

Van Shung Chong Holdings Limited
萬 順 昌 集 團 有 限 公 司



STEEL VALUE CHAIN

INTERIM REPORT 2009/10 年中期報告

Stock Code 股票代號：1001

UNAUDITED INTERIM RESULTS

The Board of Directors (the “Board”) of Van Shung Chong Holdings Limited (“VSC” or the “Company”) hereby announces the unaudited condensed consolidated interim financial information of VSC and its subsidiaries (the “VSC Group”) as at and for the six months ended 30th September 2009, together with comparative figures, as follows:

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30th September 2009

未經審核中期業績

萬順昌集團有限公司(「萬順昌」或「本公司」)之董事會(「董事會」)謹此宣佈萬順昌及其附屬公司(「萬順昌集團」)於及截至二零零九年九月三十日止六個月之未經審核簡明綜合中期財務資料連同比較數字如下：

簡明綜合中期損益表

截至二零零九年九月三十日止六個月

			For the six months ended 30th September	
			截至九月三十日止六個月	
			2009	2008
			二零零九年	二零零八年
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
			(Unaudited)	(Unaudited)
			(未經審核)	(未經審核)
Revenue	收入	4	1,583,676	3,046,324
Cost of sales	銷售成本	5	(1,428,672)	(2,783,823)
Gross profit	毛利		155,004	262,501
Other gains/(losses) — net	其他收益/(虧損) — 淨額		12,851	(11,177)
Selling and distribution expenses	銷售及分銷支出	5	(10,019)	(25,686)
General and administrative expenses	一般及行政支出	5	(65,341)	(133,438)
Operating profit	經營溢利		92,495	92,200
Finance income	財務收入	6	414	2,899
Finance costs	財務費用	6	(6,027)	(24,840)
Share of (loss)/profit of associates	應佔聯營公司(虧損)/溢利		(16,781)	1,008
Profit before income tax	除稅前溢利		70,101	71,267
Income tax expense	所得稅支出	7	(15,970)	(18,596)
Profit for the period	期內溢利		54,131	52,671
Attributable to:	應佔：			
Equity holders of the Company	本公司股權持有人		50,203	34,495
Minority interest	少數股東權益		3,928	18,176
			54,131	52,671
Dividends	股息	8	12,391	—
Earnings per share for profit attributable to the equity holders of the Company	本公司股權持有人應佔溢利計算之每股盈利			
— Basic	— 基本	9	HK12.9 cents 港仙	HK9.1 cents港仙
— Diluted	— 攤薄	9	HK12.9 cents 港仙	HK9.1 cents港仙

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF
FINANCIAL POSITION**

As at 30th September 2009

簡明綜合中期財務狀況表

於二零零九年九月三十日

			As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	20,499	22,017
Investment properties	投資物業	10	15,000	28,000
Leasehold land and land use rights	租賃土地及土地使用權	10	11,031	11,132
Investments in associates	於聯營公司之投資		236,734	253,515
Deferred income tax assets	遞延所得稅資產		30,263	42,733
Available-for-sale financial assets	可供出售之財務資產		580	580
Total non-current assets	非流動資產總額		314,107	357,977
Current assets	流動資產			
Inventories	存貨		199,463	259,697
Due from customers on installation contract work	應收客戶之安裝合約工程		700	700
Trade and bill receivables	應收賬款及票據	11	306,079	257,189
Loan receivables	應收貸款		21,000	21,000
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		145,521	163,989
Derivative financial instruments	衍生金融工具		—	130
Amounts due from associates	應收聯營公司		78,989	62,065
Pledged bank deposits	已抵押銀行存款		34,664	35,893
Cash and cash equivalents	現金及現金等值		198,103	100,679
Total current assets	流動資產總額		984,519	901,342
Current liabilities	流動負債			
Trade and bill payables	應付賬款及票據	12	103,743	81,687
Receipts in advance	預收款項		38,387	59,975
Accrued liabilities and other payables	應計負債及其他應付賬款		34,714	43,790
Amount due to an associate	應付一間聯營公司		—	1,568
Current income tax liabilities	流動所得稅負債		8,156	5,783
Derivative financial instruments	衍生金融工具		1,907	739
Borrowings	借貸	13	471,240	489,417
Total current liabilities	流動負債總額		658,147	682,959

		As at 30th September 2009 於二零零九年 九月三十日	As at 31st March 2009 於二零零九年 三月三十一日
	Note 附註	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Audited) (已審核)
Net current assets		326,372	218,383
Total assets less current liabilities		640,479	576,360
Non-current liabilities			
Derivative financial instruments		1,205	3,172
Deferred income tax liabilities		6	5
Borrowings	13	7,793	11,647
Total non-current liabilities		9,004	14,824
Net assets		631,475	561,536
Equity			
Capital and reserves attributable to equity holders of the Company			
Share capital	14	41,303	38,143
Reserves		563,035	500,184
		604,338	538,327
Minority interest		27,137	23,209
Total equity		631,475	561,536

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF
COMPREHENSIVE INCOME**

For the six months ended 30th September 2009

簡明綜合中期全面損益表

截至二零零九年九月三十日止六個月

		For the six months ended 30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Profit for the period	期內溢利	54,131	52,671
Other comprehensive income	其他全面收入		
Currency translation differences	貨幣滙兌差額	—	9,938
Total comprehensive income for the period	期內全面收入總額	54,131	62,609
Total comprehensive income attributable to:	應佔全面收入總額：		
— Equity holders of the Company	— 本公司股權持有人	50,203	44,433
— Minority interest	— 少數股東權益	3,928	18,176
		54,131	62,609

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附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF
CHANGES IN EQUITY**

For the six months ended 30th September 2009

簡明綜合中期權益變動表

截至二零零九年九月三十日止六個月

		Attributable to equity holders of the Company						Total equity
		本公司股權持有人應佔						
		Share capital	Other reserves	Retained earnings	Total	Minority interest		
		股本	其他 儲備	保留 盈利	總額	少數股東 權益	權益 總額	
		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	
As at 1st April 2008	於二零零八年四月一日	38,043	509,275	288,413	835,731	242,173	1,077,904	
Profit for the period	期內溢利	—	—	34,495	34,495	18,176	52,671	
Other comprehensive income	其他全面收入	—	—	—	—	—	—	
Currency translation differences	貨幣滙兌差額	—	9,938	—	9,938	—	9,938	
Total comprehensive income for the period ended 30th September 2008	截至二零零八年 九月三十日止期內之 全面收入總額	—	9,938	34,495	44,433	18,176	62,609	
Issuance of shares	股份發行	100	680	—	780	—	780	
Share option scheme — value of services	購股權計劃 — 服務價值	—	1,291	—	1,291	—	1,291	
Dividends payable to equity holders of the Company	應付本公司股權持有人 之股息	—	—	(4,946)	(4,946)	—	(4,946)	
Dividends payable to a minority shareholder of a subsidiary	應付一間附屬公司之 一位少數股東之股息	—	—	—	—	(653)	(653)	
As at 30th September 2008	於二零零八年九月三十日	38,143	521,184	317,962	877,289	259,696	1,136,985	
As at 1st April 2009	於二零零九年四月一日	38,143	494,405	5,779	538,327	23,209	561,536	
Profit for the period	期內溢利	—	—	50,203	50,203	3,928	54,131	
Total comprehensive income for the period ended 30th September 2009	截至二零零九年 九月三十日止期內之 全面收入總額	—	—	50,203	50,203	3,928	54,131	
Issuance of shares	股份發行	3,160	12,640	—	15,800	—	15,800	
Share option scheme — value of services	購股權計劃 — 服務價值	—	8	—	8	—	8	
Lapse of share options	失效之購股權	—	(11)	11	—	—	—	
As at 30th September 2009	於二零零九年九月三十日	41,303	507,042	55,993	604,338	27,137	631,475	

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30th September 2009

簡明綜合中期現金流量表

截至二零零九年九月三十日止六個月

		For the six months ended 30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash generated from/(used in) operating activities	經營活動產生／(所用)之現金淨額	81,047	(191,333)
Cash flows from investing activities:	投資活動之現金流：		
Acquisition of property, plant and equipment	添置物業、廠房及設備	(2,069)	(13,344)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	—	145
Net proceeds from disposals of an investment property	出售一項投資物業之所得淨款項	23,448	—
Proceeds from disposals of a non-current asset held for sale	出售一項持作出售之非流動資產之所得款項	—	7,100
Dividends received from an available-for-sales financial asset	一項可供出售之財務資產之股息收入	—	4,075
Decrease in pledged bank deposits	已抵押銀行存款減少	1,229	77,124
Translation adjustments	滙兌調整	—	6,487
Net cash generated from investing activities	投資活動產生之現金淨額	22,608	81,587
Cash flows from financing activities:	融資活動之現金流：		
New bank loans	新增銀行貸款	86,200	125,045
Repayment of bank loans	償還銀行貸款	(139,702)	(108,135)
Net increase in trust receipt bank loans	信託收據銀行貸款之淨增加	31,471	108,609
Issuance of shares	股份發行	15,800	780
Net cash (used in)/generated from financing activities	融資活動(所用)／產生之現金淨額	(6,231)	126,299
Increase in cash and cash equivalents	現金及現金等值之增加	97,424	16,553
Cash and cash equivalents as at 1st April	於四月一日之現金及現金等值	100,679	271,435
Cash and cash equivalents as at 30th September	於九月三十日之現金及現金等值	198,103	287,988

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

1 GENERAL INFORMATION

Van Shung Chong Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda on 12th January 1994 as an exempted company under the Companies Act 1981 of Bermuda. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 18th February 1994. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company and its subsidiaries (together the “VSC Group”) is principally engaged in the stockholding and trading of construction materials such as steel products, sanitary wares and kitchen cabinets and home furniture, plastics resins, and installation work of kitchen cabinets.

The unaudited condensed consolidated interim financial information are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. It has been approved for issue by the Board of Directors on 13th November 2009.

2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30th September 2009 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”)34 “Interim Financial Reporting”. The unaudited condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31st March 2009, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

1 一般資料

萬順昌集團有限公司(「本公司」)於一九九四年一月十二日於百慕達註冊成立為有限責任公司，並根據百慕達公司法1981，成為一間豁免公司。自一九九四年二月十八日起，本公司於香港聯合交易所有限公司主板上市。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司及其附屬公司(統稱「萬順昌集團」)主要從事存銷及買賣建築材料，例如鋼材產品、潔具及廚櫃及家具、塑膠樹脂及安裝廚櫃。

除另有指明外，本未經審核簡明綜合中期財務資料以港元(「港元」)列示。本簡明綜合中期財務資料已於二零零九年十一月十三日經董事會核准刊發。

2 編製基準

本份截至二零零九年九月三十日止六個月之未經審核簡明綜合中期財務資料依照香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。本未經審核簡明綜合中期財務資料應連同依照香港財務報告準則(「香港財務報告準則」)編製截至二零零九年三月三十一日止年度之年度綜合財務報表一併閱讀。

2 BASIS OF PREPARATION (CONTINUED)

As at 30th September 2009, the VSC Group had borrowings of HK\$479,033,000 (31st March 2009: HK\$501,064,000) and has breached a financial covenant of a loan facility. In order to improve the VSC Group's financial position, liquidity and cash flows, the directors of the VSC Group have obtained a waiver up to 31st March 2010 from the relevant bank on the compliance of the financial covenant and are in the process of taking measures which include, but not limited to negotiating additional new credit facilities with banks and managing closely the VSC Group's cash flow position overall.

