發票淨值。所有集團內部的重大交易已於綜合賬目時抵銷。

### 7. 其他收入

|   |                      | Group<br>本集團                     |                                  |
|---|----------------------|----------------------------------|----------------------------------|
|   |                      | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Interest income   | 利息收入                 | 1,348                            | 864                              |
| Government grants   | 政府補貼收益               | -                                | 2,700                            |
| Reversal of impairment Loss<br>on trade receivables<br>in previous year | 撥回過往年度貿易<br>應收賬款減值虧損 | 660                              | -                                |
| Others  | 其他                   | 1,371                            | 1,358                            |
|   |                      | <b>3,379</b>                     | 4,922                            |

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 8. LOSS FROM OPERATING ACTIVITIES

Loss from operating activities is arrived at after charging/  
(crediting):

### 8. 經營虧損

經營虧損已扣除／(計入)下列各項：

|  |                                    | Group<br>本集團                     |                                  |
|--|------------------------------------|----------------------------------|----------------------------------|
|  |                                    | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Auditors' remuneration   | 核數師酬金                              | 470                              | 438                              |
| Cost of inventories sold   | 售出存貨成本                             | 61,962                           | 60,826                           |
| Staff costs  | 員工成本                               |                                  |                                  |
| Directors' remuneration<br>(note 14(A))  | 董事酬金<br>(附註14(A))                  | 6,308                            | 3,835                            |
| Wages and salaries   | 工資及薪金                              | 22,813                           | 16,543                           |
| Pension scheme contributions   | 退休金計劃供款                            | 1,347                            | 988                              |
|  |                                    | <b>30,468</b>                    | <b>21,366</b>                    |
| Depreciation   | 折舊                                 | 3,834                            | 5,044                            |
| Amortisation of intangible assets*   | 無形資產攤銷*                            | 1,514                            | 2,000                            |
| Exchange gain, net   | 匯兌收益淨額                             | (6)                              | (73)                             |
| Operating lease charges in<br>respect of land and buildings                                | 根據土地及樓宇的<br>經營租約開支                 | 3,933                            | 3,341                            |
| Impairment loss on trade<br>receivables*   | 貿易應收賬款的減值虧損*                       | 567                              | 1,766                            |
| Provision for obsolete and<br>slow-moving inventories*                                     | 陳舊及滯銷存貨撥備*                         | 311                              | 1,919                            |
| (Gain)/loss on disposal of<br>property, plant and equipment                                | 出售物業、廠房及<br>設備的(收益)／虧損             | (14)                             | 104                              |
| Fair value loss on financial<br>assets designated at fair<br>value through profit or loss* | 指定為按公平值以溢利或<br>虧損列賬的財務資產<br>公平值虧損* | 194                              | 124                              |

\* included in other operating expenses

\* 列入其他經營費用內

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 9. FINANCE COSTS

|   |                  | Group<br>本集團                     |                                  |
|---|------------------|----------------------------------|----------------------------------|
|   |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Interest on bank loans wholly repayable within five years | 須於五年內悉數償還的銀行貸款利息 | 159                              | 273                              |

#### 10. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided as the Group had no assessable profits arising in Hong Kong during the year (2007: Nil). Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdiction in which the Group operates, based on existing legislation, interpretations and practices in respect thereof during the year.

#### 9. 財務支出

|   |                  | Group<br>本集團                     |                                  |
|---|------------------|----------------------------------|----------------------------------|
|   |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Interest on bank loans wholly repayable within five years | 須於五年內悉數償還的銀行貸款利息 | 159                              | 273                              |

#### 10. 所得稅開支

由於本集團於年內在香港並無應課稅溢利(二零零七年：無)，故並無作出香港利得稅撥備。其他地方的應課稅溢利的稅項乃按本集團經營業務的司法權區當時的適用稅率計算，並根據年內就該地區現有的法例、詮釋及慣例而計算。

|                                   |                  | Group<br>本集團                     |                                  |
|-----------------------------------|------------------|----------------------------------|----------------------------------|
|                                   |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Current – PRC Charge for the year | 即期 – 中國<br>本年度支出 | 679                              | 174                              |

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 10. INCOME TAX EXPENSE (continued)

Reconciliation between income tax expense and accounting loss at applicable tax rates is as follows:

|  |                  | Group<br>本集團                     |                                  |
|--|------------------|----------------------------------|----------------------------------|
|  |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Loss before income tax                             | 除所得稅前虧損          | (9,356)                          | (12,047)                         |
| Tax at the applicable tax rates (Note a)           | 按適用稅率計算的稅項 (附註a) | (472)                            | (2,021)                          |
| Tax effect of non-deductible expenses              | 不可扣稅開支的稅務影響      | 1,465                            | 581                              |
| Tax effect of non-taxable income                   | 毋須課稅收入的稅務影響      | (1,349)                          | (202)                            |
| Tax effect of temporary differences not recognised | 未予確認暫時差異的稅務影響    | 212                              | 505                              |
| Tax effect of tax losses not recognised            | 未確認稅務虧損的稅務影響     | 2,054                            | 1,507                            |
| Tax benefit from tax holiday (Note b)              | 免稅期的稅務優惠 (附註b)   | (1,231)                          | (196)                            |
| Income tax expense                                 | 所得稅開支            | 679                              | 174                              |

Notes:

- a. The applicable rates are the rates prevailing in the jurisdictions in which the Company and its subsidiaries operate.
- b. In accordance with the applicable corporate income tax law of the PRC, the Company's subsidiaries established in the PRC are entitled to an exemption from PRC corporate income tax for the first two profitable calendar years of its operation and a 50% relief on corporate income tax for the following three years.

### 10. 所得稅開支 (續)

按適用稅率計算的所得稅開支及會計虧損對賬如下：

|  |                  | Group<br>本集團                     |                                  |
|--|------------------|----------------------------------|----------------------------------|
|  |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Loss before income tax                             | 除所得稅前虧損          | (9,356)                          | (12,047)                         |
| Tax at the applicable tax rates (Note a)           | 按適用稅率計算的稅項 (附註a) | (472)                            | (2,021)                          |
| Tax effect of non-deductible expenses              | 不可扣稅開支的稅務影響      | 1,465                            | 581                              |
| Tax effect of non-taxable income                   | 毋須課稅收入的稅務影響      | (1,349)                          | (202)                            |
| Tax effect of temporary differences not recognised | 未予確認暫時差異的稅務影響    | 212                              | 505                              |
| Tax effect of tax losses not recognised            | 未確認稅務虧損的稅務影響     | 2,054                            | 1,507                            |
| Tax benefit from tax holiday (Note b)              | 免稅期的稅務優惠 (附註b)   | (1,231)                          | (196)                            |
| Income tax expense                                 | 所得稅開支            | 679                              | 174                              |

附註：

- a. 適用稅率為本公司及其附屬公司經營業務的司法權區當時的稅率。
- b. 根據適用的中國企業所得稅法，本公司於中國成立的附屬公司在首兩個錄得盈利的年度獲豁免繳納中國企業所得稅，並在隨後三年獲減免一半企業所得稅。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 10. INCOME TAX EXPENSE (continued)

At the balance sheet date, the Group has unused tax losses of HK\$55,324,000 (2007: HK\$47,585,000) available for offsetting against future taxable profits of the companies which incurred the losses. Deferred tax assets have not been recognised in respect of these losses due to the unpredictability of future profit streams.

As at 30 June 2008, the Group and the Company did not have any significant unprovided deferred tax liabilities (2007: Nil).

### 11. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Of the consolidated loss attributable to equity holder of the Company of approximately HK\$10,225,000 (2007: loss of HK\$12,681,000), a loss of approximately HK\$7,464,000 (2007: loss of HK\$9,090,000) has been dealt with in the financial statements of the Company.

### 12. DIVIDENDS

No dividend has been paid or declared by the Company during the years presented in these financial statements.

### 13. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic loss per share is based on loss attributable to equity holders for the year ended 30 June 2008 of approximately HK\$10,225,000 (2007: loss of HK\$12,681,000) and the weighted average of 732,022,566 (2007: the weighted average of 698,543,104) ordinary shares in issue during the year.

Diluted results per share for the years ended 30 June 2008 and 2007 were not presented because the impact of the exercise of share option was anti-dilutive.

### 10. 所得稅開支 (續)

於結算日，本集團的未動用稅項虧損為55,324,000港元(二零零七年：47,585,000港元)，可供抵銷產生虧損的公司的未來應課稅溢利。由於未能確定未來溢利趨勢，故並未就該等虧損確認遞延稅項資產。

於二零零八年六月三十日，本集團及本公司並無任何未作撥備的重大遞延稅項負債(二零零七年：無)。

### 11. 本公司權益持有人應佔虧損

於約10,225,000港元(二零零七年：虧損12,681,000港元)的本公司權益持有人應佔綜合虧損當中，本公司於財務報表內處理的虧損約為7,464,000港元(二零零七年：虧損9,090,000港元)。

### 12. 股息

於該等財務報表呈列的各年度，本公司並無派付或宣派任何股息。

### 13. 本公司權益持有人應佔每股虧損

每股基本虧損乃根據截至二零零八年六月三十日止年度權益持有人應佔虧損約10,225,000港元(二零零七年：虧損12,681,000港元)及年內已發行加權平均普通股732,022,566股(二零零七年：加權平均數698,543,104股)計算。

由於行使購股權的影響具反攤薄效果，因此並無呈列截至二零零八年及二零零七年六月三十日止年度的每股攤薄業績。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 14. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION

##### (A) DIRECTORS' EMOLUMENTS

The directors' remuneration disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance is as follows:

#### 14. 董事及五名最高薪僱員的酬金

##### (A) 董事酬金

根據上市規則及香港公司條例第161條，董事酬金的披露如下：

|   |            | Group<br>本集團                     |                                  |
|---|------------|----------------------------------|----------------------------------|
|   |            | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Fees                                      | 袍金         | 126                              | 150                              |
| Other emoluments:                         | 其他酬金：      |                                  |                                  |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 6,170                            | 3,655                            |
| Pension scheme contributions              | 退休金計劃供款    | 12                               | 30                               |
|   |            | <b>6,182</b>                     | 3,685                            |

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 14. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION (continued)

##### (A) DIRECTORS' EMOLUMENTS (continued)

The emoluments of each director, on a named basis, for the years ended 30 June 2008 and 2007 are set out below:

##### Year ended 30 June 2008

| Director                      | Salaries, allowance and benefits in kind | Pension scheme contributions | Total        |
|-------------------------------|--|------------------------------|--------------|
| 董事袍金                          | 薪金、津貼及實物利益                               | 退休金計劃供款                      | 合計           |
| HK\$'000                      | HK\$'000                                 | HK\$'000                     | HK\$'000     |
| 千港元                           | 千港元                                      | 千港元                          | 千港元          |
| Hung Kai So (Note 5)          | 779                                      | –                            | 779          |
| Han Xiaoyue, George           | 1,609                                    | –                            | 1,609        |
| Chen Henglong                 | 1,732                                    | –                            | 1,732        |
| Zhang He                      | 1,468                                    | –                            | 1,468        |
| Chan Yuk Tong                 | 719                                      | 12                           | 731          |
| Liu Jun (Note 6)              | 374                                      | –                            | 374          |
| Kam loi (Note 7)              | 248                                      | –                            | 248          |
| Tse Kam Fai (Note 8)          | 98                                       | –                            | 98           |
| Zhang Fan (Note 8)            | 61                                       | –                            | 61           |
| Xu Nian Chun (Note 9)         | –  | –                            | –            |
| Han Qingyun (Note 10)         | –  | –                            | –            |
| Guo Yan Ni (Note 10)          | –  | –                            | –            |
| Zhang Wen (Note 10)           | –  | –                            | –            |
| Zhu Jing Hua (Note 10)        | –  | –                            | –            |
| Long Minfei (Note 11)         | –  | –                            | –            |
| Li Xinzong (Note 12)          | 61                                       | –                            | 61           |
| Yuan Tsu I (Note 13)          | 33                                       | –                            | 33           |
| Chan Chiu Hung Alex (Note 13) | 53                                       | –                            | 53           |
| Li Li Te (Note 14)            | 40                                       | –                            | 40           |
| <b>Total 2008</b>             | <b>126</b>                               | <b>12</b>                    | <b>6,308</b> |

#### 14. 董事及五名最高薪僱員的酬金 (續)

##### (A) 董事酬金 (續)

截至二零零八年及二零零七年六月三十日止年度，每位董事的酬金按其姓名列述如下：

截至二零零八年六月三十日止年度

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 14. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION (continued)

