



STEEL TOTAL SOLUTION PROVIDER

VAN SHUNG CHONG HOLDINGS LIMITED
萬順昌集團有限公司

Annual Report 2008 年報

Stock Code 股票代號 : 1001

公司

萬順昌憑藉其在增值加工、供應鏈管理及全面解決方案等領域的專業知識和豐富的中國營運經驗，以合作夥伴的方式為全球客戶創造競爭優勢。

使命

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公司資料

董事會

執行董事

姚祖輝先生 (主席)
唐世銘先生

獨立非執行董事

周亦卿博士
Harold Richard KAHLER先生
譚競正先生
徐林寶先生

公司秘書

謝秀惠女士，FCS FCIS

合資格會計師

趙允義先生，CPA

核數師

羅兵咸永道會計師事務所
香港執業會計師

律師

孖士打律師行 (香港法律)
Conyers Dill & Pearman (百慕達法律)

主要往來銀行

中國銀行 (香港) 有限公司
交通銀行股份有限公司，香港分行
法國巴黎銀行，香港分行
創興銀行有限公司
中信嘉華銀行有限公司
星展銀行 (香港) 有限公司
富通銀行，新加坡分行
富邦銀行 (香港) 有限公司
德國北方銀行亞洲分區
中國工商銀行 (亞洲) 有限公司
比利時聯合銀行，香港分行
上海商業銀行有限公司
東亞銀行有限公司
三菱東京UFJ銀行，香港分行
香港上海滙豐銀行有限公司

股份登記過戶處

主要過戶處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

香港過戶處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716室

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港灣仔
皇后大道東183號
合和中心4902-8室

網址 : <http://www.vschk.com>
電子郵箱 : vschk@vschk.com

在香港聯合交易所有限公司上市

股票代號 : 1001

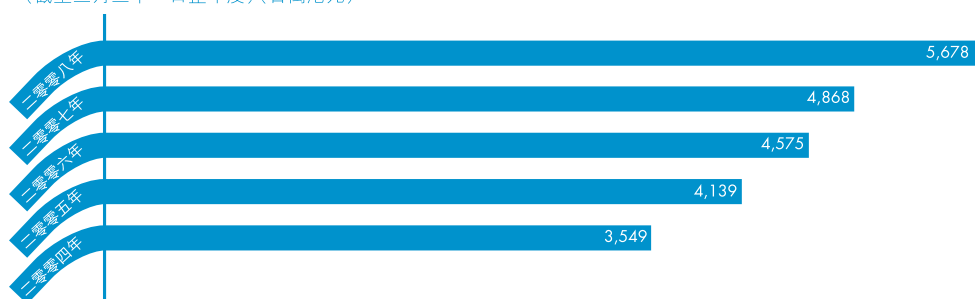
特選鋼廠



財務概要

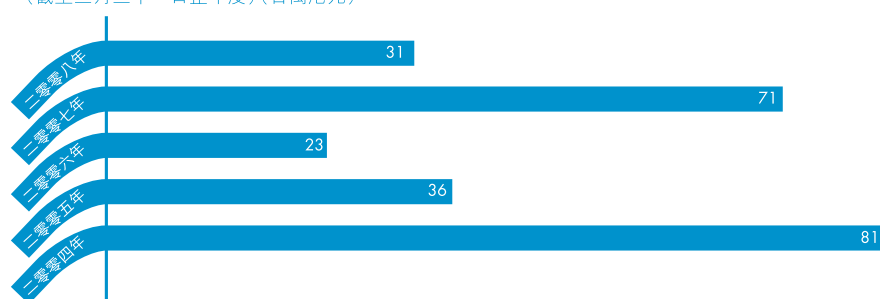
收入

(截至三月三十一日止年度)(百萬港元)



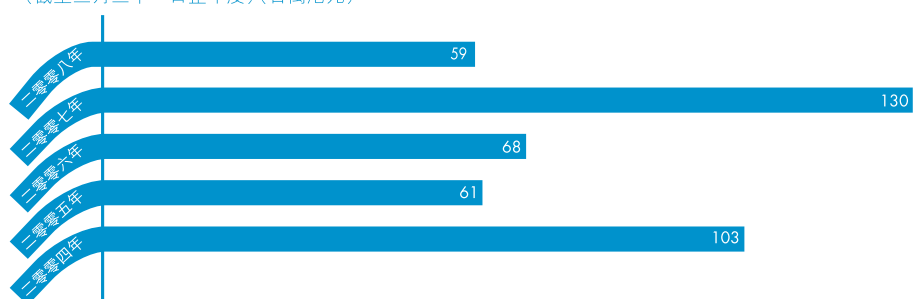
股權持有人應佔溢利

(截至三月三十一日止年度)(百萬港元)



經營溢利

(截至三月三十一日止年度)(百萬港元)



每股股權持有人應佔股本及儲備

(於三月三十一日)(港元)



	二零零七年	二零零八年	變動百分比
百萬港元			
收入	4,868	5,678	+17%
毛利	318	307	-3%
經營溢利	130	59	-55%
股權持有人應佔溢利	71	31	-56%
總資產	2,249	2,853	+27%
股權持有人應佔股本及儲備	783	836	+7%
百萬			
股份數目	369	380	+3%
每股資料			
港仙			
基本盈利	19.16	8.29	-57%
攤薄盈利	19.16	8.24	-57%
總現金股息	4.80	2.40	-50%
港元			
股權持有人應佔股本及儲備	2.12	2.20	+4%
財務比率			
邊際毛利 (%)	6.53	5.41	-17%
邊際純利 (%)	1.45	0.55	-62%
流動比率	1.67	1.47	-12%
速動比率	1.16	0.97	-16%
資本負債比率	0.32	0.45	+41%
利息償付比率	3.57	1.58	-56%
現金派息比率 (%)	25.05	29.06	+16%

附註：

過往數年部份數字經重新分類以配合本年度之格式。

定義		
每股基本盈利	$\frac{\text{股權持有人應佔溢利}}{\text{加權平均股數}}$	
每股攤薄盈利	$\frac{\text{股權持有人應佔溢利}}{\text{攤薄加權平均股數}}$	
每股股權持有人應佔股本及儲備	$\frac{\text{股權持有人應佔股本及儲備}}{\text{年終股數}}$	
邊際毛利 (%)	$\frac{\text{毛利}}{\text{收入}} \times 100\%$	x100%
邊際純利 (%)	$\frac{\text{股權持有人應佔溢利}}{\text{收入}} \times 100\%$	x100%
流動比率	$\frac{\text{流動資產}}{\text{流動負債}}$	
速動比率	$\frac{\text{流動資產(不包括存貨)}}{\text{流動負債}}$	
資本負債比率	$\frac{\text{淨負債(借貸總額減已抵押銀行存款及現金及現金等值)}}{\text{權益總額(不包括少數股東權益)加淨負債}}$	
利息償付比率	$\frac{\text{經營溢利}}{\text{淨財務費用}}$	
現金派息比率 (%)	$\frac{\text{本年度建議現金股息總額}}{\text{股權持有人應佔溢利}} \times 100\%$	x100%

五年財務摘要

以下為萬順昌集團有限公司（「本公司」或「萬順昌」）及其附屬公司（統稱「萬順昌集團」）於下列各年度之經審核綜合財務報表概要。

綜合損益表

	截至 二零零四年 三月三十一日 止年度 千港元	截至 二零零五年 三月三十一日 止年度 千港元	截至 二零零六年 三月三十一日 止年度 千港元	截至 二零零七年 三月三十一日 止年度 千港元	截至 二零零八年 三月三十一日 止年度 千港元
收入	3,549,110	4,138,621	4,574,939	4,867,657	5,677,792
經營溢利	103,482	60,665	68,066	129,854	59,320
淨財務費用	(7,027)	(12,868)	(41,469)	(36,401)	(37,509)
除稅前溢利	96,455	47,797	26,597	93,453	47,047
所得稅(支出)／計入	(11,061)	29	(68)	(12,534)	(1,876)
年度溢利	85,394	47,826	26,529	80,919	45,171
應佔：					
本公司股權持有人	81,063	36,189	22,867	70,627	31,317
少數股東權益	4,331	11,637	3,662	10,292	13,854
	85,394	47,826	26,529	80,919	45,171
股息	21,180	8,114	4,055	17,693	9,101

附註：

1. 香港會計師公會已頒佈於二零零七年一月一日或以後開始之會計期間生效之多項新訂／經修訂之香港財務報告準則，因首次應用此等新訂／經修訂之香港財務報告準則、香港會計準則及香港（國際財務報告詮釋委員會）— 詮釋導致之會計政策變動資料載列於綜合財務報表附註2。
2. 過往數年部份數字經重新分類以配合本年度之格式。

綜合資產負債表

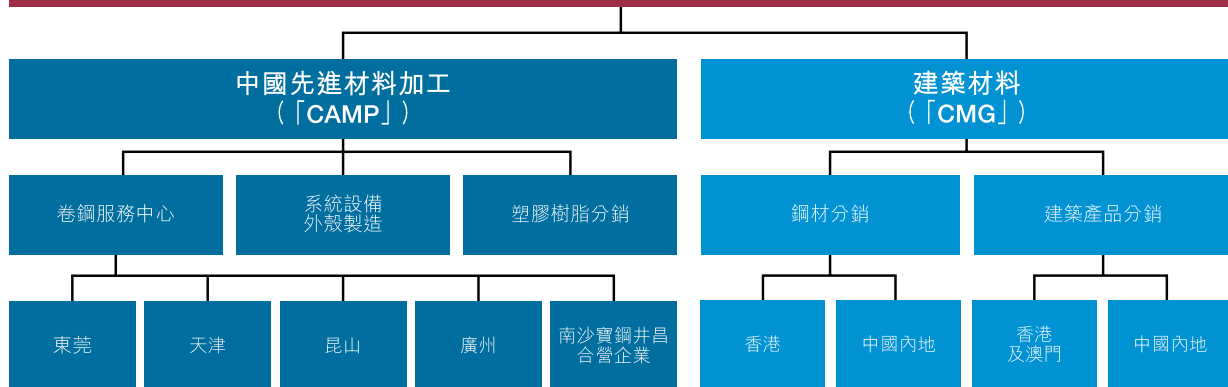
	於二零零四年 三月三十一日 千港元	於二零零五年 三月三十一日 千港元	於二零零六年 三月三十一日 千港元	於二零零七年 三月三十一日 千港元	於二零零八年 三月三十一日 千港元
非流動資產	264,565	253,129	217,111	333,467	427,866
流動資產	1,756,709	2,019,703	1,630,092	1,915,225	2,425,056
流動負債	(1,239,224)	(1,376,754)	(1,083,826)	(1,148,069)	(1,652,470)
非流動負債	(97,326)	(172,867)	(3,118)	(93,220)	(122,548)
資產淨額	684,724	723,211	760,259	1,007,403	1,077,904
權益：					
股本	36,778	36,861	36,861	36,861	38,043
儲備	623,780	650,973	678,594	745,734	797,688
股權持有人應佔股本 及儲備	660,558	687,834	715,455	782,595	835,731
少數股東權益	24,166	35,377	44,804	224,808	242,173
	684,724	723,211	760,259	1,007,403	1,077,904

同 心

我們相信人才是本集團成功的基石，所以我們致力提升本集團員工的質素，全面裝備他們，以克服日後的挑戰，為本集團在未來帶來更高的利潤。

同 德

萬順昌集團有限公司



業務表現

在二零零七年，油價高漲、中國經濟不斷蓬勃發展、全球鐵礦及鋼鐵廠整合，促使鋼材價格飆升至前所未見的水平，亦成為業界有史以來面對最大挑戰的時期之一。

然而，經過我們不斷努力，在市場上以有效方式對沖其面對的不利情況，令部分艱難形勢得以紓緩。截至二零零七年年底，本集團已不再訂立長期合約，作為價格風險調整策略的一部分，藉以令存貨達至理想水平。此舉至今行之有效，並將長期實施，皆因預期鋼材價格在可見將來的任何時間亦不會回到先前水平。

綜合收入增加17%至5,678,000,000港元，股權持有人應佔溢利則為31,000,000港元，較去年減少56%。CAMP及CMG業務的表現參差，分部業績分別錄得38,000,000港元及42,000,000港元，上升3%及下跌65%。年內，CMG最受鋼材價格急升的影響。

CAMP處於鋼材供應鏈下游位置，為資訊科技、電訊及汽車零部件等高增長行業提供增值、優質及高效益之鋼材加工服務，輔以分銷合成塑膠樹脂物料。

CMG處於供應鏈上游位置，擔當供應商與客戶間之橋樑，為世界各地之客戶從鋼鐵廠採購物料。

競爭優勢

我們的業務模式具備多項有利因素，有助紓緩於困難環境下的影響，並可增強我們的實力，掌握主要在中國呈現的無限機遇。

中國是世界最大的鋼材生產國及消耗國，需求量達到550,000,000噸，為美國的需求量的五倍，並將於2010年前增加9%達600,000,000噸，故此當中機遇誠然多不勝數。

專業

要達致表現卓越，我們要設立可量度、可達到、相關及有時限的明確目標。



我們與以美國為基地的Ryerson Inc. (「Ryerson」) 所建立的積極夥伴關係，令我們得以進佔有利位置，盡享該項業務的澎湃潛力。憑藉Ryerson擁有的行業專門知識、先進技術及其跨國客戶基礎，而其中許多客戶均期望於中國展開業務，受惠於以上種種因素，本集團在策略上已作出充份配合，將夥伴協同效益盡量發揮。

透過結合Ryerson業內專業知識及本集團在中國的技術人才，以擴大本集團的第二階段加工能力，例如橫剪、縱剪、數控沖孔及數控折彎、噴粉及噴漆等，我們計劃添置更複雜的能力，例如焊切、沖裁、部件鈹金及稍後可能考慮進入第三階段的加工業務。於回顧年度，本集團亦已推出更多元化的產品，包括碳鋼厚板、鋁材及不銹鋼產品。

我們已改善各級營運效益及增強對提升經營效益至為重要的核心元素。安全、準時付運、追收應收款項及存貨週轉率將會繼續提升。

儘管Platinum Equity於二零零七年十月收購Ryerson，但Ryerson與本公司及管理團隊仍然全面承諾發展中國市場，並支持雙方在所有方面進行的合作。

物業投資

本集團連同共同投資者時富投資集團有限公司及Nanyang Holdings Limited，於年內在上海極為繁華的靜安區購入一幢樓高十一層的辦公室大樓。該物業的總面積約為26,925平方米，包含辦公室、零售店及118個停車位，本集團的中國辦公室亦置身其中。

此項在房地產投資誠為切合時宜之舉，因為本集團在中國的市場佔有率及業務均日益壯大，故此需要更多辦公室空間。該物業餘下面積將予以出租。於二零零八年六月尾，大樓約有52%面積已租出予跨國公司。我們預期，此項投資將帶來理想回報，並可提升股東價值。

團結

我們應以公司利益為先，個人利益排後。
羣策羣力、團結一致、表現卓越。



四川大地震

四川年初發生災難性大地震後，我們迅速參與救援及修復工作。本公司至今已贊助兩隊由醫生及心理醫生組成的醫療隊到地震災區救援，並捐出帳篷，為在天災中失去家園的災民提供臨時的棲身之所。

我們的努力可能已為災難發生後數週落實的短期應急措施作出貢獻，但尚有很多工作有待完成。我們堅決幫助及支援地震災民，開展艱巨的重建社區及基礎建設工作。

廉正誠實

我們要尊重客戶和同事，
每事每處均表現廉正誠實。



商界展關懷

我們獲頒發商界展關懷2007/2008標誌，表揚我們對社區的關注及對企業公民責任的承擔。

商界展關懷標誌活動由香港社會服務聯會籌辦，旨在表揚展現良好企業公民精神的公司。

昂首向前

即使面對困難重重的市場環境，但我們對於未來充滿希望，因為我們相信，實施風險調節策略、與Ryerson的穩固夥伴關係及與供應商的深厚關係，將會取得成果，並協助我們佔據有利定位，掌握中港兩地逐漸展現的增長潛力。

我們致力達成市場期望，擴展增值工藝流程的覆蓋範圍，確保客戶更容易獲得專門的產品及解決方案。

在營運方面，我們經常檢討及鞏固在中國的卷鋼服務中心，確保滿足客戶在每個階段的需要。

隨著我們提升本集團與Ryerson兩者業務的協同效益，尤其是把握Ryerson在中國開展業務的北美客戶，作為擴大本集團客戶基礎的部分努力，本集團與Ryerson的合作關係在未來幾個月亦將成為無價的資產。

在本地市場方面，我們對於香港的鋼材需求非常樂觀，因為政府在去年七月成立發展局，承諾對本地建設項目投資超過40,000,000,000港元，包括興建政府總部及鐵路項目，以及其他工程。

雖然這些大型項目可能需時數年後方可動工，但我們深信這些項目日後將對鋼材供應營造龐大需求。

持續進步

我們要不斷挑戰自我，通過學習，實行正面的改變及言行一致的態度來保持卓越的表現。

我們將延續在上海的首項物業投資所取得成就，在中國尋求其他物業投資機會，以取得更大回報，作為增強經常性收入的宏圖的一部分。

最後，我們相信人才是本集團成功的基石，所以我們致力提升本集團員工的質素，全面裝備他們，以克服日後的挑戰，為本集團在未來帶來更高的利潤。

我們竭力以赴，冀在來年取得更大回報。憑藉本集團能幹的員工及幹練的管理層，我相信定必能在短期內達成本集團的目標，亦能邁向更長期的願景。

鳴謝

最後，本人謹此感謝各位員工、董事會成員、股東、客戶、業務夥伴及供應商對本公司的支持，並期望來年與各位再度並肩合作。

主席兼行政總裁

姚祖輝

二零零八年七月二十三日

笑擁

本公司將繼續致力於資產管理、盈利能力及業務優異化，並承諾達致創造股東及客戶價值之目標。

明天

CAMP

中國先進材料加工



萬順昌集團之CAMP業務目前包括三項主要業務部門：(1)與美國Ryerson Inc. (「Ryerson」)組成之合夥企業萬順昌 — 瑞爾盛中國有限公司(「萬順昌 — 瑞爾盛中國」)轄下之卷鋼服務中心業務；(2)塑膠樹脂分銷；及(3)系統設備外殼製造。

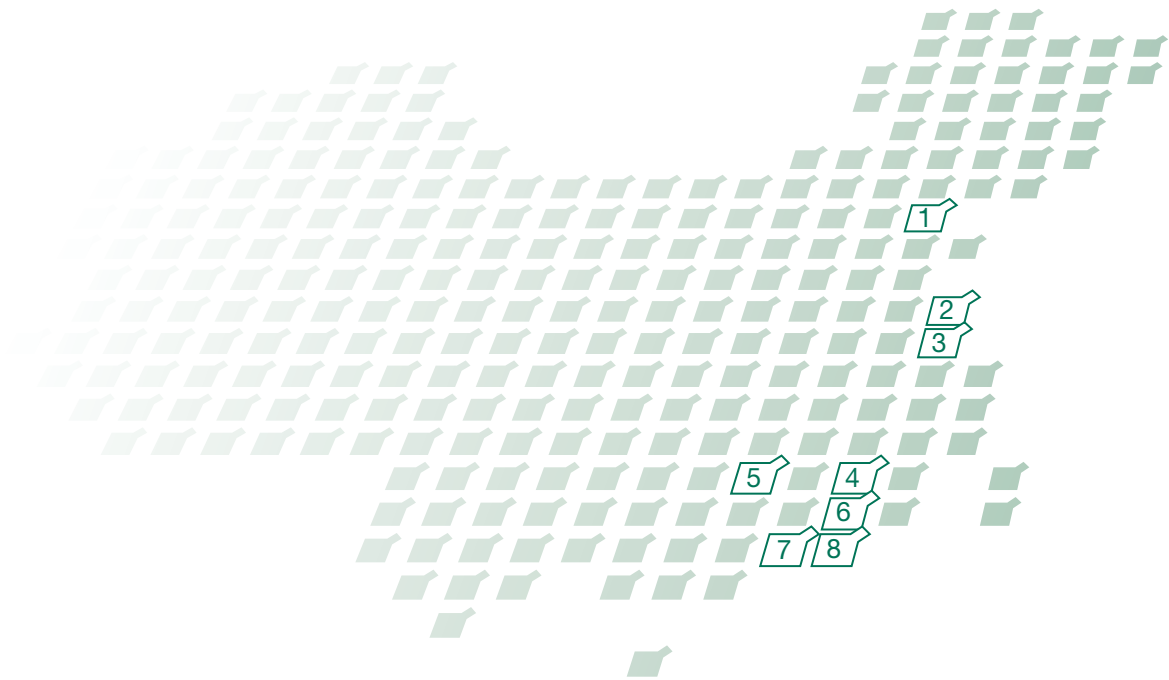
摘要

	二零零八 財政年度 總計 (百萬港元)	二零零七 財政年度 總計 (百萬港元)	變動 百分比
收入	2,220	2,052	8
分部業績	38	37	3

雖然CAMP業務在回顧年度已改善，然而個別業務單位的表現未如理想。儘管如此，基於該等業務單位於年內已採取營運提升措施，故此管理層依然非常樂觀。



CAMP服務中心



- 1  天津
- 2  昆山
- 3  上海
- 4  東莞
- 5  廣州
- 6  深圳
- 7  南沙
- 8  香港

卷鋼服務中心業務



萬順昌 — 瑞爾盛中國包括四個卷鋼服務中心業務（東莞、廣州、天津及昆山）、不銹鋼及碳鋼卷材貿易。其亦於中國南沙持有一項與上海寶鋼國際經濟貿易有限公司及日本三井物產株式會社聯營之投資的14%之少數權益。俟以芝加哥為總部之Ryerson認購40%權益後，萬順昌 — 瑞爾盛中國於二零零六年十一月正式投入營運。

