

# REPORT OF THE DIRECTORS

## 董事會報告書

041

ANNUAL REPORT 年報  
2004/05

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March, 2005.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are the manufacture and sale of food and beverages. The principal activities and other particulars of the subsidiaries are set out in note 15 on the financial statements.

The analysis of geographical locations of the operations of the Company and its subsidiaries ("the Group") during the year are set out in note 13 on the financial statements.

### FINANCIAL STATEMENTS

The profit of the Group for the year ended 31st March, 2005 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 57 to 122.

An interim dividend of HK2.8 cents per share (2004: HK2.8 cents per share) was paid on 10th January, 2005. The Directors now recommend the payment of a final dividend of HK5.7 cents per share (2004: HK5.7 cents per share) and a special dividend of HK10.0 cents per share (2004: HK5.0 cents per share) in respect of the year ended 31st March, 2005.

### MAJOR CUSTOMERS AND SUPPLIERS

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

董事會欣然提呈截至二零零五年三月三十一日止年度之年報及經審核財務報表。

### 主要業務

本公司之主要業務為製造及銷售食品及飲品。附屬公司之主要業務及其他詳情載於財務報表附註15。

本公司及其附屬公司(「本集團」)於本年度內按地區劃分之業務分析載於財務報表附註13。

### 財務報表

本集團截至二零零五年三月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於第57至122頁之財務報表內。

本公司已於二零零五年一月十日派發中期股息每股港幣2.8仙(二零零四年：每股港幣2.8仙)。董事會現建議派發截至二零零五年三月三十一日止年度之末期股息每股港幣5.7仙(二零零四年：每股港幣5.7仙)及特別股息每股港幣10.0仙(二零零四年：每股港幣5.0仙)。

### 主要客戶及供應商

以下所載為本年度主要客戶及供應商分別佔本集團銷售額及採購額之資料：

		Percentages of the Group's total	
		Sales 應佔本集團 銷售總額百分比	Purchases 應佔本集團 採購總額百分比
The largest customer	最大客戶	16%	
Five largest customers in aggregate	首五大客戶合計	38%	
The largest supplier	最大供應商		25%
Five largest suppliers in aggregate	首五大供應商合計		34%

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**MAJOR CUSTOMERS AND SUPPLIERS (continued)**

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

**CHARITABLE DONATIONS**

Charitable donations made by the Group during the year amounted to HK\$1,489,000 (2004: HK\$944,000).

**FIXED ASSETS**

Movements in fixed assets of the Company and the Group during the year are set out in note 14 on the financial statements.

**BANK LOANS**

Particulars of bank loans of the Group as at 31st March, 2005 are set out in note 20 on the financial statements.

**SHARE CAPITAL**

Movements in share capital of the Company during the year are set out in note 25 on the financial statements.

**RESERVES**

Movements in reserves of the Company and the Group during the year are set out in note 26 on the financial statements.

**DIRECTORS**

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

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

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

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

**主要客戶及供應商(續)**

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

**慈善捐款**

本年度內本集團之慈善捐款共達港幣1,489,000元(二零零四年：港幣944,000元)。

**固定資產**

本公司及本集團於本年度內之固定資產變動詳情載於財務報表附註14。

**銀行貸款**

本集團於二零零五年三月三十一日之銀行貸款詳情載於財務報表附註20。

**股本**

本公司於本年度內之股本變動情況載於財務報表附註25。

**儲備**

本公司及本集團於本年度內之儲備變動情況載於財務報表附註26。

**董事**

於本年度內及截至本年報之日期各在任董事之名單載於第2頁。

根據本公司之章程細則第104條，羅友禮先生、羅慕貞女士、羅慕玲女士及布魯士先生須於應屆股東週年大會上輪值告退，並願膺選連任。

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

根據本公司之章程細則，非執行董事乃按與其他董事相同之輪值告退條款獲委任。

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

The Directors of the Company who held office at 31st March, 2005 had the following interests in the shares or underlying shares of the Company at that date as recorded in the register of Directors' interests and short positions required to be kept under section 352 of the Securities and Futures Ordinance ("SFO"):