##### (A) DIRECTORS' EMOLUMENTS (continued)

Year ended 30 June 2007

|                               | Director fees | Salaries, allowance and benefits in kind | Pension scheme contributions | Total        |
|-------------------------------|---------------|--|------------------------------|--------------|
|                               | 董事袍金          | 薪金、津貼及實物利益                               | 退休金計劃供款                      | 合計           |
|                               | HK\$'000      | HK\$'000                                 | HK\$'000                     | HK\$'000     |
|                               | 千港元           | 千港元                                      | 千港元                          | 千港元          |
| Hung Kai So                   | –             | 183                                      | –                            | 183          |
| Kam loi                       | –             | 1,088                                    | 2                            | 1,090        |
| Ma Yufeng (Note 1)            | –             | 439                                      | 4                            | 443          |
| Liu Jun                       | –             | 754                                      | 8                            | 762          |
| Chan Yuk Tong                 | –             | 770                                      | 12                           | 782          |
| Yuan Tsu I                    | 50            | –  | –                            | 50           |
| Li Li Te                      | 50            | –  | –                            | 50           |
| Chan Chiu Hung, Alex          | 50            | –  | –                            | 50           |
| Zhang He (Note 2)             | –             | –  | –                            | –            |
| Chen Henglong (Note 2)        | –             | –  | –                            | –            |
| Ying Yoke Nean, John (Note 3) | –             | 421                                      | 4                            | 425          |
| Han Xiaoyue, George (Note 4)  | –             | –  | –                            | –            |
| <b>Total 2007</b>             | <b>150</b>    | <b>3,655</b>                             | <b>30</b>                    | <b>3,835</b> |

Notes:

- Resigned on 5 December 2006
- Appointed on 14 May 2007
- Appointed on 5 December 2006 and resigned on 23 April 2007
- Appointed on 23 April 2007
- Resigned on 25 February 2008
- Resigned on 28 April 2008
- Resigned on 14 May 2007
- Appointed on 25 February 2008 and resigned on 15 April 2008
- Appointed on 15 February 2008
- Appointed on 15 April 2008
- Appointed on 28 April 2008
- Appointed on 25 February 2008
- Resigned on 28 February 2008
- Resigned on 15 April 2008

附註：

- 於二零零六年十二月五日辭任
- 於二零零七年五月十四日獲委任
- 於二零零六年十二月五日獲委任且於二零零七年四月二十三日辭任
- 於二零零七年四月二十三日獲委任
- 於二零零八年二月二十五日辭任
- 於二零零八年四月二十八日辭任
- 於二零零七年五月十四日辭任
- 於二零零八年二月二十五日獲委任且於二零零八年四月十五日辭任
- 於二零零八年二月十五日獲委任
- 於二零零八年四月十五日獲委任
- 於二零零八年四月二十八日獲委任
- 於二零零八年二月二十五日獲委任
- 於二零零八年二月二十八日辭任
- 於二零零八年四月十五日辭任

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 14. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION (continued)

#### (A) DIRECTORS' EMOLUMENTS (continued)

Fees include HK\$126,000 (2007: HK\$150,000) payable to the independent non-executive directors. There were no other emoluments payable to the independent non-executive directors during the year (2007: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 30 June 2008 and 2007.

During the year, six directors (2007: two) have been granted with share options in respect of their services to the Group and further details of which were set out in note 26 to the financial statements.

#### (B) FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals in the Group during the year included four (2007: three) directors, details of whose emoluments have been disclosed in note (A) above. The emoluments paid to the remaining one (2007: two) non-directors, highest paid individuals for the year are as follows:

### 14. 董事及五名最高薪僱員的酬金 (續)

#### (A) 董事酬金 (續)

袍金包括應付予獨立非執行董事的126,000港元(二零零七年: 150,000港元)。年內,並無任何其他應付予獨立非執行董事的酬金(二零零七年:無)。

於截至二零零八年及二零零七年六月三十日止年度,並無董事豁免或同意豁免任何酬金的安排。

年內,六名董事(二零零七年:兩名)因彼等對本集團的服務而獲授購股權,其進一步詳情載於財務報表附註26。

#### (B) 五名最高薪人士

年內,本集團五名最高薪人士包括四名(二零零七年:三名)董事,彼等的酬金詳情已於上文附註(A)披露。年內支付予其餘一名(二零零七年:兩名)非董事、最高薪人士的酬金如下:

|   |            | Group<br>本集團                     |                                  |
|---|------------|----------------------------------|----------------------------------|
|   |            | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 984                              | 2,047                            |
| Pension scheme contributions              | 退休金計劃供款    | 12                               | 23                               |
|   |            | 996                              | 2,070                            |

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 14. DIRECTORS' AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION (continued)

##### (B) FIVE HIGHEST PAID INDIVIDUALS (continued)

The number of the remaining highest paid individuals whose emoluments fell within the following band is as follows:

|                                   |                             | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|-----------------------------------|-----------------------------|----------------------------------|----------------------------------|
| Nil to HK\$1,000,000              | 零至1,000,000港元               | 1                                | –                                |
| HK\$1,000,001 to<br>HK\$1,100,000 | 1,000,001港元至<br>1,100,000港元 | –                                | 2                                |

During the years ended 30 June 2008 and 2007, no emoluments were paid by the Group to the directors or any of the five highest paid employees of the Group as an inducement to join the Group or upon joining the Group or as compensation for loss of office.

#### 14. 董事及五名最高薪僱員的酬金 (續)

##### (B) 五名最高薪人士 (續)

其餘酬金介乎以下範圍的最高薪人士的人數如下：

於截至二零零八年及二零零七年六月三十日止年度，本集團並無向董事或任何本集團五名最高薪僱員支付酬金，作為加入本集團或加入本集團後的獎勵或作為離職補償。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

#### Group

#### 本集團

|                                    |                           | Leasehold<br>improvements | Machinery<br>and<br>equipment | Furniture<br>and office<br>equipment | Motor<br>vehicles | Total        |
|------------------------------------|---------------------------|---------------------------|-------------------------------|--------------------------------------|-------------------|--------------|
|                                    |                           | 租賃物業裝修                    | 機器及設備                         | 傢俱及<br>辦公室設備                         | 汽車                | 總計           |
|                                    |                           | HK\$'000                  | HK\$'000                      | HK\$'000                             | HK\$'000          | HK\$'000     |
|                                    |                           | 千港元                       | 千港元                           | 千港元                                  | 千港元               | 千港元          |
| At 1 July 2006                     | 於二零零六年七月一日                |                           |                               |                                      |                   |              |
| Cost                               | 成本                        | 12,111                    | 1,824                         | 15,232                               | 2,704             | 31,871       |
| Accumulated depreciation           | 累計折舊                      | (6,715)                   | (1,315)                       | (8,937)                              | (2,359)           | (19,326)     |
| Net book amount                    | 賬面淨值                      | 5,396                     | 509                           | 6,295                                | 345               | 12,545       |
| Year ended 30 June 2007            | 截至二零零七年<br>六月三十日止年度       |                           |                               |                                      |                   |              |
| Opening net book amount            | 年初賬面淨值                    | 5,396                     | 509                           | 6,295                                | 345               | 12,545       |
| Additions                          | 添置                        | 311                       | 103                           | 315                                  | -                 | 729          |
| Disposal                           | 出售                        | (215)                     | (113)                         | (14)                                 | -                 | (342)        |
| Depreciation                       | 折舊                        | (2,615)                   | (171)                         | (2,116)                              | (142)             | (5,044)      |
| Translation adjustment             | 匯兌調整                      | 436                       | 43                            | 507                                  | 28                | 1,014        |
| Net book amount                    | 賬面淨值                      | 3,313                     | 371                           | 4,987                                | 231               | 8,902        |
| At 30 June 2007 and<br>1 July 2007 | 於二零零七年六月三十日<br>及二零零七年七月一日 |                           |                               |                                      |                   |              |
| Cost                               | 成本                        | 12,742                    | 1,947                         | 16,028                               | 2,925             | 33,642       |
| Accumulated depreciation           | 累計折舊                      | (9,429)                   | (1,576)                       | (11,041)                             | (2,694)           | (24,740)     |
| Net book amount                    | 賬面淨值                      | 3,313                     | 371                           | 4,987                                | 231               | 8,902        |
| Year ended 30 June 2008            | 截至二零零八年<br>六月三十日止年度       |                           |                               |                                      |                   |              |
| Opening net book amount            | 年初賬面淨值                    | 3,313                     | 371                           | 4,987                                | 231               | 8,902        |
| Additions                          | 添置                        | 253                       | -                             | 465                                  | 529               | 1,247        |
| Disposal                           | 出售                        | -                         | (363)                         | (30)                                 | (14)              | (407)        |
| Depreciation                       | 折舊                        | (2,087)                   | (3)                           | (1,539)                              | (205)             | (3,834)      |
| Translation adjustment             | 匯兌調整                      | 314                       | 1                             | 326                                  | 19                | 660          |
| Net book amount                    | 賬面淨值                      | 1,793                     | 6                             | 4,209                                | 560               | 6,568        |
| At 30 June 2008                    | 於二零零八年六月三十日               |                           |                               |                                      |                   |              |
| Cost                               | 成本                        | 13,989                    | 1,585                         | 17,712                               | 3,165             | 36,451       |
| Accumulated depreciation           | 累計折舊                      | (12,196)                  | (1,579)                       | (13,503)                             | (2,605)           | (29,883)     |
| <b>Net book amount</b>             | <b>賬面淨值</b>               | <b>1,793</b>              | <b>6</b>                      | <b>4,209</b>                         | <b>560</b>        | <b>6,568</b> |



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 16. INTANGIBLE ASSETS

### 16. 無形資產

| Group                              | 本集團                           | Patents and<br>technical<br>know-how<br>專利權及<br>技術知識<br>HK\$'000<br>千港元 | Deferred<br>development<br>costs<br>遞延<br>開發成本<br>HK\$'000<br>千港元 | Total<br>總計<br>HK\$'000<br>千港元 |
|------------------------------------|-------------------------------|---|---|--------------------------------|
| At 1 July 2006                     | 於二零零六年七月一日                    |   |   |                                |
| Cost                               | 成本                            | 1,705   | 6,437   | 8,142                          |
| Accumulated amortisation           | 累計攤銷                          | (1,263)   | (5,106)   | (6,369)                        |
| Net book amount                    | 賬面淨值                          | 442   | 1,331   | 1,773                          |
| Year ended 30 June 2007            | 截至二零零七年<br>六月三十日止年度           |   |   |                                |
| Opening net book amount            | 年初賬面淨值                        | 442   | 1,331   | 1,773                          |
| Addition                           | 添置                            | 3,708   | -   | 3,708                          |
| Amortisation                       | 攤銷                            | (575)   | (1,425)   | (2,000)                        |
| Translation adjustment             | 匯兌調整                          | 37  | 108   | 145                            |
| Net book amount                    | 賬面淨值                          | 3,612   | 14  | 3,626                          |
| At 30 June 2007 and<br>1 July 2007 | 於二零零七年<br>六月三十日及<br>二零零七年七月一日 |   |   |                                |
| Cost                               | 成本                            | 5,552   | 6,961   | 12,513                         |
| Accumulated amortisation           | 累計攤銷                          | (1,940)   | (6,947)   | (8,887)                        |
| Net book amount                    | 賬面淨值                          | 3,612   | 14  | 3,626                          |
| Year ended 30 June 2008            | 截至二零零八年<br>六月三十日止年度           |   |   |                                |
| Opening net book amount            | 年初賬面淨值                        | 3,612   | 14  | 3,626                          |
| Amortisation                       | 攤銷                            | (1,512)   | (2)   | (1,514)                        |
| Translation adjustment             | 匯兌調整                          | 284   | 1   | 285                            |
| Net book amount                    | 賬面淨值                          | 2,384   | 13  | 2,397                          |
| At 30 June 2008                    | 於二零零八年<br>六月三十日               |   |   |                                |
| Cost                               | 成本                            | 5,989   | 7,510   | 13,499                         |
| Accumulated amortisation           | 累計攤銷                          | (3,605)   | (7,497)   | (11,102)                       |
| <b>Net book amount</b>             | <b>賬面淨值</b>                   | <b>2,384</b>  | <b>13</b>   | <b>2,397</b>                   |

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 17. INTERESTS IN SUBSIDIARIES

### 17. 於附屬公司的權益

|                                |           | Company<br>本公司                   |                                  |
|--------------------------------|-----------|----------------------------------|----------------------------------|
|                                |           | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Unlisted investments, at cost  | 非上市投資，按成本 | <b>39,952</b>                    | 39,952                           |
| Less: Provision for impairment | 減：減值撥備    | <b>(10,261)</b>                  | (10,261)                         |
|                                |           | <b>29,691</b>                    | 29,691                           |
| Due from subsidiaries          | 應收附屬公司的款項 | <b>7,928</b>                     | 18,902                           |
| Due to subsidiaries            | 應付附屬公司的款項 | <b>(7,999)</b>                   | (7,619)                          |

As at 30 June 2008, the balances with subsidiaries are unsecured, interest-free and repayable on demand. Accordingly, the amounts due from/(to) subsidiaries are classified as current assets/liabilities.