The directors of the VSC Group consider that the VSC Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due and accordingly, are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

The VSC Group is engaged in the trading of steel products and is exposed to the commodity price risk. At the date of approving these unaudited condensed consolidated interim financial information, the VSC Group's committed sale orders exceed the aggregate amount of on hand inventories and committed purchase orders and fluctuations of steel price could affect the VSC Group's financial performance significantly.

Although the risk cannot be completely guarded against, the VSC Group has plans to minimise the potential impacts. These plans, including adjusting the level of inventory on hand and/or committing to supply contracts with suppliers, are primarily aimed at reducing the potential exposure to steel price fluctuation. The VSC Group has also entered into commodity futures to partially hedge against this risk.

2 編製基準(續)

於二零零九年九月三十日，萬順昌集團之借貸為479,033,000港元(二零零九年三月三十一日：501,064,000港元)及違反若干關於貸款融資之財務契約。為改善萬順昌集團之財務表現、流動資金及現金流量，萬順昌集團之董事已就遵守財務契約向有關銀行取得直到二零一零年三月三十一日之豁免，目前正在執行有關措施，當中包括但不只限於與銀行磋商增加新信貸融資額；及嚴密管理萬順昌集團之整體現金流量狀況。

萬順昌集團之董事認為萬順昌集團將擁有充足營運資金支持本身之業務運作，以及於財務責任到期時，履行有關財務責任，因此，按持續基準編製財務報表，誠屬合宜。

萬順昌集團經營鋼材產品買賣業務並受商品價格風險之影響。於批准此等未經審核簡明綜合中期財務資料日期，萬順昌集團手頭上已確定之銷售訂單超過手頭上之存貨和已確定之購貨訂單總額，而鋼材價格波動可能對萬順昌集團之財務表現有重大影響。

雖然無法完全防避有關風險，然而萬順昌集團計劃盡量減少蒙受之潛在影響。此等計劃，包括調整手頭上之存貨水平，及／或與供應商訂定供貨合約，主要旨在減少鋼材價格波動造成的風險。萬順昌集團亦訂立商品期貨合約用以對沖此部分風險。

3 ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31st March 2009, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new/revised standards and amendments to existing standards are mandatory for the first time for the financial year beginning 1st April 2009 and are relevant to the VSC Group.

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendments)	Share-based Payment Vesting Conditions and Cancellations
HKFRS 7 (Amendments)	Financial Instruments: Disclosure
HKFRS 8	Operating Segments

The following amendments to existing standards and interpretations have been effective for the financial year beginning 1st April 2009 but are not relevant to the VSC Group's operations.

3 會計政策

除下文所述外，已採納之會計政策與截至二零零九年三月三十一日止年度之年度財務報表所刊載一致。

中期業績中之所得稅乃根據預期全年盈利總額按適用之所得稅率計提。

以下對現有準則之新訂／經修訂之準則及修訂為始於二零零九年四月一日起之財政年度之首年必須採納並與萬順昌集團有關。

香港會計準則 第1號 (經修訂)	財務報表之呈列
香港會計準則 第23號 (經修訂)	借貸成本
香港財務報告 準則第1號及 香港會計準 則第27號 (修訂)	於附屬公司，共同 控制實體或聯營 公司之投資成本
香港財務報告 準則第2號 (修訂)	以股份為基礎之補 償計劃之歸屬條 件及取消
香港財務報告 準則第7號 (修訂)	金融工具：披露
香港財務報告 準則第8號	經營分部

以下對現有準則及詮釋之修訂已於始於二零零九年四月一日起之財政年度生效但與萬順昌集團之營運無關。

3 ACCOUNTING POLICIES (CONTINUED)

HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC) — Int 13	Customer Loyalty Programmes
HK(IFRIC) — Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) — Int 16	Hedges of a Net Investment in Foreign Operation

The following new/revised standards, amendments to existing standards and interpretations have been issued but are not effective for the financial year beginning 1st April 2009 and have not been early adopted.

HKAS 27 (Revised)	Consolidated and Separate Financial Statements (effective for annual period beginning on or after 1st July 2009)
HKFRS 3 (Revised)	Business Combinations (effective for annual period beginning on or after 1st July 2009)
HK(IFRIC) — Int 9 and HKAS 39 (Amendments)	Embedded Derivatives (effective for annual periods beginning on or after 30th June 2009)
HK(IFRIC) — Int 17	Distributions of Non-cash Assets to Owners (effective for annual periods beginning on or after 1st July 2009)
HK(IFRIC) — Int 18	Transfers of Assets from Customers (effective for transfer of assets from customers received on or after 1st July 2009)

3 會計政策(續)

香港會計準則 第32號及香 港會計準則 第1號(修訂)	清盤產生之可沽售 金融工具及責任
香港(國際財 務報告詮釋 委員會) — 詮釋第13號	客戶忠誠計劃
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
香港(國際財 務報告詮釋 委員會) — 詮釋第16號	海外業務投資淨額 對沖

下列對現有準則及詮釋之新訂／經修訂之準則、修訂已於始於二零零九年四月一日起之財政年度頒佈但並未生效及提前採納。

香港會計準則 第27號 (經修訂)	綜合及獨立財務報 表(於二零零九年 七月一日起或以 後年度期間生效)
香港財務報告 準則第3號 (經修訂)	業務合併(於二零 零九年七月一日 起或以後年度期 間生效)
香港(國際財 務報告詮釋 委員會) — 詮釋第9號及 香港會計準 則第39號 (修訂)	嵌入式衍生工具 (於二零零九年 六月三十日起或 以後年度期間生 效)
香港(國際財 務報告詮釋 委員會) — 詮釋第17號	向擁有人分派非現 金資產(於二零 零九年七月一日 起或以後年度期 間生效)
香港(國際財 務報告詮釋 委員會) — 詮釋第18號	獲客戶轉讓資產 (生效於二零零 九年七月一日或 以後從客戶收到 之資產轉讓)

3 ACCOUNTING POLICIES (CONTINUED)

The VSC Group plans to adopt the above new/revised standards, amendment to existing standard and interpretations when they become effective.

The following amendment to existing standard has not yet been effective and is not relevant to the VSC Group's operations.

HKAS 39 (Amendment)	Eligible Hedged Items (effective for annual period beginning on or after 1st July 2009)
HKFRS 1 (Revised)	First-time Adoption of HKFRS (effective for annual period beginning on or after 1st July 2009)

In addition, Hong Kong Institute of Certified Public Accountants (the "HKICPA") also published a number of amendments for the existing standards under its annual improvement project. These amendments are not expected to have a significant impact on the results and financial position of the VSC Group.

3 會計政策(續)

萬順昌集團計劃對現有準則及詮釋生效後，採納以上新訂／經修訂之準則、修訂。

以下對現有準則之修訂並未生效及與萬順昌集團之營運無關。

香港會計準則 第39號 (修訂)	合資格對沖項目 (於二零零九年 七月一日起或以 後年度期間生效)
香港財務報告 準則第1號 (經修訂)	首次採納香港 財務報告準則 (於二零零九年 七月一日起或以 後年度期間生效)

另外，香港會計師公會(「香港會計師公會」)就年度改進項目對現有準則頒佈數項修訂。但並不期望此等修訂會對萬順昌集團之業績及財務狀況有重大影響。

4 SEGMENT INFORMATION

The VSC Group's senior executive management is considered as the Chief Operating Decision Maker ("CODM").

The VSC Group's businesses are managed according to the nature of their operations and the products and services they provide. Each of the VSC Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments. The VSC Group's CODM considers the VSC Group operates predominantly in four operating segments:

- (i) Steel distribution;
- (ii) Building products;
- (iii) Plastics; and
- (iv) Coil centres#.

Coil centres division changed from a subsidiary to an associate of the VSC Group since 31st October 2008.

Other operations mainly comprise the provision of rental services in Hong Kong and other investments which do not constitute separately reportable segments.

The VSC Group's CODM assesses the performance of operating segments based on a measure of profit before tax. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as legal expenses and impairments, when the impairment is the result of an isolated, non-recurring event.

Sales between segments are carried out at cost. The revenue from external parties reported to CODM is measured in a manner consistent with that in the unaudited condensed consolidated interim financial information.

4 分部資料

萬順昌集團之高層行政管理人員被視為主要營運決策者(「主要營運決策者」)。

萬順昌集團之業務按其營運及所提供之產品及服務之性質而得以管理。每一個萬順昌集團之營運分部代表一個策略性業務單位，而產品及服務之風險及回報與各其他營運分部不同。萬順昌集團之主要營運決策者認為萬順昌集團主要經營四個營運分部：

- (i) 鋼材分銷；
- (ii) 建築產品；
- (iii) 塑膠；及
- (iv) 卷鋼中心#。

卷鋼中心分部自二零零八年十月三十一日已由萬順昌集團之一間附屬公司轉成為一間聯營公司。

其他業務主要包括在香港提供之租務服務及其他投資，此兩者並沒有構成獨立之分部匯報。

萬順昌集團之主要營運決策者按除稅前溢利之計算而評估營運分部之表現。此計算基準不包括經營分部中非經常性支出之影響，如法律費用及獨立及非經常性事項產生之減值。

分部間銷售按成本進行。向主要營運決策者匯報源自對外人士之收入與未經審核簡明綜合中期財務資料一致。

4 SEGMENT INFORMATION (CONTINUED)

Analysis of the VSC Group's results by the business segment for the six months ended 30th September 2009 is as follows:

		Steel distribution 鋼材分銷 HK\$'000 千港元	Building products 建築產品 HK\$'000 千港元	Plastics 塑膠 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	1,292,299	173,397	116,990	990	—	1,583,676
Operating profit/(loss)	經營溢利/(虧損)	94,630	6,570	4,241	8,410	(21,356)	92,495
Finance income	財務收入	129	—	4	10	271	414
Finance costs	財務費用	(3,889)	(167)	(231)	(317)	(1,423)	(6,027)
Share of loss of associates	應佔聯營公司虧損	—	—	—	(16,781)	—	(16,781)
Profit/(loss) before tax	除稅前溢利/(虧損)	90,870	6,403	4,014	(8,678)	(22,508)	70,101
Other (losses)/gains, net*	其他(虧損)/收益—淨額*	(1,195)	(31)	(3)	11,022	3,058	12,851
Depreciation and amortisation	折舊及攤銷	(840)	(861)	(19)	—	(1,966)	(3,686)
Income tax (expense)/credit	所得稅(支出)/計入	(18,259)	(1,238)	(496)	(570)	4,593	(15,970)

* For the six months ended 30th September 2009, gain on disposal of an investment property amounted to approximately HK\$10,448,000 (for the six months ended 30th September 2008: Nil).