### (1) Interests in issued shares

Name	Note	Number of ordinary shares of HK\$0.25 each 每股面值港幣0.25元之普通股數目				% of total issued shares 佔已發行股份 總數之百分比
		Personal interests	Family interests	Trusts and similar interests	Total interests	
姓名	附註	個人權益	家族權益	信託及 同類權益	權益總數	總數之百分比
Mr. Winston Yau-lai LO 羅友禮先生	(i), (iv)	46,489,800	28,702,500	72,678,300	147,870,600	14.88
Ms. Yvonne Mo-ling LO 羅慕玲女士	(ii), (iv)	31,866,450	843,750	72,678,300	105,388,500	10.60
Ms. Myrna Mo-ching LO 羅慕貞女士	(iii), (iv)	–	–	100,653,000	100,653,000	10.13
Mr. Chi-kian SHIU 邵志堅先生		3,281,400	–	–	3,281,400	0.33
Mr. John Shek-hung LAU 劉錫鴻先生		19,000	–	–	19,000	0.00
Mr. Eric Fat YU 余發先生		75,000	–	–	75,000	0.00
Mr. Fransis Ming-yin KONG 江明彥先生		3,000	–	–	3,000	0.00
Dr. The Hon. David Kwok-po LI 李國寶博士		6,000,000	–	–	6,000,000	0.60

#### Notes:

- (i) Mr. Winston Yau-lai LO is deemed to be interested in 28,702,500 shares through interests of his wife.
- (ii) Ms. Yvonne Mo-ling LO is interested in 843,750 shares held in name of Ms. Yvonne WONG who holds the shares in trust for Ms. Yvonne Mo-ling LO's daughter who is under the age of 18.
- (iii) Ms. Myrna Mo-ching LO is interested in 27,974,700 shares held by Supreme Luck Holdings Limited which in turn holds such shares in trust for Myrna Lo Trust (formerly known as The Lo Kwee Seong 1987 Trust).
- (iv) Each of Mr. Winston Yau-lai LO, Ms. Yvonne Mo-ling LO and Ms. Myrna Mo-ching LO is interested in 72,678,300 shares held by The Bank of East Asia (Nominees) Limited which holds such shares as a nominee for the K.S. Lo Foundation, a charitable trust. Each of them is a trustee of the K.S. Lo Foundation and is therefore deemed to be interested in such shares.

#### 附註：

- (i) 羅友禮先生由於其妻室擁有28,702,500股股份，故被視為擁有該等股份之權益。
- (ii) 羅慕玲女士擁有Yvonne WONG女士名義持有之843,750股股份之權益，Yvonne WONG女士以託管人身份代羅慕玲女士未滿十八歲之女兒持有該等股份。
- (iii) 羅慕貞女士擁有由Supreme Luck Holdings Limited持有之27,974,700股股份之權益，該公司以託管人身份為Myrna Lo Trust (前稱The Lo Kwee Seong 1987 Trust) 持有該等股份。
- (iv) 羅友禮先生、羅慕玲女士及羅慕貞女士均擁有由東亞銀行受託代管有限公司以代理人名義代慈善基金K. S. Lo Foundation持有之72,678,300股股份。彼等均為K. S. Lo Foundation之受託人，故被視為擁有該等股份之權益。

## 董事於股份、相關股份及債權證之權益及淡倉

根據《證券及期貨條例》(「證券及期貨條例」)第352條而保存之本公司董事權益及淡倉登記冊所記錄，本公司於二零零五年三月三十一日之在職董事當日在本公司已發行股份或相關股份中擁有下列權益：

### (1) 於已發行股份之權益

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

## (2) Interests in underlying shares

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

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

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

## SHARE OPTION SCHEMES

## Old share option scheme

On 9th March, 1994, the Company adopted a share option scheme (the "Old Share Option Scheme") under which the Directors might, at their discretion, grant options to employees and Directors of the Company or any of its subsidiaries to subscribe for ordinary shares of HK\$0.25 each in the Company. This scheme was valid for 10 years ending 8th March, 2004, unless otherwise cancelled or amended. The purpose of this scheme was to provide incentives and rewards to employees for their contribution to the Group. The principal terms of this scheme are as follows:

- The exercise price of the options is the higher of (a) the nominal value of the shares and (b) an amount not less than 80% of the average of the closing prices of the shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five business days immediately preceding the date of offer.
- The options are exercisable for a period to be notified by the Directors to each option holder, such period not to exceed 10 years from the date of grant.
- There is no minimum period which an option must be held before it can be exercised, but the Directors are empowered to impose at their discretion any such minimum period at the date of offer.