於二零零八年六月三十日，附屬公司的結餘乃無抵押、免息及於催繳時償還。因此，應收／（應付）附屬公司的款項乃列為流動資產／負債。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries as at 30 June 2008 are as follows:

| Name<br>名稱  | Place of incorporation/<br>establishment<br>and operations<br>註冊成立／成立及<br>經營地點 | Particulars of<br>issued capital/<br>registered<br>capital<br>已發行股本／<br>註冊股本詳情 | Percentage<br>of equity<br>attributable<br>to the Group<br>本集團應佔<br>權益百分比 |                | Principal<br>activities<br>主要業務   |
|---|--|--|---|----------------|---|
|   |  |  | Direct<br>直接  | Indirect<br>間接 |   |
| Vitop Bioenergy Limited<br>天年生物工程有限公司   | British Virgin<br>Islands ("BVI")<br>英屬處女群島<br>(「英屬處女群島」)                      | 1 share of US\$1 each<br>每股面值1美元的1股股份  | 100%  | -              | Investment holding<br>投資控股  |
| Vitop Bioenergy (China)<br>Ltd* ("Vitop China")<br>天年生物(中國)<br>有限公司* (「天年中國」) | PRC<br>中國  | Registered capital of<br>HK\$50,000,000<br>註冊股本<br>50,000,000港元                | -   | 100%           | Manufacturing and<br>trade of BIOenergy®<br>products, and trading<br>of multi-functional<br>water generators,<br>healthcare food<br>products and other<br>healthcare products<br>生產及銷售天年素®<br>系列產品、銷售多<br>功能製水機、保健<br>食品及其他健康產品 |
| Vitop Healthcare Product<br>Limited<br>天年健康產品有限公司                             | Hong Kong<br>香港  | 2 shares of HK\$1 each<br>每股面值1港元<br>的2股股份                                     | -   | 100%           | Trading of<br>BIOenergy® products<br>銷售天年素®系列<br>產品   |
| 合肥天年美菱環保科技<br>有限責任公司**  | PRC<br>中國  | Registered capital of<br>RMB5,840,000<br>註冊股本<br>人民幣5,840,000元                 | -   | 80%            | Manufacturing and trading<br>of multi-functional<br>water generators<br>生產及銷售多功能<br>製水機   |
| Vitop International<br>Limited ("VIL")  | BVI<br>英屬處女群島  | 450,000 shares of<br>US\$1 each<br>每股面值1美元<br>的450,000股股份                      | -   | 100%           | Investment holding<br>投資控股  |

\* Registered as wholly-foreign owned enterprise ("WFOE") under the PRC law.

\*\* Registered as Sino-foreign joint venture under the PRC law.

### 17. 於附屬公司的權益 (續)

於二零零八年六月三十日，主要附屬公司的詳情如下：

\* 根據中國法例註冊為外商獨資企業(「外商獨資企業」)。

\*\* 根據中國法例註冊為中外合營企業。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 17. INTERESTS IN SUBSIDIARIES (continued)

The financial statements of the above subsidiaries are audited by NCN CPA Limited for statutory purpose or Group consolidation purpose.

The above table lists the subsidiaries of the Company which have, in the opinion of the Company's directors, principally affected the results of the year or formed a substantial portion of the assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the Company's directors, result in particulars of excessive length.

#### 18. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

Structured notes with embedded derivatives, at fair value

The structured notes with embedded derivatives as at 30 June 2008 were classified as financial assets designated at fair value through profit or loss. Fair value of the structured notes with embedded derivatives as at 30 June 2008 has been determined by reference to the quotation provided by the bank. Financial assets designated at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital in the cash flow statement.

#### 17. 於附屬公司的權益 (續)

上述附屬公司的財務報表乃由德誠會計師事務所有限公司為法定目的或本集團綜合目的審核。

上表載列本公司的附屬公司，本公司董事認為，此等附屬公司主要影響本年度的業績或組成本集團資產及負債的重要部份。本公司董事認為，倘提供其他附屬公司詳細資料會導致個別項目過長。

#### 18. 指定為按公平值以溢利或虧損列賬的財務資產

| Group<br>本集團                     |                                  |
|----------------------------------|----------------------------------|
| 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| 2,162                            | 2,356                            |

於二零零八年六月三十日，內含衍生工具的結構性票據被列作指定為按公平值以溢利或虧損列賬的財務資產。於二零零八年六月三十日，內含衍生工具的結構性票據的公平值乃參考銀行提供的報價而釐定。指定為按公平值以溢利或虧損列賬的財務資產，於現金流量表的經營業務按營運資金變動其中部份呈列。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 19. AVAILABLE-FOR-SALE INVESTMENTS

|   |                    | Group and Company<br>本集團及本公司     |                                  |
|---|--------------------|----------------------------------|----------------------------------|
|   |                    | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Available-for-sale investments,<br>at cost (Note) | 可供出售投資，<br>按成本(附註) | 21,700                           | –                                |

Note: The Group invests in 5% and 18% equity interests in Clausin Group Limited and Access Boom Group Limited with consideration of HK\$3,700,000 and HK\$18,000,000 respectively.

附註：本集團分別於Clausin Group Limited及Access Boom Group Limited投資5%及18%股本權益，代價分別為3,700,000港元及18,000,000港元。

#### 20. INVENTORIES

|   |                  | Group<br>本集團                     |                                  |
|---|------------------|----------------------------------|----------------------------------|
|   |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Raw materials   | 原材料              | 6,301                            | 6,003                            |
| Work in progress  | 在製品              | 5,407                            | 4,673                            |
| Finished goods  | 製成品              | 11,226                           | 13,036                           |
|   |                  | 22,934                           | 23,712                           |
| Less: Provision for obsolete<br>and slow-moving finished<br>goods | 減：陳舊及滯銷<br>製成品撥備 | (6,536)                          | (10,952)                         |
|   |                  | 16,398                           | 12,760                           |

#### 20. 存貨

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
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#### 21. TRADE RECEIVABLES

The credit terms that the Group offers to customers are generally not more than 90 days. The ageing analysis of the Group's trade receivables at the balance sheet date is as follows:

|                                 |               | Group<br>本集團                     |                                  |
|---------------------------------|---------------|----------------------------------|----------------------------------|
|                                 |               | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Outstanding balances with ages: | 根據賬齡劃分的未償還餘額： |                                  |                                  |
| Within 30 days                  | 於30日內         | 2,221                            | 1,264                            |
| Between 31 to 60 days           | 31至60日        | 663                              | 704                              |
| Between 61 to 180 days          | 61至180日       | 1,604                            | 1,044                            |
| Over 180 days                   | 逾180日         | 7,728                            | 7,572                            |
|                                 |               | <b>12,216</b>                    | 10,584                           |
| Less: Provision for impairment  | 減：減值撥備        | <b>(7,874)</b>                   | (8,358)                          |
|                                 |               | <b>4,342</b>                     | 2,226                            |

#### 21. 貿易應收賬款

本集團給予客戶的信貸期一般不超過90日。本集團的貿易應收賬款於結算日的賬齡分析如下：

#### 22. CASH AND BANK BALANCES

|   |                  | Group<br>本集團                     |                                  | Company<br>本公司                   |                                  |
|---|------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|   |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Cash at banks and in hand                           | 銀行現金及手頭現金        | 10,216                           | 11,322                           | 26                               | 20                               |
| Time deposits                                       | 定期存款             | -                                | 19,261                           | -                                | -                                |
| Total cash and bank balances                        | 現金及銀行結存總額        | <b>10,216</b>                    | 30,583                           | <b>26</b>                        | 20                               |
| Less: Pledged bank deposit for a bank loan facility | 減：銀行貸款額度的已抵押銀行存款 | <b>(20)</b>                      | (20)                             | -                                | -                                |
|   |                  | <b>10,196</b>                    | 30,563                           | <b>26</b>                        | 20                               |

#### 22. 現金及銀行結存



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 22. CASH AND BANK BALANCES (continued)

As at the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$8,814,000 (2007: HK\$30,202,000). The RMB is not freely convertible into other currencies. However, under the PRC Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

### 23. TRADE PAYABLES

The credit terms of trade payables varies according to the terms agreed with different suppliers. The ageing analysis of the Group's trade payables as at the balance sheet date is as follows:

### 22. 現金及銀行結存 (續)

於結算日，本集團以人民幣（「人民幣」）計值的現金及銀行結存約達8,814,000港元（二零零七年：30,202,000港元）。人民幣不得自由兌換為其他貨幣，惟根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

### 23. 貿易應付賬款

貿易應付賬款的信貸期因與不同供應商協議的期限而異。本集團的貿易應付賬款於結算日的賬齡分析如下：

|                                 |               | Group<br>本集團                     |                                  |
|---------------------------------|---------------|----------------------------------|----------------------------------|
|                                 |               | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Outstanding balances with ages: | 根據賬齡劃分的未償還餘額： |                                  |                                  |
| Within 30 days                  | 於30日內         | 2,862                            | 3,677                            |
| Between 31 to 60 days           | 31至60日        | 456                              | 741                              |
| Between 61 to 180 days          | 61至180日       | 945                              | 979                              |
| Over 180 days                   | 逾180日         | 1,287                            | 1,020                            |
|                                 |               | <b>5,550</b>                     | <b>6,417</b>                     |

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 24. INTEREST-BEARING BANK LOANS

### 24. 計息銀行貸款

|   |                         | Original<br>currency<br>原幣 | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|---|-------------------------|----------------------------|----------------------------------|----------------------------------|
| Bank loans, secured   | 銀行貸款，有抵押                | HK\$港元                     | 3,265                            | 2,612                            |
| Analysed into:  | 分析如下：                   |                            |                                  |                                  |
| Bank loans repayable  | 須於以下期間償還的<br>銀行貸款       |                            |                                  |                                  |
| – within one year   | – 一年內                   |                            | 3,265                            | 1,842                            |
| – in the second year  | – 第二年                   |                            | –                                | 770                              |
| – in the third to fifth years,<br>inclusive                             | – 第三年至第五年<br>(包括首尾兩年)   |                            | –                                | –                                |
|   |                         |                            | 3,265                            | 2,612                            |
| Less: Amounts due within<br>one year included<br>in current liabilities | 減：計入流動負債項下的<br>一年內到期的款項 |                            | (3,265)                          | (1,842)                          |
| Amounts due after one year<br>included in non-current<br>liabilities    | 計入非流動負債項下的<br>一年後到期的款項  |                            | –                                | 770                              |

The Group's bank loan facility amounting to HK\$5,000,000 (2007: HK\$5,000,000), of which HK\$3,265,000 (2007: HK\$2,612,000) has been utilised as at the balance sheet date. The facility is secured by the Group's financial assets designated at fair value through profit or loss amounting to HK\$2,162,000 (note 18) and a pledged bank deposit of HK\$20,000 (note 22) and supported by a corporate guarantee executed by the Company (note 29).

All bank loans of the Group are floating interest rate bank loans. The interest rates of the Group's bank loans ranged from 5.5% to 8.25% (2007: 4.5% to 7.1%) per annum.