4 分部資料(續)

萬順昌集團於截至二零零九年九月三十日止六個月按業務分部之業績分析如下：

* 截至二零零九年九月三十日止六個月，出售一項投資物業之收益共約10,448,000港元(截至二零零八年九月三十日止六個月：無)。

Analysis of the VSC Group's results by the business segment for the six months ended 30th September 2008 is as follows:

		Steel distribution 鋼材分銷 HK\$'000 千港元	Building products 建築產品 HK\$'000 千港元	Plastics 塑膠 HK\$'000 千港元	Coil centres 卷網中心 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Eliminations 抵銷 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	1,748,952	160,159	218,466	886,639	32,108	—	—	3,046,324
Inter-segment revenue	分部間收入	62,945	—	—	—	—	—	(62,945)	—
		1,811,897	160,159	218,466	886,639	32,108	—	(62,945)	3,046,324
Operating profit/(loss)	經營溢利/(虧損)	56,289	2,588	7,603	80,421	(13,583)	(41,118)	—	92,200
Finance income	財務收入	932	4	—	727	—	1,236	—	2,899
Finance costs	財務費用	(11,099)	(960)	(498)	(5,500)	(217)	(6,566)	—	(24,840)
Share of profit of associates	應佔聯營公司溢利	—	—	—	—	1,008	—	—	1,008
Profit/(loss) before tax	除稅前溢利/(虧損)	46,122	1,632	7,105	75,648	(12,792)	(46,448)	—	71,267
Other (losses)/gains, net	其他(虧損)/收益—淨額	2,577	(2,773)	(231)	(10,590)	1,017	(1,177)	—	(11,177)
Depreciation and amortisation	折舊及攤銷	(956)	(579)	(21)	(5,674)	(2,485)	(973)	—	(10,688)
Income tax (expense)/credit	所得稅(支出)/計入	(7,650)	(365)	(917)	(13,784)	(184)	4,304	—	(18,596)

萬順昌集團於截至二零零八年九月三十日止六個月按業務分部之業績分析如下：

4 SEGMENT INFORMATION (CONTINUED)

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, inventories, due from customers on installation contract work, trade and bill receivables, loan receivables, prepayments, deposits and other receivables, pledged bank deposits and cash and cash equivalents. They exclude items such as investment properties, investments in associates, available-for-sale financial assets, deferred income tax assets, amounts due from associates and derivative financial instruments. These are managed on a central basis and are part of the reconciliation to total assets on statement of financial position.

Segment liabilities comprise operating liabilities and exclude borrowings, derivative financial instruments, current income tax liabilities, deferred income tax liabilities and amount due to an associate.

Capital expenditure comprises additions to property, plant and equipment, investment properties, and leasehold land and land use rights, including additions resulting from acquisitions through business combinations, if any.

4 分部資料(續)

分部資產主要包括物業、廠房及設備、租賃土地及土地使用權、存貨、應收客戶之安裝合約工程、應收賬款及票據、應收貸款、預付款項、按金及其他應收賬款、已抵押銀行存款及現金及現金等值。當中並不包括投資物業、於聯營公司之投資、可供出售之財務資產、遞延所得稅資產、應收聯營公司及衍生金融工具。此等項目會集中管理及為財務狀況表資產總額對賬之一部份。

分部負債包括經營負債且並不包括借貸、衍生金融工具、流動所得稅負債、遞延所得稅負債及應付一間聯營公司。

資本支出包括新增之物業、廠房及設備、投資物業及租賃土地及土地使用權，亦包括透過業務合併收購之新增項目，如有。

4 SEGMENT INFORMATION (CONTINUED)

The segment assets and liabilities as at 30th September 2009 and capital expenditure for the six months ended 30th September 2009 are as follows:

		Steel distribution 鋼材分銷 HK\$'000 千港元	Building products 建築產品 HK\$'000 千港元	Plastics 塑膠 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment assets	分部資產	636,563	113,330	61,185	125,982	937,060
Investments in associates	於聯營公司 之投資	—	—	—	236,734	236,734
		636,563	113,330	61,185	362,716	1,173,794
Segment liabilities	分部負債	(130,723)	(16,831)	(10,291)	(18,999)	(176,844)
Capital expenditure	資本支出	859	554	56	600	2,069

The segment assets and liabilities as at 31st March 2009 and capital expenditure for the six months ended 30th September 2008 are as follows:

		Steel distribution 鋼材分銷 HK\$'000 千港元	Building products 建築產品 HK\$'000 千港元	Plastics 塑膠 HK\$'000 千港元	Coil centres 卷鋼中心 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment assets	分部資產	661,963	110,488	34,782	—	65,063	872,296
Investments in associates	於聯營公司 之投資	—	—	—	—	253,515	253,515
		661,963	110,488	34,782	—	318,578	1,125,811
Segment liabilities	分部負債	(163,408)	(12,061)	(6,830)	—	(3,153)	(185,452)
Capital expenditure	資本支出	1,449	1,868	10	9,461	556	13,344

4 分部資料(續)

於二零零九年九月三十日之分部資產及負債及截至二零零九年九月三十日止六個月之資本支出如下：

於二零零九年三月三十一日之分部資產及負債及截至二零零八年九月三十日止六個月之資本支出如下：

4 SEGMENT INFORMATION (CONTINUED)

A reconciliation of segment assets and liabilities to total assets and liabilities are provided as follows:

4 分部資料(續)

分部資產及負債與資產及負債總額對賬如下：

		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Total segment assets	分部資產總額	1,173,794	1,125,811
Investment properties	投資物業	15,000	28,000
Available-for-sale financial assets	可供出售之財務資產	580	580
Deferred income tax assets	遞延所得稅資產	30,263	42,733
Amounts due from associates	應收聯營公司	78,989	62,065
Derivative financial instruments	衍生金融工具	—	130
Total assets	資產總額	1,298,626	1,259,319
		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Segment liabilities	分部負債	176,844	185,452
Borrowings	借貸	479,033	501,064
Derivative financial instruments	衍生金融工具	3,112	3,911
Current income tax liabilities	流動所得稅負債	8,156	5,783
Deferred income tax liabilities	遞延所得稅負債	6	5
Amount due to an associate	應付一間聯營公司	—	1,568
Total liabilities	負債總額	667,151	697,783

4 SEGMENT INFORMATION (CONTINUED)

The entity is domiciled in Hong Kong. Analysis of the VSC Group's revenue by geographical market is as follows:

		For the six months ended 30th September 截至九月三十日止六個月	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Revenue	收入		
Mainland China	中國內地	929,064	2,320,356
Hong Kong	香港	654,612	725,968
Total revenue	收入總額	1,583,676	3,046,324

For the six months ended 30th September 2009, revenue of approximately 4.7% (for the six months ended 30th September 2008: 2.8%) is derived from a single external customer.

截至二零零九年九月三十日止六個月，約4.7%（截至二零零八年九月三十日止六個月：2.8%）之收入乃賺取自一位主要對外客戶。

Analysis of the VSC Group's non-current assets by geographical market is as follows:

萬順昌集團之非流動資產按地區市場分析如下：

		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Mainland China	中國內地	261,644	279,550
Hong Kong	香港	22,200	35,694
Total non-current assets	非流動資產總額	283,844	315,244

Non-current assets comprise property, plant and equipment, investment properties, leasehold land and land use rights, investment in associates and available for sale financial assets. They exclude deferred income tax assets.

非流動資產包括物業、廠房及設備、投資物業、租賃土地及土地使用權、於聯營公司之投資及可供出售之財務資產。當中並不包括遞延所得稅資產。

5 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and general and administrative expenses are analysed as follows:

5 按性質劃分之支出

包括在銷售成本、銷售及分銷支出與一般及行政支出內之支出之分析如下：

		For the six months ended	
		30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials consumed and finished goods sold	原材料耗用及製成品銷售	1,422,288	2,750,877
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	3,585	10,399
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	2	177
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	101	289
Employee benefit expenses	僱員福利支出	32,650	79,992
Operating lease rental in respect of	營業租約租金		
— land and buildings	— 土地及樓宇	7,556	9,751
— plant and machinery and motor vehicles	— 廠房及機器及汽車	—	1,629
Impairment of trade receivables	應收賬款減值	3,098	16,012
Write-down of inventories	存貨撇減	1,735	3,670
Others	其他	33,017	70,151
Total cost of sales, selling and distribution expenses and general and administrative expenses	銷售成本、銷售及分銷支出與一般及行政支出總額	1,504,032	2,942,947

6 FINANCE INCOME AND COSTS

6 財務收入及費用

		For the six months ended	
		30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Finance income	財務收入		
Interest income:	利息收入：		
— short-term bank deposits	— 短期銀行存款	206	2,868
— loan receivables	— 應收貸款	—	31
— received from an associate (Note 17(a))	— 已收一間聯營公司 (附註17(a))	208	—
		414	2,899
Finance costs	財務費用		
Interest expenses:	利息支出：		
— bank borrowings wholly repayable within five years	— 須於五年內全數償還 之銀行借貸	(6,027)	(22,935)
— to a related party (Note 17(a))	— 予一關連人士 (附註17(a))	—	(1,905)
		(6,027)	(24,840)
Net finance costs	淨財務費用	(5,613)	(21,941)

7 INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until 2016.

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong.

7 所得稅支出

本公司獲豁免繳納百慕達稅項直至二零一六年。

香港利得稅乃根據來自或賺取自香港之估計應課稅溢利按稅率16.5% (二零零八年：16.5%) 作出撥備。

7 INCOME TAX EXPENSE (CONTINUED)

The National People's Congress approved the Corporate Income Tax Law of the People's Republic of China (the "CIT Law") on 16th March 2007 and the State of Council announced the Detail Implementation Regulations ("DIR") on 6th December 2007. According to the CIT Law, the income tax rates for both domestic and foreign investment enterprises are unified at 25% effective from 1st January 2008. However, for enterprises which are established before the publication of the CIT Law and are entitled to preferential treatments of reduced income tax rate granted by relevant tax authorities, the income tax rate is gradually increased to 25% within 5 years after the effective date of the CIT Law. Enterprises that are currently entitled to exemptions or reductions from the standard income tax rate for a fixed term continue to enjoy such treatment until the fixed term expires. During the period, subsidiaries established in Mainland China are subject to China corporate income tax at rate of 25% (2008: a range of 9% to 25%).

The amount of income tax expense recorded in the unaudited condensed consolidated interim income statement represents:

7 所得稅支出(續)

於二零零七年三月十六日，全國人民代表大會通過中華人民共和國企業所得稅法(「企業所得稅法」)，而國務院亦於二零零七年十二月六日頒佈條例實施細則(「條例實施細則」)。根據企業所得稅法，內地及外資企業之所得稅率自二零零八年一月一日起劃一為25%。然而，就於企業所得稅法頒佈前設立並享有相關稅務機關授予減免所得稅優惠稅率之企業而言，所得稅率自企業所得稅法生效之後5年內逐漸增至25%。目前有權於一段固定期間獲得標準所得稅率豁免或減免之企業，可繼續享有該項待遇，直至該段固定期限屆滿為止。本期內，於中國內地成立之附屬公司按稅率25%(二零零八年：介乎9%至25%)繳付中國企業所得稅。

於未經審核簡明綜合中期損益表中支出之所得稅包括：

		For the six months ended 30th September 截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	當期所得稅		
— Hong Kong profits tax	— 香港利得稅	1,328	6,439
— China corporate income tax	— 中國企業所得稅	2,171	12,453
Deferred income tax	遞延所得稅	12,471	(296)
Income tax expense	所得稅支出	15,970	18,596

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

所得稅支出乃按管理層估計全年財政年度之加權平均全年所得稅率而確認。

8 DIVIDENDS

An interim dividend of HK3 cents per ordinary share (2009 interim: nil) was proposed by the board of directors on 13th November 2009. This interim dividend, amounting to approximately HK\$12,391,000 (2009 interim: nil), has not been recognised as a liability in this unaudited condensed consolidated interim financial information.

9 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

		For the six months ended 30th September 截至九月三十日止六個月	
		2009 二零零九年	2008 二零零八年
Profit attributable to equity holders of the Company (HK\$'000)	本公司股權持有人 應佔溢利(千港元)	50,203	34,495
Weighted average number of ordinary shares in issue ('000)	已發行普通股之 加權平均數(千股)	390,235	380,762
Basic earnings per share (HK cents)	每股基本盈利(港仙)	12.9	9.1

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares are arising from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. At 30th September 2008 and 2009, diluted earnings per share is the same as the basic earnings per share as the dilutive potential ordinary shares are anti-dilutive.