摘要

	二零零八 財政年度 總計	二零零七 財政年度 總計	變動 百分比
加工噸數（公噸）	225,372	213,196	6
收入（百萬港元）	1,728	1,510	14
分部業績 （百萬港元）	50	56	-11

二零零八財政年度為充滿挑戰及轉變的一年，因為Ryerson與萬順昌集團攜手建立了一間公司，作為萬順昌集團及Ryerson兩者之平台，藉此掌握不斷增長之原設備製造行業領域，以及國外製造業者進駐中國之機遇。因此，預期該合夥公司將成功地發展為自給自足及獨立運作之業務，毋負萬順昌集團於過往多年建立之基礎。對過往業務模式最實在的提升是邁向第二、第三及更深層次之加工業務，此舉將令萬順昌 — 瑞爾盛中國與其客戶建立更深入及更深厚之加工業務關係，繼而鞏

固市場地位並同時讓公司透過向市場提供更綜合的加工及服務而改善利潤。

相比二零零七財政年度，收入增加14%，加工噸數增加11%，與此同時，貿易噸數下跌20%。貿易量減少的主要原因是業務模式改變。為萬順昌集團於快速增長的昆山市市場建立佔有率，昆山卷鋼服務中心（「KSSC」）於二零零七財政年度之銷售主要以貿易形式產生。於二零零七財政年度最後一季，於昆山的先進卷鋼加工中心開業，KSSC由貿易業務轉為加工及增值服務業務，達成整體增長及鞏固業務模式。公司亦投資於工業製造及組裝加工流程，例如沖壓及焊接。

雖然KSSC的轉變乃屬計劃之內並透過發展華東加工銷售業務而彌補貿易噸數之減少，然而公司並無預期不銹鋼及碳鋼卷材貿易額下降。於二零零八財政年度第二個季度內，鎳金屬價格忽然急劇下跌，引致許多供應商減少產量，因而影響到供應我們成品的分配量。

於二零零七年四月，萬順昌 — 瑞爾盛中國推出「ONE COMPANY計劃」，旨在規範計量標準之計劃，該計劃涉及主要措施及知識管理，並設於一個單一平台上，以更輕易及適時之方式監察主要計量標準。根據「ONE COMPANY計劃」，萬順昌 — 瑞爾盛中國進行重組，致力提升其問責能力。

萬順昌集團設計了輕易及即時讀取數據之電子儀表板，以便管理層監察成績及適時作出知情決策。所有主要措施則歸納為以下四項類別之其中一項：股東價值、客戶忠誠度、內部業務流程提升及僱員忠誠度。

清除某些組織層次及建立更精簡之架構後，除可作出適時之決策外，所有層次均具有問責性。領導層被受挑戰，藉清除某些層次以達致「精確」之管轄範圍，並確保在足夠資源下均能執行一切有顯著影響力之職能。

已引入一項全新之表現評估流程，並於架構內所有層次實行。該項全新表現評估流程能讓整體目標與所有僱員之表現掛勾。時至今日，所有僱員均有清晰及可計量之目標，並會定期就其表現反饋意見。

公司廠房之僱員對「ONE COMPANY計劃」極為重要，根據經驗及轉移知識之能力分門別類。時至今日，公司向員工支付之薪酬乃根據其年資及(更為重要者)員工可擔任之職能數目而定。由於公司對忠誠盡責的員工作出表揚及獎勵，有關轉變已令公司之僱員流失率大大降低，並提高對公司之滿意指數。

「ONE COMPANY計劃」之另一方面為繼續規範公司的業務及創造規模經濟效益，從而提升知識分享及為最佳實務守則訂定標準。

萬順昌 — 瑞爾盛中國置身於競爭熾熱之市場，中國內地服務中心行業高度分散。能進入第一階段加工業務之門檻較低，而新加入之公司數目現正迅速增長。鋼廠現正積極投資於第一階段加工業務，亦陸續有新的中外公司加入。

公司將繼續專注於透過服務、產品及人才而進行業務優異化。公司將繼續檢討內部業務流程，以確保其表現、開支管理、材料成本、收益率及存貨週轉期皆為市場內表現最佳。

公司亦已展開投資於第二及第三階段加工業務(即鈹金及工業製造)。於二零零八財政年度，KSSC所購置之設備能讓公司將半製成元件交付予公司客戶。公司目前已能夠於同一個地點完成「由配送至零部件」之過程，因此可撇除物流成本及致力提升材料使用程度(即收益率)。投資於鈹金及工業製造能讓公司向客戶提供更優異之解決方案，亦令客戶可改善其現金流週期並同時減少供應商數目。

公司亦已增設加工不銹鋼及鋁金屬銷售，藉此增加所發售之產品種類。公司目前在全中國設有一隊專家小組，與現有業務單位共同合作並提升加工不銹鋼及鋁金屬之銷售。

於二零零八財政年度，公司組織了一隊製造工作專家小組。公司目前擁有一個專門板材加工企業網絡，而有關企業之設備則專門為公司而設。公司現正於中國積極出售鈹金部件，並已於近期開始出口往美國及歐洲。

公司將繼續致力於資產管理、盈利能力及業務優異化，並承諾達致創造股東及客戶價值之目標。



塑膠樹脂分銷（「塑膠」）



塑膠部門為香港、珠江三角洲及華東地區的客户分銷一般及工程塑膠樹脂。

摘要

	二零零八 財政年度 總計	二零零七 財政年度 總計	變動 百分比
貿易噸數（公噸）	19,640	21,210	-7
收入（百萬港元）	347	345	1
分部業績 （百萬港元）	12	13	-8

於二零零八財政年度，原油價格持續上升，導致一般塑膠樹脂之價格達至歷史新高。相對而言，同期之工程塑膠樹脂價格則較為穩定。為求讓投資得到更高回報，除了改善經營效益外，塑膠部門亦致力提升產品組合，減少一般塑膠樹脂之比例，轉而銷售更多工程塑膠樹脂。

於二零零八財政年度，塑膠部門擴大其業務地域覆蓋，業務目前已伸展至廣州、深圳、上海及香港。廣州及深圳之業務與香港業務相輔相承，向於珠江三角洲設有廠房設備之客戶提供服務。上海之業務為華東地區業務發展打造了平台。立足於兩個策略地點使我們能夠更有效地應付區域內的需求變化，亦有助於與客戶發展更緊密關係。

由於塑膠業務目前涵蓋香港及中國兩地之工業客戶，故此目前在營銷工作及客戶覆蓋方面，與萬順昌 — 瑞爾盛中國存在協同效應。因此，為精簡管理及提升營運效益，萬順昌管理層可能探討相關策略將塑膠業務與萬順昌 — 瑞爾盛中國最終整合。

系統設備外殼製造 (「萬嘉源」)



萬嘉源位於深圳，主要向電訊業的客戶提供全面之鋼材加工服務及解決方案，亦為電能管理及汽車零部件業務的客戶提供服務。

摘要

	二零零八 財政年度 總計 (百萬港元)	二零零七 財政年度 總計 (百萬港元)	變動 百分比
收入	145	197	-26
分部業務	(24)	(32)	不適用

為改善營運效益及內部監控，萬嘉源已於去年開始實施ERP系統及重新設計工序流程。大部分ERP模塊已於二零零八財政年度投入使用，包括「訂單管理」、「存貨控制」、「採購」及「財務」。整套計劃預期於截至二零零九年三月三十一日止財政年度（「二零零九財政年度」）完成。萬嘉源亦於二零零八財政年度投資約1,400,000港元於「五常法」，專注於貨倉管理、廠房設計，以及尤其著重於員工的工作環境。

隨著不斷致力改善產品組合，萬嘉源亦於二零零八財政年度開始出口零部件予海外客戶，並開始為電訊業及汽車零部件業之若干新客戶進行批量試制。

除此以外，對於二零零八年初生效的新中華人民共和國勞動合同法（「新勞動法」），萬嘉源亦受影響。雖然萬嘉源已致力改善營運，然而新勞動法引致的勞工成本增加，對萬嘉源的盈利仍存在著不利影響。由於萬嘉源之設備以迎合第二及第三階段業務為目標，因而可自然銜接在萬順昌 — 瑞爾盛中國層面上所實施之策略。在爭取營運效益方面，將萬嘉源之產能理順於萬順昌 — 瑞爾盛中國之服務組合當中，被視為一個可行方案。

CMG

建築材料



萬順昌集團的CMG業務目前包括三項主要業務部門：
 (1)香港鋼材分銷；(2)中國內地鋼材分銷；
 及(3)建築材料。

摘要

	二零零八 財政年度 總計 (百萬港元)	二零零七 財政年度 總計 (百萬港元)	變動 百分比
收入	3,444	2,813	22
分部業績	42	119	-65

CMG業務之鋼材分銷業務包括在香港之鋼筋、結構鋼及工程產品之存銷業務；及在中國內地鋼材分銷業務。萬順昌集團亦擁有上海寶順昌（「寶順昌」）合營公司之66.7%權益，該合營企業在華東從事國內鋼材產品分銷業務。

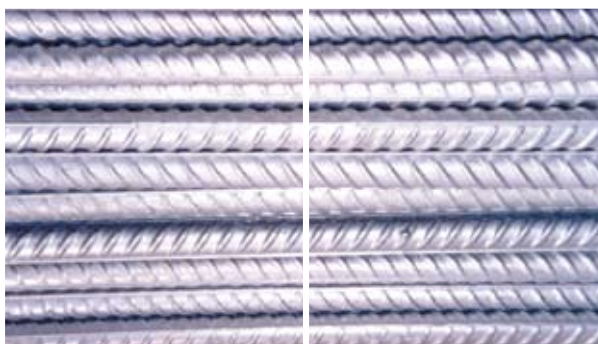


鋼材分銷

香港鋼材分銷（「香港鋼材分銷部門」）

摘要

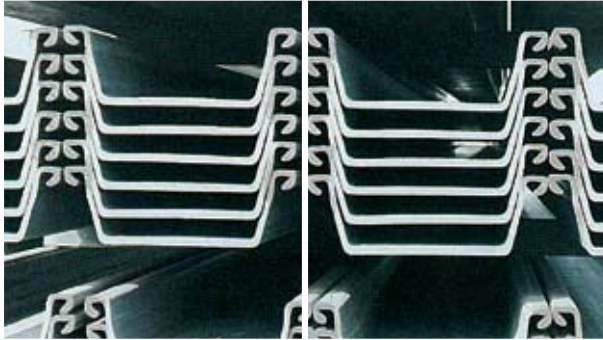
	二零零八 財政年度 總計 (百萬港元)	二零零七 財政年度 總計 (百萬港元)	變動 百分比
收入	1,474	1,151	28
分部業績	29	107	-73



於二零零八財政年度內，多項不利的外在環境因素令香港鋼材分銷部門面對重重困難。首先，中國的出口退稅政策突如其來的改變，令香港的鋼筋供應業無所適從。於過去兩年，基於運輸時間相對較短、中國實施退回出口退稅政策以及價格較具競爭力，香港絕大部分的供應及該部門大部分鋼筋均向中國鋼鐵廠購買及入口。於二零零七年四月，中國政府突然取消退回出口退稅政策，更於二零零七年六月開始徵收出口關稅。中國改變此項政策，對該部門之邊際毛利及盈利能力構成不利影響。出口關稅政策改變對單位成本之淨影響約為28%（包括取消13%出口退稅及徵收15%出口關稅）。與此同時，由於中東對鋼材的需求不斷增長，令全球鋼材供應市場亦面對價格急升，加上原油及礦砂價格上升，令該部門採購其他貨源方面亦困難重重。以上種種外在環境因素大幅削弱該部門的邊際利潤。因此，於二零零八財政年度，毛利率由11.2%跌至3.6%。雖然銷售額增加28%達到約1,474,000,000港元，該部門的分部溢利跌至約29,000,000港元，較二零零七財政年度減少約73%。

在二零零八財政年度，由於成本不斷上升，鋼筋的單位成本升至前所未見的水平。雖然在原油價格高企及全球對鋼筋的需求依然熾熱下，目前困境將會持續一段長時間，然而該部門已實施一連串策

略及行動減少因鋼價上升後的影響，以及對沖與客戶及供應商之買賣價格波動的風險。香港鋼筋供應業是世界少數依然以固定價格合約經營的行業之一，但由於全球供應市場的情況越來越嚴峻，目前的業務模式有需要迅速進行全面革新，以確保該部門能夠健康營運。雖然市場上求過於供，該部門已作出明智決定，避免訂立為期超過一年或甚至短至六個月的固定價格合約。公司在業內已經營了超過四十年，該部門非常重視公司的聲譽及縱使於最困難情況下仍能履行合約的能力；秉承著此項信念，同時兼顧業務與維持正利潤的需求，該部門已非常謹慎地選擇競投新合約。此外，有見於價格增幅遠超於持有成本，該部門亦已增加其存貨水平。該部門亦已利用其廣大的採購網絡，向其他國際供應商採購。而為新付運合約定價時，定價亦更為進取。新銷售合約的邊際利潤亦已計及鋼廠的持續漲價。快速地實施以上措施，能有效地改善該部門於報告年度最後一季的毛利率，由第三季的2.8%增至5.4%。



目前，該部門直至二零零九財政年度的手頭總合約總值約787,000,000港元（於二零零七年三月三十一日約為680,000,000港元），根據目前全球鋼材價格計算，能夠取得正利潤。值得列舉的主要項目包括海洋公園擴建項目、白石角發展計劃、半山壹號、大圍維修中心地產發展第一期、第二期，以及澳門的新濠天地。展望二零零九財政年度，由於香港鋼材部門已採取快速果斷的行動應變市場情況，並實踐對顧客的承諾，加上香港的房地產市場依然暢旺，以及已公佈的珠江三角洲基建項目的邊際利潤應該相當吸引，該部門對於維持香港的市場龍頭地位及盈利能力繼續保持樂觀。

中國內地鋼材分銷（「中國內地鋼材分銷部門」）

摘要

	二零零八 財政年度 總計 (百萬港元)	二零零七 財政年度 總計 (百萬港元)	變動 百分比
收入	1,708	1,454	17
分部業績	(1)	3	不適用

由於中國繼續實施宏觀調控政策，加上鋼材價格不斷上漲，中國內地鋼材分銷部門繼續在嚴峻的環境下經營。中國內地鋼材部門的業績包括公司擁有66.7%權益之合營公司寶順昌。於二零零八財政年度，寶順昌錄得收入增加至約1,353,000,000港元，較去年約999,000,000港元增加35%，扣除少數股東權益後的純利約為8,000,000港元。

中國內地鋼材分銷部門的目標是為海外買家提供虛擬鏈接式市場連結採購服務，從而出口國內生產之金屬產品以滿足全球需求。該等專門服務之策略內核為發展萬順昌集團之國內採購能力，及減低存貨方面之資金需求及相關風險。該部門擬進一步為CAMP及萬順昌 — 瑞爾盛中國業務的加工活動提供交叉銷售機會，以造就更具成本效益的營運。年內，我們在策略方向上與MetalChina的創辦人存在分歧，與MetalChina之策略企業聯盟已告終止，因MetalChina創辦人希望MetalChina發展成為個別及獨立的業務，與萬順昌集團其他公司保持非常有限的協同關係。因此，該部門已行使其對MetalChina發行的可換股債券的投資贖回權，而未贖回餘額亦已全數撥備。即使如此，終止對MetalChina的投資並不影響萬順昌集團就CMG、CAMP及萬順昌 — 瑞爾盛中國進一步拓展其於中國國內採購能力的策略目標。

建築產品分銷 (「建築產品部門」)

建築產品部門包括四個業務部門：(1)香港建築產品；(2)上海利尚派；(3)深圳建築產品及(4)澳門萬義，該等業務單位均從事分銷TOTO潔具、Hansgrohe及Rover合成雲石。受惠於香港、上海及澳門的房地產市場蓬勃發展，建築產品部門在收入及分部溢利方面均達成增長。

摘要

	二零零八 財政年度 總計 (百萬港元)	二零零七 財政年度 總計 (百萬港元)	變動 百分比
收入	262	208	26
分部業績	14	9	56

香港建築產品繼續於灣仔經營零售陳列室，並從事向承建商進行項目銷售，出售潔具及合成雲石。該部門在二零零八財政年度繼續維持穩定的收入及溢利。該部門的收入及分部溢利分別較去年增加25%及89%，分別增至86,000,000港元及9,000,000港元，惟毛利率由34.4%微跌至33.1%。香港建築產品目前的手頭合約總值約14,000,000港元（於二零零七年三月三十一日約為14,500,000港元）。值得列舉的主要手頭上未完成合約包括為以下工程提供潔具及瓷磚：港島東中心、嘉蘭中心商廈翻新項目、尖沙咀中心及帝國中心的翻新工



程、上水廣場辦公大樓、Union Square的零售中心、圓方購物中心及港濤軒。上海利尚派於二零零八財政年度亦取得亮麗業績，錄得收入及分部溢利分別約121,000,000港元及約6,000,000港元。深圳建築產品賺取收入約36,000,000港元，並繼續在深圳經營零售陳列室及批發業務，由於華南地區市場的競爭非常劇烈，深圳業務將繼續面對具挑戰性的環境。澳門萬義為我們擁有82%權益的合營公司。萬義建築材料(澳門)有限公司於二零零六年六月開始營業，主要專注於發展蓬勃之賭場酒店及住宅發展項目。由於澳門大部分已規劃的賭場酒店紛紛於近期落成，澳門萬義於二零零八財政年度的收入由約24,000,000港元跌至約20,000,000港元。該部門將發掘新產品及新品牌，其經營表現預期將於來年維持穩定。由於香港及中國的房地產市場不斷增長，我們預期建築產品部門將面對增長的需求。然而，在勢頭向好的市場中，其他品牌以具競爭力的價格推出類似產品，造成競爭，物料成本增加無疑需要額外財務資源，因此可能削弱毛利率。

其他投資



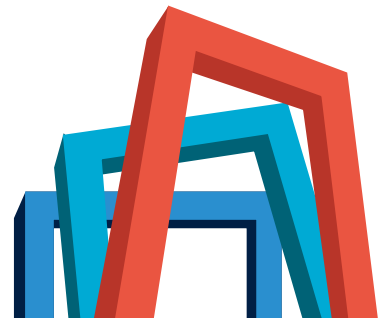
酒店業務

誠如過往之年報所披露，萬順昌集團繼續在大中華地區尋求投資機會，協助公司取得更多元化的收入來源，同時為其提供資產增值的機會。

於回顧年度，萬順昌集團已取得在中國經營的商務經濟型連鎖式酒店「a8酒店」(「a8」)的44%少數權益。目前，a8經營5間酒店，其中3間在上海，2間在廣州，合共有523間客房。a8的業務模式是：(i)與位置優越地區的物業業主訂立長期租約自營酒店，a8將裝修物業，達致a8的質量水平及主題之酒店，並由a8的員工營運；及(ii)另一個方式是特許a8的管理系統及專業知識予經選定的物業，從而收取特許經營費用。由於在中國酒店業中此類別的發展未受重視，極具增長潛力，因此，萬順昌集團的管理層對a8的發展機會持樂觀態度。雖然萬順昌集團目前只擁有a8的少數權益，然而基於a8的潛力，萬順昌集團亦已取得認購權，可將其於a8的權益增至多數權益。除了可能增加持有a8權益外，萬順昌集團亦積極尋求其他投資者對a8投資，促進其增長。