本集團的銀行貸款額度金額為5,000,000港元(二零零七年：5,000,000港元)，於結算日，其中3,265,000港元(二零零七年：2,612,000港元)已被動用。該額度乃以本集團指定為按公平值以溢利或虧損列賬的財務資產2,162,000港元(附註18)及已抵押銀行存款20,000港元(附註22)作抵押，並由本公司提供的公司擔保支持(附註29)。

本集團所有銀行貸款均為浮動利率銀行貸款。本集團銀行貸款的年利率由5.5%至8.25%(二零零七年：4.5%至7.1%)不等。

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For the year ended 30 June 2008  
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### 25. SHARE CAPITAL

### 25. 股本

|  |   | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|--|---|----------------------------------|----------------------------------|
| Authorised:  | 法定：   |                                  |                                  |
| 20,000,000,000 ordinary shares of HK\$0.025 each                           | 20,000,000,000股每股面值0.025港元的普通股                          | <b>500,000</b>                   | 500,000                          |
| Issued and fully paid:   | 已發行及繳足：   |                                  |                                  |
| 735,685,961<br>(2007: 698,543,104)<br>ordinary shares of<br>HK\$0.025 each | 735,685,961股<br>(二零零七年：698,543,104股)<br>每股面值0.025港元的普通股 | <b>18,392</b>                    | 17,464                           |

A summary of movements in the authorised and issued share capital of the Company is as follows:

本公司法定及已發行股本變動概要如下：

|  |                    | Number of<br>authorised<br>shares<br>法定<br>股份數目 | Number of<br>shares issued<br>已發行<br>股份數目 | Nominal<br>value of<br>shares issued<br>已發行<br>股份面值<br>HK\$'000<br>千港元 |
|--|--------------------|---|---|--|
| At 1 July 2007                             | 於二零零七年七月一日         | 20,000,000,000                                  | 698,543,104                               | 17,464   |
| Issue of<br>consideration<br>shares (note) | 發行代價股份<br>(附註)     | -   | 37,142,857                                | 928  |
| <b>At 30 June 2008</b>                     | <b>於二零零八年六月三十日</b> | <b>20,000,000,000</b>                           | <b>735,685,961</b>                        | <b>18,392</b>  |

Note:

On 4 August 2007, the Company has entered into a conditional sale and purchase agreement to acquire 18% of the issued share capital of Access Boom Group Limited from Merdeka Holdings Limited. A total consideration of HK\$18 million for the acquisition was satisfied by (i) HK\$5 million in cash and (ii) issuing 37,142,857 ordinary shares at an issue price of HK\$0.35 per share for the rest of the consideration in sum of HK\$13 million. For further details, please refer to the Company's circular dated on 27 August 2007.

附註：

本公司已於二零零七年八月四日訂立一項有條件買賣協議，向Merdeka Holdings Limited收購Access Boom Group Limited的18%已發行股本。收購代價總額1,800萬港元的支付方式為(i)現金支付500萬港元及(ii)餘下代價共計1,300萬港元乃通過按發行價每股0.35港元發行37,142,857股普通股的方式支付。進一步詳情請參閱本公司日期為二零零七年八月二十七日的通函。

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### 26. SHARE OPTION SCHEME

In connection with the listing of the Company's shares on the Main Board of the Stock Exchange, the Company conditionally adopted a share option scheme (the "Scheme") pursuant to an ordinary resolution passed by the shareholders of the Company on 23 January 2003. The Scheme became effective on 10 February 2003 upon the listing of the Company's shares on the Main Board of the Stock Exchange by way of introduction and, unless otherwise cancelled or amended, the Scheme remains in force for ten years from that date.

The purpose of the Scheme is to provide incentives or rewards to participants for their contribution to the Group or any entity in which the Group has an equity interest (the "Invested Entity") and/or to enable the Group or an Invested Entity to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or an Invested Entity.

The participants of the Scheme include: (a) any employee (whether full time or part time employee, including any executive director but not any non-executive director) of the Company, any of its subsidiaries or any Invested Entity; (b) any non-executive director (including any independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity.

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their associates, are subject to approval in advance by independent non-executive directors of the Company. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5 million, in any twelve-month period up to the date of grant, are subject to shareholders' approval in advance in a general meeting.

### 26. 購股權計劃

就本公司股份於聯交所主板上市，本公司根據一項由本公司股東於二零零三年一月二十三日通過的普通決議案，有條件採納一項購股權計劃（「計劃」）。計劃已自本公司股份以介紹方式在聯交所主板上市後於二零零三年二月十日起生效，且計劃（除已註銷或經修訂外）由當日起計十年內一直有效。

計劃旨在向對本集團或本集團持有股本權益的任何實體（「投資實體」）有所貢獻的參與者提供獎勵或獎賞，及／或使本集團或投資實體有能力招攬及挽留高質素僱員，以及吸引寶貴人才加入本集團或投資實體。

計劃的參與者包括：(a)本公司、其任何附屬公司或任何投資實體的任何僱員（不論全職或兼職僱員，包括任何執行董事，惟不包括任何非執行董事）；(b)本公司、其任何附屬公司或任何投資實體的任何非執行董事（包括任何獨立非執行董事）；(c)本集團任何成員公司或任何投資實體的任何貨品或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研究、開發或其他技術支援的任何人士或實體；及(f)本集團任何成員公司或任何投資實體的任何股東，或本集團任何成員公司或任何投資實體所發行任何證券的任何持有人。

向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授予的購股權須獲本公司獨立非執行董事事先批准。此外，授予本公司主要股東或獨立非執行董事或彼等任何聯繫人士的任何購股權，如超逾本公司於任何時間的已發行股份0.1%，且根據本公司股份於授出當日的收市價計算所得總值，於截至授出當日任何12個月期間內超逾500萬港元，則須於股東大會上獲股東事先批准。

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### 26. SHARE OPTION SCHEME (continued)

The total number of shares of the Company in respect of which options may be granted under the Scheme must not exceed 69,854,310 shares, being 10% of the total number of shares of the Company in issue on the date when the 10% Scheme limit has been refreshed. The 10% Scheme limit was refreshed at the extraordinary general meeting of the Company held on 10 December 2007. The total number of shares in respect of which options are issuable under the Scheme was 73,568,596, representing approximately 10.0% of the issued share capital of the Company at 30 June 2008.

The total number of shares of the Company issued and to be issued upon exercise of the options granted and to be granted to each participant (including exercised and outstanding options) in any twelve-month period up to the date of grant shall not exceed 1% of the total number of shares of the Company in issue as at the date of grant (the "Individual Limit"). Any further grant of options in excess of the Individual Limit must be subject to shareholders' approval in general meeting with such participant and his or her associates abstaining from voting.

An option may be exercised at any time during a period as the board of directors of the Company (the "Board") may determine which shall not be more than ten years from the date of grant of the option.

Save as determined by the Board, there is no minimum period for which an option must be held before it can be exercised.

The acceptance of an offer of the grant of an option must be made within 28 days from the date upon which such offer is made with a non-refundable payment of HK\$1.00 from the grantee to the Company by way of consideration for the grant thereof.

The subscription price of a share of the Company in respect of any option shall be such price as the Board in its absolute discretion shall determine, save that such price will not be lower than the highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a trading day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant of the option; and (c) the nominal value of the share.

### 26. 購股權計劃 (續)

就根據計劃可授出的購股權而予以發行的本公司股份總數，不得超過69,854,310股，即於10%計劃限額更新當日本公司已發行股份總數的10%。10%計劃限額已於本公司二零零七年十二月十日舉行的股東特別大會上更新。就根據計劃可發行的購股權而予以發行的股份總數為73,568,596股，佔於二零零八年六月三十日本公司已發行股本約10.0%。

於截至授出購股權當日任何12個月期間內所授予及將授予各參與者的購股權（包括已行使及尚未行使的購股權）獲行使後已發行及將予發行的本公司股份總數，不得超過授出購股權當日本公司已發行股份總數的1%（「個人上限」）。凡進一步授出超過個人上限的購股權，均須經股東在股東大會上批准，惟有參與者及其聯繫人士必須放棄投票。

購股權可於本公司董事會（「董事會」）可能決定的期間內隨時予以行使，惟購股權的行使期不得超過授出購股權當日起計十年。

除董事會另有指定外，購股權在可予行使前並無任何最短持有期限。

授予購股權的建議必須於該建議提出日期起計28日內獲接納，承授人須向本公司支付1.00港元的不可退還款項，作為授予有關購股權的代價。

任何購股權所涉及的本公司股份的認購價均由董事會全權釐定，惟不得低於以下各項的最高者：(a)於授出購股權當日（必須為交易日）聯交所每日報價表所列的股份收市價；(b)於緊接購股權授出日期前五個交易日聯交所每日報價表所列的股份平均收市價；及(c)股份面值。

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### 26. SHARE OPTION SCHEME (continued)

Subject to earlier termination of the Company by resolution in general meeting, the Scheme shall be valid and effective till 9 February 2013. After the expiry of such valid period, no further options will be offered but in all other respects the provisions of the Scheme shall remain in full force and effect.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

Particulars of the share options granted and remained outstanding under the Scheme during the year ended 30 June 2008 were as follows:

| Name or category of participant   | Number of share options      |                         |                                  |                        |                           | At 30 June 2008<br>於二零零八年六月三十日 | Date of grant*                 | Exercise period  | Exercise price**    |
|---|------------------------------|-------------------------|----------------------------------|------------------------|---------------------------|--------------------------------|--------------------------------|--|---------------------|
|   | At 1 July 2007<br>於二零零七年七月一日 | Granted during the year | Reclassification during the year | Lapsed during the year | Exercised during the year |                                |                                |  |                     |
| 參與者姓名或類別  |                              | 年內已授出                   | 年內重新分類                           | 年內已失效                  | 年內已行使                     |                                | 授出日期*                          | 行使期  | 行使價**<br>HK\$<br>港元 |
| Directors:<br>董事：   |                              |                         |                                  |                        |                           |                                |                                |  |                     |
| Hung Kai So<br>(resigned as a director of the Company on 25 Feb 2008)<br>洪繼蘇<br>(於二零零八年二月二十五日<br>退任本公司董事) | -                            | 5,584,000               | (5,584,000)                      | -                      | -                         | -                              | 10 Aug 2007<br>二零零七年<br>八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年<br>八月十日<br>至二零零九年<br>八月九日      | 0.260               |
| Han Xiaoyue<br>韓曉躍  | -                            | 5,584,000               | -                                | -                      | -                         | 5,584,000                      | 10 Aug 2007<br>二零零七年<br>八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年<br>八月十日<br>至二零零九年<br>八月九日      | 0.260               |
| Chen Henglong<br>陳恒龍  | -                            | 5,584,000               | -                                | -                      | -                         | 5,584,000                      | 10 Aug 2007<br>二零零七年<br>八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年<br>八月十日<br>至二零零九年<br>八月九日      | 0.260               |
|   | -                            | 1,000,000               | -                                | -                      | -                         | 1,000,000                      | 28 Feb 2008<br>二零零八年<br>二月二十八日 | 28 Feb 2008 to<br>27 Feb 2010<br>二零零八年<br>二月二十八日<br>至二零零九年<br>二月二十七日 | 0.217               |

### 26. 購股權計劃(續)

直至二零一三年二月九日為止，計劃將一直有效，惟本公司可在股東大會上提呈決議案提早終止計劃。計劃的有效期屆滿後，將不會提呈授出任何購股權，惟計劃的條款於所有其他方面將一直具有十足效力。

購股權並無賦予持有人收取股息或於股東大會上投票的權利。

截至二零零八年六月三十日止年度，根據計劃授出及尚未行使的購股權詳情如下：

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### 26. SHARE OPTION SCHEME (continued)