董事於股份、相關股份及債權證之權益  
及淡倉(續)

## (2) 於相關股份之權益

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

於本公司股份及相關股份中之全部權益均為好倉。

除上文所披露者及董事以託管人身份代本公司持有若干附屬公司之代理人股份外，各董事或彼等各自之聯繫人士概無在本公司或其任何相聯公司(按證券及期貨條例之涵義)之股份、相關股份或債權證中擁有任何權益。

## 購股權計劃

## 舊購股權計劃

於一九九四年三月九日，本公司採納一項購股權計劃(「舊購股權計劃」)，據此，董事會可酌情向本公司或其任何附屬公司之僱員及董事授予購股權以認購本公司每股面值港幣0.25元之普通股。除非另行取消或修訂該計劃，計劃之有效期為十年，於二零零四年三月八日終止。該計劃旨在獎勵及回饋對本集團作出貢獻之僱員。該計劃之主要條款如下：

- 購股權之行使價須為以下兩者中之較高者：(a) 股份之面值及(b) 不少於股份於要約認購購股權日期前五個營業日在香港聯合交易所有限公司(「聯交所」)之平均收市價之80%。
- 購股權之行使期限由董事會知會每名購股權持有人，該期限由購股權授出日期起計不得超過十年。
- 購股權毋須先行持有一段最短期限方可行使，惟董事會獲授權可酌情於要約日期時附加任何最短持有期。

## SHARE OPTION SCHEMES (continued)

### Old share option scheme (continued)

- The maximum number of shares in respect of which options may be granted may not exceed 10% of the issued share capital of the Company in issue from time to time (excluding shares issued under the share option scheme).
- The maximum aggregate number of shares over which options may be granted to any one participant, when added to the number of shares issued or issuable to that participant under the share option scheme must not exceed 25% of the maximum aggregate number of shares for the time being issued and issuable under the share option scheme.
- An offer of the grant of an option remains open for acceptance by an eligible Director or employee for a period of 28 days from the date of offer or such longer or shorter period as the Directors may in their discretion determine. An eligible Director or employee has to pay HK\$10 on acceptance of the option as a consideration.

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

The total number of ordinary shares available for issue under the Old Share Option Scheme at 31st March, 2005 is 6,962,000 shares, which represents 0.7% of the issued share capital of the Company at 31st March, 2005.

## 購股權計劃(續)

### 舊購股權計劃(續)

- 所授出購股權可認購之股份數目最多不得超過本公司不時之已發行股本(不包括根據購股權計劃發行之股份)之10%。
- 授予任何參與者之購股權所能認購之股份數目，在與根據購股權計劃已發行或可發行予該名參與者之股份數目合計，最多不得超過根據購股權計劃當時已發行及可發行之股份最高總數之25%。
- 合資格之董事或僱員可於要約認購購股權日期起計28日或董事會酌情決定之較長或較短期間內接納購股權之要約。合資格之董事或僱員須於接納購股權時支付港幣10元作為代價。

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

於二零零五年三月三十一日根據舊購股權計劃可供發行之普通股總數為6,962,000股，此乃佔本公司於二零零五年三月三十一日之已發行股本0.7%。

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## SHARE OPTION SCHEMES (continued)

## New share option scheme

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

- The exercise price of the options is the highest of (a) the closing price of the shares on the Stock Exchange on the date of grant, which must be a business day; (b) the average of the closing prices of the shares on the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of the shares.
- The maximum number of shares which may be issued upon exercise of all options to be granted must not exceed 10% of the shares in issue on the date of approval and adoption of the scheme.
- Unless approved by shareholders of the Company in a general meeting, the total number of shares issued and which may fall to be issued upon exercise of the options granted (including exercised, cancelled and outstanding options) to any one participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

The total number of ordinary shares available for issue under the New Share Option Scheme at 31st March, 2005 is 94,743,550 shares (including options for 20,744,000 ordinary shares that have been granted but not yet exercised), which represents 9.53% of the issued share capital of the Company at 31st March, 2005.