房地產

另一方面，萬順昌集團亦投資購入位於上海靜安區一座樓高11層之辦公大樓的33.33%權益。該物業位於上海的黃金地段，總可租賃面積約為23,000平方米，亦有118個地下泊車位。萬順昌集團由二零零七年十二月起將其中國營運總部遷至該大樓，佔用兩層樓宇，約4,000平方米面積。擁有自身的總部物業，與萬順昌集團擬成為中國市場的最重要的公司之一的策略相符。於二零零八年六月尾(揭幕後六個月)，該樓宇已租出約52%地方，鑑於上海房地產價格上漲，加上人民幣升值，萬順昌集團欣然確認其對該物業的投資在較短時間已獲得估值增益。





主要增長元素

1) 人力資源

人力資源是萬順昌集團最寶貴之資產，並在我們運作的各方面反映出來。萬順昌集團及其合夥企業萬順昌 — 瑞爾盛中國均有專職人員負責員工之技術及一般培訓。本公司的人力資源策略是在所有業務單位及總部建立稱職的管理團隊，他們必須能幹、優異、品格高尚、擅長面對變革及風險管理。

打造ONE COMPANY：

繼成立合夥企業萬順昌 — 瑞爾盛中國後，本公司的首要目標是整合全體僱員成為「ONE COMPANY」 — 結合資源及開創解決方案。本公司已經組織多項僱員活動以團結僱員，同時確保穩定的僱員數目及和諧的僱員關係。本公司相信，有效建立僱員的歸屬感是業務成功的關鍵，尤其在本公司朝著新方向發展時更為重要。本公司竭盡全力提升eCSC（僱員、客戶、供應商及競合者）之企業文化，並秉持專業、持續進步、團結及廉正誠實之核

心價值，目標均為向僱員提供更具透明度之工作環境，以協助彼等盡快融入萬順昌的大家庭。

本公司明白僱員歸屬感是推動企業表現的關鍵因素，藉此在質素、節省成本及顧客服務方面取得更佳經營業績。本公司相信，發展開創競爭優勢的文化誠為業務成功的策略。兩者相輔相承，缺一不可，必須同時在雙方方面努力。

溝通：

本公司透過多次員工對話、年度願景日、人力資源內聯網與電子化的員工通訊，與僱員進行直接對話，以及收集僱員意見及回應，從而了解僱員的需要。本公司已建立具透明度及開放的環境，向僱員提供萬順昌集團現況的最新消息。

培訓及發展：

配合本公司的核心價值 — 持續進步，本公司於本年度提供更深入的培訓課程，全面裝備本公司僱員，確保彼等擁有可面對挑戰及新時代的技能及專門知識。本公司已舉辦各種在職培訓，例如英語及普通話的語言培訓、



激勵培訓、績效評估、領袖培訓、啟導技巧及團隊建立。為鼓勵僱員追求更高的學術資歷，本公司提供資助培訓課程。此外，本公司亦推出鼓勵在午膳時段分享知識的「午膳學習」計劃，大受本公司僱員好評及歡迎。

獎勵及薪酬福利：

為了繼續保持於人才市場招聘及留任本公司人才的競爭能力，本公司已將本身的薪酬架構與市場薪酬趨勢互相比對。本公司以績效為基礎，在各業務部門及企業支援部門均按由下而上方式，以能否達成主要成就的可量度目標，視乎不同情況而訂立花紅及佣金的獎勵計劃。

社會責任：

本公司深信企業肩負社會責任及須承擔公民責任。本公司僱員踴躍參與各種慈善活動：奧比斯襟章日、公益服飾日、公益行善「折」食日及外展越野挑戰賽。本公司亦為5.12四

川大地震在萬順昌集團旗下各成員公司舉辦大型籌款活動。獲頒「商界展關懷」標誌足證本公司回饋社會及培養關愛環境的努力。

僱員：

於二零零八年三月，萬順昌集團聘用1,288名僱員，較去年同期減少18%。僱員人數減少的原因是萬順昌 — 瑞爾盛中國服務中心的進一步整合及互補（減少6%）、萬嘉源系統設備外殼製造業務採取的人員合理化措施（減少33%）及鋼材分銷業務進行的精簡措施（減少26%）。相比二零零七財政年度，每名僱員創造的收入由3,100,000港元增加42%至4,400,000港元。

為了統一最佳工作範式及提倡共享企業價值，萬順昌 — 瑞爾盛中國已成立主要以上海為基地的核心服務團隊及共享服務團隊。核心服務團隊包括企業領導、財務報告及信貸控制；共享服務團隊負責以全國為層面的經營效率、外判加工、先進物料應用、採購、系統資源管理及人力資源管理。

由於萬順昌 — 瑞爾盛中國的核心及共享服務團隊的人材數目增加，以及萬順昌集團在上海地區擁有更穩固的人力資源基礎，

萬順昌集團的整體管理及企業支援員工增加17%，由108人增加至126人。總僱員成本(包括退休福利計劃供款)增加27%，由113,000,000港元增至143,000,000港元，或由二零零七財政年度佔收益的2.3%增至本年度的2.5%。於回顧年度內，根據於二零零一年十一月十二日採納的股份購股權計劃，僱員已行使11,823,000份購股權。

2) 金融資本

於二零零八財政年度，萬順昌集團共獲得總額118,000,000港元的長期貸款，為資本開支及資本投資提供資金。於二零零八財政年度結束時，萬順昌集團的股本權益總額由去年的1,007,000,000港元增加至1,078,000,000港元。付息債務從去年的711,000,000港元增加至1,183,000,000港元。為支持持續增長的收入及商品價格的增加，萬順昌集團需要大量的短期銀行貸款以滿足其於存貨及應收賬款的營運資金需求。萬順昌集團與香港、中國及新加坡的多家本地及國際銀行繼續發展良好關係，藉此擴大並鞏固其往來銀行組合。於二零零八財政年度結束時，香港、中國及新加坡的銀行所提供銀行融資總額約為1,949,000,000港元。該等銀行融資額包括信用狀、信託收據貸款、銀行貸款及存貨融資貸款。利息費用乃按銀行間的借貸利率加極具競爭力的息差收取。由於萬順昌集團於中國之據點及採購量日漸增加，預期人民幣融資的需求在本公司的資金需求中將變得為重要。萬順昌集團已自中國的當地及外資銀

行取得人民幣有期貨款及票據交換額度。於二零零八財政年度結束時，萬順昌集團的未償還人民幣貸款為人民幣163,000,000元。

財務資源及資產流動能力

1) 流動資金及融資

於二零零八年三月三十一日，萬順昌集團的現金及現金等值為271,000,000港元(二零零七年：305,000,000港元)，當中62.9%為美元，23.4%為人民幣，13.2%為港元，餘下的0.5%為其他貨幣。年內經營活動耗用的現金流約為179,000,000港元。

於二零零八年三月三十一日，萬順昌集團的借貸總額約為1,183,000,000港元，全部均為付息借貸(二零零七年：711,000,000港元)。經扣減約215,000,000港元(二零零七年：30,000,000港元)之抵押銀行存款及約271,000,000港元(二零零七年：305,000,000港元)之現金及銀行存款後，付息借貸淨額約為697,000,000港元(二零零七年：377,000,000港元)。付息借貸淨額增加主要來自對上海一幢商業大樓及a8的投資，以及增加手頭存貨總值。由於付息借貸增加，融資成本亦較去年增加。

於二零零八年三月三十一日以付息借貸淨額除以包括股權持有人應佔資本及儲備及付息借貸淨額的資本負債比率由32%增加至45%；相比二零零七年三月三十一日，流動比率由1.67倍微跌至1.47倍。經考慮目前市況及據業內慣常風險水平評估整體風險狀況後，萬順昌集團致力將該等財務比率維持於現有

水平。萬順昌集團的業務營運一般由其業務活動產生之現金及其往來銀行提供的銀行融資提供資金。萬順昌集團亦與香港、新加坡及中國的銀行磋商，藉此取得額外融資以支持其業務發展。於二零零八年三月三十一日，可供動用的貿易融資額及信託收據貸款分別約為1,500,000,000港元及1,100,000,000港元。本公司已取得銀行貸款及貿易融資約人民幣163,000,000元以紓緩其中國內地業務面對的風險。

2) 庫務政策

萬順昌集團所有融資及庫務活動均由集團集中管理及監控。萬順昌集團整體庫務及集資政策集中於財務風險管理，包括利率及外匯風險以及對萬順昌集團及其集團成員公司提供符合成本效益之集資方法。萬順昌集團一直秉持審慎財務管理原則。

萬順昌集團之業務主要以港元、美元及人民幣交易。由於港元與美元之間連繫匯率，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。萬順昌集團保持人民幣現金流入淨額。

於二零零八年三月三十一日，萬順昌集團約有63.0%之計息借貸是以港元計算，約21.7%以美元計算及約15.3%以人民幣計算。當出現適當時機且萬順昌集團之管理層認為合適之情況下，將簽訂遠期外匯合約及貨幣掉期合約，用以對沖非港元貨幣之主要外匯風險。

於二零零八年三月三十一日，萬順昌集團有合共約453,000,000港元及人民幣389,000,000元之未到期遠期外匯貨幣合約及貨幣掉期合約，為償還以美元結算之信用證及未來美元負債及未來人民幣付款作對沖。

於二零零八年三月三十一日，萬順昌集團全部借貸均按浮動利率計息。於二零零八年五月，萬順昌集團簽訂一份利率掉期合約用以對沖一項長期負債之風險。萬順昌集團嚴格監控衍生金融工具之使用且主要用以對沖與借貸有關之利率及外匯兌換風險。而萬順昌集團之政策乃不會為投機目的訂立任何衍生工具交易。

3) 或然負債

於二零零八年三月三十一日，萬順昌集團就其潔具供應項目有尚未行使履約擔保書約1,400,000港元（二零零七年：1,700,000港元）。

4) 資產抵押

於二零零八年三月三十一日，萬順昌集團有若干資產，包括(i)約30,000,000港元之樓宇、約18,000,000港元之租賃土地及土地使用權及約152,000,000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；及(iii)約213,000,000港元之銀行存款作為萬順昌集團之銀行信貸額之抵押品，及約2,000,000港元作為中國內地海關保證金之限制現金。

企業管治報告

企業管治

萬順昌集團有限公司(「本公司」)之董事會(「董事會」)致力維持高水平之企業管治。本公司相信其高水平之公司管治標準可為本公司及其附屬公司(「萬順昌集團」)建立一個架構框架及穩固之基礎，以管理商業風險、增加透明度、維持高水平問責制及保障股東之整體權益。於截至二零零八年三月三十一日止年度，除下文所述之偏離事項外，本公司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。董事會將不斷檢討及改善本公司之企業管治常規及準則，確保業務活動及決策過程受到適當及審慎之規管。

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所載之證券交易之標準守則(「標準守則」)，作為本公司之董事(「董事」)的證券交易守則。經向所有董事作出特定查詢後，彼等確認於截至二零零八年三月三十一日止年度內已遵守標準守則所載之所需規定。於二零零六年三月九日，董事會已通過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。

董事會

董事會現時共有兩名執行董事及四名獨立非執行董事。其中一名獨立非執行董事具備合適之專業會計資格及財務管理專業知識。每位獨立非執行董事已根據上市規則第3.13條之規定提交確認其符合獨立性之週年確認書。本公司認為所有獨立非執行董事皆符合載於上市規則第3.13條之獨立性指引，並根據該指引而被視為獨立人士。董事會成員彼此間並無任何財務、業務、家族或其他重大／相關關係。本公司已就萬順昌集團內之董事可能面對之法律行動而作出適當保險安排。

執行董事負責管理整體業務，他們主要參與的工作是制定及執行企業策略。獨立非執行董事由香港、中國內地及美國之卓越商業行政人員所組成，透過彼等所擁有之豐富技術及經驗向管理層提供獨立建議。執行董事定期與CAMP及／或CMG業務單位主管、各業務單位總經理及支援單位之重要員工舉行會議，商討重要業務計劃及檢討營運與財務表現。獨立非執行董事亦被邀請參與特別檢討會議。

董事會成員可於適當時候獲取有關萬順昌集團之恰當商業文件及資料。董事有需要時可隨時與管理層聯絡，以取得更多資料。董事亦被鼓勵通過持續參與董事會及委員會會議，以提升其技術及

經驗和對萬順昌集團之認識。有需要時所有董事亦可尋求外聘法律顧問及其他顧問之獨立意見，開支由本公司支付。

為審視萬順昌集團多方面之事務，已成立三個董事委員會，即執行委員會、薪酬委員會及審核委員會。董事會已指派CAMP及CMG總裁、人力資源總監及財務總監於行政總裁之領導下，執行萬順昌集團之業務及其日常運作。

董事會會議記錄由公司秘書記錄，董事會成員可隨時查閱該等會議記錄及任何補充資料。

於年度內，每名董事於董事會會議、薪酬委員會會議及審核委員會會議之出席次數如下：

董事	董事會會議	薪酬委員會會議	審核委員會會議
執行董事：			
姚祖輝先生（主席）	4/4	2/2	不適用
唐世銘先生	4/4	不適用	不適用
獨立非執行董事：			
周亦卿博士	2/4	不適用	0/2
Harold Richard Kahler先生	4/4	2/2	2/2
譚競正先生	4/4	2/2	2/2
徐林寶先生	1/4	不適用	1/2

主席及行政總裁

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。本公司之主席及行政總裁職位現由姚祖輝先生一人同時出任。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，並有效地策劃、制訂及實施本公司之業務策略，從而使萬順昌集團能夠有效地維持其業務之發展。

委任非執行董事之指定任期

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。本公司之非執行董事（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。

執行委員會

執行委員會於二零零六年三月成立，成員現時包括所有執行董事，姚祖輝先生為主席及唐世銘先生為委員。

在董事會會期以外，執行委員會可執行董事會給予之特別權力及行政職能，並主要負責監督萬順昌集團之日常運作。

委員會會議記錄由公司秘書記錄，委員會委員可隨時查閱該等會議記錄及補充資料。

薪酬委員會

薪酬委員會已於二零零五年七月成立，其成員包括執行董事姚祖輝先生為主席及兩名獨立非執行董事Harold Richard Kahler先生及譚競正先生。薪酬委員會之職責為就董事及高層管理人員之薪酬政策及架構向董事局提供建議，確保對萬順昌集團整體表現有所貢獻之董事及高層管理人員均獲得公平回報，並考慮到股東利益。薪酬委員會之主要職責包括釐定全體執行董事及高層管理人員之薪酬待遇，以及根據董事會不時議決之公司目標及宗旨檢討及批准按工作表現釐定之酬金。概無董事或其任何聯繫人士可參與有關其本身薪酬之任何決定。薪酬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>)。

委員會會議記錄由公司秘書記錄，委員會委員可隨時查閱該等會議記錄及補充資料。

薪酬委員會會議之出席紀錄已刊於「董事會」之列表內。

審核委員會及內部審計

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。

審核委員會已審閱萬順昌集團現在提呈之截至二零零八年三月三十一日止年度之財務報表，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。

審核委員會每年舉行不少於兩次之正式會議，審閱及討論各項外聘核數師與內部審計隊伍呈報之審核事項，並審閱中期及年終財務數據。審核委員會亦已審閱外聘核數師之酬金。董事會與審核委員會於外聘核數師之挑選或委任上並無任何爭議。委員亦可不時於認為有需要時舉行額外審核委員會會議以討論特殊項目或其他事項。

董事會已制定及核准審核委員會之職權範圍，職權涉及若干內部監控及審核事宜，目標為進一步改善其企業管治。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>)。

本公司之內部審計部門為本公司及附屬公司進行審核及直接向董事會審核委員會彙報，並獨立於萬順昌集團的其他業務運作。

委員會會議記錄由公司秘書記錄，委員會委員可隨時查閱該等會議記錄及任何補充資料。

審核委員會會議之出席紀錄已刊於「董事會」之列表內。

內部監控

董事會有責任維持可靠及有效之內部監控系統，以保障股東之利益及本公司之資產。於年內，本公司聘任國際四大之一的會計師事務所就萬順昌集團之若干主要部門進行COSO內部監控框架研判檢討（COSO: Treadway Commission推廣機構委員會），輔以萬順昌集團之內部監控部所進行之持續內部檢討。

審核委員會已對上述之行動就萬順昌集團之內部監控系統及程序的效用作出檢討，該檢討涵蓋所有監控方面，包括財務、運作和合規監控以及風險管理職能，審核委員會向董事會就該檢討作出匯報。

董事之提名

本公司並未設立提名委員會。董事會根據本公司之公司細則獲授權委任任何人士擔任董事，以填補董事會所產生之臨時空缺或作為新增之董事會成員。甄選準則主要視乎候選人之專業資格及經驗而定。根據本公司之組織章程細則，新任董事必須於獲委任後之首次股東週年大會或任何股東特別大會上告退及膺選連任。於每屆股東週年大會上，三分之一董事（或倘人數並非三之倍數，則為最接近但不少於三分之一之數）須輪值告退，而每名董事於三年內最少告退一次。告退董事應符合資格膺選連任。

核數師酬金

於截至二零零八年三月三十一日止年度內，萬順昌之外聘核數師羅兵咸永道會計師事務所就向萬順昌集團提供下列服務分別收取之費用為：

服務種類	千港元
萬順昌集團之審核費用	2,180
稅務服務	190
特別委聘服務	370
總額	2,740

編製及呈報賬目之責任

董事明白彼等須負責根據法例規定及適用會計準則編製賬目。核數師就其呈報責任而發出之聲明載於本年報之獨立核數師報告。

概無有關事件或情況之重大不明朗因素可能對本公司按持續基準經營之能力構成重大疑問。

與投資者之關係與溝通

萬順昌集團致力提高透明度，並維持與投資者、分析員及公眾傳媒之良好溝通。管理層定期與現有及潛在投資者作企業簡佈，並為有興趣之基金經理、研究分析員及銀行人員安排廠房實地視察。我們方便易用之網站（<http://www.vschk.com>）為投資者提供最新消息、高級管理層訪問、企業及財務資料、公告及年報及中期報告。萬順昌集團將繼續在披露資料方面保持高透明度。

董事會報告

萬順昌集團有限公司(「本公司」)之董事會(「董事會」)欣然提呈本公司及其附屬公司(合稱「萬順昌集團」)截至二零零八年三月三十一日止年度之年報及經審核賬目。

主要業務

本公司為一間投資控股公司，其附屬公司主要從事(i)中國先進材料加工包括製造工業產品例如板材產品加工及製造系統設備外殼以及買賣塑膠樹脂分銷，及(ii)建築材料包括分銷與存銷建築材料例如鋼材產品、潔具及廚櫃。

萬順昌集團按業務分部及地區分部之收入及分部業績之詳載於隨附之賬目附註5。

主要客戶及供應商

截至二零零八年三月三十一日止年度，萬順昌集團首五大客戶佔萬順昌集團總營業額不足30%，而萬順昌集團首五大供應商則佔萬順昌集團總採購額約34%，其中萬順昌集團最大之供應商佔萬順昌集團總採購額約11%。

各董事、彼等之聯繫人士或任何股東(就本公司董事所知擁有本公司股本5%以上之股東)概無擁有萬順昌集團首五大供應商之實質權益。

業績及溢利分配

萬順昌集團截至二零零八年三月三十一日止年度之業績詳載於本年報第49頁之綜合收益表。

本年度中期現金股息每股普通股1.1港仙經已於年度內宣佈及派發，而董事已決議建議派發末期現金股息每股普通股1.3港仙。截至二零零八年三月三十一日止年度之已付及應付現金股息總額為每股普通股2.4港仙或約9,101,000港元(二零零七年：17,693,000港元)。