### 26. 購股權計劃 (續)

| Name or category of participant  | Number of share options      |                         |                                  |                        |                           | At 30 June 2008<br>於二零零八年六月三十日 | Date of grant*             | Exercise period  | Exercise price**    |
|--|------------------------------|-------------------------|----------------------------------|------------------------|---------------------------|--------------------------------|----------------------------|--|---------------------|
|  | At 1 July 2007<br>於二零零七年七月一日 | Granted during the year | Reclassification during the year | Lapsed during the year | Exercised during the year |                                |                            |  |                     |
| 參與者姓名或類別   |                              | 年內已授出                   | 年內重新分類                           | 年內已失效                  | 年內已行使                     |                                | 授出日期*                      | 行使期  | 行使價**<br>HK\$<br>港元 |
| Directors: (continued)<br>董事：(續)   |                              |                         |                                  |                        |                           |                                |                            |  |                     |
| Zhang He<br>張河   | -                            | 5,584,000               | -                                | -                      | -                         | 5,584,000                      | 10 Aug 2007<br>二零零七年八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年八月十日<br>至<br>二零零九年八月九日      | 0.260               |
|  | -                            | 1,000,000               | -                                | -                      | -                         | 1,000,000                      | 28 Feb 2008<br>二零零八年二月二十八日 | 28 Feb 2008 to<br>27 Feb 2010<br>二零零八年二月二十八日<br>至<br>二零零九年二月二十七日 | 0.217               |
| Liu Jun<br>(resigned as a director of the<br>Company on 28 Apr 2008)<br>劉俊<br>(於二零零八年四月二十八日<br>退任本公司董事)                  | -                            | 2,792,000               | (2,792,000)                      | -                      | -                         | -                              | 10 Aug 2007<br>二零零七年八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年八月十日<br>至<br>二零零九年八月九日      | 0.260               |
|  | -                            | 500,000                 | (500,000)                        | -                      | -                         | -                              | 28 Feb 2008<br>二零零八年二月二十八日 | 28 Feb 2008 to<br>27 Feb 2010<br>二零零八年二月二十八日<br>至<br>二零零九年二月二十七日 | 0.217               |
| Chan Yuk Tong<br>陳育棠   | 10,000,000                   | -                       | -                                | (2,250,000)            | -                         | 7,750,000                      | 5 Dec 2006<br>二零零六年十二月五日   | 5 Dec 2006 to<br>4 Dec 2011<br>二零零六年十二月五日<br>至<br>二零一一年十二月四日     | 0.100               |
| Ying Yoke Nean<br>英沃年  | 14,000,000                   | -                       | -                                | (14,000,000)           | -                         | -                              | 5 Dec 2006<br>二零零六年十二月五日   | 5 Dec 2006 to<br>4 Dec 2011<br>二零零六年十二月五日<br>至<br>二零一一年十二月四日     | 0.100               |
| Chan Chiu Hung, Alex<br>(resigned as a director of<br>the Company on<br>28 Feb 2008)<br>陳釗洪<br>(於二零零八年二月二十八日<br>退任本公司董事) | -                            | 500,000                 | -                                | (500,000)              | -                         | -                              | 10 Aug 2007<br>二零零七年八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年八月十日<br>至<br>二零零九年八月九日      | 0.260               |
|  | 24,000,000                   | 28,128,000              | (8,876,000)                      | (16,750,000)           | -                         | 26,502,000                     |                            |  |                     |



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### 26. SHARE OPTION SCHEME (continued)

### 26. 購股權計劃 (續)

| Name or category of participant<br>參與者姓名或類別 | Number of share options<br>購股權數目 |                                  |  |                                 |                                    | At<br>30 June 2008<br>於二零零八年六月三十日 | Date of grant*<br>授出日期*    | Exercise period<br>行使期                                       | Exercise price**<br>行使價**<br>HK\$<br>港元 |
|---|----------------------------------|----------------------------------|--|---------------------------------|------------------------------------|-----------------------------------|----------------------------|--|---|
|   | At<br>1 July 2007<br>於二零零七年七月一日  | Granted during the year<br>年內已授出 | Reclassification during the year<br>年內重新分類 | Lapsed during the year<br>年內已失效 | Exercised during the year<br>年內已行使 |                                   |                            |  |   |
| Other employee:<br>其他僱員：                    |                                  |                                  |  |                                 |                                    |                                   |                            |  |   |
| In aggregate<br>總計                          | 15,901,364                       | -                                | -  | (15,901,364)                    | -                                  | -                                 | 14 Oct 2004<br>二零零四年十月十四日  | 14 Oct 2004 to<br>13 Oct 2007<br>二零零四年十月十四日至<br>二零零七年十月十三日   | 0.371                                   |
| In aggregate<br>總計                          | 20,000,000                       | -                                | -  | (20,000,000)                    | -                                  | -                                 | 5 Dec 2006<br>二零零六年十二月五日   | 5 Dec 2006 to<br>4 Dec 2011<br>二零零六年十二月五日至<br>二零一一年十二月四日     | 0.100                                   |
| In aggregate<br>總計                          | -                                | 28,967,000                       | 8,376,000                                  | -                               | -                                  | 37,343,000                        | 10 Aug 2007<br>二零零七年八月十日   | 10 Aug 2007 to<br>9 Aug 2009<br>二零零七年八月十日至<br>二零零九年八月九日      | 0.260                                   |
| In aggregate<br>總計                          | -                                | 18,000,000                       | 500,000                                    | -                               | -                                  | 18,500,000                        | 28 Feb 2008<br>二零零八年二月二十八日 | 28 Feb 2008 to<br>27 Feb 2010<br>二零零八年二月二十八日至<br>二零一零年二月二十七日 | 0.217                                   |
| In aggregate<br>總計                          | -                                | 4,000,000                        | -  | -                               | -                                  | 4,000,000                         | 3 Apr 2008<br>二零零八年四月三日    | 3 Apr 2008 to<br>2 Apr 2010<br>二零零八年四月三日至<br>二零一零年四月二日       | 0.255                                   |
|   | 35,901,364                       | 50,967,000                       | 8,876,000                                  | (35,901,364)                    | -                                  | 59,843,000                        |                            |  |   |

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## 財務報表附註

For the year ended 30 June 2008  
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### 26. SHARE OPTION SCHEME (continued)

### 26. 購股權計劃 (續)

| Name or category of participant<br>參與者姓名或類別 | Number of share options<br>購股權數目    |                                  |  |                                 |                                    | At<br>30 June 2008<br>於二零零八年<br>六月三十日 | Date of grant*<br>授出日期*        | Exercise period<br>行使期   | Exercise price**<br>行使價**<br>HK\$<br>港元 |
|---|-------------------------------------|----------------------------------|--|---------------------------------|------------------------------------|---------------------------------------|--------------------------------|--|---|
|   | At<br>1 July 2007<br>於二零零七年<br>七月一日 | Granted during the year<br>年內已授出 | Reclassification during the year<br>年內重新分類 | Lapsed during the year<br>年內已失效 | Exercised during the year<br>年內已行使 |                                       |                                |  |   |
| Suppliers:<br>供應商:                          |                                     |                                  |  |                                 |                                    |                                       |                                |  |   |
| In aggregate<br>總計                          | 9,000,000                           | -                                | -  | (9,000,000)                     | -                                  | -                                     | 14 Oct 2004<br>二零零四年<br>十月十四日  | 14 Oct 2004 to<br>13 Oct 2007<br>二零零四年<br>十月十四日至<br>二零零七年<br>十月十三日   | 0.371                                   |
| In aggregate<br>總計                          | 6,000,000                           | -                                | -  | -                               | -                                  | 6,000,000                             | 28 Oct 2004<br>二零零四年<br>十月二十八日 | 28 Oct 2004 to<br>27 Oct 2009<br>二零零四年<br>十月二十八日至<br>二零零九年<br>十月二十七日 | 0.355                                   |
|   | 15,000,000                          | -                                | -  | (9,000,000)                     | -                                  | 6,000,000                             |                                |  |   |
| Customers:<br>客戶:                           |                                     |                                  |  |                                 |                                    |                                       |                                |  |   |
| In aggregate<br>總計                          | 4,250,000                           | -                                | -  | (4,250,000)                     | -                                  | -                                     | 14 Oct 2004<br>二零零四年<br>十月十四日  | 14 Oct 2004 to<br>13 Oct 2007<br>二零零四年<br>十月十四日至<br>二零零七年<br>十月十三日   | 0.371                                   |
|   | 4,250,000                           | -                                | -  | (4,250,000)                     | -                                  | -                                     |                                |  |   |
|   | <b>79,151,364</b>                   | <b>79,095,000</b>                | <b>-</b>                                   | <b>(65,901,364)</b>             | <b>-</b>                           | <b>92,345,000</b>                     |                                |  |   |

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## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 26. SHARE OPTION SCHEME (continued)

Particulars of the share options granted and remained outstanding under the Scheme during the year ended 30 June 2007 were as follows:

### 26. 購股權計劃(續)

截至二零零七年六月三十日止年度，根據計劃授出及尚未行使的購股權詳情如下：

| Name or category of participant  | Number of share options<br>購股權數目    |                         |                                  |                        |                           |            | At<br>30 June 2007<br>於二零零七年<br>六月三十日 | Date of grant*                                    | Exercise period     | Exercise price** |
|--|-------------------------------------|-------------------------|----------------------------------|------------------------|---------------------------|------------|---------------------------------------|---|---------------------|------------------|
|  | At<br>1 July 2006<br>於二零零六年<br>七月一日 | Granted during the year | Reclassification during the year | Lapsed during the year | Exercised during the year |            |                                       |   |                     |                  |
| 參與者姓名或類別   |                                     | 年內已授出                   | 年內重新分類                           | 年內已失效                  | 年內已行使                     |            | 授出日期*                                 | 行使期   | 行使價**<br>HK\$<br>港元 |                  |
| Directors:<br>董事：  |                                     |                         |                                  |                        |                           |            |                                       |   |                     |                  |
| Ma Yufeng (resigned as a director of the Company on 5 Dec 2006)<br>馬余鋒(於二零零六年十二月五日退任本公司董事) | 4,151,700                           | -                       | -                                | (4,151,700)            | -                         | -          | 4 Nov 2003<br>二零零三年十一月四日              | 4 Nov 2003 to 4 Nov 2006<br>二零零三年十一月四日至二零零六年十一月四日 | 0.300               |                  |
| Liu Jun (resigned as a director of the Company on 28 Apr 2008)<br>劉俊(於二零零八年四月二十八日退任本公司董事)  | 4,151,700                           | -                       | -                                | (4,151,700)            | -                         | -          | 4 Nov 2003<br>二零零三年十一月四日              | 4 Nov 2003 to 4 Nov 2006<br>二零零三年十一月四日至二零零六年十一月四日 | 0.300               |                  |
| Chan Yuk Tong<br>陳育棠   | -                                   | 10,000,000              | -                                | -                      | -                         | 10,000,000 | 5 Dec 2006<br>二零零六年十二月五日              | 5 Dec 2006 to 4 Dec 2011<br>二零零六年十二月五日至二零一一年十二月四日 | 0.100               |                  |
| Ying Yoke Nean<br>英沃年  | -                                   | 14,000,000              | -                                | -                      | -                         | 14,000,000 | 5 Dec 2006<br>二零零六年十二月五日              | 5 Dec 2006 to 4 Dec 2011<br>二零零六年十二月五日至二零一一年十二月四日 | 0.100               |                  |
|  | 8,303,400                           | 24,000,000              | -                                | (8,303,400)            | -                         | 24,000,000 |                                       |   |                     |                  |

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## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 26. SHARE OPTION SCHEME (continued)

Particulars of the share options granted and remained outstanding under the Scheme during the year ended 30 June 2007 were as follows:

### 26. 購股權計劃(續)

截至二零零七年六月三十日止年度，根據計劃授出及尚未行使的購股權詳情如下：

| Name or category of participant<br>參與者姓名或類別 | Number of share options<br>購股權數目    |                                  |  |                                 |                                    | At<br>30 June 2007<br>於二零零七年<br>六月三十日 | Date of grant*<br>授出日期*       | Exercise period<br>行使期   | Exercise price**<br>行使價**<br>HK\$<br>港元 |
|---|-------------------------------------|----------------------------------|--|---------------------------------|------------------------------------|---------------------------------------|-------------------------------|--|---|
|   | At<br>1 July 2006<br>於二零零六年<br>七月一日 | Granted during the year<br>年內已授出 | Reclassification during the year<br>年內重新分類 | Lapsed during the year<br>年內已失效 | Exercised during the year<br>年內已行使 |                                       |                               |  |   |
| Other employee:<br>其他僱員：                    |                                     |                                  |  |                                 |                                    |                                       |                               |  |   |
| In aggregate<br>總計                          | 6,421,700                           | -                                | -  | (6,421,700)                     | -                                  | -                                     | 4 Nov 2003<br>二零零三年<br>十一月四日  | 4 Nov 2003 to<br>4 Nov 2006<br>二零零三年<br>十一月四日至<br>二零零六年<br>十一月四日   | 0.300                                   |
| In aggregate<br>總計                          | 2,100,000                           | -                                | -  | (2,100,000)                     | -                                  | -                                     | 1 Jun 2004<br>二零零四年<br>六月一日   | 1 Jun 2004 to<br>31 May 2007<br>二零零四年<br>六月一日至<br>二零零七年<br>五月三十一日  | 0.425                                   |
| In aggregate<br>總計                          | 18,101,364                          | -                                | -  | (2,200,000)                     | -                                  | 15,901,364                            | 14 Oct 2004<br>二零零四年<br>十月十四日 | 14 Oct 2004 to<br>13 Oct 2007<br>二零零四年<br>十月十四日至<br>二零零七年<br>十月十三日 | 0.371                                   |
| In aggregate<br>總計                          | 5,000,000                           | -                                | -  | (5,000,000)                     | -                                  | -                                     | 5 Jan 2004<br>二零零四年<br>一月五日   | 5 Jan 2004 to<br>4 Jan 2009<br>二零零四年<br>一月五日至<br>二零零九年<br>一月四日     | 0.495                                   |
| In aggregate<br>總計                          | -                                   | 20,000,000                       | -  | -                               | -                                  | 20,000,000                            | 5 Dec 2006<br>二零零六年<br>十二月五日  | 5 Dec 2006 to<br>4 Dec 2011<br>二零零六年<br>十二月五日至<br>二零一一年<br>十二月四日   | 0.100                                   |
|   | 31,623,064                          | 20,000,000                       | -  | (15,721,700)                    | -                                  | 35,901,364                            |                               |  |   |