## 購股權計劃(續)

## 新購股權計劃

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

- 購股權之行使價為下列三者中之最高價：(a)股份於授出日期(當日必須為營業日)在聯交所錄得之收市價；(b)股份於截至授出日期止過去五個營業日在聯交所錄得之平均收市價；及(c)股份之面值。
- 就行使全部將授予之購股權而可予發行之股份數目，最多不得超過批准及採納計劃當日之已發行股份10%。
- 除獲本公司股東於股東大會上批准外，於截至授出日期止之任何十二個月期間內，就任何一名參予者行使授予之購股權(包括已行使、已註銷及未行使之購股權)而已發行及須予發行之股份總數，不得超過於授出日期之已發行股份1%。

於二零零五年三月三十一日根據新購股權計劃可供發行之普通股總數為94,743,550股(包括已授出但尚未行使之購股權涉及之20,744,000股普通股)，佔本公司於二零零五年三月三十一日之已發行股本9.53%。

## SHARE OPTION SCHEMES (continued)

At 31st March, 2005, the Directors of the Company individually and other employees of the Group in aggregate had the following personal interests in options to subscribe for ordinary shares of the Company:

## 購股權計劃(續)

於二零零五年三月三十一日，個別本公司董事及其他本集團之僱員在可認購本公司普通股之購股權中擁有如下個人權益：

Participants	Date of grant	Note	Period during which options are exercisable	Price per share on exercise of options 行使購股權時 須付之 每股價格 HK\$ 港元	Number of options outstanding at the beginning of the year 年初尚未行使之 購股權數目	Number of options granted during the year 於年內授出之 購股權數目	Number of options exercised during the year 於年內行使之 購股權數目	Number of options expired or forfeited during the year 於年內過期 或沒收之 購股權數目	Number of options outstanding at the end of the year 尚未行使之 購股權數目	Weighted average market price per share on exercise of options 購股權時之每股 加權平均市價 HK\$ 港元
參與者	授出日期	附註	購股權行使期							
<b>Directors</b> <b>董事</b>										
Mr. Winston Yau-hai LO 羅友禮先生	4/7/2000 1/4/2003 1/4/2004	(i) (ii) (iii)	7/9/2000 – 31/8/2005 1/4/2004 – 31/3/2013 1/4/2005 – 31/3/2014	1.193 1.688 1.904	3,450,000 2,220,000 –	– – 1,700,000	– – –	– – –	3,450,000 2,220,000 1,700,000	– – –
Mr. Eric Fat YU 余發先生	4/7/2000 1/4/2003 1/4/2004	(i) (ii) (iii)	7/9/2000 – 31/8/2005 1/4/2004 – 31/3/2013 1/4/2005 – 31/3/2014	1.193 1.688 1.904	1,953,000 738,000 –	– – 450,000	1,518,000 – –	– – –	435,000 738,000 450,000	1.82 – –
Mr. John Shek-hung LAU 劉錫鴻先生	4/7/2000 1/4/2003 1/4/2004	(i) (ii) (iii)	7/9/2000 – 31/8/2005 1/4/2004 – 31/3/2013 1/4/2005 – 31/3/2014	1.193 1.688 1.904	1,953,000 820,000 –	– – 500,000	– – –	– – –	1,953,000 820,000 500,000	– – –
Mr. Francis Ming-yin KONG 江明彥先生	4/7/2000 1/4/2003 1/4/2004	(i) (ii) (iii)	7/9/2000 – 31/8/2005 1/4/2004 – 31/3/2013 1/4/2005 – 31/3/2014	1.193 1.688 1.904	2,331,000 1,526,000 –	– – 978,000	2,330,000 – –	– – –	1,000 1,526,000 978,000	2.33 – –
Eligible employees working under employment contracts 根據僱傭合約工作之 合資格僱員	4/7/2000 1/4/2003 1/4/2004 3/8/2004	(i) (ii) (iii) (iv)	7/9/2000 – 31/8/2005 1/4/2004 – 31/3/2013 1/4/2005 – 31/3/2014 3/8/2006 – 2/8/2014	1.193 1.688 1.904 1.910	4,731,000 8,650,000 – –	– – 4,928,000 900,000	3,470,000 782,000 – –	138,000 1,410,000 474,000 –	1,123,000 6,458,000 4,454,000 900,000	2.02 1.92 – –
					28,372,000	9,456,000	8,100,000	2,022,000	27,706,000	