8 股息

董事會於二零零九年十一月十三日建議中期股息每股普通股3港仙(二零零九年中:無)。約共12,391,000港元(二零零九年中:無)之中期股息並沒有在此未經審核簡明綜合中期財務資料中確認為負債。

9 每股盈利

基本

計算每股基本盈利乃按本公司股權持有人應佔溢利除以期內已發行普通股之加權平均數計算。

		For the six months ended 30th September 截至九月三十日止六個月	
		2009 二零零九年	2008 二零零八年

攤薄

計算每股攤薄盈利乃按假設所有具潛在攤薄性質之普通股被全數折換而相應調整已發行普通股之加權平均數。本公司之具潛在攤薄性質之普通股因購股權而產生，其計算乃根據尚未行使購股權所附之認購權之貨幣價值作出，用以釐訂原應以公平價值(釐訂為本公司股份之全年平均市場股價)收購之股份之數目。上文所計算之股份數目乃與假設購股權行使而已發行之股份數目作比較。於二零零八及二零零九年九月三十日，由於具攤薄能力之普通股屬反攤薄性質，因此基本與攤薄之每股盈利一致。

10 CAPITAL EXPENDITURE

10 資本支出

		Property, plant and equipment 物業、 廠房及設備 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元	Leasehold land and land use rights 租賃土地及 土地使用權 HK\$'000 千港元	Goodwill 商譽 HK\$'000 千港元
Six months ended	二零零九年				
30th September 2009	九月三十日止 六個月				
Opening net book amount as at 1st April 2009	於二零零九年 四月一日期初				
	賬面淨值	22,017	28,000	11,132	—
Additions	添置	2,069	—	—	—
Disposals	出售	(2)	(13,000)	—	—
Depreciation/amortisation	折舊／攤銷	(3,585)	—	(101)	—
Closing net book amount as at 30th September 2009	於二零零九年 九月三十日期 終賬面淨值	20,499	15,000	11,031	—
Six months ended	二零零八年				
30th September 2008	九月三十日止 六個月				
Opening net book amount as at 1st April 2008	於二零零八年 四月一日期初				
	賬面淨值	140,422	44,800	27,417	16,585
Additions	添置	13,344	—	—	—
Disposals	出售	(322)	—	—	—
Impairment of goodwill	商譽減值	—	—	—	(9,810)
Depreciation/amortisation	折舊／攤銷	(10,399)	—	(289)	—
Translation adjustments	滙兌差額	2,680	—	360	—
Closing net book amount as at 30th September 2008	於二零零八年 九月三十日期終 賬面淨值	145,725	44,800	27,488	6,775

An investment property of approximately HK\$13,000,000 has been disposed of during the period ended 30th September 2009 and a gain on disposal of investment property of approximately HK\$10,448,000 (2008: nil) has been recognised.

一項約13,000,000港元之投資物業已於截至二零零九年九月三十日止期內出售及已確認約10,448,000港元之出售投資物業之收益(二零零八年：無)。

11 TRADE AND BILL RECEIVABLES

Sales are either covered by (i) letters of credit with bill payable at sight or (ii) open account with credit terms of 15 to 120 days.

Ageing analysis of trade and bill receivables by invoice date is as follows:

		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
0-60 days	0-60日	262,139	206,853
61-120 days	61-120日	38,102	31,258
121-180 days	121-180日	1,000	10,497
181-365 days	181-365日	7,804	9,685
Over 365 days	超過365日	14,575	15,581
		323,620	273,874
Less: provision for impairment of receivables	減：應收賬款減值撥備	(17,541)	(16,685)
		306,079	257,189

The carrying amounts of trade and bill receivables approximated their fair values.

11 應收賬款及票據

銷售均以(i)見票即付之信用證或(ii)記賬方式進行，信貸期一般介乎15至120日不等。

應收賬款及票據按發票日期之賬齡分析如下：

	As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
0-60 days	262,139	206,853
61-120 days	38,102	31,258
121-180 days	1,000	10,497
181-365 days	7,804	9,685
Over 365 days	14,575	15,581
	323,620	273,874
Less: provision for impairment of receivables	(17,541)	(16,685)
	306,079	257,189

應收賬款及票據之賬面金額與其公平價值相約。

12 TRADE AND BILL PAYABLES

Payment terms with suppliers are either on letters of credit or open account. Certain suppliers grant credit period ranging from 30 to 60 days.

Ageing analysis of the trade and bill payables is as follows:

		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
0-60 days	0-60日	102,871	80,601
61-120 days	61-120日	121	579
121-180 days	121-180日	31	45
181-365 days	181-365日	451	245
Over 365 days	超過365日	269	217
		103,743	81,687

The carrying amounts of trade and bill payables approximated their fair values.

12 應付賬款及票據

與供應商之付款條款均以信用證或記賬方式進行。若干供應商之信貸期介乎30至60日不等。

應付賬款及票據之賬齡分析如下：

	As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
	102,871	80,601
	121	579
	31	45
	451	245
	269	217
	103,743	81,687

應付賬款及票據之賬面金額與其公平價值相約。

13 BORROWINGS

13 借貸

		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Non-current	非當期		
— Long-term bank loans	— 長期銀行貸款	7,793	11,647
Current	當期		
— Trust receipts bank loans, secured	— 信託收據銀行貸款， 抵押的	332,952	301,481
— Short-term bank loans, secured	— 短期銀行貸款， 抵押的	109,538	144,186
— Long-term bank loans, secured, current portion	— 長期銀行貸款， 抵押的，當期部份	28,750	43,750
		471,240	489,417
Total borrowings	借貸總額	479,033	501,064

Movements in borrowings are analysed as follows:

借貸變動之分析如下：

		HK\$'000 千港元
Six months ended 30th September 2009	二零零九年九月三十日止六個月	
Opening amount at 1st April 2009	於二零零九年四月一日期初金額	501,064
Inception of borrowings	當期借貸	117,671
Repayments of borrowings	償還借貸	(139,702)
Closing amount at 30th September 2009	於二零零九年九月三十日期終金額	479,033
Six months ended 30th September 2008	二零零八年九月三十日止六個月	
Opening amount at 1st April 2008	於二零零八年四月一日期初金額	1,182,729
Inception of borrowings	當期借貸	233,654
Repayments of borrowings	償還借貸	(108,135)
Closing amount at 30th September 2008	於二零零八年九月三十日期終金額	1,308,248

14 SHARE CAPITAL

14 股本

		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised (Ordinary shares of HK\$0.10 each)	法定(每股面值0.10港元 之普通股)	1,000,000	100,000
As at 1st April 2009	於二零零九年四月一日	381,428	38,143
Issue and allotment of new shares	發行及分配新股	31,600	3,160
As at 30th September 2009	於二零零九年九月三十日	413,028	41,303

The VSC Group has issued 31,600,000 shares of HK\$0.1 per ordinary share on 28th July 2009.

於二零零九年七月二十八日，萬順昌集團已發行31,600,000股每股面值0.10港元之普通股。

15 GUARANTEES

As at 30th September 2009, the VSC Group has given performance bonds in the ordinary course of business amounting to approximately HK\$573,000 (31st March 2009: HK\$573,000) to third parties.

15 擔保

於二零零九年九月三十日，萬順昌集團就其正常業務之需要而給予第三方履約擔保書約573,000港元(二零零九年三月三十一日：573,000港元)。

16 COMMITMENTS

(a) Capital commitments

Capital commitments in respect of property, plant and equipment are as follows:

16 承擔

(a) 資本承擔

關於物業、廠房及設備之資本承擔如下：

	As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Contracted but not provided for	—	167

16 COMMITMENTS (CONTINUED)

(b) Commitments under operating leases

Total commitments payable under various non-cancellable operating lease agreements in respect of rented premises and motor vehicles are analysed as follows:

		As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Not later than one year	未逾1年	11,448	7,682
Later than one year and not later than five years	逾1年及未逾5年	8,774	6,843
Later than five years	逾5年	1,042	1,327
		21,264	15,852

(c) Commitments under derivative contracts

As at 30th September 2009, the VSC Group had the following derivative contracts. These contracts are stated at fair values as at 30th September 2009.

- (i) Outstanding interest rate swap contracts with notional principal amount of approximately HK\$51,500,000 (31st March 2009: HK\$91,397,000).
- (ii) Outstanding rebar future contracts to purchase rebar of approximately HK\$21,968,000 (31st March 2009: nil), for the purpose of hedging against the VSC Group's commitments arising from its trading activities.

16 承擔(續)

(b) 營業租約承擔

就承租物業及汽車而訂立之不可撤銷營業租約之應付承擔總額分析如下：

	As at 30th September 2009 於二零零九年 九月三十日 HK\$'000 千港元	As at 31st March 2009 於二零零九年 三月三十一日 HK\$'000 千港元
Not later than one year	11,448	7,682
Later than one year and not later than five years	8,774	6,843
Later than five years	1,042	1,327
	21,264	15,852

(c) 衍生合約承擔

於二零零九年九月三十日，萬順昌集團尚有以下衍生合約。此等合約按其於二零零九年九月三十日之公平價值列賬。

- (i) 尚有設定本金額約51,500,000港元之未行使之利率掉期合約（二零零九年三月三十一日：91,397,000港元）。
- (ii) 尚有未行使之螺紋鋼期貨合約以用作購買約21,968,000港元之螺紋鋼（二零零九年三月三十一日：無），旨在為萬順昌集團於貿易活動有關之承諾作出對沖。

17 RELATED-PARTY TRANSACTIONS

The following is a summary of significant related party transactions, which were carried out in the normal course of the VSC Group's business:

(a) Transactions

17 與關連人士之交易

與關連人士之重大交易詳情如下，此等交易是按照萬順昌集團日常業務之正常條款進行：

(a) 交易

		For the six months ended	
		30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Sales of goods to an associate (i)	向一間聯營公司銷售貨品(i)	92,146	—
Purchase of goods from a related party (i)	向一關連人士採購貨品(i)	—	95,148
Rental expenses paid to an associate (ii)	已付一間聯營公司之租金支出(ii)	2,529	3,226
Interest paid to a related party (iii)	已付一關連人士之利息(iii)	—	1,905
Interest received from an associate (iv)	已收一間聯營公司之利息(iv)	208	—

Notes:

- (i) Goods were purchased and sold at prices mutually agreed by both parties.
- (ii) Rental expenses were determined by reference to open market rental.
- (iii) Interest expenses are determined at a rate of approximately 1.5% per annum on overdue balances for the period ended 30th September 2008.
- (iv) Interest income are determined at a rate of approximately 2.5% (2008: nil) per annum on overdue balances.

附註：

- (i) 所採購及銷售之貨品皆按雙方達成協議之價格收取。
- (ii) 租金支出乃參考公開市場之租值而釐訂。
- (iii) 截至二零零八年九月三十日止期內，利息支出乃以年利率約1.5%計算過期結餘。
- (iv) 利息收入乃以年利率約2.5% (二零零八年：無) 計算過期結餘。

17 RELATED-PARTY TRANSACTIONS (CONTINUED)**(b) Key management compensation**

		For the six months ended	
		30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and allowances	薪金及津貼	2,178	2,870
Bonus	花紅	—	480
Pension costs — defined contribution schemes	退休金成本 — 界定供款計劃	65	23
		2,243	3,373

18 SEASONALITY

There is no material seasonality impact on the operations of the VSC Group.

17 與關連人士之交易(續)**(b) 主要管理層報酬**

		For the six months ended	
		30th September	
		截至九月三十日止六個月	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and allowances	薪金及津貼	2,178	2,870
Bonus	花紅	—	480
Pension costs — defined contribution schemes	退休金成本 — 界定供款計劃	65	23
		2,243	3,373

18 季節性

季節性對萬順昌集團之營運並無重大影響。

RESULTS

The VSC Group's performance for the first half of the financial year was encouraging. Profit attributable to the equity holders of the Company was approximately HK\$50 million, a 46% increase from approximately HK\$34 million for the same period of last year. Most important of all, it shows a recovery of the VSC Group's business and profitability when compared with the loss of approximately HK\$278 million for the year ended 31st March 2009.