股本及購股權

有關本公司股本及購股權之詳情分別載於隨附之賬目附註32及33。

儲備及保留盈利

萬順昌集團及本公司之儲備及保留盈利於本年度之變動情況載於隨附之賬目附註34。

於二零零八年三月三十一日，本公司可供分派予其股權持有人之儲備約為53,986,000港元(二零零七年：53,986,000港元)及保留盈利約為8,842,000港元(二零零七年：14,684,000港元)，其中4,946,000港元(二零零七年：9,584,000港元)已建議作為本年度末期股息派付。

買賣或贖回本公司的股份

本公司或其任何附屬公司概無於截至二零零八年三月三十一日止年度內購入、售出或贖回本公司任何股份。

優先購買權

本公司之公司細則及百慕達法例均無任何關於優先購買權之規定。

物業、廠房及設備、投資物業及租賃土地及土地使用權

物業、廠房及設備、投資物業及租賃土地及土地使用權於本年度之變動詳情分別載於隨附之賬目附註15、16及17。

附屬公司及聯營公司

各本公司附屬公司及聯營公司之詳情分別載於隨附之賬目附註19及20。

借貸

於二零零八年三月三十一日，有關借貸之詳情載於隨附之賬目附註31。

退休金計劃

退休金計劃之詳情載於隨附之賬目附註8。

慈善捐款

於本年度，萬順昌集團共捐出慈善捐款約1,510,000港元（二零零七年：264,000港元）。

董事及董事之服務合約

本年度及截至本年報日期止之在任本公司董事（「董事」）為：

執行董事

姚祖輝先生，主席

唐世銘先生

獨立非執行董事

周亦卿博士

Harold Richard Kahler先生

譚競正先生

徐林寶先生

根據本公司之公司細則第87(1)條規定，唐世銘先生及譚競正先生將告退並同意於應屆股東週年大會膺選連任。

Harold Richard Kahler先生與本公司已訂立一份為期三年之僱用合約，直至二零零九年十二月三十一日為止。

除上述披露者外，各董事與萬順昌集團之間概無任何由萬順昌集團若不給予補償（法定補償除外）則於一年內不可終止之服務合約。

董事於股份、相關股份及債權證之權益及淡倉

於二零零八年三月三十一日，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) 本公司之股份及購股權之權益

董事名稱	權益性質	董事應佔權益	股份數目	概約百分比	購股權數目	
					(附註b)	累計權益
姚祖輝先生 (「姚先生」)	Huge Top所持之公司	被視作擁有之	173,424,000	45.59%	—	173,424,000
	權益(附註a)	權益(間接)				
	個人權益	100%(直接)	1,614,000	0.42%	1,500,000	3,114,000
			175,038,000	46.01%	1,500,000	176,538,000
唐世銘先生	個人權益	100%(直接)	142,000	0.04%	500,000	642,000
Harold Richard Kahler先生	個人權益	100%(直接)	66,000	0.02%	—	66,000

附註：

a. 於二零零八年三月三十一日，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11.91%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. 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) 相關法團之權益 — Huge Top

董事名稱	權益性質	董事應佔權益	股份數目	概約百分比
姚先生 (請閱上文(i)附註a)	Perfect Capital所持 之公司權益	被視作擁有之權益 (間接)	36	42.86%
			10	11.90%
	46	54.76%		
唐世銘先生	個人權益	100%(直接)	5	5.95%

除上文所披露者外，於二零零八年三月三十一日，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。

除上述者外，於年內任何時間，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。

董事之合約權益

除隨附之賬目附註9所披露者外，於本年度終結或年內任何時間，本公司或其任何附屬公司概無訂立任何涉及萬順昌集團業務而本公司董事或管理階層於其中直接或間接擁有重大權益之重要合約。

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

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，於二零零八年三月三十一日，按本公司根據證券及期貨條例第336條須存置於登記冊之記錄，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：

姓名	權益性質	股份數目	概約百分比	購股權數目	累計權益
Huge Top	直接持有	173,424,000	45.59%	—	173,424,000
姚潔莉女士	公司權益	173,424,000 (附註)	45.59%	—	173,424,000
	個人權益	2,000,000	0.53%	1,000,000	3,000,000
		175,424,000	46.12%	1,000,000	176,424,000

附註：於二零零八年三月三十一日，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。

除上文所披露者外，於二零零八年三月三十一日，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）於本公司或任何相關法團（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。

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。購股權計劃的摘要如下：

1. 購股權計劃目的

獎勵參與人士為萬順昌集團作出貢獻，及／或使萬順昌集團得以羅致及／或留用具才幹之僱員，以及吸納可效力萬順昌集團之寶貴人力資源。

2. 購股權計劃的參與人士

萬順昌集團任何成員公司之任何僱員、代理人、顧問或代表(包括任何執行或非執行董事)或符合購股權計劃甄選準則之任何其他人士。

3. 根據購股權計劃可發行股份總數及於本年報日期佔已發行股本百分比

經於二零零六年八月三十一日所舉行之本公司股東週年大會(「二零零六年股東週年大會」)上批准更新購股權計劃授權限額後，根據購股權計劃，本公司初步可授予涉及36,860,525股股份(佔本公司於二零零六年八月三十一日(二零零六年股東週年大會日期)之已發行股本約10%及佔本公司於本年報日期之已發行股本約9.7%)之購股權。

於任何時間根據購股權計劃及本公司及／或其附屬公司任何其他購股權計劃所有已授出而尚未行使之購股權獲行使時可予發行之股份最高之數目，不得超過不時已發行股份30%。倘授出購股權將導致超出該30%限額，則不得根據本公司或其任何附屬公司之任何購股權計劃授出購股權。

4. 每位參與人士根據購股權計劃可認購的最高數額

根據購股權計劃以及本公司及／或其附屬公司之任何其他購股權計劃，在任何12個月期間內，向每位參與人士授予購股權而因行使購股權(包括已行使、已註銷及尚未行使之購股權)獲發行及將予發行之股份總數，不得超過已發行股份數目之1%。

5. 根據購股權須認購股份的期限

自購股權提出授予之日起計不得超過十年。

6. 須於行使前持有購股權的最短期限

並無此特定之最短期限及購股權可根據購股權計劃之條款在董事會知會各承授人之期間內任何時間行使。

7. 申請或接納購股權的應付金額以及付款或通知付款的期限或償還申請購股權貸款的期限

承授人倘接納購股權後，必須於提出授予日期起計28日內向本公司繳交10港元，此款項將不獲退還。

8. 釐定行使價的基準

購股權之行使價最少將以下列中最高者為準：

- a. 股份於提出授予購股權當日（須為營業日）聯交所每日報價表所列之收市價；
- b. 股份於緊接提出授予購股權日期前五個交易日在聯交所每日報價表所列之平均收市價；及
- c. 股份面值。

9. 購股權計劃的剩餘期限

購股權計劃將由採納日（即二零零一年十一月十二日）起十年內一直生效及有效。

於年度內，按購股權計劃尚未行使之購股權如下：

參與者 姓名或類別	授予日期	行使期	每股 行使價	購股權數目				
				年初 千份	年內授予 千份	年內行使 千份	年內失效 千份	年末 千份
董事：								
姚先生	二零零六年九月十三日	二零零七年九月十三日至 二零一六年九月十二日	0.90港元	1,500	—	—	—	1,500
唐世銘先生	二零零三年九月十九日	二零零五年九月十九日至 二零一三年九月十八日	1.418港元	300	—	—	—	300
	二零零六年九月十三日	二零零七年九月十三日至 二零一六年九月十二日	0.90港元	200	—	—	—	200
小計				2,000	—	—	—	2,000
僱員：								
共計	二零零三年五月二日	二零零三年五月二日至 二零一三年五月一日	0.98港元	250	—	(250)	—	—
共計	二零零三年五月七日	二零零五年五月七日至 二零一三年五月六日 (附註2)	0.97港元	4,605	—	(2,905)	(200)	1,500
共計	二零零三年九月十九日	二零零五年九月十九日至 二零一三年九月十八日	1.418港元	1,000	—	—	—	1,000
共計	二零零六年九月十三日	二零零七年九月十三日至 二零一六年九月十二日	0.90港元	7,000	—	(2,668)	(1,732)	2,600
小計				12,855	—	(5,823)	(1,932)	5,100
其他：								
共計	二零零三年五月二日	二零零三年五月二日至 二零一三年五月一日	0.98港元	7,000	—	(6,000)	—	1,000
小計				7,000	—	(6,000)	—	1,000
購股權計劃總計				21,855	—	(11,823)	(1,932)	8,100

附註：

- 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30%此等股份的購股權。

(ii) 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70%此等股份的購股權（以按照上文(i)段以尚未行使者為限）。

(iii) 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）。

除上文所披露外，於年度內並無購股權獲授予、行使、失效或註銷。

關連交易

與關連人士之交易詳情載於隨附之賬目附註39。

(a) 持續關連交易

於截至二零零八年三月三十一日止年度內，萬順昌集團已訂立以下根據香港聯合交易所有限公司證券上市規則（「上市規則」）第14A章之持續關連交易（「交易」）。交易已由本公司之股東於二零零七年三月二十八日批准及交易之詳情已披露於本公司之二零零七年三月八日刊發之通函（「通函」）。

根據二零零七年二月十五日由神鋼商事株式會社（「神鋼商事」）及萬順昌神商有限公司（「萬順昌神商」，乃本公司之間接附屬公司，神鋼商事擁有其30%權益）訂定之供應協議（「供應協議」），同意萬順昌神商及本公司之其他附屬公司於二零零七年四月一日至二零一零年三月三十一日止期間，可不時向神鋼商事及其聯繫人士（「神鋼集團」）購買若干鋼材產品。根據供應協議之條款，神鋼商事應促使神鋼集團之成員公司進行根據供應協議項下之交易，而萬順昌神商則應促使本公司之其他附屬公司進行根據供應協議項下之交易。

供應協議項下各項交易之價格將由訂約各方不時因應有關鋼材產品類別之當時市價而議定。萬順昌神商及本公司之其他附屬公司根據供應協議於截至二零零八年、二零零九年及二零一零年三月三十一日止三個財

政年度根據通函就該等購買之全年應付款項總額之金額上限分別為240,000,000港元、280,000,000港元及320,000,000港元。

董事，包括獨立非執行董事，認為交易對萬順昌集團繼續有效經營起關鍵作用。由於交易將定期持續出現，董事認為每逢出現該等交易時即發表公告或（如需要）取得本公司之股東事先批准並不可行。因此，本公司已於二零零七年三月二十八日召開及舉行股東特別大會，並獲本公司之獨立股東批准截至二零一零年三月三十一日止三年期間進行之交易及有關上限之普通決議案。

獨立非執行董事已確認交易乃(a)在萬順昌集團日常及一般業務過程中進行；(b)按一般商業條款或按不遜於第三者所提供或給予萬順昌集團之條款進行；及(c)根據有關交易之協議，且按公平合理及符合本公司股東整體利益之條款進行。

本公司之核數師（羅兵咸永道會計師事務所）亦已進行同意確認程序及已向董事會發表一份事實探討報告，並確認交易(a)已獲本公司之董事會批准；(b)乃根據本公司之通函內第二頁所披露之定價政策進行；(c)乃按交易之相關協議進行；及(d)並無超逾如本公司通函內第五頁所披露及與聯交所協定之全年金額上限。

(b) 關連交易

於二零零八年三月十一日，CAMP (Kunshan) Limited (「CAMP Kunshan」)、China Advanced Materials Processing Limited及萬順昌一瑞爾盛中國有限公司(統稱「三間附屬公司」)與神鋼商事訂立之認購協議(「認購協議」)，根據認購協議之條款，神鋼商事以1,170,000美元(約9,126,000港元)之代價認購CAMP Kunshan經擴大已發行股本之10%。神鋼商事乃萬順昌神商(一家本公司間接非全資附屬公司)之主要股東，擁有30%之股份，就上市條例而言，是本公司之關連人士。因此，根據上市條例而言，神鋼商事與三間附屬公司所訂立之認購協議(連同項下之交易)構成本公司之關連交易。

董事會相信，除獲取額外營運資金以撥支其正在增長之業務外，認購協議項下之交易倘能完成，昆山服務中心業務營運將可有更大機會獲取由神鋼商事提供之鋼材資源，以保證有穩定之優質鋼材產品供應，並降低若干採購開支。

董事於競爭性業務之權益

本公司董事會之主席姚先生原為北亞策略控股有限公司(「北策」，於聯交所創業版上市)之執行董事，於二零零八年六月十九日重新任命為非執行董事。

北策乃一間投資控股公司。北策及其附屬公司主要從事(i)表面貼裝技術組裝設備、機器及零部件貿易以及提供相關安裝、培訓、維修及保養服務；及(ii)於香港及澳門發展及經營漢堡王(Burger King)餐廳。其共同控制實體則主要從事魚粉加工及銷售、魚油精煉及銷售、水產飼料產品製造及銷售以及

其他與水產飼料相關之原材料貿易。北策已於二零零七年八月終止鋼材貿易業務及沒有其他業務與本公司構成競爭。

除上文所披露者外，董事或本公司控權股東或各自之聯繫人士概無於與本公司集團業務構成或可能構成競爭的業務中擁有權益或對萬順昌集團直接或間接構成任何其他利益衝突。

公眾持股量

於本年報日期根據本公司所得悉及董事亦知悉之公開資料，本公司一直維持上市規則所訂明之公眾持股量。

控股股東須履行特定責任

茲提述二零零八年三月二十六日簽訂有關本金金額達8,000,000美元(約62,400,000港元)之定期信貸(「信貸」)之信貸協議(「信貸協議」)。信貸為期三年及信貸協議包括一項要求姚先生及其直接關連家庭成員(即為姚先生、姚潔莉女士及姚林秀美女士，彼等之配偶及子女)將實益及沒有抵押的維持擁有本公司全部已發行股本不少於30%，並為本公司之單一最大股東，及要求姚先生維持萬順昌集團之管理控制。上述之此等責任規定已獲履行。

核數師

隨附之賬目由羅兵咸永道會計師事務所審核。本公司將於應屆股東週年大會上提呈一項續聘其於來年擔任本公司核數師之決議案。

代表董事會
主席
姚祖輝

香港，二零零八年七月二十三日

董事履歷

執行董事 (於二零零八年三月三十一日)



姚祖輝先生

四十二歲，本公司主席兼行政總裁。姚先生畢業於柏克萊加州大學及哈佛商學研究院。彼負責萬順昌集團之整體公司策略及目標。姚先生之公職服務包括中國人民政治協商會議上海市常委、香港特區政府中央政策組顧問、香港青年聯會主席、上海復旦大學校董、香港大學校董及香港大律師紀律審裁團委員。彼亦於二零零四年獲得香港青年工業家獎。姚先生亦為於創業板上市之北亞策略控股有限公司之執行董事及於主板上市之大唐投資國際有限公司與及Kader Holdings Company Limited之獨立非執行董事。



唐世銘先生

四十六歲，為本公司執行董事，負責常務行政工作。彼從事國際貿易逾十九年，唐先生全面參與萬順昌集團之倉務管理、物業投資及中國業務運作。彼並協助萬順昌集團於香港及中國內地設立新生產設施。唐先生於一九八七年加入萬順昌集團。

獨立非執行董事 (於二零零八年三月三十一日)



周亦卿博士

七十二歲，為其士集團之創辦人及主席，集團共有兩間香港上市公司，包括其士國際集團有限公司及其士泛亞控股有限公司。彼亦為邵氏兄弟(香港)有限公司及港華燃氣有限公司之獨立非執行董事及電視廣播有限公司之非執行董事。周博士為巴林王國駐香港名譽領事。周博士為香港大學名譽法學博士及香港理工大學榮譽工商管理博士，並熱心參與多個教育、慈善及工商團體的公職服務。

MR. HAROLD
RICHARD KAHLER

六十歲，為資深國際商業專材，專注建議企業於大中華地區擴展其業務。Kahler先生畢業於喬治華盛頓大學，獲頒經濟碩士學位，並獲喬治城大學頒發法律博士。Kahler先生對亞洲事務具豐富經驗。從一九九零年至二零零二年年中，彼曾任職於亞洲區之Caterpillar Inc. — 首先出任P.T. Natra Raya (於印尼營運製造及裝配)之董事總經理，繼後出任Caterpillar China之總裁，負責成立新商業附屬公司處理Caterpillar於中國地區日益增加之權益及投資。出任Caterpillar及美國政府之其他工作時，令Kahler先生於日本、越南及其他亞洲經濟事宜上更具閱歷。於二零零二年，Kahler先生曾出任香港之美國總商會主席。



譚競正先生

五十八歲，彼於二零零四年九月加入萬順昌集團。彼為香港執業會計師。彼為香港會計師公會之資深會員及加拿大安大略省特許會計師公會會員。譚先生為香港會計師公會專業操守委員會及執業審核委員會之委員。彼亦為香港華人會計師公會前任會長。

譚先生亦出任其他五間於香港聯合交易所有限公司主板上市之公司(即中建電訊集團有限公司、信星鞋業集團有限公司、首長四方(集團)有限公司、星光集團有限公司及南嶺化工(國際)控股有限公司)以及一間於香港聯合交易所有限公司創業板上市之公司(北亞策略控股有限公司)之獨立非執行董事。



徐林寶先生

五十九歲，持有上海復旦大學之高級管理人員工商管理碩士，彼為高級經濟師。徐先生於一九九九年至二零零六年五月為中國房地產業協會常務理事、而現職中國房地產業協會經營管理委員會理事長、上海市社科院房地產研究中心副理事長、易居中國房地產研發中心理事長。徐先生亦於一九九九年至二零零六年一月擔任上海市房地產業協會副會長及於一九九六年至二零零五年九月擔任上海房地集團董事長。



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羅兵咸永道會計師事務所

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
VAN SHUNG CHONG HOLDINGS LIMITED**
(incorporated in Bermuda with limited liability)

獨立核數師報告
致萬順昌集團有限公司
股東
(於百慕達註冊成立的有限責任公司)

We have audited the consolidated financial statements of Van Shung Chong Holdings Limited (the "Company") and its subsidiaries (together, the "VSC Group") set out on pages 49 to 182, which comprise the consolidated and company balance sheets as at 31st March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

本核數師(以下簡稱「我們」)已審核列載於第49至182頁萬順昌集團有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零零八年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

**DIRECTORS' RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS**

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

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理會計估計。

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照百慕達一九八一年《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the VSC Group as at 31st March 2008 and of the VSC Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23rd July 2008

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零八年三月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零零八年七月二十三日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31st March 2008

截至二零零八年三月三十一日止年度

	Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Revenue	5	5,677,792	4,867,657	收入
Cost of sales	7	(5,370,773)	(4,549,893)	銷售成本
Gross profit		307,019	317,764	毛利
Other gains — net	6	42,822	37,238	其他收益 — 淨額
Selling and distribution expenses	7	(43,328)	(33,540)	銷售及分銷支出
General and administrative expenses	7	(247,193)	(191,608)	一般及行政支出
Operating profit		59,320	129,854	經營溢利
Finance income	10	9,312	4,982	財務收入
Finance costs	10	(46,821)	(41,383)	財務費用
Share of profit of associates		25,236	—	應佔聯營公司溢利
Profit before income tax		47,047	93,453	除稅前溢利
Income tax expense	11	(1,876)	(12,534)	所得稅支出
Profit for the year		45,171	80,919	年度溢利
Attributable to:				應佔：
Equity holders of the Company	12	31,317	70,627	本公司股權持有人
Minority interest		13,854	10,292	少數股東權益
		45,171	80,919	
Dividends	13	9,101	17,693	股息
Earnings per share for profit attributable to the equity holders of the Company during the year				本公司本年度股權持有人應佔溢利計算之每股盈利
— Basic	14	HK8.29 cents 港仙	HK19.16 cents 港仙	— 基本
— Diluted	14	HK8.24 cents 港仙	HK19.16 cents 港仙	— 攤薄

The notes are an integral part of these consolidated financial statements. 附註為綜合財務報表整體之一部份。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31st March 2008