REPORT OF THE  
DIRECTORS

## 董事會報告書

## SHARE OPTION SCHEMES (continued)

Notes:

- (i) Options granted on 4th July, 2000 were granted under the Old Share Option Scheme.
- (ii) Options granted on 1st April, 2003 were granted under the New Share Option Scheme. The options are exercisable progressively from the date of grant and the maximum percentage of the options which may be exercised is determined in stages as follows:

		Percentage of options granted 佔獲授購股權之百分比
On or after 1st year anniversary of the date of grant	授出日期起計一週年 或其後	25%
On or after 2nd year anniversary of the date of grant	授出日期起計兩週年 或其後	another 另 25%
On or after 3rd year anniversary of the date of grant	授出日期起計三週年 或其後	another 另 25%
On or after 4th year anniversary of the date of grant	授出日期起計四週年 或其後	another 另 25%

- (iii) Options granted on 1st April, 2004 were granted under the New Share Option Scheme. The closing price of the shares of the Company quoted on the Stock Exchange on 31st March, 2004, being the business date immediately before the date on which share options were granted, was HK\$1.92. The options are exercisable progressively from the date of grant and the maximum percentage of the options which may be exercised is determined in stages as follows:

		Percentage of options granted 佔獲授購股權之百分比
On or after 1st year anniversary of the date of grant	授出日期起計一週年 或其後	25%
On or after 2nd year anniversary of the date of grant	授出日期起計兩週年 或其後	another 另 25%
On or after 3rd year anniversary of the date of grant	授出日期起計三週年 或其後	another 另 25%
On or after 4th year anniversary of the date of grant	授出日期起計四週年 或其後	another 另 25%

- (iv) Options granted on 3rd August, 2004 were granted under the New Share Option Scheme. The closing price of the shares of the Company quoted on the Stock Exchange on 2nd August, 2004, being the business date immediately before the date on which share options were granted, was HK\$1.91. The options become exercisable two years after the date of grant.

## 購股權計劃(續)

附註：

- (i) 於二零零零年七月四日授出之購股權乃根據舊購股權計劃授出。
- (ii) 於二零零三年四月一日授出之購股權乃根據新購股權計劃授出。可予行使之購股權數目乃由授出日期起逐步增加，而各階段可行使購股權之百分比上限如下：

- (iii) 於二零零四年四月一日授出之購股權乃根據新購股權計劃授出。本公司之股份於二零零四年三月三十一日(即緊接購股權授出日期前之營業日)在聯交所所報之收市價為港幣1.92元。可予行使之購股權數目乃由授出日期起逐步增加，而各階段可行使購股權之百分比上限如下：

- (iv) 於二零零四年八月三日授出之購股權乃根據新購股權計劃授出。本公司之股份於二零零四年八月二日(即緊接購股權授出日期前之營業日)在聯交所所報之收市價為港幣1.91元。購股權可於授出日期起計兩年後行使。

## SHARE OPTION SCHEMES (continued)

The share options granted are not recognised in the financial statements until they are exercised. During the year ended 31st March, 2005, 9,456,000 options were granted under the New Share Option Scheme. The average value per option as estimated at the date of grant using the Binomial Lattice Model was as follows:

Average value per option at the date of grant:  
Share options granted on 1st April, 2004  
– HK\$0.405  
Share options granted on 3rd August, 2004  
– HK\$0.442

The assumptions used are as follows:

Average risk-free interest rate:  
Share options granted on 1st April, 2004  
– 3.34%  
Share options granted on 3rd August, 2004  
– 4.18%

Expected volatility:  
35% per annum

Expected dividend per share:  
7.5% per annum

Option life:  
10 years

Rate of leaving employment:  
5% per annum

Early exercise assumption:  
Option holders exercise when the share price is at least three standard deviations (i.e. 105%) higher than the exercise price

The Binomial Lattice Model was developed for use in estimating the fair value of options that have vesting restrictions. However, such option pricing model requires input of subjective assumptions. It does not necessarily provide a reliable measure of the fair value of the share options.