Our revenue for the six months ended 30th September 2009 was approximately HK\$1,584 million, a 48% decrease as compared with approximately HK\$3,046 million for the same period of last year, which was a result by global financial crisis that affected both demand and unit price as well as a result of the further dilution in our shareholding in VSC-Ryerson China Limited ("VSC-Ryerson China"). Our gross margin increased by 1.2 percentage points to 9.8% as compared with 8.6% for the same period of last year. In view of the global financial crisis, the VSC Group underwent a comprehensive cost reduction program. For example headcount has been reduced from 346 (excluding the operations of VSC-Ryerson China and its subsidiaries) in September 2008 to 302 in September 2009. Selling and distribution expenses decreased by 61% from approximately HK\$26 million to approximately HK\$10 million. General and administrative expenses decreased by 51% from approximately HK\$133 million to approximately HK\$65 million.

The key drivers of our operating efficiency are inventory turns and account receivables dates and we have made a great improvement in both areas. The VSC Group's average Days of Supplies ("DOS") was 29 days which was better than that of 43 days for the last year end. The VSC Group's average overall Day Sales Outstanding ("DSO") also improved from 41 days for the last year end to 32 days for the six months ended 30th September 2009.

Basic earnings per share increased by 42% to HK12.9 cents as compared with HK9.1 cents for the same period of last year. The interim dividend of HK3 cents per share was declared for the six months ended 30th September 2009 (2009 interim: Nil).

業績

萬順昌集團本財政年度首半年之表現令人鼓舞。本公司股權持有人應佔溢利由去年同期約34,000,000港元上升至50,000,000港元，增加46%。最重要的是，與截至二零零九年三月三十一日止年度約278,000,000港元之虧損比較，反映萬順昌集團之業務及盈利能力已完全恢復。

截至二零零九年九月三十日止六個月之收入約1,584,000,000港元，由於需求及價格兩方面均受全球金融危機影響，再加上進一步攤薄了萬順昌—瑞爾盛中國有限公司（「萬順昌—瑞爾盛中國」）之權益，因此收入較去年同期約3,046,000,000港元下跌48%。毛利率則較去年同期之8.6%上升1.2百分點至9.8%。在全球金融危機下，萬順昌集團已實行一項全面節流計劃，例如僱員人數由二零零八年九月之346名（不包括萬順昌—瑞爾盛中國及其附屬公司之營運）下跌至二零零九年九月之302名。銷售及分銷支出由約26,000,000港元下跌至約10,000,000港元，減少61%。一般及行政支出則由約133,000,000港元下跌至約65,000,000港元，減少51%。

萬順昌集團之營運效率主要因素為存貨週轉期及應收賬款週轉日，在此兩方面均錄得顯著改善。萬順昌集團之平均存貨週轉日數（「存貨週轉日數」）為29日，與去年年終之43日比較為佳。而萬順昌集團之平均應收賬款週轉日數（「應收賬款週轉日數」）由去年年終之41日減少至截至二零零九年九月三十日止六個月之32日。

每股基本盈利由去年同期之9.1港仙上升至12.9港仙，增加42%。期內宣派截至二零零九年九月三十日止六個月之中期股息每股3港仙（二零零九年中期：無）。

FINANCIAL POSITIONS

Compared with last fiscal year ended 31st March 2009, as at 30th September 2009, the VSC Group's total assets increased by approximately HK\$39 million to approximately HK\$1,299 million. The VSC Group's inventories reduced by approximately HK\$60 million while trade and bill receivables increased by approximately HK\$49 million. Net assets value of the VSC Group increased by approximately HK\$70 million to approximately HK\$631 million, equivalent to HK\$1.5 per ordinary share.

Compared with the financial position at 31st March 2009, the VSC Group's cash and cash equivalents and pledged bank deposits, increased by approximately HK\$96 million to approximately HK\$233 million whereas the VSC Group's bank borrowings were reduced by approximately HK\$22 million. Current ratio improved to 1.5, while gearing ratio (net debt, which is total borrowings less pledged bank deposits and cash and cash equivalents, divided by total equity (excluding minority interests) plus net debt) decreased from 40% to 29%.

FINANCIAL RESOURCES

The VSC Group's trade financing remained primarily supported by its bank trading and term loan facilities. About 80% of the VSC Group's total borrowings were denominated in Hong Kong dollar, 17% in Renminbi ("RMB") and 3% in US dollar. About 98% of the VSC Group's total borrowing is repayable in one year and 2% was repayable between one and two years. These facilities are either secured by the VSC Group's inventory held under short-term trust receipts bank loan arrangement and/or inventories held under collateral management and/or pledged bank deposits and/or corporate guarantee provided by VSC. All of the above borrowings in Hong Kong are subject to floating interest rate. Interest costs of import bank loans were levied on inter-banks borrowing rates plus very competitive margin. RMB loans and bill exchange facilities have been obtained from domestic and foreign banks in the amount of RMB74 million. Interest costs of RMB banking facilities were based on standard loan rates set by the People's Bank of China adjusted with competitive margin.

財務狀況

與截至二零零九年三月三十一日止之財政年度相比，萬順昌集團於二零零九年九月三十日之資產總額增加約39,000,000港元至約1,299,000,000港元。而萬順昌集團之存貨減少約60,000,000港元，同時應收賬款及票據增加約49,000,000港元。資產淨值增加約70,000,000港元至約631,000,000港元，相當於每股普通股1.5港元。

與於二零零九年三月三十一日之財務狀況比較，萬順昌集團之現金及現金等值及已抵押銀行存款，增加約96,000,000港元至約233,000,000港元，而萬順昌集團之銀行借貸則減少約22,000,000港元。流動比率得以改善至1.5，資產負債比率（淨負債，借貸總額減已抵押銀行存款及現金及現金等值除以權益總額（不包括少數股東權益）加淨負債）由40%減少至29%。

財務資源

萬順昌集團之貿易融資主要仍由其銀行貿易及定期貸款融資支持。萬順昌集團借款總額中約80%以港元為幣值，另17%及3%分別以人民幣及美元為幣值。萬順昌借貸總額中，約98%須於一年內償還，及2%須於一年至兩年之間償還。該等信貸融資主要以萬順昌集團之短期信託收據銀行貸款安排持有萬順昌集團之存貨及／或抵押品管理下持有之存貨及／或已抵押銀行存款及／或萬順昌提供之公司擔保以作抵押。所有以上於香港之借貸均按浮動利率計息。進口銀行貸款之利息費用以銀行同業拆息率加非常具有競爭力之息差計算。萬順昌集團已自國內及外資銀行獲得數額為人民幣74,000,000元之人民幣貸款及匯票融資。人民幣銀行融資按中國人民銀行定之標準貸款利率以具競爭力之息差調整。

Interest rate swap contracts were entered into to hedge against major interest rate exposures. As at 30th September 2009, there were outstanding interest rate swap contracts to hedge against HK\$52 million of the VSC Group's borrowings.

CHARGES ON ASSETS

As at 30th September 2009, the VSC Group had certain charges on assets which included (i) inventories of approximately HK\$28 million pledged for certain of the VSC Group's short-term bank loans; (ii) certain inventories were held under short-term trust receipts bank loan arrangements, (iii) bank deposits of approximately HK\$30 million which were pledged as collateral for the VSC Group's banking facilities, and (iv) bank deposits of approximately HK\$5 million was pledged as deposit for the VSC Group's rebar future contracts.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

The VSC Group's businesses were primarily transacted in Hong Kong dollar, US dollar, RMB and Euro dollar. As exchange rate between HK dollar and the US dollar is pegged, the VSC Group believes its exposure to exchange rate risk arising from US dollar is not material. Facing the appreciation of RMB, the VSC Group will continue to match RMB payments with RMB receipts to minimize exchange exposure.

Forward foreign currency contracts were entered into when suitable opportunities arise and when considered appropriate to hedge against major foreign currency exposures. It is the VSC Group's policy not to enter into any derivative transaction for investment purpose as such activity is deemed to be too speculative and a deviation from the VSC Group's core competence.

CONTINGENT LIABILITIES

As at 30th September 2009, the VSC Group had outstanding performance bonds for its sanitary wares supply projects amounting to approximately HK\$0.6 million (31st March 2009: HK\$0.6 million).

萬順昌集團已訂立利率掉期合約以對沖主要利率風險。於二零零九年九月三十日，萬順昌集團有若干尚未行使之利率掉期合約以對沖約52,000,000港元之萬順昌集團借貸。

資產抵押

於二零零九年九月三十日，萬順昌集團有若干資產抵押，包括(i)約28,000,000港元之存貨已抵押作萬順昌集團之若干短期銀行貸款；(ii)若干於短期信託收據銀行貸款安排項下持有之存貨；(iii)約30,000,000港元之銀行存款作為萬順昌集團之銀行信貸額之抵押品；及(iv)約5,000,000港元之銀行存款已抵押作為萬順昌集團之螺紋鋼期貨合約之存款。

匯率風險波動及相關對沖

萬順昌集團之業務主要以港元、美元、人民幣及歐元作交易。由於港元與美元之間匯率固定，萬順昌集團相信其匯率風險相當輕微。面對人民幣的升值，萬順昌集團將繼續以人民幣收入來作出人民幣付款，從而減低兌換風險。

萬順昌集團已在適當時機訂立遠期外匯合約以對沖主要外匯風險。萬順昌集團之政策為不進行任何投資用途衍生產品交易，因該等活動之投機成份過高，偏離萬順昌集團之核心競爭力。

或然負債

於二零零九年九月三十日，萬順昌集團就其潔具供應項目有尚未行使履約擔保書約600,000港元(二零零九年三月三十一日：約600,000港元)。

OPERATION REVIEW AND PROSPECTS

Steel Distribution

Steel distribution operations comprise stockholding business of rebar, structural steel and engineering products in Hong Kong and steel distribution in the Peoples' Republic of China ("PRC"). The VSC Group has a 66.7% owned joint venture — Shanghai Bao Shun Chang ("BSC"), which engages in the distribution of domestic steel products in Eastern China.

Hong Kong Steel Distribution ("HK Steel Department")

Demand of rebar increased gradually during the six months under review from its low level in March 2009 which had been caused by the global financial tsunami broken out in 2008. The HK Steel Department continues to catch the rise of demand and has obtained contracts to distribute steel rebar to various projects. Customer base has also been further widened, with total sales contracts in hand as at 30th September 2009 was about 174,000 tons, which represents an increase of about 16% from approximately 150,000 tons as at 31 March 2009.

Approaching the end of 2009, various infrastructure and construction projects are launching out gradually. Some of the 10 major infrastructure projects have been launched by the government, such as the South Island Line, West Kowloon Cultural District Phase I, West Island Line, The Shatin to Central Link Phase I, The Guangzhou-Shenzhen-Hong Kong Express Rail Link, Kai Tak Development Plan and Hong Kong-Zhuhai-Macao Bridge. Highway jobs, such as the Tuen Mun Road reconstruction and improvement projects, as well as the Tolo Highway Widening project, together with some large scale private jobs, such as the Tsing Yi Interlink Development, will also be launched within 2010. It is expected that the demand of steel will further increase by the end of this year all the way throughout next year, which provides a prosperous market to the VSC Group.