於二零零八年三月三十一日

	Note 附註	Consolidated 綜合		Company 本公司		
		2008	2007	2008	2007	
		二零零八年	二零零七年	二零零八年	二零零七年	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Non-current assets						非流動資產
Property, plant and equipment	15	140,422	126,315	—	—	物業、廠房及設備
Investment properties	16	44,800	50,000	—	—	投資物業
Leasehold land and land use rights	17	27,417	26,527	—	—	租賃土地及 土地使用權
Goodwill	18	16,585	31,202	—	—	商譽
Investments in subsidiaries	19	—	—	513,759	529,212	於附屬公司之投資
Investments in associates	20	158,882	5,832	—	—	於聯營公司之投資
Deferred income tax assets	21	31,395	23,329	—	—	遞延所得稅資產
Available-for-sale financial assets	22	7,055	12,992	—	—	可供出售之財務資產
Derivative financial instruments	23	1,310	57,270	—	—	衍生金融工具
Total non-current assets		427,866	333,467	513,759	529,212	非流動資產總額
Current assets						流動資產
Inventories	24	815,377	587,872	—	—	存貨
Due from customers on installation contract work	25	2,700	3,935	—	—	應收客戶之 安裝合約工程
Trade and bill receivables	26	794,798	769,352	—	—	應收賬款及票據
Loan receivables	26	22,472	—	—	—	應收貸款
Prepayments, deposits and other receivables	27	264,314	217,428	—	—	預付款項、按金及 其他應收賬款
Derivative financial instruments	23	15,356	1,704	3,564	—	衍生金融工具
Amounts due from associates	20	16,927	510	—	—	應收聯營公司
Non-current assets held for sale	16	7,100	—	—	—	持作出售之非流動 資產
Pledged bank deposits	28	214,577	29,850	15,317	11,388	已抵押銀行存款
Cash and cash equivalents	28	271,435	304,574	693	613	現金及現金等值
Total current assets		2,425,056	1,915,225	19,574	12,001	流動資產總額

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31st March 2008

於二零零八年三月三十一日

	Note 附註	Consolidated 綜合		Company 本公司		
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Current liabilities						流動負債
Trade and bill payables	29	401,417	301,031	—	—	應付賬款及票據
Receipts in advance		110,524	106,185	—	—	預收款項
Accrued liabilities and other payables	30	61,619	40,587	194	144	應計負債及 其他應付賬款
Current income tax liabilities		10,552	16,579	—	—	流動所得稅負債
Derivative financial instruments	23	3,319	—	—	—	衍生金融工具
Borrowings	31	1,065,039	683,687	7,780	7,800	借貸
Total current liabilities		1,652,470	1,148,069	7,974	7,944	流動負債總額
Net current assets		772,586	767,156	11,600	4,057	流動資產淨額
Total assets less current liabilities		1,200,452	1,100,623	525,359	533,269	總資產減流動負債
Non-current liabilities						非流動負債
Derivative financial instruments	23	2,590	63,619	1,378	7,592	衍生金融工具
Deferred income tax liabilities	21	2,268	2,301	—	—	遞延所得稅負債
Borrowings	31	117,690	27,300	19,450	27,300	借貸
Total non-current liabilities		122,548	93,220	20,828	34,892	非流動負債總額
Net assets		1,077,904	1,007,403	504,531	498,377	資產淨額

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31st March 2008

於二零零八年三月三十一日

	Note 附註	Consolidated 綜合		Company 本公司		
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Equity						權益
Capital and reserves attributable to equity holders of the Company						本公司股權持有人 應佔股本及儲備
Share capital	32	38,043	36,861	38,043	36,861	股本
Reserves	34	797,688	745,734	466,488	461,516	儲備
		835,731	782,595	504,531	498,377	
Minority interest		242,173	224,808	—	—	少數股東權益
Total equity		1,077,904	1,007,403	504,531	498,377	權益總額

Yao Cho Fai, Andrew

姚祖輝
Chairman
主席

Dong Sai Ming, Fernando

唐世銘
Executive Director
執行董事

The notes are an integral part of these consolidated financial statements.

附註為綜合財務報表整體之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March 2008

截至二零零八年三月三十一日止年度

	Attributable to equity holders of the Company 本公司股權持有人應佔				Total equity 權益總額 HK\$'000 千港元 (Note 32) (附註32)	
	Share capital 股本 HK\$'000 千港元 (Note 32) (附註32)	Reserves 儲備 HK\$'000 千港元 (Note 34) (附註34)	Total 總額 HK\$'000 千港元	Minority interest 少數股東 權益 HK\$'000 千港元		
As at 1st April 2006	36,861	678,594	715,455	44,804	760,259	於二零零六年 四月一日
Profit for the year	—	70,627	70,627	10,292	80,919	年度溢利
Change in fair value of available-for-sale financial assets	—	1,366	1,366	—	1,366	可供出售之財務 資產之公平價值 變動
Share option scheme — value of services	—	976	976	—	976	購股權計劃 — 服務價值
Dividends paid to equity holders of the Company	—	(12,164)	(12,164)	—	(12,164)	已付本公司股權 持有人之股息
Dividend payable to a minority shareholder of a subsidiary	—	—	—	(149)	(149)	應付一間附屬公司 之一位少數股東 之股息
Write-back of dividend payable to a minority shareholder of a subsidiary	—	—	—	707	707	撤回應付一間 附屬公司之一位 少數股東之股息
Acquisition of certain interests in a subsidiary	—	—	—	(6,149)	(6,149)	收購於一間附屬公 司之若干權益
Disposal of certain interests in a subsidiary	—	—	—	780	780	出售於一間附屬公 司之若干權益
Disposal of a subsidiary	—	—	—	(391)	(391)	出售一間附屬公司
Deemed disposal of certain interests in a subsidiary	—	—	—	174,914	174,914	視作出售於一間 附屬公司 之若干權益
Currency translation differences	—	6,335	6,335	—	6,335	貨幣滙兌差額
As at 31st March 2007	36,861	745,734	782,595	224,808	1,007,403	於二零零七年 三月三十一日

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March 2008

截至二零零八年三月三十一日止年度

	Attributable to equity holders of the Company 本公司股權持有人應佔					
	Share capital	Reserves	Total	Minority interest	Total equity	
	股本	儲備	總額	少數股東 權益	權益總額	
	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	
	(Note 32)	(Note 34)				
	(附註32)	(附註34)				
As at 1st April 2007	36,861	745,734	782,595	224,808	1,007,403	於二零零七年 四月一日
Profit for the year	—	31,317	31,317	13,854	45,171	年度溢利
Change in fair value of available-for-sale financial assets	—	756	756	—	756	可供出售之財務 資產之公平價值 變動
Disposal of available-for- sale financial assets	—	(1,616)	(1,616)	—	(1,616)	出售可供出售之財 務資產
Issuance of shares	1,182	10,162	11,344	—	11,344	股份發行
Share option scheme — value of services	—	652	652	—	652	購股權計劃 — 服務價值
Dividends paid to equity holders of the Company	—	(13,983)	(13,983)	—	(13,983)	已付本公司股權持 有人之股息
Dividend paid to a minority shareholder of a subsidiary	—	—	—	(924)	(924)	已付一間附屬公司 之一位少數股東 之股息
Disposal of certain interests in a subsidiary and recognised it as an associate	—	—	—	(745)	(745)	出售於一間附屬公 司之若干權益及 確認為一間聯營 公司
Deemed disposal of certain interests in a subsidiary (Note 35(c))	—	—	—	5,012	5,012	視作出售於一間附 屬公司之若干 權益(附註35(c))
Currency translation differences	—	24,666	24,666	168	24,834	貨幣滙兌差額
As at 31st March 2008	38,043	797,688	835,731	242,173	1,077,904	於二零零八年 三月三十一日

The notes are an integral part of these consolidated financial statements. 附註為綜合財務報表整體之一部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March 2008

截至二零零八年三月三十一日止年度

	Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Operating activities				經營活動
Net cash (used in)/generated from operations	35(a)	(179,117)	124,182	經營(所用)/產生之現金淨額
Interest received		9,312	4,982	已收利息
Interest paid		(46,821)	(41,383)	已付利息
Hong Kong profits tax paid		(6,293)	(11,374)	已付香港利得稅
Hong Kong profits tax refund		—	1,567	已退回香港利得稅
China corporate income tax paid		(8,717)	(4,826)	已付中國企業所得稅
Macau profits tax paid		(49)	—	已付澳門利得稅
Net cash (outflow)/inflow from operating activities		(231,685)	73,148	經營活動之現金(流出)/流入淨額
Investing activities				投資活動
Acquisition of property, plant and equipment		(31,807)	(49,172)	添置物業、廠房及設備
Proceeds from disposals of property, plant and equipment	35(b)	343	905	出售物業、廠房及設備之所得款項
Acquisition of leasehold land and land use rights		—	(3,793)	添置租賃土地及土地使用權
Acquisition of available-for-sale financial assets		—	(4)	收購可供出售之財務資產
Proceeds from disposals of available-for-sale financial assets		11,429	613	出售可供出售之財務資產之所得款項
Dividends received from an available-for-sale financial asset		611	22	一項可供出售之財務資產之股息收入
Additional investment in associates		(61,129)	—	增加於聯營公司之投資
Proceeds from disposal of certain interests in a subsidiary and recognised it as an associate	35(d)	3,723	—	出售於一間附屬公司之若干權益之所得款項及確認為一間聯營公司
Increase in investment in an associate to a subsidiary	35(e)	(36,660)	(30,576)	增持於一間聯營公司之投資成為一間附屬公司
Proceeds from deemed disposal of certain interests in a subsidiary	35(c)	9,103	206,906	視作出售於一間附屬公司之若干權益之所得款項

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March 2008

截至二零零八年三月三十一日止年度

	Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Proceeds from disposal of certain interests in a subsidiary in the prior year	27	7,800	—	往年出售於一間附屬公司之若干權益之所得款項
Decrease in cash and cash equivalents arising from disposal of a subsidiary		—	(153)	出售一間附屬公司所引致之現金及現金等值減少
Increase in pledged bank deposits		(184,727)	(23,760)	已抵押銀行存款增加
Translation adjustments		11,681	3,278	滙兌調整
Net cash (outflow)/inflow from investing activities		(269,633)	104,266	投資活動之現金(流出)/流入淨額
Financing activities				
New bank loans		214,977	71,790	新增銀行貸款
Repayment of bank loans		(21,702)	(64,337)	償還銀行貸款
Net increase/(decrease) in trust receipt bank loans		278,467	(66,685)	信託收據銀行貸款之淨增加/(減少)
Dividend paid to a minority shareholder of a subsidiary		(924)	—	已付一間附屬公司之一位少數股東之股息
Dividends paid to equity holders of the Company		(13,983)	(12,164)	已付本公司股權持有人之股息
Issuance of shares		11,344	—	股份發行
Net cash inflow/(outflow) from financing activities		468,179	(71,396)	融資活動之現金流入/(流出)淨額
(Decrease)/increase in cash and cash equivalents		(33,139)	106,018	現金及現金等值之(減少)/增加
Cash and cash equivalents, beginning of the year		304,574	198,556	年初之現金及現金等值
Cash and cash equivalents, end of the year		271,435	304,574	年終之現金及現金等值

The notes are an integral part of these consolidated financial statements. 附註為綜合財務報表整體之一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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”) are principally engaged in (i) China Advanced Materials Processing, including processing/manufacturing of industrial products such as rolled flat steel products, stainless steel and enclosure systems, and trading of plastic resins, and (ii) Construction Materials Group, including stockholding and trading of construction materials such as steel products, sanitary wares and kitchen cabinets, and installation work of kitchen cabinets.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 23rd July 2008.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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(i)中國先進材料加工；包括加工／製造工業產品例如卷鋼產品、不銹鋼及系統設備外殼與及買賣塑膠樹脂，及(ii)建築材料，包括存銷及買賣建築材料，例如鋼材產品、潔具及廚櫃與及安裝廚櫃。

除另有指明外，本綜合財務報表以港元(「港元」)列示。本綜合財務報表已於二零零八年七月二十三日經董事會核准刊發。

2 主要會計政策概要

編製本綜合財務報表採用之主要會計政策載列如下。除另有說明外，該等政策於所呈列之所有年度一直貫徹應用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and investment properties, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the VSC Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2 主要會計政策概要(續)

2.1 編製基準

本綜合財務報表依照香港財務報告準則(「香港財務報告準則」)編製。本綜合財務報表乃按歷史成本慣例編製，並已就可供出售之財務資產、財務資產及財務負債(包括衍生工具)按公平價值計入損溢及投資物業以公平價值列賬。

編製符合香港財務準則之財務報表需要使用若干關鍵會計推算。這亦需要管理層在應用萬順昌集團之會計政策過程中行使其判斷。涉及高度之判斷或高度複雜性之範疇，或涉及對綜合財務報表屬重大假設及推算之範疇已在附註4中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations effective from accounting periods beginning on 1st April 2007

- HKAS 1 (Amendment) Presentation of Financial Statements – Capital Disclosures, requires an entity shall disclose information to enable users of the financial statements to evaluate the entity's objective, policies and processes for managing capital, including (a) qualitative information about its objectives, policies and processes for managing capital; (b) summary quantitative data about what it manages as capital; (c) any changes on (a) and (b) from the previous period; (d) whether during the period it complied with any externally imposed capital requirements to which it is subject; and (e) when the entity has not complied with such externally imposed capital requirements, the consequences of such non-compliance. The required disclosures are included in Note 3.
- The HKFRS 7 Financial Instruments: Disclosures, requires disclosure of (a) the significance of financial instruments for an entity's financial position and performance; and (b) qualitative and quantitative information about its exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The qualitative disclosures include description of management's objective, policies and processes for managing those risks. The quantitative disclosures provide information about the extent to which the entity is exposed to risks including sensitivity analysis to market risk, based on information provided internally to the entity's key management personnel. The required disclosures are included in Note 3.

2 主要會計政策概要(續)

2.1 編製基準(續)

由二零零七年四月一日開始之會計期間生效之準則、修訂及詮釋

- 香港會計準則第1號(修訂) — 財務報告之呈列：資本披露，實體須披露可使財務報表使用者能以分析實體之目標、政策及程序以作管理資本之資料，包括 (a)其對管理資本之目標、政策及程序之定性資料；(b)有關實體作為資本管理之摘要定量數據；(c)於過往期間第(a)及(b)點之任何變動；(d)於期間內實體是否已遵守任何外部施加之資本規定；及(e)當實體並無遵守該等外部施加之資本規定之後果。並已於附註3披露。
- 香港財務報告準則第7號 — 金融工具：披露，規定須披露(a)金融工具對實體之財務狀況及表現之重要性；及(b)金融工具所產生之風險程度有關之定性及定量資料，包括信貸風險、流動資金風險及市場風險之特定最低披露。定性披露包括有關管理該等風險之管理目標、政策及程序之描述。定量披露指根據提供予實體之主要管理人員之內部資料，提供有關實體所面對風險之程度之資料，包括市場風險之敏感度分析。並已於附註3披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations effective from accounting periods beginning on 1st April 2007 (Continued)

- HK(IFRIC)-Int 8, Scope of HKFRS 2, requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of HKFRS 2. This standard does not have significant impact on the VSC Group.
- HK(IFRIC)-Int 9, Reassessment of Embedded Derivatives, requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. HK(IFRIC)-Int 9 does not have significant impact on the VSC Group.
- HK(IFRIC)-Int 10, Interim Financial Reporting and Impairment, prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation does not have any impact on the VSC Group.

2 主要會計政策概要(續)

2.1 編製基準(續)

由二零零七年四月一日開始之會計期間生效之準則、修訂及詮釋(續)

- 香港(國際財務報告詮釋委員會)一詮釋第8號一香港財務報告準則第2號之範圍,規定凡涉及發行權益工具之交易而當中所收取之可識別代價低於所發行權益工具之公平價值,必須確定其是否屬於香港財務報告準則第2號之範圍內。此準則對萬順昌集團並無重大影響。
- 香港(國際財務報告詮釋委員會)一詮釋第9號一重估勘入式衍生工具,要求一所機構在首次成為一契約之締約當事人時,評估是否需要將勘入式衍生工具從契約本體析出並作為衍生工具入賬。而繼後除非該契約之條款出現重大變更,從而大幅度地修改了該合同項目下原應有之現金流量,否則不允許作出重評。香港(國際財務報告詮釋委員會)詮釋第9號對萬順昌集團並無重大影響。
- 香港(國際財務報告詮釋委員會)一詮釋第10號一中期財務報告及減值,禁止於中期期間就商譽、股本工具之投資及按成本值列值之財務資產之投資所確認之減值虧損於其後結算日撥回。此詮釋對萬順昌集團並無任何影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations effective from accounting periods beginning on 1st April 2007 (Continued)

- HK(IFRIC)-Int 11, HKFRS 2 – Group and Treasury Share Transactions, provides guidance on whether share-based transactions involving treasury shares or involving VSC Group entities (for example, options over a parent's share) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone financial statements of the parent and VSC Group companies. This interpretation has no material impact on the VSC Group's accounting policies as the VSC Group's existing accounting policy on share-based transactions comply with this interpretation.

2 主要會計政策概要(續)

2.1 編製基準(續)

由二零零七年四月一日開始之會計期間生效之準則、修訂及詮釋(續)

- 香港(國際財務報告詮釋委員會) – 詮釋第11號 – 香港財務報告準則第2號之集團及庫存股份轉讓對涉及庫存股份或牽涉萬順昌集團實體之以股份為基礎交易的支付應否在母公司及萬順昌集團公司之獨立財務報表中入賬為權益結算或現金結算的以股份為基礎的支付提供指引。由於萬順昌集團現存結算股份轉讓之會計政策已符合此詮釋，因此，詮釋並不會對萬順昌集團構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the VSC Group as at and for the year ended 31st March 2008

- HKAS 1 (Revised), Presentation of Financial Statements (effective for annual periods beginning on or after 1st January 2009). HKAS 1 (Revised) requires all owner changes in equity to be presented in a statement of changes in equity. All comprehensive income is presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). It requires presenting a statement of financial position as at the beginning of the earliest comparative period in a complete set of financial statements when there are retrospective adjustments or reclassification adjustments. However, it does not change the recognition, measurement or disclosure of specific transactions and other events required by other HKFRS. The VSC Group will apply HKAS 1 (Revised) from 1st April 2009, but it is not expected to have any significant impact on the VSC Group's financial statements;

2 主要會計政策概要(續)

2.1 編製基準(續)

於及截至二零零八年三月三十一日止年度對現有已頒佈但並未生效且萬順昌集團並無提前採納之準則、修訂及詮釋

- 香港會計準則第1號(經修訂)一財務報表之呈列(於二零零九年一月一日或以後開始之年度期間生效)。香港會計準則第1號(經修訂)規定所有權益擁有人之變動必須在權益變動表中呈列。所有全面收入必須在全面收入報表中，或分開在損益表和全面收入報表中呈列。此項修訂規定如有追溯調整或重新分類之調整，應將最早的可比較期間開始時之狀況報表在整份財務報表中呈列。但此項修訂沒有改變其他香港財務報告準則對特定交易和其他事項之確認、計量或披露規定。萬順昌集團將自二零零九年四月一日起採用香港會計準則第1號(經修訂)，並預期並不會對萬順昌集團之財務報表構成任何重大影響；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the VSC Group as at and for the year ended 31st March 2008 (Continued)

- HKAS 23 (Revised), Borrowing Costs (effective for annual periods beginning on or after 1st January 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The VSC Group will apply HKAS 23 (Amended) from 1st April 2009, but it is not expected to have any significant impact on the VSC Group's financial statements;

- HKAS 32 and HKAS 1 (Amendments) Puttable Financial Instruments and Obligations Arising on Liquidation (effective for annual periods beginning on or after 1st January 2009). The amendments require some puttable financial instruments and some financial instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation to be classified as equity. The VSC Group will apply HKAS 32 and HKAS 1 (Amendments) from 1st April 2009, but it is not expected to have any significant impact on the VSC Group's financial statements;

2 主要會計政策概要(續)

2.1 編製基準(續)

於及截至二零零八年三月三十一日止年度對現有已頒佈但並未生效且萬順昌集團並無提前採納之準則、修訂及詮釋(續)

- 香港會計準則第23號(經修訂)一借貸成本(於二零零九年一月一日或以後開始之年度期間生效)。該修訂規定實體將凡直接與購置、興建或生產合資格資產(該資產必須經過頗長時間籌備以作預定用途或銷售)有關之借貸成本予以資本化,成為該資產的部份成本。借貸成本即時支銷之選擇權將取消。萬順昌集團將自二零零九年四月一日起採用香港會計準則第23號(經修訂),惟預期將不會對萬順昌集團之財務報表構成任何重大影響;