Subsequent to the year end date, the Company granted 8,160,000 options to eligible participants under the New Share Option Scheme on 1st June, 2005.

## 購股權計劃(續)

授出之購股權於獲行使前將不會在財務報表予以確認。於截至二零零五年三月三十一日止年度，9,456,000項購股權已根據新購股權計劃授出。利用二項式點陣模型估計每項購股權於授出日期之平均價值如下：

每項購股權於授出日期之平均價值：  
於二零零四年四月一日授出之購股權  
– 港幣 0.405 元  
於二零零四年八月三日授出之購股權  
– 港幣 0.442 元

所採用之假設如下：

平均無風險利率：  
於二零零四年四月一日授出之購股權  
– 3.34%  
於二零零四年八月三日授出之購股權  
– 4.18%

預期波幅：  
每年 35%

預期每股股息率：  
每年 7.5%

購股權之有效期：  
10 年

離職比率：  
每年 5%

提早行使之假設：  
購股權持有人將於股價高於行使價至少三個標準差（即 105%）時行使購股權

二項式點陣模型乃用於估計設有行使期限限制之購股權之公平值。然而，此購股權價格模型乃根據多項主觀假設計算，故未必能可靠地計算購股權之公平值。

於年度結算日之後，本公司於二零零五年六月一日根據新購股權計劃向合資格參與者授予8,160,000項購股權。

REPORT OF THE  
DIRECTORS

## 董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT  
POSITIONS IN SHARES AND UNDERLYING SHARES

At 31st March, 2005, the following substantial shareholders' interests were recorded in the register required to be kept by the Company under section 336 of the SFO as holding 5% or more of the issued share capital of the Company. These interests are in addition to those disclosed above in respect of the Directors.

主要股東於股份及相關股份之權益  
及淡倉

於二零零五年三月三十一日，根據證券及期貨條例第336條保存之主要股東登記冊所示，本公司已獲知會下列主要股東權益，佔本公司已發行股本之5%或以上。該等權益不包括上文所披露之董事權益。

Name of shareholders 股東姓名	Note 附註	Number of ordinary shares of HK\$0.25 each 每股面值港幣 0.25 元之普通股數目					Total interests 權益總數	% of total issued shares 佔已發行股份 總數之百分比
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Trusts and similar interests 信託及 同類權益			
Mr. Frank Yau-ye LO 羅友義先生	(i), (iii)	461,250	-	-	112,140,750	112,602,000	11.33	
Ms. Irene CHAN 陳羅慕連女士	(ii), (iii)	27,974,700	750,000	-	72,678,300	101,403,000	10.20	
Mr. Kai-tun LO 羅開敦先生	(iii)	18,508,950	-	-	72,678,300	91,187,250	9.17	
Mr. Peter Tak-shing LO 羅德承先生	(iii)	750,000	-	-	72,678,300	73,428,300	7.39	
Arisaig Greater China Fund ("Arisaig")	(iv)	64,301,500	-	-	-	64,301,500	6.47	
Arisaig Partners (Mauritius) Limited ("Arisaig Mauritius")	(v)	-	-	64,301,500	-	64,301,500	6.47	
Mr. Lindsay William Ernest COOPER ("Cooper")	(vi)	-	-	64,301,500	-	64,301,500	6.47	
Commonwealth Bank of Australia 澳洲聯邦銀行	(vii)	-	-	52,699,000	-	52,699,000	5.30	
Matthews International Capital Management LLC	(viii)	-	-	50,653,750	-	50,653,750	5.10	