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## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 26. SHARE OPTION SCHEME (continued)

### 26. 購股權計劃 (續)

| Name or category of participant<br>參與者姓名或類別 | Number of share options<br>購股權數目    |                                  |  |                                 |                                    | At<br>30 June 2007<br>於二零零七年<br>六月三十日 | Date of grant*<br>授出日期*        | Exercise period<br>行使期   | Exercise price**<br>行使價**<br>HK\$<br>港元 |
|---|-------------------------------------|----------------------------------|--|---------------------------------|------------------------------------|---------------------------------------|--------------------------------|--|---|
|   | At<br>1 July 2006<br>於二零零六年<br>七月一日 | Granted during the year<br>年內已授出 | Reclassification during the year<br>年內重新分類 | Lapsed during the year<br>年內已失效 | Exercised during the year<br>年內已行使 |                                       |                                |  |   |
| Suppliers:<br>供應商：                          |                                     |                                  |  |                                 |                                    |                                       |                                |  |   |
| In aggregate<br>總計                          | 9,000,000                           | -                                | -  | -                               | -                                  | 9,000,000                             | 14 Oct 2004<br>二零零四年<br>十月十四日  | 14 Oct 2004 to<br>13 Oct 2007<br>二零零四年<br>十月十四日至<br>二零零七年<br>十月十三日   | 0.371                                   |
| In aggregate<br>總計                          | 6,000,000                           | -                                | -  | -                               | -                                  | 6,000,000                             | 28 Oct 2004<br>二零零四年<br>十月二十八日 | 28 Oct 2004 to<br>27 Oct 2009<br>二零零四年<br>十月二十八日至<br>二零零九年<br>十月二十七日 | 0.355                                   |
|   | 15,000,000                          | -                                | -  | -                               | -                                  | 15,000,000                            |                                |  |   |
| Customers:<br>客戶：                           |                                     |                                  |  |                                 |                                    |                                       |                                |  |   |
| In aggregate<br>總計                          | 70,000                              | -                                | -  | (70,000)                        | -                                  | -                                     | 4 Nov 2003<br>二零零三年<br>十一月四日   | 4 Nov 2003 to<br>4 Nov 2006<br>二零零三年<br>十一月四日至<br>二零零六年<br>十一月四日     | 0.300                                   |
| In aggregate<br>總計                          | 4,250,000                           | -                                | -  | (4,250,000)                     | -                                  | -                                     | 14 Oct 2004<br>二零零四年<br>十月十四日  | 14 Oct 2004 to<br>13 Oct 2007<br>二零零四年<br>十月十四日至<br>二零零七年<br>十月十三日   | 0.371                                   |
|   | 4,320,000                           | -                                | -  | (70,000)                        | -                                  | 4,250,000                             |                                |  |   |
|   | 59,246,464                          | 44,000,000                       | -  | (24,095,100)                    | -                                  | 79,151,364                            |                                |  |   |

\* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

\* 購股權的歸屬期由授出日期起計直至行使期開始。

\*\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

\*\* 在供股或發行紅股或本公司股本出現其他類似變動的情況下，購股權的行使價或會調整。

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### 26. SHARE OPTION SCHEME (continued)

The share options granted on 28 October 2004 shall be vested and exercisable as to 2,000,000 share options on execution of the marketing service agreement dated 28 October 2004 and entered into between the Company and the grantee, and as to 4,000,000 share options on completion of the marketing services provided by the grantee.

The share options granted on 5 December 2006 to Mr. Chan Yuk Tong shall be exercisable as to 2,250,000, 3,500,000 and 4,250,000 share options upon the conditions that the audited financial results of the Group for the years ending 30 June 2007, 2008 and 2009 are not less than HK\$0, HK\$10,000,000 and HK\$20,000,000 respectively, from the date of the publication of the audited financial results of respective year up to the date falling five years from the date of grant. The share options shall lapse automatically if the above conditions are not met.

The share options granted on 5 December 2006 to Mr. Ying Yoke Nean shall be exercisable as to 3,150,000, 4,900,000 and 5,950,000 share options upon the conditions that the audited financial results of the Group for the years ending 30 June 2007, 2008 and 2009 are not less than HK\$0, HK\$10,000,000 and HK\$20,000,000 respectively, from the date of the publication of the audited financial results of respective year up to the date falling five years from the date of grant. The share options shall lapse automatically if the above conditions are not met.

The share options granted on 5 December 2006 to an employee shall be exercisable as to 4,500,000, 7,000,000 and 8,500,000 share options upon the conditions that the audited financial results of the Group for the years ending 30 June 2007, 2008 and 2009 are not less than HK\$0, HK\$10,000,000 and HK\$20,000,000 respectively, from the date of the publication of the audited financial results of respective year up to the date falling five years from the date of grant. The share options shall lapse automatically if the above conditions are not met.

### 26. 購股權計劃(續)

於二零零四年十月二十八日獲授予購股權的承授人，可於履行與本公司於二零零四年十月二十八日訂立的營銷服務協議時歸屬及行使其中2,000,000份購股權，另外4,000,000份購股權於承授人完成提供營銷服務後行使。

於二零零六年十二月五日授予陳育棠先生購股權，倘本集團截至二零零七年、二零零八年及二零零九年六月三十日止年度的經審核財務業績分別不少於0港元、10,000,000港元及20,000,000港元，則由公佈相應年度的經審核財務業績日期起至授予日期五年後，可行使2,250,000份、3,500,000份及4,250,000份購股權。倘上述條件未能達到，購股權將自動失效。

於二零零六年十二月五日授予英沃年先生購股權，倘本集團截至二零零七年、二零零八年及二零零九年六月三十日止年度的經審核財務業績分別不少於0港元、10,000,000港元及20,000,000港元，則由公佈相應年度的經審核財務業績日期起至授予日期五年後，可行使3,150,000份、4,900,000份及5,950,000份購股權。倘上述條件未能達到，購股權將自動失效。

於二零零六年十二月五日授予一名僱員購股權，倘本集團截至二零零七年、二零零八年及二零零九年六月三十日止年度的經審核財務業績分別不少於0港元、10,000,000港元及20,000,000港元，則由公佈相應年度的經審核財務業績日期起至授予日期五年後，可行使4,500,000份、7,000,000份及8,500,000份購股權。倘上述條件未能達到，購股權將自動失效。

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For the year ended 30 June 2008  
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### 26. SHARE OPTION SCHEME (continued)

The share options granted on 10 August 2007 shall be vested and exercisable upon the date of grant.

The share options granted on 28 February 2008 shall be vested and exercisable upon the date of grant.

The share options granted on 3 April 2008 shall be vested and exercisable upon the date of grant.

All share-based employee compensation will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options.

Share options and weighted average exercise price are as follows for the reporting periods presented:

### 26. 購股權計劃(續)

於二零零七年八月十日授出的購股權，可於授出日期起歸屬及行使。

於二零零八年二月二十八日授出的購股權，可於授出日期起歸屬及行使。

於二零零八年四月三日授出的購股權，可於授出日期起歸屬及行使。

所有以股份支付的僱員薪酬將以股權償付。本集團並無法律或推定責任購回或償付購股權。

於報告期間呈報的購股權及加權平均行使價如下：

|                           |                | 2008<br>二零零八年 |   | 2007<br>二零零七年 |   |
|---------------------------|----------------|---------------|---|---------------|---|
|                           |                | Number<br>數目  | Weighted<br>average<br>exercise<br>price<br>加權平均<br>行使價 | Number<br>數目  | Weighted<br>average<br>exercise<br>price<br>加權平均<br>行使價 |
| Outstanding at<br>1 July  | 於七月一日<br>尚未行使  | 79,151,364    | 0.219   | 59,246,464    | 0.364   |
| Granted                   | 已授出            | 79,095,000    | 0.255   | 44,000,000    | 0.1   |
| Lapsed                    | 已失效            | (65,901,364)  | 0.221   | (24,095,100)  | 0.358   |
| Outstanding at<br>30 June | 於六月三十日<br>尚未行使 | 92,345,000    | 0.246   | 79,151,364    | 0.219   |

For share options outstanding at the end of the year, the weighted average remaining contractual life is 1.47 (2007: 2.75) years from the date of this annual report.

於年終尚未行使購股權的加權平均剩餘合約年期為1.47(二零零七年：2.75)年(由本年報日期起計)。



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### 27. RESERVES

#### GROUP

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 41 of the financial statements.

The share premium account of the Group mainly includes: (i) shares issued at a premium; and (ii) the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the reorganisation scheme (the "Group Reorganisation") in preparation for the public listing of the Company's shares on the GEM of the Stock Exchange over the nominal value of the share capital of the Company issued in exchange therefore.

The Group's capital reserve represented the amount of retained earnings of Vitop China applied for the increase in its registered and paid-up capital.

In accordance with the relevant PRC regulations applicable to WOFE, Vitop China, being the wholly-owned subsidiary of the Company, is required to transfer 10% of their profit after tax, if any, to the statutory reserve until the balance of the fund reach 50% of their respective registered capital. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve may be used to offset against their respective accumulated losses.

### 27. 儲備

#### 本集團

本集團於本年度及過往年度的儲備數額及有關變動載於財務報表第41頁的綜合權益變動表內。

本集團股份溢價賬主要包括：(i)以溢價發行的股份；及(ii)根據為籌備本公司股份在聯交所創業板公開上市的重組計劃（「集團重組」），所收購附屬公司的股本面值與用作交換的本公司已發行股本面值的差額。

本集團的資本儲備指用作增加天年中國註冊及已繳資本的天年中國保留溢利金額。

按照有關適用於外商獨資企業的中國規例，本公司全資附屬公司天年中國須轉撥其除稅後溢利（如有）10%至法定儲備，直至基金結餘達至彼等各自的註冊資本的50%。根據有關中國規例所載的若干限制，法定儲備可用作抵銷彼等各自的累計虧損。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 27. RESERVES (continued)

#### COMPANY

|  |                                   | Share<br>premium        | Capital<br>redemption<br>reserve | Accumulated<br>losses   | Total                 |
|--|-----------------------------------|-------------------------|----------------------------------|-------------------------|-----------------------|
|  |                                   | 股份溢價<br>HK\$'000<br>千港元 | 資本<br>贖回儲備<br>HK\$'000<br>千港元    | 累計虧損<br>HK\$'000<br>千港元 | 總計<br>HK\$'000<br>千港元 |
| At 1 July 2006   | 於二零零六年<br>七月一日                    | 52,082                  | 29                               | (16,536)                | 35,575                |
| Net loss for the year–<br>Total recognised<br>income and<br>expenses for<br>the year | 本年度虧損淨額–<br>本年度已<br>確認收入及<br>開支總額 | –                       | –                                | (9,090)                 | (9,090)               |
| At 30 June 2007 and<br>1 July 2007   | 於二零零七年<br>六月三十日及<br>二零零七年<br>七月一日 | 52,082                  | 29                               | (25,626)                | 26,485                |
| Issue of share capital   | 發行股本                              | 12,072                  | –                                | –                       | 12,072                |
| Net loss for the year–<br>Total recognised<br>income and<br>expenses for<br>the year | 本年度虧損淨額–<br>本年度已<br>確認收入及<br>開支總額 | –                       | –                                | (7,464)                 | (7,464)               |
| <b>At 30 June 2008</b>   | 於二零零八年<br>六月三十日                   | <b>64,154</b>           | <b>29</b>                        | <b>(33,090)</b>         | <b>31,093</b>         |

### 27. 儲備 (續)

#### 本公司

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 27. RESERVES (continued)

#### COMPANY (continued)

The share premium account of the Company mainly includes: (i) shares issued at a premium; and (ii) the difference between the nominal value of the share capital of the Company issued in exchange for the issued share capital of the subsidiaries and the value of the underlying net assets of the subsidiaries acquired pursuant to the Group Reorganisation. Under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

### 28. COMMITMENTS

#### (A) OPERATING LEASE COMMITMENT

The Group leases certain of its offices, factory and machinery and equipment under non-cancellable operating lease arrangements with lease terms ranging from one to five years. As at 30 June 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within one year 一年內  
In the second to fifth years 第二至第五年

The Company did not have any significant operating lease arrangements as at the balance sheet date (2007: Nil).