- 香港會計準則第32號及香港會計準則第1號(修訂)一清盤產生之可沽售財務工具及責任(於二零零九年一月一日或以後開始之年度期間生效)。此修訂本規定,若干可認沽財務工具以及只會於清盤時導致某實體產生責任而必須向另一方按比例提供其淨資產的若干財務工具,必須分類為權益。萬順昌集團將自二零零九年四月一日起採用香港會計準則第32號及香港會計準則第1號(修訂),並預期並不會對萬順昌集團之財務報表構成任何重大影響;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the VSC Group as at and for the year ended 31st March 2008 (Continued)

- HKAS 27 (Revised) Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1st July 2009). The amendment requires non-controlling interests (i.e. minority interests) to be presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Total comprehensive income must be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When control of a subsidiary is lost, the assets and liabilities and related equity components of the former subsidiary are derecognised. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost. The VSC Group will apply HKAS 27 (Revised) from 1st April 2010, but it is not expected to have any significant impact on the VSC Group's financial statements;

2 主要會計政策概要(續)

2.1 編製基準(續)

於及截至二零零八年三月三十一日止年度對現有已頒佈但並未生效且萬順昌集團並無提前採納之準則、修訂及詮釋(續)

- 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或以後開始之年度期間生效)」。此項修訂規定非控制性權益(即少數股東權益)必須在綜合財務狀況報表內的權益中呈列,並與母公司的擁有人權益分開列報。全面收入總額必須歸屬於母公司擁有人和非控制性權益,即使這導致非控制性權益出現虧損結餘。母公司在附屬公司不導致失去控制權的權益變動,在權益中記賬。當失去對附屬公司的控制權時,將該前附屬公司的資產、負債和相關權益部份剔除確認。任何收益或虧損在損益表中確認。在該前附屬公司所保留的任何投資按控制權失去當日的公平價值記賬。萬順昌集團將自二零一零年四月一日起採用香港會計準則第27號(經修訂),並預期並不會對萬順昌集團之財務報表構成任何重大影響;

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.1 Basis of preparation (Continued)**

Standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the VSC Group as at and for the year ended 31st March 2008 (Continued)

- HKFRS 2 (Amendment) Share-based Payment Vesting Conditions and Cancellations (effective for annual periods beginning on or after 1st January 2009). The amendment clarifies the definition of “vesting conditions” and specifies the accounting treatment of “cancellations” by the counterparty to a share-based payment arrangement. Vesting conditions are service conditions (which require a counterparty to complete a specified period of service) and performance conditions (which require a specified period of service and specified performance targets to be met) only. All “non-vesting conditions” and vesting conditions that are market conditions shall be taken into account when estimating the fair value of the equity instruments granted. All cancellations are accounted for as an acceleration of vesting and the amount that would otherwise have been recognised over the remainder of the vesting period is recognised immediately. The VSC Group will apply HKFRS 2 (Amendment) from 1st April 2009, but it is not expected to have any significant impact on the VSC Group’s financial statements;

2 主要會計政策概要(續)**2.1 編製基準(續)**

於及截至二零零八年三月三十一日止年度對現有已頒佈但並未生效且萬順昌集團並無提前採納之準則、修訂及詮釋(續)

- 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(於二零零九年一月一日或以後開始之年度期間生效)。該修訂澄清「歸屬條件」之定義及申明約定方「取銷」以股份支付款項安排之會計處理法。歸屬條件僅包括服務條件及表現條件，前者要求約定方完成於一段特定期間提供服務，後者則要求於特定期間提供服務並達致特定表現目標。所有「非歸屬條件」及屬市場條件之歸屬條件，須於評估所授出股本工具之公平價值時予以考慮。所有註銷將被視為加速歸屬之因素入賬，而原本將於餘下歸屬期間確認之款額須即時確認。萬順昌集團將自二零零九年四月一日起採用香港財務報告準則第2號(修訂)，但預期不會對萬順昌集團財務報表構成任何重大影響；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the VSC Group as at and for the year ended 31st March 2008 (Continued)

- HKFRS 3 (Revised) Business Combinations (effective for annual periods beginning on or after 1st July 2009). The amendment may bring more transactions into acquisition accounting as combinations by contract alone and combinations of mutual entities are brought into the scope of the standard and the definition of a business has been amended slightly. It now states that the elements are ‘capable of being conducted’ rather than ‘are conducted and managed’. It requires considerations (including contingent consideration), each identifiable asset and liability to be measured at its acquisition-date fair value, except leases and insurance contracts, reacquired right, indemnification assets as well as some assets and liabilities required to be measured in accordance with other HKFRSs. They are income taxes, employee benefits, share-based payment and non current assets held for sale and discontinued operations. Any non-controlling interest in an acquiree is measured either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets. The VSC Group will apply HKFRS 3 (Revised) from 1st April 2010; and

2 主要會計政策概要(續)

2.1 編製基準(續)

於及截至二零零八年三月三十一日止年度對現有已頒佈但並未生效且萬順昌集團並無提前採納之準則、修訂及詮釋(續)

- 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或以後開始之年度期間生效)。此項修訂或會令更多交易採用收購會計法記賬，因為單純以合約方式合併和互助實體的合併已被納入此項準則的範圍內，而企業的定義已作出輕微修改。該準則現說明有關成份乃「能夠進行」而非「進行和管理」。該修訂規定了代價(包括或然代價)、每項可辨識的資產和負債必須按其收購日的公平價值計量，惟租賃和保險合約、重新購入的權利、賠償保證資產以及須根據其他國際財務報告準則計量的若干資產和負債則除外。這些項目包括所得稅、僱員福利、以股份為基礎的付款以及持作出售之非流動資產和已終止經營業務。在某一被收購方的任何非控制性權益可按公平價值，或按非控制性權益以比例應佔被收購方的可辨識淨資產計量。萬順昌集團將自二零一零年四月一日起採用香港財務報告準則第3號(經修訂)；及

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.1 Basis of preparation (Continued)**

Standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the VSC Group as at and for the year ended 31st March 2008 (Continued)

- HKFRS 8, Operating Segments (effective for annual periods beginning on or after 1st January 2009). HKFRS 8 replaces HKAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The VSC Group will apply HKFRS 8 from 1st April 2009. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker.

2 主要會計政策概要(續)**2.1 編製基準(續)**

於及截至二零零八年三月三十一日止年度對現有已頒佈但並未生效且萬順昌集團並無提前採納之準則、修訂及詮釋(續)

- 香港財務報告準則第8號一經營分部(於二零零九年一月一日或以後開始之年度期間生效)。香港財務報告準則第8號取代了香港會計準則第14號，並將分部報告與美國準則SFAS 131「有關企業分部和相關資料的披露」的規定統一起來。此項新準則要求採用「管理方法」，即分部資料須按照與內部報告所採用的相同基準呈報。萬順昌集團將自二零零九年四月一日起採用香港財務報告準則第8號。管理層仍在仔細評估有關之預計影響，但現時推斷須予呈報之分部數目以及分部呈報模式將會變更，變更方式與提供予主要營運決策者之內部呈報一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

The following interpretations have not yet been effective and not relevant to the VSC Group operations

- HK(IFRIC) — Int 12, Service Concession Arrangements (effective for annual periods beginning on or after 1st January 2008) applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. HK(IFRIC) — Int 12 is not relevant to the VSC Group's operations because none of the VSC Group's companies provide for public sector services;
- HK(IFRIC) — Int 13, Customer Loyalty Programmes (effective for annual periods beginning on or after 1st July 2008) clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. HK(IFRIC) — Int 13 is not relevant to the VSC Group's operations because none of the VSC Group's companies operate any loyalty programmes; and

2 主要會計政策概要(續)

2.1 編製基準(續)

以下詮釋並未生效且與萬順昌集團業務無關

- 香港(國際財務報告詮釋委員會) — 詮釋第12號 — 服務特許權安排(於二零零八年一月一日或以後開始之年度期間生效)適用於由私人營運商參與公營服務基建的發展、融資、營運及維修的合約性安排。由於萬順昌集團各間公司均並無提供公營部門服務，故香港(國際財務報告詮釋委員會) — 詮釋第12號與萬順昌集團業務無關；
- 香港(國際財務報告詮釋委員會) — 詮釋第13號 — 客戶忠誠計劃(於二零零八年七月一日或以後開始之年度期間生效)釐清當貨品或服務與客戶忠誠獎勵一併銷售(例如「積分」或免費貨品)，即屬多種元素安排，而應收客戶之代價需以公平價值分配至該安排的組成部份。鑒於萬順昌集團各間公司均無提供任何客戶忠誠計劃，故香港(國際財務報告詮釋委員會) — 詮釋第13號與萬順昌集團業務無關；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

The following interpretations have not yet been effective and not relevant to the VSC Group operations (Continued)

- HK(IFRIC) — Int 14, HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective for annual periods beginning on or after 1st January 2008). HK(IFRIC) — Int 14 provides guidance on assessing the limit in HKAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. HK(IFRIC) — Int 14 is not relevant to the VSC Group because none of the VSC Group's companies operate any defined benefit plan.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31st March 2008.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the VSC Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the VSC Group controls another entity.

2 主要會計政策概要(續)

2.1 編製基準(續)

以下詮釋並未生效且與萬順昌集團業務無關(續)

- 香港(國際財務報告詮釋委員會) — 詮釋第14號 — 香港會計準則第19號 — 界定福利資產限制、最低融資規定及相互之間之關係(於二零零八年一月一日或以後開始之年度期間生效)。香港(國際財務報告詮釋委員會) — 詮釋第14號就評估香港會計準則第19號內有關可確認為資產之盈餘金額限制提供指引, 另解釋退休金資產或負債如何受法定或合約最低資金規定影響。由於萬順昌集團之公司均無營運任何界定福利計劃, 故香港(國際財務報告詮釋委員會) — 詮釋第14號與萬順昌集團業務無關。

2.2 綜合賬目

綜合賬目包括本公司及其附屬公司截至二零零八年三月三十一日止之財務報表。

(a) 附屬公司

附屬公司指萬順昌集團有權管控其財政及經營政策之所有實體(包括帶有特別目的之實體), 一般附帶超過半數投票權之股權。在評定萬順昌集團是否控制另一實體時, 目前可行使或可兌換之潛在投票權之存在及影響均予考慮。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

Subsidiaries are fully consolidated from the date on which control is transferred to the VSC Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the VSC Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the VSC Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(a) 附屬公司(續)

附屬公司在控制權轉移至萬順昌集團之日全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

萬順昌集團採用會計採購法將萬順昌集團收購附屬公司入賬。收購成本根據於交易日期所提供資產公平價值、已發行股本工具及所產生或承擔之負債加上收購直接應佔之成本計量。於業務合併中所收購可識別的資產與所承擔之負債及或然負債初步按於收購日期之公平價值計算，與任何少數股東權益無關。收購成本超出萬順昌集團應佔所收購可識別資產淨值之公平價值之數額列作商譽。倘收購成本低於所收購附屬公司資產淨值之公平價值，則差額直接於損益表中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.2 Consolidation (Continued)***(a) Subsidiaries (Continued)*

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the VSC Group.

In the Company's balance sheet the investments in subsidiaries are stated at cost less accumulated impairment losses (Note 2.11), if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) Associates

Associates are all entities over which the VSC Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The VSC Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

2 主要會計政策概要 (續)**2.2 綜合賬目 (續)***(a) 附屬公司 (續)*

集團內公司之間之交易、交易之結餘及未實現收益予以對銷。除非該交易提供所轉讓資產之減值證明，否則未實現虧損亦予以對銷。附屬公司之會計政策已按需要作出改變，以確保與萬順昌集團採用的政策符合一致。

在本公司之資產負債表內，於附屬公司之投資按成本值扣除或有之累計減值虧損列賬(附註2.11)。本公司將附屬公司之業績按已收及應收股息基準入賬。

(b) 聯營公司

聯營公司是指凡萬順昌集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。聯營公司投資以權益會計法入賬，初始以成本確認。萬順昌集團於聯營公司之投資包括收購時已識別之商譽(扣除任何累計減值虧損)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(b) Associates (Continued)

The VSC Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the VSC Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the VSC Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

Unrealised gains on transactions between the VSC Group and its associates are eliminated to the extent of the VSC Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the VSC Group.

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(b) 聯營公司(續)

萬順昌集團應佔收購後聯營公司的溢利或虧損於損益表中確認，而應佔收購後儲備之變動則於儲備賬中確認。投資賬面金額會根據累計之收購後儲備變動而作出調整。如萬順昌集團應佔一間聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押之應收賬款，萬順昌集團不會確認進一步虧損，除非萬順昌集團已代聯營公司承擔責任或作出付款。

萬順昌集團與其聯營公司之間交易之未實現收益按萬順昌集團於聯營公司權益之數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與萬順昌集團採用的政策符合一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(b) Associates (Continued)

Dilution gains and losses in associates are recognised in the consolidated income statement.

In the Company's balance sheet the investments in associated companies are stated at cost less accumulated impairment losses (Note 2.11), if any. The results of associated companies are accounted for by the Company on the basis of dividend received and receivable.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the VSC Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(b) 聯營公司(續)

於聯營公司之攤薄盈虧已於綜合損益表中確認。

在本公司之資產負債表內，於聯營公司之投資按成本扣除累計減值虧損列賬(附註2.11)，如有。聯營公司之業績由本公司按已收及應收股息入賬。

2.3 分部報告

業務分部指從事提供產品或服務的一組資產和業務，而產品或服務之風險及回報與其他業務分部不同。地區分部指在某個特定經濟環境中從事提供產品或服務，其產品或服務之風險及回報與在其他經濟環境中經營的分部不同。

2.4 外幣換算

(a) 功能和呈列貨幣

萬順昌集團每個實體之財務報表所列項目均以該實體營運所在的主要經濟環境的貨幣計量(「功能貨幣」)。本綜合財務報表以港元呈報，港元為本公司的功能及呈列貨幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in the profit or loss, and other changes in the carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation difference on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the available-for-sale reserve in equity.

2 主要會計政策概要(續)

2.4 外幣換算(續)

(b) 交易及結餘

外幣交易採用交易日之滙率換算為功能貨幣。除了符合在權益中遞延入賬之現金流量對沖和淨投資對沖外，結算此等交易產生的滙兌盈虧以及將外幣計值之貨幣資產及負債以年終滙率換算而產生之滙兌盈虧於損益表中確認。

以外幣為單位之可供出售之貨幣性證券之公平價值變動，按照證券之攤銷成本變動與該證券賬面金額之其他變動所產生之滙兌差額進行分析。與攤銷成本變動有關之滙兌差額已在損益表中確認，賬面金額之其他變動則於權益中確認。

非貨幣性財務資產及負債之換算差額呈報為公平價值盈虧的一部份。非貨幣性財務資產及負債(例如按公平價值計入損益之權益工具)之換算差額在損益表中確認為公平價值盈虧的一部份。非貨幣性財務資產(例如分類為可供出售之權益)之換算差額包括在權益中可供出售儲備內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the VSC Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

2 主要會計政策概要(續)

2.4 外幣換算(續)

(c) 集團公司

功能貨幣與呈列貨幣不同之所有萬順昌集團實體(當中沒有嚴重通脹貨幣)之業績及財務狀況均按以下方法換算為列賬貨幣：

- (i) 各資產負債表呈列之資產及負債均以該資產負債表結算日之收市匯率換算；
- (ii) 各損益表之收入及支出均按平均匯率換算(除非該平均價值並非於交易日通行匯率累計影響之合理近似值，在此情況下收入及支出乃按交易日之匯率換算)；及
- (iii) 所有由此產生之滙兌差額確認為權益之獨立組成項目。

於綜合賬目，換算境外實體之投資淨額及借貸及其他用以抵押其他貨幣工具如投資所產生之滙兌差額乃計入股權持有人之權益內。當出售或部份出售境外業務時，計入股權持有人權益內之滙兌差額會於損益表中確認為出售收益或虧損部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation (Continued)

(c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the VSC Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the income statement during the financial year in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

— Buildings	2.5% to 4%
— 樓宇	
— Leasehold improvements	20% to 33% (lease terms)
— 租賃物業裝修	(租約年期)
— Furniture and equipment	15% to 33%
— 傢俬及設備	
— Machinery	10% to 25%
— 機器	
— Motor vehicles	20%
— 汽車	

2 主要會計政策概要 (續)

2.4 外幣換算 (續)

(c) 集團公司 (續)

收購境外實體時產生之商譽及公平價值調整乃作為該境外實體之資產及負債處理，並以期終匯率換算。

2.5 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及累計減值虧損列賬。歷史成本包括收購該項目直接應佔之開支。

其後成本只有在與該項目有關的未來經濟利益有可能流入萬順昌集團之下，而該項目的成本能可靠計量時，才包括在資產之賬面金額或確認為獨立資產（如適用）。已更換零件之賬面金額已被剔除入賬。所有其他維修及保養在產生之財政年度期間內於損益表內支銷。

物業、廠房及設備之折舊採用以下之估計可使用年期將成本或重估價值按如下直線法分攤至剩餘價值計算，如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the income statement.

2.6 Construction-in-progress

Construction-in-progress represents plants and machinery under construction and is stated at cost. Cost includes the costs of plant and machinery and interest charges arising from borrowings used to finance these assets during the period of construction or installation and testing, if any. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are brought into use, the costs are transferred to other property, plant and equipment and depreciated in accordance with the policy as stated in Note 2.5.

2.7 Leasehold land and land use rights

The up-front prepayments made for leasehold land and land use rights are accounted for as operating leases. They are recognised in the income statement on a straight-line basis over the periods of the lease or the land use rights, or when there is impairment, the impairment is recognised in the income statement.

2.8 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the VSC Group, is classified as investment property.

2 主要會計政策概要(續)

2.5 物業、廠房及設備(續)

資產之剩餘價值及可使用年期在每個結算日進行檢討，及在適當時調整。若資產的賬面金額高於其估計可收回金額，其賬面金額即時撇減至可收回金額。

出售之收益及虧損乃按所得款與其賬面金額之差額釐定，並已於損益表中確認。

2.6 在建工程

在建工程指正在建設之廠房及機器，按成本入賬。成本包括廠房及機器成本，及在建此等資產期間或安裝及測試(如有)時所產生之借貸之利息開支。在建工程並不作出折舊撥備，直至有關資產投入使用後，成本將轉撥至其他物業、廠房及設備，並且根據上述附註2.5所載之政策折舊。

2.7 租賃土地及土地使用權

租賃土地及土地使用權之前期預付款項已作賬於營業租約列賬。租約期間內以直線法於損益表內支銷或當出現減值時，其減值已於損益表中確認。

2.8 投資物業

持作長期租金收益或資本增值或兩者兼備，且並非由萬順昌集團佔用之物業均分類為投資物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Investment properties (Continued)

Investment property comprises land held under operating leases and buildings held under finance leases. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value, representing open market value determined by external valuers at least annually. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the external valuers use alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recognised in the income statement.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the VSC Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the period in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

2 主要會計政策概要(續)

2.8 投資物業(續)

投資物業包括以營業租約持有的土地及以融資租賃持有的樓宇。以營業租約持有的土地，如符合投資物業其餘定義，按投資物業分類及記賬。營業租約猶如其為融資租賃而記賬。

投資物業初步按其成本計量，包括相關的交易成本。在初步確認後，投資物業按公平價值列賬，即最少每年由外部估值師釐定之公開市值。公平價值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。如沒有此項資料，外部估值師須利用其他估值方法，例如較不活躍市場的近期價格或貼現現金流量預測法。公平價值之變動已在損益表中確認。

其後開支只有在與該項目有關的未來經濟利益有可能流入萬順昌集團，而該項目的成本能可靠衡量時，才計入在資產的賬面金額中。所有其他維修及保養成本在產生的財政期間內於損益表內支銷。

若投資物業變成業主自用，則重新分類為物業、廠房及設備，其物業之公平價值會於重新分類日期中轉為成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Investment properties (Continued)

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

2.9 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the VSC Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates and is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combinations in which the goodwill arose.

2.10 Non-current assets held for sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through sale rather than through continuing use.