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

### Notes:

- (i) Mr. Frank Yau-yee LO is interested in 39,462,450 shares held by Benson Corporation which is the trustee of the Benson Unit Trust, the beneficiaries of which are members of his family.
- (ii) Ms. Irene CHAN is interested in 750,000 shares held for her daughter Alexandra CHAN who is under the age of 18.
- (iii) Each of Mr. Frank Yau-yee LO, Ms. Irene CHAN, Mr. Kai-tun LO and Mr. Peter Tak-shing LO is interested in 72,678,300 shares held by The Bank of East Asia (Nominees) Limited which holds such shares as a nominee for the K.S. Lo Foundation, a charitable trust. Each of them is a trustee of the K.S. Lo Foundation and is therefore deemed to be interested in such shares.
- (iv) These interests are held by Arisaig in the capacity of beneficial owner.
- (v) These interests are held by Arisaig Mauritius in the capacity of investment manager of Arisaig. These interests are duplicated by the interests described in Note (iv) above.
- (vi) These interests represent Cooper's interests through his indirect 33% interest in Arisaig Mauritius. These interests are duplicated by the interests disclosed in Notes (iv) and (v) above.
- (vii) These interests represent Commonwealth Bank of Australia's interests through its indirect 100% interest in First State Investment Management (UK) Limited (which holds 43,731,000 shares of the Company's ordinary shares) and First State Investments (Hong Kong) Limited (which holds 8,968,000 shares of the Company's ordinary shares).
- (viii) These interests are held in the capacity of investment manager.

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

## 主要股東於股份及相關股份之權益及淡倉(續)

### 附註：

- (i) 羅友義先生擁有Benson Corporation持有之39,462,450股股份之權益。該公司為Benson Unit Trust之受託人，其家族成員為Benson Unit Trust之受益人。
- (ii) 陳羅慕連女士擁有代其未滿十八歲女兒Alexandra CHAN持有之750,000股股份之權益。
- (iii) 羅友義先生、陳羅慕連女士、羅開敦先生及羅德承先生均擁有由東亞銀行受託代管有限公司以代理人名義代慈善基金K. S. Lo Foundation 持有之72,678,300股股份。彼等均為K. S. Lo Foundation之受託人，故被視為擁有該等股份之權益。
- (iv) 該等權益乃由Arisaig 以實益擁有人身份持有。
- (v) 該等權益乃由Arisaig Mauritius 以Arisaig之投資經理身份持有。該等權益與上文附註(iv)所述者為同一份權益。
- (vi) 該等權益乃Cooper透過間接持有Arisaig Mauritius之33%權益而擁有之權益。該等權益與上文附註(iv)及(v)所披露者為同一份權益。
- (vii) 該等權益乃澳洲聯邦銀行透過間接持有First State Investment Management (UK) Limited (該公司持有本公司43,731,000股普通股)及首域投資(香港)有限公司(該公司持有本公司8,968,000股普通股)之全部權益而擁有之權益。
- (viii) 該等權益乃以投資經理身份持有。

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

REPORT OF THE  
DIRECTORS

## 董事會報告書

**PUBLIC FLOAT**

From information publicly available to the Company and within the knowledge of its Directors, at least 25% of the Company's total issued share capital is held by the public at all times.

**DIRECTORS' INTERESTS IN CONTRACTS**

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

**DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

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

**CONNECTED TRANSACTIONS**

(1) On 10th December, 2002, the Company entered into a Milk Supply Agreement with Shenzhen Guang Ming Holdings Limited ("Guangming"), a substantial shareholder holding 30% of the registered capital of the Company's subsidiary, Shenzhen Vitasoy (Guang Ming) Foods and Beverage Company Limited ("Shenzhen Vitasoy"), under which Guangming would supply milk products and provide milk processing and packaging services to the Company for a period of 3 years commencing 14th March, 2003. During the year, an amount of HK\$3,054,000 (2004: HK\$3,517,000) was charged by Guangming under the Milk Supply Agreement.

As the transactions are of a continuing nature and will arise on a regular basis, the Company applied and the Stock Exchange granted a waiver to the Company on 4th February, 2003 of strict compliance with the requirements under the Listing Rules in respect of these transactions. Following the amendments of the Listing Rules effective 31st March, 2004, the transactions constitute connected transactions under Rule 14A.34(1) of the Listing Rules which will only be subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules. An announcement was made by the Company on 12th May, 2005 in this respect.