Mainland China Steel Distribution ("PRC Steel Department")

Despite the unfavourable impact of the global financial crisis, the PRC Steel Department has carried out certain steps to stabilise as well as to improve its profit margin. We further focus on direct customers, and have sales contracts entered with price variable clauses to ensure our gross profit margin. With its good relationship with suppliers of import steel

業務回顧與前景

鋼材分銷

鋼材分銷業務包含在香港經營的鋼筋、結構鋼及工程產品存銷業務，以及在中華人民共和國（「中國」）經營的鋼材分銷業務。萬順昌集團擁有66.7%權益的合營公司 — 上海寶順昌（「寶順昌」）則在華東從事國內鋼材產品分銷業務。

香港鋼材分銷（「香港鋼材部」）

二零零八年全球金融海嘯引發鋼筋需求下降，於回顧期間的六個月內，鋼筋需求由二零零九年三月的低位逐步回升。香港鋼材部繼續把握需求增加的機遇取得若干合約，向多項工程分銷鋼筋。客戶基礎亦進一步擴大，於二零零九年九月三十日的手頭上合約銷售總額涉及約174,000噸鋼材，較二零零九年三月三十一日約150,000噸鋼材增加約16%。

接近二零零九年底，多項基建及建築工程正陸續推出。政府已推出部分十大基建工程計劃，包括南港島線、西九文化區第一期、西港島線、沙中線第一期、廣深港高速鐵路香港段、啟德發展計劃及港珠澳大橋。屯門公路重建及改善工程和吐露港公路擴闊工程等高速公路項目以及青衣貨倉發展計劃等部分大型私人項目亦將會於二零一零年內推出。預期本年終至下年度整年的鋼材需求將會進一步增加，為萬順昌集團帶來蓬勃的市場。

中國內地鋼材分銷（「中國鋼材部」）

儘管受到全球金融危機的不利影響，但中國鋼材部已採取若干措施，以保持及提高其溢利率。我們進一步專注於直接客戶，並於銷售合約內加入價格變動條款，以保障公司的毛利率。透過與進口

and customers consuming foreign standard steel for large projects, the PRC Steel Department also shift its sales mix to focus in more import steel materials which provides higher gross profit margin.

Demands from the automobile industry in the PRC after the financial turmoil provides BSC, our 66.7% owned joint venture company, with a good market chance.

Building Products Distribution

The business units of Building Products Distribution mainly engaged in distributing sanitary wares in Hong Kong, Shanghai, Shenzhen and Macau. Total turnover of the building products distribution amounted to approximately HK\$173 million (2009 interim: approximately HK\$160 million).

The Hong Kong Building Products Department recorded a turnover of approximately HK\$46 million (2009 interim: approximately HK\$42 million). It engages in projects, wholesale distribution and retail for sanitary wares and fittings, kitchen cabinets and furniture for Hong Kong and Macau markets. Leisure Plus, the one-stop lifestyle home solution provider in Wanchai, offers a delicate combination of balances that turn customer's house into a home. Hong Kong Building Products Department currently has contracts-on-hand worth approximately HK\$16 million, which includes some major projects such as supply of sanitary wares for The ONE, Ocean Park, Times Square, Kowloon Shangri-la Hotel, HSBC Headquarter, etc.

During the six months under review, Shanghai Leisure Plus reported a turnover of more than HK\$88 million which represents an increase of 32% when compared with the same period of last year. A new showroom was opened recently in September 2009, which helps to strengthen the retail business of Shanghai Leisure Plus. With close relationship with its dealer, expanding sales network with more new customers, and obtaining various project contracts, such as Shanghai World Expo Center; Shanghai World Expo Performing Arts Center; Shanghai Kerry Centre; Great Shanghai Wheelock Square; Shanghai Pudong International Airport; Centre Residence, Shanghai; Shanghai New World Office Building, it is expected that Shanghai Leisure Plus will have good growth potential in the coming future.

鋼材供應商及在大型項目使用海外標準鋼材的客戶的良好關係，中國鋼材部亦轉移其銷售組合至更集中於進口鋼材，從而獲得較高毛利率。

金融危機後，中國汽車業的需求為本公司擁有66.7%權益的合營公司寶順昌帶來市場良機。

建築產品分銷

建築產品分銷業務轄下的業務部門主要在香港、上海、深圳和澳門分銷潔具。建築產品分銷的總營業額約為173,000,000港元(二零零九年中期：約160,000,000港元)。

香港建築產品部錄得營業額約46,000,000港元(二零零九年中期：約42,000,000港元)。該部門於香港及澳門市場從事潔具及設備、廚櫃及家具的項目、批發分銷及零售。利尚派為位於灣仔的一站式家居解決方案供應商，提供多款精美選擇和組合，為客戶佈置理想家居。香港建築產品部現有的手頭上合約價值約16,000,000港元，當中包括部分主要項目，如為The ONE、海洋公園、時代廣場、九龍香格里拉大酒店及香港上海匯豐銀行有限公司總部等供應潔具等。

於回顧期間的六個月內，上海利尚派錄得逾88,000,000港元的營業額，較去年同期上升32%。上海利尚派近期於二零零九年九月開設一間新陳列室，有助加強其零售業務。憑藉與分銷商的緊密關係、擴充銷售網絡至更多全新客戶、及取得上海世博中心、上海世博演藝中心、上海嘉里中心、大上海會得豐廣場、上海浦東國際機場、上海嘉里華庭、上海新世界辦公樓等多個項目的合約，預期上海利尚派日後將具備良好的增長潛力。

Turnover for the six months ended 30th September 2009 of Shenzhen Leisure Plus amounted to about HK\$39 million (2009 interim: HK\$35 million). After the completion of renovation in May 2009, the Shenzhen showroom has generated revenue at satisfactory level. Another new showroom was recently opened in September 2009. The two showrooms and good relationship with property developers in the Southern China are expected to contribute steady revenue and profits to Shenzhen Leisure Plus.

Plastic Resins Distribution (“Plastic Department”)

Plastics Department distributes general and engineering plastics in Hong Kong and Mainland China. It currently has business presence in Guangzhou, Shenzhen, Shanghai and Hong Kong.

Influenced by the economic crisis, the quantity of the orders from end users in USA & Europe decreased around 40%. Nevertheless, the Plastic Department recorded a profit for the period ended 30 September 2009. For the past half year, Plastic Department focuses with customers in the PRC and also toys market for future expansion. Meanwhile, Plastic Department will also explore the opportunities for expansion in other regions in the PRC. Indeed, market recover is found in recent months, the revenue and profit of Plastic Department is expected to grow in coming future.

Other Investments

The VSC Group has invested in associated companies which are engaged in hotel and property businesses operating in the PRC. The VSC Group also owns 20% shareholding interest of coil service center operations which are operating by VSC-Ryerson China. We intend to hold this 20% as a long term strategic investment, completing our steel products value chain. In addition to monitoring the expansion of these businesses, the VSC Group will also continue to search for other potential investment opportunities to enhance the development of business.

Hotel Business

During the period under review, the hotel business generated a turnover of about HK\$17 million, represents an increase of 14% when compare with the same period of last year. The average occupancy rate of the hotels was about 80% as at 30 September 2009, and it is self-sustained

深圳利尚派於截至二零零九年九月三十日止六個月的營業額約為39,000,000港元(二零零九中期: 35,000,000港元)。深圳陳列室於二零零九年五月完成裝修後,收入已達令人滿意的水平,而另一間新陳列室已於二零零九年九月開業。該兩間陳列室,以及與華南物業發展商的良好關係,預期將可為深圳利尚派帶來穩定的收入和溢利。

塑膠樹脂分銷(「塑膠部」)

塑膠部在香港及中國內地分銷一般及工程塑膠樹脂,業務現時遍及廣州、深圳、上海及香港。

在經濟危機之影響下,美國及歐洲最終用戶的訂單數目下跌約40%。然而,塑膠部於截至二零零九年九月三十日止期間仍錄得溢利。於過去半年,塑膠部致力開拓中國客戶及玩具市場作日後擴展。同時,塑膠部亦將開拓中國其他地區的擴展機會。事實上,市場已於近月漸漸復甦,預期塑膠部的收入和溢利將於可見將來有所增長。

其他投資

萬順昌集團已投資於在中國經營酒店和房地產業務的聯營公司。萬順昌集團亦擁有萬順昌—瑞爾盛中國經營的加工服務中心業務的20%股權。公司有意持有此20%股權以作為長期策略性投資,以完善鋼材產品價值鏈。除監控該等業務的擴展外,萬順昌集團亦將繼續物色其他潛在的投資機會,以提升業務發展。

酒店業務

於回顧期間,酒店業務的營業額約為17,000,000港元,較去年同期上升14%。於二零零九年九月三十日,酒店的平均入住率約為80%,而在現金流量

in terms of cash flow. The 2010 Shanghai World Expo provides growth opportunity for the hotel business both in terms of revenue and profits. We may explore the opportunity to restructure this investment to the best interest of the shareholders.

Property

As at 30th September 2009, the rented out rate of the office building located in Shanghai, where our Shanghai headquarter being located, was 96%. Our property management team has successfully obtained such a satisfactory rented out rate with tenants consists of various international companies that provides a stable income source for our property business. In view of the 2010 Shanghai World Expo, we are bullish in the investment value of this property and our property management team will also explore the opportunities in providing property management services to other projects.

Coil Service Center Operations

Due to the global financial crises, market demand decreased during the period up to June 2009. However, market improvement is found in recent months since July 2009. Central China continues to grow at record pace. To position itself closer to this market, VSC-Ryerson China opened a small fabrication manufacturing facility in Wuhan in June 2009. Indeed, it is also expanding its presence by opening sales offices in cities with high growth. VSC-Ryerson China has positioned itself for aggressive growth and long term shareholder value delivery.

方面，酒店業務可達致收支平衡。二零一零年上海世博會將會在收入和溢利方面為酒店業務帶來增長機遇。萬順昌集團將為股東之最佳利益而盡可能尋求任何機會以重組此投資項目。

房地產

於二零零九年九月三十日，位於上海的辦公室大樓(本公司於上海之總部亦位於該辦公大樓內)的出租率達96%。我們的物業管理團隊成功取得理想的出租率，而租戶當中包括多間跨國公司，為房地產業務帶來穩定收入來源。隨著二零一零上海世博會舉行，對此房地產之投資價值非常樂觀，而物業管理團隊亦將會開拓為其他項目提供物業管理服務的商機。

加工服務中心業務

由於全球金融危機，市場需求於截至二零零九年六月止期間有所下跌。然而，市場自二零零九年七月起已逐漸復甦，而華中市場的增長速度更屢創新高。為作出緊貼市場的部署，萬順昌—瑞爾盛中國於二零零九年六月在武漢開設小型加工設施。事實上，萬順昌—瑞爾盛中國亦正於具有高增長力的城市開設銷售辦事處，以擴展業務。萬順昌—瑞爾盛中國已做好充分準備，以進行積極增長及為投資者帶來長期價值。

EMPLOYEE AND REMUNERATION POLICIES

As at 30th September 2009, the VSC Group employed 302 staff. Salaries and annual bonuses are determined according to positions and performance of the employees. The VSC Group provides on-the-job training and training subsidy to its employees in addition to retirement benefit schemes and medical insurance. Total staff costs including contribution to retirement benefit schemes incurred during the 6-month period under review amounted to approximately HK\$33 million. During the 6-month period under review, options to subscribe 5,600,000 shares have been offered and granted to its employees under the share option scheme adopted since 12th November 2001.