2 主要會計政策概要(續)

2.8 投資物業(續)

若物業、廠房及設備之一項項目因其用途改變而成為投資物業，根據香港會計準則第16號，該項目於轉讓當日之賬面金額與公平價值間之差異將於股本內確認為物業、廠房及設備之重估。然而，倘公平價值收益導致過往之減值虧損出現轉回，有關收益已於損益表中確認。

2.9 商譽

商譽指收購成本高於萬順昌集團於收購日期應佔所收購附屬公司／聯營公司之可確認資產淨值之公平價值之差額。收購附屬公司產生之商譽計入無形資產。收購聯營公司產生之商譽計於聯營公司之投資及每年進行減值評估及按成本減累計減值虧損列賬。商譽之減值虧損不予撥回。出售一間實體之收益及虧損包括出售相關實體之商譽賬面金額。

為進行減值評估，商譽被劃分至現金產生單位。商譽歸入產生現金單位或預期可受惠於產生商譽之業務合併之產生現金以查核減值。

2.10 持作出售之非流動資產

如非流動資產之賬面金額主要是透過出售而非透過持續使用而收回，則會被分類為持作出售之非流動資產，並按其賬面金額及公平價值減出售成本之間之較低者列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation, and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.12 Financial assets

The VSC Group classifies its financial assets in the following categories: at fair value through profit or loss, loan receivables and available-for-sale. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

2 主要會計政策概要(續)

2.11 非財務資產之減值

無特定期限之資產毋須攤銷，但此等資產每年均接受減值評估。至於須攤銷之資產，如有任何跡象顯示出現耗蝕，該資產亦會被評估當時之減值情況。減值虧損為資產賬面金額超越其可收回價值之數額。可收回價值為資產之公平價值減出售成本後之價值與其使用價值之間之較高者。為了評估資產減值，其現金流量（現金產生單位）之最低水平會被獨立地確認劃分資產類別。除商譽以外而出現減值之非財務資產可於每個報告日期就可能撥回之減值進行審閱。

2.12 財務資產

萬順昌集團將其財務資產作以下分類：按公平價值計入損益，應收貸款及可供出售。其分類乃取決於收購財務資產之目的。管理層會於初次確認時釐定其財務資產之分類，並於每個報告日期重新評估該分類。

(a) *按公平價值計入損益之財務資產*

按公平價值計入損益之財務資產為持作買賣之財務資產。如所收購之財務資產主要是為了在短期內出售，則劃分為此類別。衍生工具亦會被劃分為持作買賣，惟被指定為對沖項目者則除外。歸類為此類之資產會被劃分為流動資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.12 Financial assets (Continued)***(b) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets are subsequently carried at fair value.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in the income statement; translation differences on non-monetary securities are recognised in equity. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

2 主要會計政策概要 (續)**2.12 財務資產 (續)***(b) 可供出售之財務資產*

可供出售之財務資產指已在本類別內指定或未在任何其他類別內分類之非衍生工具。除非管理層擬於結算日12個月內將投資出售，否則其將包括在非流動資產內。可供出售之財務資其後以公平價值入賬。

以外幣為單位之可供出售之貨幣性證券之公平價值變動，按照證券之攤銷成本變動與該證券之賬面金額之其他變動所產生之滙兌差額進行分析。貨幣性證券之滙兌差額在損益表中確認，非貨幣性證券之滙兌差額則於權益中確認。被分類為可供出售之非貨幣性證券之公平價值變動，亦於權益中確認。

當被分類為可供出售之證券出售或減值時，累計公平價值調整會作為投資證券收益或虧損計入損益表內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (Continued)

(b) *Available-for-sale financial assets*
(Continued)

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other gains. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other gains when the VSC Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the VSC Group established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

2 主要會計政策概要(續)

2.12 財務資產(續)

(b) *可供出售之財務資產(續)*

採用實際利息計算之可供出售證券之利息已於損益表中確認為其他收益。可供出售股本工具之股息將於萬順昌集團收取款項之權利已確立時於損益表中確認為其他收益。

上市投資之公平價值根據當時之買盤價計算。若某項財務資產之市場並不活躍(及就非上市證券而言)，萬順昌集團利用重估技術設定公平價值。這些技術包括利用近期公平原則交易、參考其他相約之工具、貼現現金流量分析和期權定價模式，盡可能使用市場元素而盡量減少倚靠屬公司獨有之元素。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (Continued)

(b) Available-for-sale financial assets (Continued)

The VSC Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets are impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement) is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(c) Loan receivables

Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date and in this case they are classified as non-current assets.

Loan receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any. The VSC Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

2 主要會計政策概要 (續)

2.12 財務資產 (續)

(b) 可供出售之財務資產 (續)

萬順昌集團於每個結算日評估是否存在客觀證據證明某項財務資產或某組財務資產出現減值。對於被分類為可供出售之股權證券，在釐定證券是否已經減值時，會考慮證券公平價值有否大幅或長期跌至低於其成本。若可供出售之財務資產存在此等跡象，其累計虧損（收購成本與當時公平價值之差額，減去該財務資產之前已於損益表中確認之任何減值虧損）將從權益扣除，並在損益表中確認。已在損益表中確認之股權工具減值虧損不會透過損益表撥回。

(c) 應收貸款

應收貸款為設有固定或可確定付款金額，以及不會在活躍市場上市之非衍生財務資產。此等項目已計入流動資產之內，但由結算日起計十二個月後方到期之項目則劃分為非流動資產。

應收貸款最初按公平價值確認，而其後則採用實際利率法按已攤銷成本減值撥備計量。萬順昌集團於各結算日評估是否存在客觀證據證明某項財務資產或某組財務資產出現減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Since the derivative instruments entered into by the VSC Group do not qualify for hedge accounting, changes in the fair value of any derivative instruments are recognised immediately in the income statement.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.15 Installation contracts

When the outcome of an installation contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised when incurred.

2 主要會計政策概要(續)

2.13 衍生金融工具

衍生工具最初於訂立衍生工具合約之日按公平價值確認，其後按公平價值重新計量。由此產生之收益或虧損之確認方法，視乎該衍生工具是否被指定為對沖工具，若被指定為對沖工具，亦視乎受對沖項目之性質而定。由於萬順昌集團有關之衍生工具不適宜採用對沖會計法處理，故衍生工具公平價值之變動會即時於損益表中確認。

2.14 存貨

存貨按成本及與可變現淨價值兩者中之較低者入賬。成本以先入先出法計算。製成品及半製成品之成本，包括原材料、直接勞工工資，其他直接成本及有關之生產費用（根據正常經營能力），但不包括借貸成本。可變現淨價值根據其於正常業務運作下之銷售價格減去適當之可變銷售支出。

2.15 安裝合約

倘安裝合約之結果未能可靠地估計時，則僅把大有可能收回之已產生合約成本入賬確認為合約收入。合約成本於產生期間確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.15 Installation contracts (Continued)**

When the outcome of an installation contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract, respectively, as revenues and expenses. The VSC Group uses the percentage-of-completion method to determine the appropriate amount of revenue and costs to be recognised in a given period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the year-end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on installation contract work under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on installation contract work under current liabilities.

2 主要會計政策概要(續)**2.15 安裝合約(續)**

倘安裝合約之結果可以可靠地估計，則合約收入及合約成本會按其合約期間，分別入賬確認為收入及支出。萬順昌集團採用完成百分比計算法按適當收入及成本金額在指定期間確認入賬。倘合約成本總額大有可能超逾合約收入總額，則其預算虧損即時入賬確認為支出。

每份合約產生之成本與已確認之損益總額，與截至年終為止之進度款項作一比較。當已發生成本與已確認之溢利(減已確認之虧損)超過進度款項之款額，有關差額將列作流動資產下之應收客戶之安裝合約工程。當進度款項之款額超過已發生成本加已確認之溢利(減已確認之虧損)，差額將列作流動負債下之應付客戶之安裝合約工程。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the VSC Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered as indicators that the trade and other receivables is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within general and administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against the income statement. The amount of the provision is recognised in the income statement.

2.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term deposits within original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2 主要會計政策概要(續)

2.16 應收及其他應收賬款

應收及其他應收賬款最初按公平價值確認，而其後則採用實際利率法按已攤銷成本減值撥備計量。倘有客觀理據顯示萬順昌集團將不能按應收及其他應收賬款之原有條款收回所有到期款項，則會對應收賬款作出減值撥備。債務人如有嚴重財務困難，或有可能面臨破產或財務重組及違約或拖延付款，將被視為應收及其他應收賬款出現減值之指示。撥備之數額為資產賬面金額與估計未來現金流量現值之間差額，並按實際利率貼現。資產的賬面金額透過使用備付賬戶削減，而有關的虧損數額則在損益表內之一般及行政支出中確認。如一項應收款項無法收回，則會與應收賬款項內之備付賬戶撇銷。過往已撇銷款項如其後收回，將撥回損益表內。而撥備之數額於損益表中確認。

2.17 現金及現金等值

現金及現金等值包括手頭現金、存於銀行之通知存款，於三個月內到期之其他短期存款及銀行透支。銀行透支於資產負債表中流動負債之借貸中顯示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.19 Trade payables

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

2.20 Borrowings

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

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

2.21 Borrowing costs

Borrowing costs that are directly attributable to the acquisitions, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. All other borrowing costs are charged to the income statement in the period in which they are incurred.

2 主要會計政策概要(續)

2.18 股本

普通股界定為權益。

發行新股或購股權直接應佔之增量成本於權益內列作所得款項(扣除稅項)中扣減。

2.19 應付賬款

應付賬款最初按公平價值確認，及其後則採用實際利率法計量。

2.20 借貸

借貸最初按公平價值，扣除已產生之交易成本確認。借貸其後按已攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期使用實際利率法於損益表中確認。

除非萬順昌集團擁有無條件權利延遲償還負債直至結算日後最少12個月，否則借貸界定為流動負債。

2.21 借貸成本

需以長時間準備作計劃用途或出售之資產收購、建造或生產而產生之直接應計之借貸成本撥為該資產之部份成本。所有其他借貸成本乃於其產生之期間於損益表扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the VSC Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2 主要會計政策概要(續)

2.22 當期及遞延所得稅

當期所得稅支出根據本公司及其附屬公司及聯營公司營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅乃利用負債法就資產與負債之稅基與它們在財務報表之賬面金額兩者之短暫時差作全數撥備。然而，若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延所得稅採用在結算日前已頒佈或實質採用，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率及法例而釐定。

遞延所得稅資產乃就大有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。遞延所得稅會就有關在附屬公司及聯營公司之投資所產生之短暫時差而撥備，但假若萬順昌集團可以控制短暫時差撥回之時間，並大有可能在可預見未來不會撥回該短暫時差則除外。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Employee benefits

(a) Retirement benefits

The VSC Group participates in several defined contribution retirement benefit schemes. A defined contribution plan is a retirement benefit scheme under which the VSC Group pays contributions, on a mandatory, contractual or voluntary basis, into a separate entity. The schemes are generally funded through payments to insurance companies or state/trustee-administered funds. The VSC Group has no further payment obligations once the contributions have been paid. It has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognised as employment costs when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

(b) Bonus plans

The VSC Group recognises a liability and an expense for bonuses. It recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2 主要會計政策概要(續)

2.23 員工福利

(a) 退休福利

萬順昌集團參與數項界定供款退休福利計劃。萬順昌集團界定供款計劃為強制、合約或自願基準支付供款予一獨立實體之退休福利計劃。此等計劃一般透過向保險公司或受託管理基金付款而注資。萬順昌集團於作出供款後，即無進一步付款責任。倘基金不具備足夠資產，無法就本期及過往期間之僱員服務向所有僱員支付福利，則萬順昌集團並無法律或推定責任作進一步供款。

供款於應付時確認為僱員成本，並可由歸屬前離開計劃之僱員所放棄之全數供款撇減。

(b) 花紅計劃

萬順昌集團就花紅確認相應負債及費用。當於合約規定或由過往做法產生推定責任時，則會確認撥備。

(c) 僱員應享假期

僱員之應享年假乃於應計予僱員時確認。僱員因提供服務產生之應享年假乃按截至結算日之年假估計負債計算撥備。僱員應享病假及分娩假期僅於支取時才確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the VSC Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2.25 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the VSC Group's activities, net of value-added tax, rebates, returns and discounts and after elimination of sales within the VSC Group.

The VSC Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the VSC Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The VSC Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2 主要會計政策概要(續)

2.24 或然負債

或然負債乃指因過往事件而可能產生之負債，或然負債存在與否僅由出現或並無出現一項或多項萬順昌集團未能全力控制之不明朗未來事件而決定。或然負債亦可以是由過往事件產生而未予確認之現有債務，但由於可能毋需流出經濟資源或責任金額未能可靠計算而未有確認。

或然負債不會被確認，但會在財務報表附註披露。當流出資源之可能性改變導致可能流出資源時，此等負債將確認為撥備。

2.25 收入確認

收入包括萬順昌集團在日常運作下之已收或應收之貨品及服務銷售而產生之公平價值代價，並扣除增值稅回扣及折扣以及對銷了萬順昌集團內部銷售。

當收益數額能夠可靠計量、未來經濟利益有可能流入有關實體，而萬順昌集團每項活動均符合具體條件時(如下文所述)，萬順昌集團便會將收入確認。除非與收入有關之所有或然事項均已解決，否則收入數額不被視為能夠可靠計量。萬順昌集團會根據其往績並考慮客戶類別、交易種類和每項安排之特點作出估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Revenue recognition (Continued)

Revenue is recognised as follows:

- (a) *Sales of goods*
Sales of goods are recognised when a group entity sells a product to the customer, has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assumed.
- (b) *Revenue from installation contracts*
Revenue from each individual installation contract is recognised using the percentage-of-completion method by reference to the stage of completion of the contract activity, generally based on the proportion of contract costs incurred for work performed to date to estimated total contract costs (Note 2.15).
- (c) *Service income*
Service income is recognised when the services are rendered.
- (d) *Rental income*
Rental income is recognised on a straight-line basis over the period of the relevant leases.

2 主要會計政策概要(續)

2.25 收入確認(續)

收入確認如下：

- (a) *銷售貨品*
銷售貨品於集團實體將產品銷售予客戶、已將產品交付予客戶及客戶接受該產品並且能夠合理確定收回相關應收款項之機會時確認入賬。
- (b) *安裝合約之收入*
每份個別安裝合約之收入會參照合約活動之完成階段然後以完成百分比計算法予以確認。完成百分比普遍按照已執行工作之合約成本對比預期總合約成本之比例(附註2.15)。
- (c) *服務收入*
服務收入會當服務產生時確認。
- (d) *租金收入*
租金收入於有關租約期內以直線法予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Revenue recognition (Continued)

- (e) *Dividend income*
Dividend income is recognised when the right to receive payment is established.
- (f) *Interest income*
Interest income is recognised on a time-proportion basis using the effective interest method.

Advance payments received from customers prior to delivery of merchandise are recorded as receipts in advance.

2.26 Operating leases

- (a) *As a lessee*
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the leases.
- (b) *As a lessor*
When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

2.27 Dividend distribution

Dividend distribution to the Company's equity holders is recognised as an liability in the VSC Group's financial statements in the period in which the dividends are approved by the Company's equity holders.

2 主要會計政策概要(續)

2.25 收入確認(續)

- (e) *股息收入*
股息收入乃於確定有權收取股息支付時予以確認。
- (f) *利息收入*
利息收入按適用息率以時間比例作基準予以確認。

於付運貨品前預先向客戶收取之款項均列作預收款項入賬。

2.26 營業租約

- (a) *作為承租人*
如租約擁有權的重大部份風險和回報由出租人保留，分類為營業租約。根據營業租約支付的款項(扣除自出租人收取之任何獎勵金後)於租賃期內以直線法在損益表扣除。
- (b) *作為出租人*
當資產按營業租約出租時，該資產將按資產之類別在資產負債表中顯示。租金收入於租賃期內以直線法記賬。

2.27 股息分派

向本公司股權持有人分派之股息在股息獲本公司股權持有人批准之期間內於萬順昌集團之財務報表中列為負債。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The VSC Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, and cash flow and fair value interest rate risk), credit risk, and liquidity risk. The VSC Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the VSC Group's financial performance. The VSC Group uses derivative financial instruments to hedge certain risk exposures.

(a) Market risk

(i) Foreign exchange risk

The VSC Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Chinese Renminbi. The VSC Group may use forward foreign exchange contracts and currency swap instruments to hedge against its foreign exchange risk arising from future commercial transactions. Foreign exchange risks on financial assets and liabilities denominated in other currencies are insignificant to the VSC Group.

The VSC Group has certain investments in Mainland China, whose net assets are dominated in Chinese Renminbi. The conversion of Chinese Renminbi into foreign currencies is subject to the rules and regulations to the foreign exchange control promulgated by the Mainland China government.

3 財務風險管理

3.1 財務風險因素

萬順昌集團之經營活動面對各種財務風險：市場風險（包括外匯風險及現金流量及公平價值利率風險）、信貸風險及流動資金風險。萬順昌集團之整體風險管理計劃專注於財務市場之難預測性，並尋求儘量減低對萬順昌集團財務表現之潛在不利影響。萬順昌集團利用衍生金融工具對沖若干需面對之風險。

(a) 市場風險

(i) 外匯風險

萬順昌集團需承受多種不同貨幣之外匯風險，主要涉及與人民幣有關之風險。萬順昌集團利用遠期外匯合約及貨幣掉期工具以對沖其日後進行之商業交易之外匯風險。以其他貨幣列值之財務資產及負債之外匯風險對萬順昌集團並無重大影響。

萬順昌集團在中國內地持有若干投資，此等業務之淨資產主要以人民幣列值。兌換人民幣為外國貨幣須遵守中國政府之外匯控制規例及法規。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

At 31st March 2008, if Chinese Renminbi had weakened/strengthened by 5% against Hong Kong dollar with all other variables held constant, profit before income tax for the year would have been approximately HK\$10 million (2007: HK\$13 million) lower/higher, mainly as a result of foreign exchange gains on translation of Chinese Renminbi denominated monetary assets and liabilities.

(ii) Cash flow and fair value interest rate risk

The VSC Group's interest rate risk arises mainly from borrowings. Borrowings that are subject to variable rates expose the VSC Group to cash flow interest rate risk. Under the VSC Group's interest rate management policy, the VSC Group generally raises borrowings at floating rates and may use interest rate instruments to hedge against the risk where the VSC Group forecasts a significant increase in interest charge in the foreseeable future.

At 31st March 2008, if interest rates on borrowings against bank deposits had been 100 basis points higher/lower with all other variables held constant, profit before income tax for the year would have been approximately HK\$7 million (2007: HK\$3 million) lower/higher respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(i) 外匯風險 (續)

於二零零八年三月三十一日，倘港元兌人民幣之匯率升值／減值5%而所有其他變數維持不變，年度除稅前溢利將減少／增加約10,000,000港元(二零零七年：13,000,000港元)，這主要由於換算以人民幣計值之貨幣資產及負債所引致。

(ii) 現金流量及公平價值利率風險

萬順昌集團之利率風險主要來自借貸。浮息借貸使萬順昌集團面對現金流量利率風險。根據萬順昌集團之利率管理制度，一般而言萬順昌集團以浮息舉債；若預計利息支出將於可預見未來大幅上升，則萬順昌集團或會以利率掉期工具對沖此等風險。

於二零零八年三月三十一日，若經扣除銀行存款之借貸之利率上升／下調100點子而所有其他條件維持不變，基於浮息貸款利息支出之增加／減省，萬順昌集團本年稅前利潤將分別減少／增加約7,000,000港元(二零零七年：3,000,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk arises from cash and cash equivalents, pledged bank deposits, loan receivables, amounts due from customers on installation contract work as well as trade receivables and certain other receivables.

The VSC Group has policies in place to ensure that sales are made to customers with an appropriate financial strength and appropriate percentage of down payment. It also has other monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, the VSC Group reviews regularly the recoverable amount of each individual receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

For banks and financial institutions, only independently rated parties with a minimum rating of “A-” are accepted. Management does not expect any losses from non-performance by these banks and financial institutions as they have no default history in the past.