**公眾持股量**

根據本公司所掌握之公開資料以及就董事所知，於任何時間本公司之全部已發行股本中至少有25%為公眾人士持有。

**董事於合約之權益**

本公司或其任何附屬公司及聯營公司概無於本年度終結時或年內任何時間訂立本公司董事於其中直接或間接擁有重大權益之重要合約。

**董事及行政人員之責任保險**

本年度內，本公司已為董事及行政人員購買責任保險。

**關連交易**

(1) 於二零零二年十二月十日，本公司與深圳市光明集團有限公司（「光明」）訂立鮮奶供應協議；據此，光明將向本公司供應鮮奶產品及提供鮮奶加工及包裝服務，由二零零三年三月十四日起計為期三年。光明為持有本公司附屬公司深圳維他（光明）食品飲料有限公司（「深圳維他奶」）註冊資本之30%之主要股東。年內，光明根據鮮奶供應協議收取港幣3,054,000元（二零零四年：港幣3,517,000元）。

由於交易之持續性質以及將會定期進行，本公司已向聯交所申請豁免就有關交易嚴格遵守上市規則之規定，而聯交所亦於二零零三年二月四日授出豁免。上市規則之修訂於二零零四年三月三十一日生效後，上述之交易事項將構成上市規則第14A.34(1)條項下的關連交易，僅須遵守上市規則第14A.45至14A.47條所載之申報及公告規定。本公司已於二零零五年五月十二日就此發表公告。

## CONNECTED TRANSACTIONS (continued)

(1) (continued)

The Directors, including the Independent Non-executive Directors, considered that the transactions:

- (i) were entered in the ordinary and usual course of business of the Company and in accordance with the terms of the Milk Supply Agreement;
- (ii) were on normal commercial terms and were fair and reasonable and in the interest of the shareholders as a whole; and
- (iii) were either on normal commercial terms, or if there were not sufficient comparable transactions to judge whether they were on normal commercial terms, on terms no less favourable than terms available to or from (as appropriate) independent third parties.

In addition, the Auditors of the Company confirmed that:

- (i) the transactions were approved by the Board of Directors;
- (ii) the transactions were entered into in accordance with the Milk Supply Agreement; and
- (iii) the consideration for the transactions did not exceed 3% of the Group's net tangible assets at 31st March, 2005.

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

## 關連交易(續)

(1) (續)

董事(包括獨立非執行董事)認為有關交易乃：

- (i) 根據鮮奶供應協議及於一般日常業務過程中進行；
- (ii) 按一般商業條款及對本公司整體股東公平合理之條款進行；及
- (iii) 按正常商業條款或按不遜於與獨立第三者交易(視情況而定)之條款進行(倘缺乏其他可作比較交易以判斷是否按正常商業條款)。

此外，本公司之核數師確認：

- (i) 交易已獲董事會批准；
- (ii) 交易乃根據鮮奶供應協議進行；及
- (iii) 交易之代價並無超過本集團於二零零五年三月三十一日之有形資產淨值3%。

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

REPORT OF THE  
DIRECTORS

## 董事會報告書

## CONNECTED TRANSACTIONS (continued)

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

- (a) Banking facilities totalling RMB 32,580,000 (equivalent to HK\$30,713,000) granted to Shenzhen Vitasoy on 26th August, 1999 and 30th June, 2003; and
- (b) Banking facilities of A\$22,000,000 (equivalent to HK\$132,880,000) granted to Vitasoy Australia Products Pty. Ltd. ("VAP") on 23rd March, 2001,

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

## EMPLOYEE RETIREMENT PLANS

Particulars of employee retirement plans of the Company and the Group are set out in note 23 on the financial statements.

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

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

## FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on pages 123 and 124.

## AUDITORS

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

By Order of the Board  
Winston Yau-lai LO  
Executive Chairman  
Hong Kong, 5th July, 2005

## 關連交易(續)

(3) 本公司就下列銀行信貸向非全資附屬公司提供擔保：

- (a) 於一九九九年八月二十六日及二零零三年六月三十日授予深圳維他奶合共人民幣32,580,000元(相當於港幣30,713,000元)之銀行信貸；及
- (b) 於二零零一年三月二十三日授予Vitasoy Australia Products Pty. Ltd. (「VAP」) 22,000,000澳元(相當於港幣132,880,000元)之銀行信貸。

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

## 僱員退休計劃

有關本公司及本集團僱員退休計劃之詳情載於財務報表附註23。

## 購回、出售或贖回本公司之上市證券

年內本公司或其任何附屬公司概無購回、出售或贖回本公司之股份。

## 五年摘要

本集團於過去五年之業績、資產及負債摘要載於第123及124頁。

## 核數師

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

承董事會命  
羅友禮  
執行主席  
香港，二零零五年七月五日