### 27. 儲備 (續)

#### 本公司 (續)

本公司股份溢價賬主要包括：(i)以溢價發行的股份；及(ii)根據集團重組，以用作交換附屬公司已發行股本的本公司股本面值與所收購附屬公司相關資產淨值的差額。根據開曼群島公司法第22章（一九六一年第三法例，經綜合及修訂），只要在緊隨建議派發股息的日期後，本公司將有能力償還在日常業務過程中到期的債務，則股份溢價賬乃為可分派予本公司股東。

### 28. 承擔

#### (A) 經營租賃承擔

本集團根據不可撤銷經營租賃安排租賃其若干寫字樓、工廠及機器及設備，年期介乎一至五年。於二零零八年六月三十日，不可撤銷經營租約的應付未來最低租金總額如下：

|                              |        | Group<br>本集團                     |                                  |
|------------------------------|--------|----------------------------------|----------------------------------|
|                              |        | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| Within one year              | 一年內    | 1,112                            | 2,408                            |
| In the second to fifth years | 第二至第五年 | -                                | 1,011                            |
|                              |        | <b>1,112</b>                     | <b>3,419</b>                     |

本公司於結算日並無任何重大經營租賃安排（二零零七年：無）。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 28. COMMITMENTS (continued)

#### (B) OTHER COMMITMENT

|  |                    |
|--|--------------------|
| Commitments in respect of:                                       | 有關下列項目的承擔：         |
| - property, plant and equipment contracted, but not provided for | - 已訂約但未撥備的物業、廠房及設備 |
| - others   | - 其他               |

The Company did not have any significant other commitments as at the balance sheet date (2007: Nil).

### 29. CONTINGENT LIABILITIES

- (a) The Company has executed a corporate guarantee amounting to HK\$5,000,000 (2007: HK\$5,000,000) with respect to a bank loan to one of its subsidiaries (note 24). Under the guarantee, the Company would be liable to pay the bank if the bank is unable to recover the loan. At the balance sheet date, no provision for the Company's obligation under the guarantee has been made as the directors considered that it was not probable that the repayment of the loan would be in default.
- (b) In November 2006, a lawsuit alleging breach of products purchase agreement was brought by a supplier against a subsidiary of the Company. The supplier was claiming a damage amounting to approximately RMB14,200,000 (equivalent to HK\$14,600,000). The subsidiary then filed an answer denying the allegation and counterclaim. On 18 December 2007, the intermediate People's Court of the PRC in Zhuhai, Guangdong Province, delivered the judgement which is favourable to the subsidiary. The plaintiff appealed to the Court after the judgement. After taking into account of legal advices from solicitors, the directors consider that the subsidiary has a good defence against such claim and no provision have therefore been made in the financial statements.

### 28. 承擔 (續)

#### (B) 其他承擔

| Group<br>本集團                     |                                  |
|----------------------------------|----------------------------------|
| 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| -                                | 1,751                            |
| -                                | -                                |
| -                                | 1,751                            |

於結算日，本公司並無任何其他重大承擔(二零零七年：無)。

### 29. 或然負債

- (a) 本公司就其一間附屬公司所獲銀行貸款簽訂一份金額為5,000,000港元(二零零七年：5,000,000港元)的公司擔保(附註24)。根據該擔保，倘銀行無法收回貸款，本公司須向銀行支付貸方所有未償還金額。於結算日，本公司董事認為償還該貸款不會違約，故並無就本公司於該擔保的責任作出任何撥備。
- (b) 於二零零六年十一月，一間供應商宣稱本公司一間附屬公司違反產品購買協議並向該附屬公司提出訴訟。供應商索償約人民幣14,200,000元(相等於14,600,000港元)。該附屬公司否認違反協議及提出反索償。於二零零七年十二月十八日，中國廣東省珠海市中级人民法院判決該附屬公司勝訴，其後原告向法院提出上訴。經考慮律師的法律意見後，董事認為該附屬公司對該索償有充分的抗辯理由，故並無於財務報表中作出任何撥備。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 29. CONTINGENT LIABILITIES (continued)

Save as disclosed above, neither the Group nor the Company had any significant contingent liabilities at the balance sheet date.

### 30. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these financial statements, the Group had the following material transactions with certain related parties:

(a)

|   | Notes<br>附註                           | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|---|---------------------------------------|----------------------------------|----------------------------------|
| Rental expenses to  | 付予以下人士的<br>租金開支                       |                                  |                                  |
| – a minority equity<br>holder of a subsidiary<br>of the Company   | – 本公司附屬<br>公司之少數<br>權益持有人 (i)         | 564                              | 504                              |
| – a related company   | – 關連公司 (ii)                           | –                                | 368                              |
| Purchase of goods from<br>the joint venture partner<br>of the jointly controlled<br>entity of the Group | 自本集團共同<br>控制實體的合營<br>企業夥伴採購<br>貨品 (i) | –                                | 3,692                            |
| Purchases from a<br>jointly-controlled entity   | 自共同控制<br>實體採購 (i)                     | –                                | 3,233                            |

Notes :

- (i) The Group's transactions with a minority equity holder of a subsidiary of the Company, the Group's jointly-controlled entity and the joint venture partner of the Group's jointly-controlled entity were made in accordance with the mutually agreed terms.
- (ii) The rental expenses were incurred to China Excel Professional Advisors Limited, in which Mr. Chan Yuk Tong, an executive director of the Company, is director and equity holder. The lease period was from 1 January 2006 to 17 May 2007 with monthly rent of HK\$25,000.

### 29. 或然負債 (續)

除上述披露者外，於結算日，本集團或本公司並無任何重大或然負債。

### 30. 關連人士交易

除於財務報表其他部份所披露者外，本集團與若干關連人士進行下列重大交易：

(a)

附註：

- (i) 本集團與本公司附屬公司的少數權益持有人、本集團共同控制實體及本集團共同控制實體的合營企業夥伴的交易乃按照各方協定的條款進行。
- (ii) 所產生的租金開支乃支付予華傑專案諮詢有限公司，本公司執行董事陳育棠先生為其董事及權益持有人。租期自二零零六年一月一日至二零零七年五月十七日，每月租金為25,000港元。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
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#### 30. RELATED PARTY TRANSACTIONS (continued)

- (b) Compensation of key management personnel of the Group:

|   | 年內董事及其他主要<br>管理人員的薪酬總額 |
|---|------------------------|
| Total remuneration of directors and other members of key management during the year |                        |
| – Short term employee benefits  | – 短期僱員福利               |
| – Pension scheme contribution   | – 退休金計劃供款              |

#### 30. 關連人士交易 (續)

- (b) 本集團主要管理人員的薪酬：

|   | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|---|----------------------------------|----------------------------------|
| Total remuneration of directors and other members of key management during the year |                                  |                                  |
| – Short term employee benefits  | 5,792                            | 6,873                            |
| – Pension scheme contribution   | 66                               | 85                               |
|   | <b>5,858</b>                     | <b>6,958</b>                     |

#### 31. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained profits.

##### GEARING RATIO

The directors review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. During the year ended 30 June 2008, the Group's strategy, which was unchanged from previous years, was to reduce the gearing ratio. The ratio is calculated based on total debt and shareholders equity.

#### 31. 資本風險管理

本集團管理資本之目標是為股東提供回報，為其他權益持有人帶來利益及維持最佳資本架構以減低資本成本。

本集團之資本架構包括債務及本公司權益持有人應佔權益，其中包括已發行股本、儲備及保留溢利。

##### 資本負債比率

董事定期審閱資本架構。作為本審閱的一部份，董事會考慮資本成本及與各類資本相關的風險。於截至二零零八年六月三十日止年度，本集團的策略（與過往年度並無變化）為減低資本負債比率。資本負債比率乃以總負債除以股東權益計算。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
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#### 31. CAPITAL RISK MANAGEMENT (continued)

##### GEARING RATIO (continued)

The gearing ratio at the year end was as follows:

|                      |        | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|----------------------|--------|----------------------------------|----------------------------------|
| Total debt           | 總負債    | 3,265                            | 2,612                            |
| Shareholders' equity | 股東權益   | 55,711                           | 42,035                           |
| Gearing ratio        | 資本負債比率 | 5.86%                            | 6.21%                            |

#### 32. FINANCIAL INSTRUMENTS

##### (A) CATEGORIES OF FINANCIAL INSTRUMENTS

|  |                            | Group<br>本集團                     |                                  |
|--|----------------------------|----------------------------------|----------------------------------|
|  |                            | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
| <b>Financial assets</b>  | <b>財務資產</b>                |                                  |                                  |
| Loans and receivables<br>(including cash and bank<br>balances) | 貸款及應收賬款<br>(包括現金及<br>銀行結存) | 51,255                           | 60,263                           |
| Non-current investments  | 非流動投資                      | 23,882                           | 2,376                            |
|  |                            | <b>75,137</b>                    | <b>62,639</b>                    |
| <b>Financial liabilities</b>                                   | <b>財務負債</b>                |                                  |                                  |
| At amortised costs   | 按攤銷成本                      | 17,251                           | 22,720                           |

#### 31. 資本風險管理 (續)

##### 資本負債比率 (續)

於年結時的資本負債比率如下：

#### 32. 金融工具

##### (A) 金融工具類別



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 32. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group's financial instruments are market risk (including interest rate risk, foreign exchange risk and other price risk), credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks and they are summarised below.

##### Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity prices.

Market risk exposures are measured by sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

##### *Interest rate risk management*

Except as disclosed below, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest-rate risk mainly arises from bank balances and borrowings. The Group regularly seeks out the most favourable interest rates available for its bank balances and borrowings. Bank balances and borrowings issued at variable rates expose the Group to cash flow interest rate risk. Information relating to the interest rates and terms of the Group's and borrowings are disclosed in Note 24. As at 30 June 2008, if the market interest rates had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$16,000 (2007: HK\$13,000) lower/higher, mainly as a result of higher/lower interest income on bank balances and cash net off with higher/lower interest expense on floating rate borrowings.

The Group has not entered into any interest rate swaps to hedge its exposure to interest rate risks.