INTERIM DIVIDEND

The Board have declared an interim dividend of HK3 cents per ordinary share for the six months ended 30th September 2009 payable to shareholders whose names appear on the Register of Members of VSC at the close of business on 18th December 2009. Dividend warrants are expected to be despatched on or before 23rd December 2009.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of VSC will be closed from 16th December 2009 to 18th December 2009 (both dates inclusive) during which period no transfers of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with VSC's Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited by not later than 4:00 p.m. (Hong Kong SAR time) on 15th December 2009.

員工及薪酬政策

於二零零九年九月三十日，萬順昌集團聘請302名員工。薪酬及年終花紅乃根據僱員之職位及表現而釐定。除退休福利計劃及醫療保險外，萬順昌集團亦為其僱員提供在職培訓及培訓津貼。總員工成本包括於回顧六個月期間之退休福利計劃供款約33,000,000港元。在回顧六個月期間，根據於二零零一年十一月十二日採納之購股權計劃，向其僱員提供及授出可認購5,600,000股股份之購股權。

中期股息

董事會宣佈向於二零零九年十二月十八日辦公時間結束時名列萬順昌股東名冊之股東派發截至二零零九年九月三十日止六個月之中期股息每股普通股3港仙。預期股息單將於二零零九年十二月二十三日或該日之前寄發。

暫停辦理股份過戶登記手續

萬順昌將由二零零九年十二月十六日至二零零九年十二月十八日(首尾兩天包括在內)期間暫停辦理股份過戶登記手續。為了符合享有中期股息資格，所有股份轉讓文件連同有關股票及過戶表格最遲須於二零零九年十二月十五日下午四時(香港特別行政區時間)送抵萬順昌於香港之股份過戶登記處，即香港中央證券登記有限公司。

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

As at 30th September 2009, the interests and short positions of the Directors and chief executives of the Company in the shares of HK\$0.10 each in the capital of the Company ("Shares"), underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to be notified to the Company and the Stock Exchange, were as follows:

董事於股份、相關股份及債權證之權益及淡倉

於二零零九年九月三十日，董事及本公司之最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之本公司股本中每股面值0.10港元之股份(「股份」)、相關股份及債權證中擁有之權益及淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司(「聯交所」)(包括根據證券及期貨條例之該等規定被認為或視作擁有之權益及淡倉);或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內;或(c)根據上市發行人董事進行證券交易的標準守則(「標準守則」)必須知會本公司及聯交所之權益及淡倉載列如下:

(i) Long positions in Shares and options of the Company

(i) 本公司之股份及購股權之好倉

Name of Directors 董事名稱	Capacity 身份	Attributable interest to the Directors 董事應佔權益	Number of Shares 股份數目	Approximate percentage 概約百分比	Number of share options 購股權數目 (Note b) (附註b)	Aggregate interest 累計權益
Mr. Andrew Cho Fai Yao ("Mr. Yao") 姚祖輝先生 (「姚先生」)	Interest of controlled corporation, Huge Top (Note a) 受控制公司，Huge Top之權益 (附註a)	deemed interest (indirectly) 被視作擁有之權益(間接)	173,424,000	41.99%	—	173,424,000
	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	1,614,000	0.39%	1,500,000	3,114,000
			175,038,000	42.38%	1,500,000	176,538,000
Mr. Fernando Sai Ming Dong 唐世銘先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	142,000	0.03%	500,000	642,000

Name of Directors 董事名稱	Capacity 身份	Attributable interest to the Directors 董事應佔權益	Number of Shares 股份數目	Approximate percentage 概約百分比	Number of share options 購股權數目 (Note b) (附註b)	Aggregate interest 累計權益
Dr. Chow Yei Ching 周亦卿博士	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	1,000,000	0.24%	—	1,000,000
Mr. Harold Richard Kahler Harold Richard Kahler先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	66,000	0.02%	1,000,000	1,066,000
Mr. Kenny King Ching Tam 譚競正先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,000,000	1,000,000
Mr. Xu Lin Bao 徐林寶先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,000,000	1,000,000

Notes:

附註：

- a. As at 30th September 2009, Huge Top Industrial Ltd. ("Huge Top") held 173,424,000 Shares. Mr. Yao was one of the two directors of Huge Top while the remaining director of Huge Top was Ms. Miriam Che Li Yao who was the sister of Mr. Yao. Mr. Yao directly held approximately 11.90% and indirectly through Perfect Capital International Corp. ("Perfect Capital") owned approximately 42.86% of the issued shares of Huge Top and was entitled to exercise more than one-third of the voting power at general meetings of Huge Top. Mr. Yao owned the entire issued share capital of Perfect Capital. These interests of the aforesaid Director in the Shares were corporate interests.
- a. 於二零零九年九月三十日，Huge Top Industrial Ltd. (「Huge Top」) 持有173,424,000股股份。姚先生乃Huge Top兩名董事之一，而Huge Top餘下之董事為姚潔莉小姐(乃姚先生之姊)。姚先生直接持有約11.90%及透過Perfect Capital International Corp. (「Perfect Capital」)間接擁有Huge Top已發行股份約42.86%，並在Huge Top之股東大會上擁有多於三份一之投票權。姚先生擁有Perfect Capital全部已發行股本。前述董事於股份之該等權益乃屬公司權益。
- b. The interests of the Director in the share options of the Company are separately disclosed in the section headed "Share Option Scheme" below.
- b. 董事於本公司購股權之權益已獨立在下節「購股權計劃」披露。

(ii) Long positions in associated corporation — Huge Top**(ii) 相聯法團之好倉 — Huge Top**

Name of Directors 董事名稱	Capacity 身份	Attributable interest to the Directors 董事應佔權益	Number of shares 股份數目	Approximate percentage 概約百分比
Mr. Yao (Refer to Note a in (i) above) 姚先生(請閱上文(i)附註a)	Interest of controlled corporation, Perfect Capital 受控制公司, Perfect Capital之權益	deemed interest (indirectly) 被視作擁有之權益(間接)	36	42.86%
	Beneficial owner 實益擁有人	100% (directly) 100%(直接)	10	11.90%
			46	54.76%
Mr. Fernando Sai Ming Dong 唐世銘先生	Beneficial owner 實益擁有人	100% (directly) 100%(直接)	13	15.48%

Save as disclosed above, as at 30th September 2009, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (include interests and short positions which they are taken or deemed to have under such provisions of SFO); or (b) were required pursuant to section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零零九年九月三十日，董事、本公司之最高行政人員或彼等之聯繫人概無擁有根據證券及期貨條例有關本公司或其任何相聯法團之股份、相關股份或債權證中任何個人、家族、公司或其他權益或淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所(包括根據證券及期貨條例之該等規定被認為或視作擁有之權益或淡倉)；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據標準守則必須知會本公司及聯交所之權益或被視作擁有之權益或淡倉。

Apart from the foregoing, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under the 18 years of age to acquire benefits by means of the acquisition of shares

除上述者外，於期內任何時間，本公司及其任何附屬公司並無訂立任何安排，以使董事或彼等之任何配偶或十八歲以下之子女有權透過購買本公司或任何其他法人團

in or debentures of the Company or any other body corporate, and no Directors or chief executives or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

體之股份或債權證而從中獲益，以及概無董事或最高行政人員或彼等各自之配偶或十八歲以下之子女已獲授任何權利以認購本公司股份或債務證券或已行使該等權利。

PERSONS WHO HAVE INTERESTS OR SHORT POSITIONS WHICH ARE DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO

根據證券及期貨條例第XV部第2及第3分部須披露人士之權益及淡倉

Other than interests disclosed in the section headed “Directors’ Interests and Short Positions in Shares, Underlying Shares and Debentures” above, as at 30th September 2009, according to the register of interests kept by the Company under section 336 of the SFO, the following entities had interests or short positions in the shares and underlying Shares of the Company which fell to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

除上文「董事於股份、相關股份及債權證之權益及淡倉」一節所披露之權益外，於二零零九年九月三十日，按本公司根據證券及期貨條例第336條須存置之登記冊之記錄，下列實體於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

Name 姓名	Capacity 身份	Number of Shares 股份數目	Approximate percentage 概約百分比	Number of share options 購股權數目	Aggregate interest 累計權益
Huge Top	Beneficial owner 實益擁有人	173,424,000	41.99%	—	173,424,000
Perfect Capital	Interest of controlled corporation 受控制公司之權益	173,424,000 (Note a) (附註a)	41.99%	—	173,424,000
Ms. Miriam Che Li Yao 姚潔莉女士	Interest of controlled corporation 受控制公司之權益	173,424,000 (Note b) (附註b)	41.99%	—	173,424,000
	Beneficial owner 實益擁有人	2,000,000	0.48%	1,000,000	3,000,000
		175,424,000	42.47%	1,000,000	176,424,000
Penta Investment Advisers Limited	Investment Manager 投資經理	33,100,000	8.01%	—	33,100,000
John Zwaanstra	Interest of controlled corporation 受控制公司之權益	33,100,000 (Note c) (附註c)	8.01%	—	33,100,000

Note:

- (a) As at 30th September 2009, Huge Top held 173,424,000 Shares. Perfect Capital owned approximately 42.86% of the issued shares of Huge Top and was entitled to exercise more than one-third of the voting power at general meetings of Huge Top and therefore was deemed to be interested in these Shares through Huge Top.
- (b) As at 30th September 2009, Huge Top held 173,424,000 Shares. Ms. Miriam Che Li Yao was one of the two directors of Huge Top while the remaining director of Huge Top was Mr. Yao who was the brother of Ms. Miriam Che Li Yao and therefore was deemed to be interested in these Shares through Huge Top.
- (c) As at 30th September 2009, Mr. John Zwaanstra has direct control over an investment manager Penta Investment Advisers Limited ("Penta") and therefore was deemed to control the voting power of 33,100,000 Shares held in aggregate by Penta and its wholly-owned subsidiaries and other entities controlled by it.

Save as disclosed above, as at 30th September 2009, the Directors were not aware of any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

附註：

- (a) 於二零零九年九月三十日，Huge Top 持有173,424,000股股份。Perfect Capital 擁有Huge Top已發行股份約42.86%，並在Huge Top之股東大會上擁有多於三份一之投票權，因此透過Huge Top 被視為持有該等股份。
- (b) 於二零零九年九月三十日，Huge Top 持有173,424,000股股份。姚潔莉女士乃Huge Top兩名董事之一，而Huge Top 餘下之董事為姚先生(乃姚潔莉女士之弟)，因此透過Huge Top被視為持有該等股份。
- (c) 於二零零九年九月三十日，John Zwaanstra 先生對投資經理Penta Investment Advisers Limited (「Penta」)擁有直接控制權，因此被視作控制Penta 及其全資附屬公司及受其控制的其他實體所持有合共33,100,000股股份的投票權。

除上文所披露者外，於二零零九年九月三十日，董事並不知悉有任何其他人士(董事或本公司最高行政人員除外)於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

SHARE OPTION SCHEME

A share option scheme has been adopted by the Company since 12th November 2001 (the "Share Option Scheme") and the Company may grant options to the participants as set out in the Share Option Scheme. The terms of the Share Option Scheme are contained in a circular sent to shareholders of the Company in October 2001. The share options outstanding under the Share Option Scheme during the period were as follows:

購股權計劃

本公司由二零零一年十一月十二日已採納一項購股權計劃(「購股權計劃」)，而本公司可如購股權計劃所列向參與人士授予購股權。購股權計劃之條款已刊於二零零一年十月本公司寄予股東之通函內。於期內，按購股權計劃尚未行使之購股權如下：