### 32. 金融工具(續)

#### (B) 金融風險管理目標及政策

本集團金融工具的主要風險為市場風險(包括利率風險、外匯風險及其他價格風險)、信貸風險及流動資金風險。管理層審閱並同意管理每項該等風險的政策。該等政策概述如下。

##### 市場風險

本集團的活動主要面臨外幣匯率、利率及股票價格變動所產生的金融風險。

市場風險以敏感度分析計量。本集團所承受的市場風險或本集團管理及計量風險的方式並無改變。

##### *利率風險管理*

除下文所披露者外，本集團的收入及經營現金流量絕大部份均獨立於市場利率變動。

本集團的利率風險主要因銀行結存及借款產生。本集團定期為其銀行結存及借款尋求最優惠的利率。按不同利率作出的銀行結存及借款令本集團須承受現金流量利率風險。有關本集團的利率及條款及借款的資料已於附註24披露。於二零零八年六月三十日，倘市場利率增加/減少50個基點，而所有其他變數維持不變，則本年度除稅後溢利將減少/增加16,000港元(二零零七年：13,000港元)，主要由於銀行結存及現金之利息收入增加/減少受浮動利率借款的利息開支增加/減少而抵銷。

本集團並無訂立任何利率掉期安排對沖其利率風險。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
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### 32. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Market risk (continued)

##### Foreign exchange risk management

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. The Group's sales and purchases are denominated primarily in Renminbi, which expose the Group to foreign currency risk. The Group does not have any formal hedging policy.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

|             |     | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|-------------|-----|----------------------------------|----------------------------------|
| Assets      | 資產  |                                  |                                  |
| RMB         | 人民幣 | 9,823                            | 32,428                           |
| Liabilities | 負債  |                                  |                                  |
| RMB         | 人民幣 | 19,371                           | 23,245                           |

### 32. 金融工具(續)

#### (B) 金融風險管理目標及政策(續)

##### 市場風險(續)

##### 外匯風險管理

本集團數間附屬公司有以外幣進行的買賣，令本集團承受外幣風險。本集團的買賣主要以人民幣計值，亦令本集團承受外幣風險。本集團並無任何一般對沖政策。

本集團於報告日期以外幣計值的貨幣資產及貨幣負債的賬面值如下：

# NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 30 June 2008  
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### 32. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Market risk (continued)

##### Foreign exchange risk management (continued)

##### Sensitivity analysis on foreign currency risk management

The following table details the Group's sensitivity to a 5% increase and decrease in the Hong Kong dollars against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A negative number below indicates a decrease in profit where the Hong Kong dollars strengthen 5% against the relevant currency. For a 5% weakening of the Hong Kong dollars against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be positive.

|                  |        | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 |
|------------------|--------|----------------------------------|----------------------------------|
| Impact of RMB    | 人民幣的影響 |                                  |                                  |
| Profit and loss# | 溢利及虧損# | 477                              | (459)                            |

# This is mainly attributable to the exposure outstanding on receivables and payables denominated in RMB.

### 32. 金融工具(續)

#### (B) 金融風險管理目標及政策(續)

##### 市場風險(續)

##### 外匯風險管理(續)

##### 外幣風險管理的敏感度分析

下表詳列本集團就港元兌相關外幣升值及貶值5%的敏感度。於向內部主要管理人員報告外幣風險時所採用的敏感度比率為5%，其為管理層評估可能合理出現的匯率變動。敏感度分析包括尚未處理的外幣計值貨幣項目，並會對彼等於期末的換算在匯率上作出5%的調整。敏感度分析亦包括外部貸款及本集團內海外業務所獲的貸款，而有關貸款須為以借出方或借入方以外的貨幣計值。下文中的負數顯示倘港元兌相關貨幣升值5%時溢利的減少數額。倘港元兌相關貨幣貶值5%，溢利將會出現相反方向的等額變動，而下列的結餘將為正數。

# 主要來自以人民幣計值的尚未收取或償還的應收賬款及應付賬款所產生的風險。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 32. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Market risk (continued)

###### Other price risks

The Group is exposed to price risks through its holding of non-current investments.

###### Other price sensitivity

The sensitivity analyses below have been determined based on the exposure to price risks at the reporting date. If the market price of the non-current investments has been 10% higher/lower while all other variables were held constant, the profit for the year ended 30 June 2008 would increase/decrease by approximately HK\$2,388,000 (2007: HK\$238,000) for the Group. This is mainly due to changes in fair value of non-current investments.

##### Credit risk

As at 30 June 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

The Group has put in place policies to ensure that sales of products are made to customers with an appropriate credit history and the Group performs period credit evaluations of its customers. In addition, the Group reviews the recoverable amount of each individual trade debt and debt investments at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

### 32. 金融工具(續)

#### (B) 金融風險管理目標及政策(續)

##### 市場風險(續)

###### 其他價格風險

本集團因持有非流動投資而承受價格風險。

###### 其他價格的敏感度

以下敏感度分析乃根據於報告日期所承受的價格風險而釐定。倘非流動投資的市價上升/下跌10%而所有其他變數維持不變，則截至二零零八年六月三十日止年度本集團的溢利將增加/減少約2,388,000港元(二零零七年：238,000港元)。此乃主要由於非流動投資的公平值變動所致。

##### 信貸風險

於二零零八年六月三十日，本集團因交易對手未有履行責任而會導致財務損失的最大信貸風險，是來自綜合資產負債表所述各項已確認財務資產的賬面值。

本集團有一套政策確保產品乃銷售予信貸記錄良好的客戶，而本集團會定期評估其客戶的信貸狀況。此外，本集團於每個結算日均檢討每項個別貿易債項及債務投資的可收回金額，以確保就不可收回金額作出足夠減值虧損撥備。在此方面，本公司董事認為本集團的信貸風險大大減少。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

### 32. FINANCIAL INSTRUMENTS (continued)

#### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

##### Credit risk (continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk.

##### Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its current obligations when they fall due.

The Group measures and monitors its liquidity through the maintenance of prudent ratio regarding to the liquidity structure of the overall assets, liabilities loans and commitments as the Group. The Group also monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operation and mitigate the effects of fluctuations in cash flows. In addition, standby credit facilities are established to provide contingent liquidity support.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 32. 金融工具(續)

#### (B) 金融風險管理目標及政策(續)

##### 信貸風險(續)

由於交易對手是獲國際信貸評級機構給予高度信貸評級的銀行，故流動資金的信貸風險有限。

除因流動資金存放於獲高度信貸評級的幾間銀行而承受信貸集中風險外，本集團並無任何其他重大信貸集中風險。

##### 流動資金風險

流動資金風險指本集團未能應付現有到期債項的風險。

本集團透過維持與本集團整體資產、負債、貸款及承擔的流動資金架構相關的審慎比率，計量及監察其流動資金狀況。本集團亦會監察及維持現金及現金等值物處於管理層認為充足的水平，以撥付本集團的營運及減低現金流量波動的影響。此外，本集團亦設立備用信貸額以提供緊急流動資金支援。

下表詳列本集團餘下的財務負債的合約到期日。該表乃根據本集團於可被要求償還財務負債的最早日期財務負債的未貼現現金流量編製。此表包括利息及本金的現金流量。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 32. FINANCIAL INSTRUMENTS (continued)

##### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

###### The Group

|  |             | Weighted<br>average<br>effective<br>interest rate<br>加權平均<br>實際利率<br>% | Within<br>1 year<br>一年內<br>HK\$'000<br>千港元 | 2 to<br>5 year<br>二至五年<br>HK\$'000<br>千港元 | Total<br>undiscounted<br>cash<br>flows<br>未貼現<br>現金流量總額<br>HK\$'000<br>千港元 | Carrying<br>value<br>賬面值<br>HK\$'000<br>千港元 |
|--|-------------|--|--|---|--|---|
| At 30 June 2008                        | 於二零零八年六月三十日 |  |  |   |  |   |
| Non-interest bearing                   | 不計息         | -  | 13,986                                     | -   | 13,986   | 13,986                                      |
| Variable interest raise<br>instruments | 可變利率集資工具    | 5.5  | 785  | 2,500                                     | 3,285  | 3,265                                       |
|  |             |  | <b>14,771</b>                              | <b>2,500</b>                              | <b>17,271</b>  | <b>17,251</b>                               |
|  |             |  |  |   |  |   |
|  |             | Weighted<br>average<br>effective<br>interest rate<br>加權平均<br>實際利率<br>% | Within<br>1 year<br>一年內<br>HK\$'000<br>千港元 | 2 to<br>5 year<br>二至五年<br>HK\$'000<br>千港元 | Total<br>undiscounted<br>cash<br>flows<br>未貼現<br>現金流量總額<br>HK\$'000<br>千港元 | Carrying<br>value<br>賬面值<br>HK\$'000<br>千港元 |
| At 30 June 2007                        | 於二零零七年六月三十日 |  |  |   |  |   |
| Non-interest bearing                   | 不計息         | -  | 20,108                                     | -   | 20,108   | 20,108                                      |
| Variable interest<br>raise instruments | 可變利率集資工具    | 6.8  | 945  | 1,785                                     | 2,730  | 2,612                                       |
|  |             |  | <b>21,053</b>                              | <b>1,785</b>                              | <b>22,838</b>  | <b>22,720</b>                               |

#### 32. 金融工具(續)

##### (B) 金融風險管理目標及政策(續)

###### 本集團

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

For the year ended 30 June 2008  
截至二零零八年六月三十日止年度

#### 32. FINANCIAL INSTRUMENTS (continued)

##### (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

###### Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- (i) the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- (ii) the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values.

#### 33. POST BALANCE SHEET EVENTS

- (a) On 18 September 2008, the Company announced that the completion of the acquisition of 18% equity interest in Skyflying Da Zhong Hua Cigarette Limited shall be postponed to a date on or before 31 December 2008. Please refer to the Company's announcement of 18 September 2008 for further details.
- (b) On 8 September 2008, the Company entered into subscription agreements in which the Company agreed to allot 23,800,000 new shares at the subscription price of HK\$0.1269 per share to independent third parties. Please refer to the Company's announcement of 18 September 2008 for further details.
- (c) On 24 September 2008, the Company entered into another subscription agreements in which the Company agreed to allot 123,300,000 new shares at the subscription price of HK\$0.095 per share to independent third parties. Please refer to the Company's announcement of 26 September 2008 for further details.

#### 32. 金融工具(續)

##### (B) 金融風險管理目標及政策(續)

###### 金融工具的公平值

財務資產及財務負債的公平值按以下方式釐定：

- (i) 受標準條款及條件規管及於活躍流動市場交易的財務資產及財務負債的公平值乃參考所報市場價格釐定；及
- (ii) 其他財務資產及財務負債的公平值乃以可觀察的現時市場交易的價格或利率作貼現現金流量分析為基準的公認計價模式釐定。

董事認為，於綜合財務報表內記錄的財務資產及財務負債的賬面值與其公平值相若。

#### 33. 結算日後事項

- (a) 於二零零八年九月十八日，本公司宣佈收購Skyflying Da Zhong Hua Cigarette Limited 18%股權將延至二零零八年十二月三十一日或之前的日期完成。進一步詳情請參閱本公司於二零零八年九月十八日刊發的公佈。
- (b) 於二零零八年九月八日，本公司訂立認購協議，據此，本公司同意按認購價每股0.1269港元向獨立第三方配發23,800,000股新股份。進一步詳情請參閱本公司於二零零八年九月十八日刊發的公佈。
- (c) 於二零零八年九月二十四日，本公司再訂立多份認購協議，據此，本公司同意按認購價每股0.095港元向獨立第三方配發123,300,000股新股份。進一步詳情請參閱本公司於二零零八年九月二十六日刊發的公佈。



# SUMMARY OF FINANCIAL INFORMATION

## 財務資料概要

|  |                  | Year ended 30 June<br>六月三十日止年度   |                                  |                                  |                                  |                                  |
|--|------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2006<br>二零零六年<br>HK\$'000<br>千港元 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| Revenue  | 收益               | <b>111,137</b>                   | 104,247                          | 99,988                           | 145,551                          | 139,982                          |
| (Loss)/Profit before income tax                      | 除所得稅前<br>(虧損)／溢利 | <b>(9,356)</b>                   | (12,047)                         | (38,788)                         | 3,032                            | 23,131                           |
| Income tax expense                                   | 所得稅開支            | <b>(679)</b>                     | (174)                            | (987)                            | (766)                            | (2,281)                          |
| (Loss)/Profit for the year                           | 本年度<br>(虧損)／溢利   | <b>(10,035)</b>                  | (12,221)                         | (39,775)                         | 2,266                            | 20,850                           |
| Attributable to:                                     | 下列人士應佔：          |                                  |                                  |                                  |                                  |                                  |
| Equity holders of the Company                        | 本公司權益<br>持有人     | <b>(10,225)</b>                  | (12,681)                         | (39,920)                         | 1,271                            | 20,186                           |
| Minority interests                                   | 少數股東權益           | <b>190</b>                       | 460                              | 145                              | 995                              | 664                              |
|  |                  | <b>(10,035)</b>                  | (12,221)                         | (39,775)                         | 2,266                            | 20,850                           |
|  |                  | <b>At 30 June</b><br>於六月三十日      |                                  |                                  |                                  |                                  |
|  |                  | 2008<br>二零零八年<br>HK\$'000<br>千港元 | 2007<br>二零零七年<br>HK\$'000<br>千港元 | 2006<br>二零零六年<br>HK\$'000<br>千港元 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| <b>Assets and liabilities</b>                        | <b>資產及負債</b>     |                                  |                                  |                                  |                                  |                                  |
| Total assets   | 資產總值             | <b>84,102</b>                    | 75,357                           | 85,598                           | 128,804                          | 130,482                          |
| Total liabilities                                    | 負債總額             | <b>(26,292)</b>                  | (31,413)                         | (32,559)                         | (35,420)                         | (33,071)                         |
| Minority interests                                   | 少數股東權益           | <b>(2,099)</b>                   | (1,909)                          | (1,790)                          | (1,891)                          | (1,499)                          |
| Equity attributable to equity holders of the Company | 本公司權益持有人<br>應佔權益 | <b>55,711</b>                    | 42,035                           | 51,249                           | 91,493                           | 95,912                           |

**VITOP BIOENERGY HOLDINGS LIMITED**  
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