Name of category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				End of the period 期末
				Beginning of the period 期初	Granted during the period 期內授予	Exercised during the period 期內行使	Lapsed during the period 期內失效	
				'000 千份	'000 千份	'000 千份	'000 千份	'000 千份
Directors:								
董事：								
Mr. Yao 姚先生	13th September 2006 二零零六年九月十三日	13th September 2007 to 12th September 2016 二零零七年九月十三日至 二零一六年九月十二日	HK\$0.90 0.90港元	1,500	—	—	—	1,500
Mr. Fernando Sai Ming Dong 唐世銘先生	19th September 2003 二零零三年九月十九日	19th September 2005 to 18th September 2013 二零零五年九月十九日至 二零一三年九月十八日	HK\$1.418 1.418港元	300	—	—	—	300
	13th September 2006 二零零六年九月十三日	13th September 2007 to 12th September 2016 二零零七年九月十三日至 二零一六年九月十二日	HK\$0.90 0.90港元	200	—	—	—	200
Mr. Kenny King Ching Tam 譚競正先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.78 0.78港元	1,000	—	—	—	1,000
Mr. Harold Richard Kahler Harold Richard Kahler先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.78 0.78港元	1,000	—	—	—	1,000

Name of category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				
				Beginning of the period 期初	Granted during the period 期內授予	Exercised during the period 期內行使	Lapsed during the period 期內失效	End of the period 期末
				'000 千份	'000 千份	'000 千份	'000 千份	'000 千份
Mr. Xu Lin Bao 徐林寶先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.78 0.78港元	1,000	—	—	—	1,000
Sub-total 小計				5,000	—	—	—	5,000
Employees: 僱員：								
In aggregate 共計	7th May 2003 二零零三年五月七日	7th May 2005 to 6th May 2013 (Note 2) 二零零五年五月七日至 二零一三年五月六日 (附註2)	HK\$0.97 0.97港元	780	—	—	(50)	730
In aggregate 共計	19th September 2003 二零零三年九月十九日	19th September 2005 to 18th September 2013 二零零五年九月十九日至 二零一三年九月十八日	HK\$1.418 1.418港元	1,000	—	—	—	1,000
In aggregate 共計	13th September 2006 二零零六年九月十三日	13th September 2007 to 12th September 2016 二零零七年九月十三日至 二零一六年九月十二日	HK\$0.90 0.90港元	800	—	—	—	800
In aggregate 共計	18th September 2009 二零零九年九月十八日	18th September 2011 to 17th September 2019 (Note 3) 二零一一年九月十八日至 二零一九年九月十七日 (附註3)	HK\$0.586 0.586港元	—	5,600	—	—	5,600
Sub-total 小計				2,580	5,600	—	(50)	8,130

Name of category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				
				Beginning of the period 期初	Granted during the period 期內授予	Exercised during the period 期內行使	Lapsed during the period 期內失效	End of the period 期末
				'000 千份	'000 千份	'000 千份	'000 千份	'000 千份
Others: 其他：								
In aggregate 共計	2nd May 2003 二零零三年五月二日	2nd May 2003 to 1st May 2013 二零零三年五月二日至二零一三年五月一日	HK\$0.98 0.98港元	1,000	—	—	—	1,000
Sub-total 小計				1,000	—	—	—	1,000
Total of Share Option Scheme 購股權計劃總計				8,580	5,600	—	(50)	14,130

Notes:

附註：

- For the Share Option Scheme, the vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- The options to subscribe for Shares at a price of HK\$0.97 per Share are to be exercisable in whole or in part in the following manner:
 - During the period starting from 7th May 2005 to 6th May 2006, the option may be exercised up to 30% of such Shares.
 - During the period starting from 7th May 2006 to 6th May 2007, the option may (to the extent not exercised in accordance with (i) above) be exercised up to 70% of such Shares.
 - During the period starting from 7th May 2007 to 6th May 2013, the option may (to the extent not exercised in accordance with (i) and (ii) above) be exercised in full.

- 於購股權計劃，購股權未獲准行使期由授出當日開始直至行使期開始當日止。
- 以每股0.97港元認購股份之購股權可按以下方式全面或部份行使：
 - 於二零零五年五月七日至二零零六年五月六日期間，持有人最多可行使可認購30%此等股份的購股權。
 - 於二零零六年五月七日至二零零七年五月六日期間，持有人最多可行使可認購70%此等股份的購股權（以按照上文(i)段以尚未行使者為限）。
 - 於二零零七年五月七日至二零一三年五月六日期間，持有人可悉數行使購股權（以按照上文(i)及(ii)段以尚未行使者為限）。

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| <p>3. The options to subscribe for Shares at a price of HK\$0.586 per Share are to be exercisable in whole or in part in the following manner:</p> <p>(i) During the period starting from 18th September 2011 to 17th September 2012, the option may be exercised up to 33.33% of such Shares.</p> <p>(ii) During the period starting from 18th September 2012 to 17th September 2013, the option may (to the extent not exercised in accordance with (i) above) be exercised up to 66.66% of such Shares.</p> <p>(iii) During the period starting from 18th September 2013 to 17th September 2019, the option may (to the extent not exercised in accordance with (i) and (ii) above) be exercised in full.</p> | <p>3. 以每股0.586港元認購股份之購股權可按以下方式全面或部份行使：</p> <p>(i) 於二零一一年九月十八日至二零一二年九月十七日期間，持有人最多可行使可認購33.33%此等股份的購股權。</p> <p>(ii) 於二零一二年九月十八日至二零一三年九月十七日期間，持有人最多可行使可認購66.66%此等股份的購股權(以按照上文(i)段以尚未行使者為限)。</p> <p>(iii) 於二零一三年九月十八日至二零一四年九月十七日期間，持有人可悉數行使購股權(以按照上文(i)及(ii)段以尚未行使者為限)。</p> |
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Save as disclosed above, no share options were granted, exercised, lapsed or cancelled during the period.

除上文所披露外，於期內並無購股權獲授予、行使、失效或註銷。

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither VSC nor any of its subsidiaries has purchased, sold or redeemed any of shares of VSC during the six months ended 30th September 2009.

買賣或贖回股份

本公司或其任何附屬公司概無於截至二零零九年九月三十日止六個月內購入、售出或贖回任何本公司之股份。

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

VSC has applied the principles and complied with all the applicable code provisions of the Code on Corporate Governance Practices (“CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) for the six months ended 30th September 2009, except for the deviations herein below mentioned:

所遵守之企業管治常規守則

於截至二零零九年九月三十日止六個月內，萬順昌集團已應用香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「企業管治守則」)之原則，並遵守一切適用守則條文，惟下文所述者則除外：

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| <p>1. The CG Code provision A.2.1 stipulates that the roles of the chairman and the chief executive officer should be separated and should not be performed by the same individual. VSC does not have a separate chairman and chief executive officer and Mr. Yao currently holds both positions. The Board believes that vesting the roles of both chairman and chief executive officer in the same person provides the VSC Group with strong and consistent leadership, efficiency usage of resources and allows for effective planning, formulation and implementation of VSC’s business strategies which will enable the VSC Group to sustain the development of the VSC Group’s business efficiently.</p> | <p>1. 企業管治守則條文A.2.1條所規定，主席及行政總裁之職位應分開，不應由一人同時兼任。萬順昌之主席及行政總裁職位並無分開，現由姚先生一人同時出任。董事會認為由同一人擔任主席及行政總裁之職位能為萬順昌集團提供強勢及貫徹之領導，有效運用資源，並可有效地策劃、制訂及實施萬順昌之業務策略，從而使萬順昌集團能夠有效地維持其業務之發展。</p> |
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2. The CG Code provisions A.4.1 stipulates that the non-executive directors should be appointed for a specific term, subject to re-election. VSC's non-executive Directors (except for Mr. Harold Richard Kahler) are not appointed for a specific term. They are (including all other Directors) however, subject to retirement by rotation and re-election every three years according to the Company's Bye-Laws.

AUDIT COMMITTEE

The Audit Committee has been set up since December 1998 and now consists of four independent non-executive Directors with Mr. Kenny King Ching Tam as chairman and Dr. Chow Yei Ching, Mr. Harold Richard Kahler and Mr. Xu Lin Bao as members. Mr. Kenny King Ching Tam who is an independent non-executive Director with appropriate professional accounting expertise as required under Rule 3.10 of the Listing Rules. Scope of the work of the Audit Committee is defined and approved by the Board in relation to various internal control and audit issues with a view to further improving our corporate governance. The Company adopted a new terms of reference of the Audit Committee on 20th March 2009 in order to conform with the recent amendments made to the CG Code. The Audit Committee has adopted its terms of reference, which is in line with the CG Code was posted to the Company's website at <http://www.vschk.com>. The Audit Committee has discussed auditing, internal controls, and financial reporting matters including review of the results for the six months ended 30th September 2009. They are also of opinion that such statements comply with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

2. 企業管治守則條文A.4.1所規定，非執行董事的委任應有指定任期，並須接受重新選舉。萬順昌之非執行董事(除Harold Richard Kahler先生外)並無指定委任任期。可是他們(包括全部其他董事)需要按本公司之組織章程細則每三年至少輪值告退一次，並可膺選連任。

審核委員會

審核委員會於一九九八年十二月成立，成員現時包括四名獨立非執行董事，譚競正先生為主席及周亦卿博士、Harold Richard Kahler先生及徐林寶先生為委員。按上市規則第3.10條，譚競正先生為獨立非執行董事並為合適專業會計專才。董事會已制定及核准審核委員會之職權範圍，職權涉及內部監控及審核事宜，目標為進一步改善其企業監管。本公司已於二零零九年三月二十日採納了審核委員會之新職權範圍，以符合企業管治守則近來作出之多項修訂。審核委員會已按企業管治守則採納其職權範圍，並列於本公司之網址(<http://www.vschk.com>)。審核委員會已討論審計，內部監控及財務匯報等事宜，其中包括審閱截至二零零九年九月三十日止六個月之業績，他們認為有關報表乃符合適用之會計準則及法例規定，並作出足夠之披露。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in the Appendix 10 of the Listing Rules as its own code of conduct (the “Company’s Model Code”) regarding securities transactions by the Directors on 31st March 2004. Various amendments have been made to the Company’s Model Code in order to conform with the recent amendments made to Appendix 10 of the Listing Rules effective 1st January 2009 and 1st April 2009. Having made specific enquiry of all Directors, they all confirmed that they have complied with the required standard set out in the Company’s Model Code during the six months ended 30th September 2009. The Company’s Model Code also applies to other specified relevant employees of the VSC Group in respect of their dealings in the securities of the Company.

On behalf of the Board
Andrew Cho Fai Yao
Chairman

Hong Kong, 13th November 2009

As at the date of this report, the Board comprised Mr. Andrew Cho Fai Yao (Chairman), Mr. Fernando Sai Ming Dong (being the executive Directors), Dr. Chow Yei Ching, Mr. Harold Richard Kahler, Mr. Kenny King Ching Tam, Mr. Xu Lin Bao (being the independent non-executive Directors).

進行證券交易之標準守則

本公司已於二零零四年三月三十一日採納上市規則附錄10所載之標準守則，作為董事進行證券交易守則（「公司之標準守則」）。為符合上市規則附錄10於二零零九年一月一日及二零零九年四月一日生效之最新修訂，公司之標準守則已作出多項相關之修訂。經向所有董事作出特定查詢後，彼等確認於截至二零零九年九月三十日止六個月內已遵守公司之標準守則所載之所需規定。公司之標準守則亦適用於萬順昌集團該等特定之有關僱員買賣本公司之證券。

代表董事會
主席
姚祖輝

香港，二零零九年十一月十三日

於本報告日期，董事會包括姚祖輝先生（主席）、唐世銘先生（為執行董事）、周亦卿博士、Harold Richard Kahler先生、譚競正先生、徐林寶先生（為獨立非執行董事）。