The credit quality of the customers is assessed based on their financial positions, past experience and other factors. The VSC Group has policies in place to ensure that sales of products are made to customers with appropriate credit histories.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

信貸風險主要來自現金及現金等值、已抵押銀行存款、應收貸款、應收客戶之安裝合約工程、應收賬款及若干其他應收賬款。

萬順昌集團訂有政策以確保銷售是具結予具備適當財政實力及押付恰當比例之訂金的客戶。其亦訂有其他監測程序，確保執行跟進工作以索回逾期賬款。此外，萬順昌集團定期檢查每筆應收賬之可回收款額，藉此保證為不能回收之賬款計提適當減值虧損。

關於銀行及金融機構，萬順昌集團只接受被獨立評為「A-」級或以上者。由於該等銀行及金融機構於過往並無不能償付之歷史，管理層預期不會因其不履約而導致任何虧損。

顧客之信貸質素是按其財務狀況、過往紀錄及其他因素而評估。萬順昌集團已訂有政策以確保銷售予具有合適信貸紀錄之顧客。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

The VSC Group does not have significant exposure to the credit risk. The major trade debtors have no history of default in recent years. The VSC Group performs periodic credit evaluations of its customers. The VSC Group's historical experience in collection of trade and other receivables falls within the recorded allowances.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the VSC Group's management aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the VSC Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

萬順昌集團並無重大信貸風險。主要之貿易債務人於最近數年並沒有拖欠紀錄。萬順昌集團定期對其顧客進行評估。按過往經驗，收回應收賬款及其他應收賬款之金額在記錄撥備之範疇內。

(c) 流動資金風險

奉行審慎之流動資金風險管理指維持足夠現金及具市場價值之證券、透過充裕之信貸融資以維持足夠庫存現金及平倉能力。鑑於多元化之業務性質，萬順昌集團之管理層致力保持信貸融資及資金供應之靈活性。

下表載列萬順昌集團及本公司之財務負債，按有關到期組別，根據於結算日至合約屆滿日之餘下期間進行分析。下表披露之金額為合約未貼現現金流。十二個月內到期之賬面結餘與其公平價值相等，而貼現之影響並不重要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued) (c) Liquidity risk (Continued)

3 財務風險管理 (續)

3.1 財務風險因素 (續) (c) 流動資金風險 (續)

	Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
Consolidated					綜合
At 31st March 2007					於二零零七年 三月三十一日
Trade and bills payable	301,031	—	—	301,031	應付賬款及票據
Receipts in advance	106,185	—	—	106,185	預收款項
Accrued liabilities and other payables	38,685	—	—	38,685	應計負債及其他應付 賬款
Borrowings	697,682	7,800	19,500	724,982	借貸
At 31st March 2008					於二零零八年 三月三十一日
Trade and bills payables	401,417	—	—	401,417	應付賬款及票據
Receipts in advance	110,524	—	—	110,524	預收款項
Accrued liabilities and other payables	59,454	—	—	59,454	應計負債及其他應付 賬款
Borrowings	1,081,954	68,114	55,832	1,205,900	借貸

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued) (c) Liquidity risk (Continued)

	Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
Company					本公司
At 31st March 2007					於二零零七年 三月三十一日
Accrued liabilities and other payables	144	—	—	144	應計負債及其他應付 賬款
Borrowings	7,800	7,800	19,500	35,100	借貸
At 31st March 2008					於二零零八年 三月三十一日
Accrued liabilities and other payables	194	—	—	194	應計負債及其他應付 賬款
Borrowings	7,780	7,780	11,670	27,230	借貸

3.2 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the VSC Group is the current bid price.

The fair values of financial instruments that are not traded in an active market is determined by using valuation techniques. The VSC Group uses a variety of methods and make assumptions that are based on market conditions existing at each balance sheet date to determine fair value for those financial instruments.

3 財務風險管理 (續)

3.1 財務風險因素 (續) (c) 流動資金風險 (續)

3.2 公平價值估算

於活躍市場買賣之金融工具之公平價值按結算日之市場價值列賬。萬順昌集團所持之財務資產之所報市場報價為當時買盤價。

非於市場買賣之金融工具之公平價值按估值技術釐定。萬順昌集團使用多種方法，於每個結算日當時之市場情況作出假設，以釐定財務工具之公平價值。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Fair value estimation (Continued)

The fair values of available-for-sale financial assets that are not traded in an active market are determined using the discounted cash flow analysis. The fair values of call/put options are determined using the 5-year profit forecast of the targeted groups. The fair values of interest rate instruments and currency swap instruments are calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

The carrying value less impairment provision of trade and bill receivables and trade and bill payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the VSC Group for similar financial instruments.

3.3 Capital risk management

The VSC Group's objectives on managing capital are to safeguard the VSC Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the VSC Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3 財務風險管理 (續)

3.2 公平價值估算 (續)

沒有在活躍市場買賣之可供出售之財務資產之公平價值按貼現現金流量分析計算。認購權／認沽權之公平價值按其目標集團之五年溢利預測計算。利率掉期工具及貨幣掉期工具之公平價值按未來現金流量之現值計算。外匯遠期合約之公平價值利用結算日遠期市場匯率釐定。

應收賬款及票據及應付賬款及票據之賬面價值減去減值撥備，乃其公平價值之合理概約金額。就披露目的而言，財務負債之公平價值按萬順昌集團就類似金融工具可得之現有市場利率貼現未來合約現金流量估計。

3.3 資金風險管理

萬順昌集團管理資金的目標為保障萬順昌集團持續經營之能力，以為股東提供回報，並為其他相關人士提供福利，及保持適當資本架構，減少資本成本。

為維持或調整資本架構，萬順昌集團可調節派付予股東之股息、退回予股東的資本、發行新股或出售資產以減低負債。

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綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Capital risk management (Continued)

The VSC Group's policy is to borrow centrally, using a mixture of long-term and short-term borrowing facilities, to meet anticipated funding requirements. These borrowings, together with cash generated from operations, are on-lent or contributed as equity to certain subsidiaries.

Consistent with others in the industry, the VSC Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less pledged bank deposits and cash and cash equivalents. Total capital is calculated as equity (excluding minority interests), as shown in the consolidated balance sheet, plus net debt.

The gearing ratios at 31st March 2008 and at 31st March 2007 were as follows:

3 財務風險管理 (續)

3.3 資金風險管理 (續)

萬順昌集團之制度是由總部進行借貸，結合長期及短期貸款以支應預計資金需求。此等貸款連同經營所生現金是以借貸或股本投放予若干附屬公司。

為與同業一致，萬順昌集團根據資本負債比率監察資本。該比率乃以淨負債除以資本總額計算得出。淨負債乃以借貸總額減已抵押銀行存款及現金及現金等值計算。資本總額以權益（不包括少數股東權益），如綜合資產負債表所示，加淨負債計算。

於二零零八年三月三十一日及二零零七年三月三十一日之資本負債比率如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Total borrowings (Note 31)	1,182,729	710,987	借貸總額(附註31)
Less: Cash and cash equivalents and pledged bank deposits (Note 28)	(486,012)	(334,424)	減：現金及現金等值及已抵押銀行存款(附註28)
Net debt	696,717	376,563	淨負債
Total equity (excluding minority interest)	835,731	782,595	權益總額(不包括少數股東權益)
Total capital	1,532,448	1,159,158	資本總額
Gearing ratio	45%	32%	資本負債比率

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses the estimations at each balance sheet date.

(b) Trade and other receivables

The VSC Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and the current market condition. Management reassesses the provision at each balance sheet date.

4 重要會計推算及判斷

所採用之推算及判斷會被經常檢查，並以過往經驗及其他因素作為基礎，包括在現況下對未來事件之合理預期。

萬順昌集團就未來作出推算及假設。在定義上，由此而生之會計推算極少與相關之實際結果相同。具相當風險導致資產與負債之賬面金額作重大調整之推算及假設將於下文論述。

(a) 存貨之可變現淨值

存貨之可變現淨值為日常業務過程中之推算售價減推算完成成本及可變銷售支出。該等推算乃按現時市況以及製造及銷售類似性質產品之過往經驗為基準。其可因客戶品味轉變及競爭對手為應付嚴峻行業週期採取行動而大幅改變。管理層於每個結算日重估該等推算。

(b) 應收及其他應收賬款

萬順昌集團之管理層按評估應收賬款之可收回程度釐定應收及其他應收賬款之減值撥備。該評估乃按其客戶及其他債務人之信貸歷史以及現時市況為基準。管理層於每個結算日重估撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Income taxes and deferred income tax

The VSC Group is mainly subject to income taxes in Hong Kong and Mainland China. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The VSC Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets and income tax charges in the period in which such estimates have been changed.

(d) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The VSC Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date.

4 重要會計推算及判斷(續)

(c) 所得稅及遞延所得稅

萬順昌集團主要須繳納香港及中國內地所得稅。於日常業務過程中有頗多未能確定最終稅項之交易及計算。萬順昌集團推算日後會否須繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與最初記錄之金額不符，有關差異將影響作出釐定之期間內之所得稅及遞延所得稅撥備。

倘管理層認為未來應課稅溢利可用作對銷暫時性差異或稅項虧損可予動用時，則會確認與若干暫時性差異及稅項虧損有關之遞延所得稅資產。倘預期結果與原先之推算不同，有關差異會將對有關推算出現變動之期間內遞延所得稅資產及所得稅之確認構成影響。

(d) 衍生及其他金融工具之公平價值

非於活躍市場買賣之金融工具之公平價值乃以估值技術釐定。萬順昌集團使用其判斷去選擇不同方法及主要基於每個結算日存在之市場情況作出假設。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Fair value of derivatives and other financial instruments (Continued)

The fair value of the available-for-sale financial assets that are not traded in active markets is determined using the discounted cash flow analysis. The carrying amount of the available-for-sale financial assets would be an estimated HK\$1,363,000 lower or HK\$2,563,000 higher were the discount rate used in the discounted cash flow analysis had been 5% higher/lower from management's estimates with all other variables held constant.

The fair value of the call/put options granted to/by a third party to dispose certain interest in a subsidiary is determined using a 5-year profit forecast of the targeted groups. The net difference between the carrying amount of put option over call option would be an estimated HK\$822,000 lower or HK\$1,585,000 higher if the discount rate had been 0.5% higher/lower from management's estimates with all other variables held constant.

The fair value of the call option granted by a third party to acquire a company is determined using the expected future cash flow of the targeted groups. The carrying amount of the call option would be an estimated HK\$1,170,000 higher or HK\$1,130,000 lower if the fair value of the underlying asset had been 5% higher/lower from management's estimates with all other variables held constant.

4 重要會計推算及判斷(續)

(d) 衍生及其他金融工具之公平價值(續)

非於活躍市場買賣之可供出售之財務資產之公平價值按貼現現金流量分析計算。若貼現率與管理層推算貼現現金流量分析所用者增加／減少5%，而其他因數維持不變時，可供出售之財務資產之賬面金額估計將減少1,363,000港元或增加2,563,000港元。

授予第三者／第三者授予用以出售於一間附屬公司之若干權益之認購權／認沽權之公平價值按其標的組合之五年盈利預測計算。若貼現率與管理層推算貼現現金流量分析所用者增加／減少0.5%，而其他因數維持不變時，認沽權超出認購權之賬面金額之淨差額估計將減少822,000港元或增加1,585,000港元。

第三者授予用以收購一間公司之認購權之公平價值按其標的組合之預測未來現金流量計算。若管理層推算相關資產之公平價值增加／減少5%，而其他因數維持不變，認購權之賬面金額比估計將增加1,170,000港元或減少1,130,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Fair value of derivatives and other financial instruments (Continued)

The fair values of the interest rate instrument and currency swap instruments are determined using estimated future cash flows. The carrying amount of the interest rate instrument which was a liability as at 31st March 2008 would be an estimated HK\$78,000 higher or HK\$468,000 lower if the interest rate had been 100 basis points higher/lower with all other variables held constant. The carrying amount of the currency swap instruments which were assets as at 31st March 2008 would be an estimated HK\$9,609,000 lower or HK\$10,222,000 higher if the quoted USDRMB forward exchange rates had been 5% higher/lower with all other variables held constant.

The fair value of the forward foreign exchange contracts is determined using the quoted USDHKD forward exchange rates. The net carrying amount of the forward foreign exchange contracts which was a net liability as at 31st March 2008 would be an estimated HK\$4,358,000 higher or HK\$576,000 lower if the quoted USDHKD forward exchange rates had been 1% lower/higher with all other variables held constant.

(e) Estimated impairment of goodwill

The VSC Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.11. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

An impairment charge of approximately HK\$14,617,000 arose during the year (Note 18). If the results of the profit forecast of the respective subsidiary had been 10% lower than management's estimates at 31st March 2008, the VSC Group would have recognised a further impairment of goodwill of approximately HK\$8,073,000.

4 重要會計推算及判斷(續)

(d) 衍生及其他金融工具之公平價值(續)

利率掉期工具及貨幣掉期工具之公平價值按未來現金流量之價值計算。若利率增加／減少100個基點，而其他因數維持不變，利率掉期工具於二零零八年三月三十一日之負債賬面金額估計將增加78,000港元或減少468,000港元。若掛牌美元兌人民幣遠期外匯匯率增加／減少5%，而其他因數維持不變，貨幣掉期工具於二零零八年三月三十一日之資產賬面金額估計將減少9,609,000港元或增加10,222,000港元。

遠期外匯合約之公平價值按掛牌美元兌港元遠期外匯匯率計算。若掛牌遠期外匯匯率減少／增加1%，而其他因數維持不變，遠期外匯合約之淨負債賬面金額估計將增加4,358,000港元或減少576,000港元。

(e) 推算商譽減值

萬順昌集團根據附註2.11之會計政策，每年對商譽進行減值評估。現金產生單位之可收回金額乃按使用價值計算。此類計算方法須使用推算計算。

本年度期間，產生減值支出約14,617,000港元(附註18)。若各附屬公司之盈利預測結果比管理層於二零零八年三月三十一日推算少10%，萬順昌集團將會額外確認約8,073,000港元之商譽減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION

(a) Revenue by nature

5 收入及分部資料

(a) 收入按種類

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
China Advanced Materials Processing ("CAMP")			中國先進材料加工
Processing/manufacturing of industrial products			加工／製造工業產品
— Rolled flat steel products	1,310,851	1,112,504	— 卷鋼產品
— Stainless steel	417,032	397,814	— 不銹鋼
— Enclosure systems	145,377	197,516	— 系統設備外殼
Trading of plastic resins	347,100	344,518	買賣塑膠樹脂
Construction Materials Group ("CMG")			建築材料
Stockholding and trading of construction materials			存銷與買賣建築材料
— Steel products — steel rebars, structural steel and flat steel products	3,182,227	2,604,869	— 鋼材產品 — 鋼筋、結構鋼及板材產品
— Sanitary wares and kitchen cabinets	261,964	208,036	— 潔具及廚櫃
Other operations			其他業務
Management services provided to an associate (Note 39(a))	12,500	—	向一間聯營公司提供之管理服務(附註39(a))
Rental income from investment properties	722	856	投資物業之租金收入
Others	19	1,544	其他
	5,677,792	4,867,657	

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Primary reporting format – business segments

Analysis of the VSC Group's results by business segment is as follows:

5 收入及分部資料(續)

(b) 主要申報形式 — 業務分部

萬順昌集團之業績按業務分部分析如下：

	2008 二零零八年					
	CAMP 中國先進 材料加工 HK\$'000 千港元	CMG 建築材料 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Group 集團 HK\$'000 千港元	
External revenue	2,220,360	3,444,191	13,241	—	5,677,792	對外收入
Inter-segment revenue	—	191,653	—	(191,653)	—	分部間收入
	2,220,360	3,635,844	13,241	(191,653)	5,677,792	
Segment results	38,062	42,027	12,596		92,685	分部業績
Other gains/(losses) — net	(126)	(4,747)	47,695		42,822	其他收益／ (虧損) — 淨額
Unallocated corporate expenses					(76,187)	未分配企業支出
Operating profit					59,320	經營溢利
Finance income					9,312	財務收入
Finance costs					(46,821)	財務費用
Share of profit of associates					25,236	應佔聯營公司 溢利
Income tax expense					(1,876)	所得稅支出
Profit for the year					45,171	年度溢利

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Primary reporting format – business segments (Continued)

5 收入及分部資料(續)

(b) 主要申報形式 — 業務分部(續)

	2008 二零零八年					
	CAMP 中國先進 材料加工 HK\$'000 千港元	CMG 建築材料 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	Group 集團 HK\$'000 千港元	
Assets	1,241,708	1,323,016	248,720	39,478	2,852,922	資產
Liabilities	207,386	377,782	2,520	1,187,330	1,775,018	負債
Capital expenditure	23,409	8,398	—	—	31,807	資本支出
Depreciation and amortisation	18,265	3,989	439	—	22,693	折舊及攤銷
Impairment of trade receivables	12,759	3,153	—	—	15,912	應收賬款減值
Write-down/(write-back) of inventories	11,531	(2,413)	—	—	9,118	存貨撇減/ (撤回)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Primary reporting format – business segments (Continued)

5 收入及分部資料(續)

(b) 主要申報形式 — 業務分部(續)

	2007 二零零七年				Group 集團	
	CAMP 中國先進 材料加工 HK\$'000 千港元	CMG 建築材料 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元		
External revenue	2,052,352	2,812,905	2,400	—	4,867,657	對外收入
Inter-segment revenue	—	193,877	—	(193,877)	—	分部間收入
	2,052,352	3,006,782	2,400	(193,877)	4,867,657	
Segment results	37,359	119,019	(5,564)		150,814	分部業績
Other gains/(losses) – net	36,250	1,702	(714)		37,238	其他收益／ (虧損) — 淨額
Unallocated corporate expenses					(58,198)	未分配企業支出
Operating profit					129,854	經營溢利
Finance income					4,982	財務收入
Finance costs					(41,383)	財務費用
Income tax expense					(12,534)	所得稅支出
Profit for the year					80,919	年度溢利

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Primary reporting format – business segments (Continued)

5 收入及分部資料(續)

(b) 主要申報形式 — 業務分部(續)

	2007 二零零七年					Group 集團 HK\$'000 千港元
	CAMP 中國先進 材料加工 HK\$'000 千港元	CMG 建築材料 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		
Assets	1,252,863	898,335	50,066	47,428	2,248,692	資產
Liabilities	248,365	270,013	2,576	720,335	1,241,289	負債
Capital expenditure	46,636	4,134	2,195	—	52,965	資本支出
Depreciation and amortisation	13,906	5,748	1,017	—	20,671	折舊及攤銷
Impairment of trade receivables	6,020	1,421	—	—	7,441	應收賬款減值
Write-down/(write-back) of inventories	36,245	(3,094)	—	—	33,151	存貨撇減/ (撤回)

Unallocated cost represents corporate expenses. Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, goodwill, investments in associates, deferred income tax assets, inventories, due from customers on installation contract work, trade and bill receivables, loan receivables, prepayments, deposits and other receivables, amount due from associates and cash. They exclude items such as investment properties, available-for-sale financial assets and derivative financial instruments.

未分配成本為企業支出。分部間轉撥或交易按可供無關連之人士之正常商業條款進行。

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、商譽、於聯營公司之投資、遞延所得稅資產、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、應收聯營公司及現金。當中並不包括投資物業、可供出售之財務資產及衍生金融工具等項目。

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綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Primary reporting format – business segments (Continued)

Segment liabilities comprise operating liabilities and exclude corporate borrowings.

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.

(c) Secondary reporting format – geographic segments

The VSC Group's business activities operate predominately in Hong Kong and Mainland China.

Analysis of the VSC Group's results by geographical segment is as follows:

	2008 二零零八年			
	Hong Kong 香港 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
External revenue	1,572,875	4,104,917	5,677,792	對外收入
Assets	966,911	1,886,011	2,852,922	資產
Capital expenditure	2,115	29,692	31,807	資本支出

5 收入及分部資料 (續)

(b) 主要申報形式 — 業務分部 (續)

分部負債包括經營負債而並不包括企業借貸。

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。

(c) 次要申報形式 — 地區分部

萬順昌集團之業務主要在香港及中國內地經營。

萬順昌集團之業績按地區分部分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(c) Secondary reporting format – geographic segments (Continued)

5 收入及分部資料(續)

(c) 次要申報形式 — 地區分部(續)

	2007 二零零七年		Total 總額 HK\$'000 千港元	
	Hong Kong 香港 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元		
External revenue	1,219,606	3,648,051	4,867,657	對外收入
Assets	615,028	1,633,664	2,248,692	資產
Capital expenditure	2,019	50,946	52,965	資本支出

Revenue are allocated based on the places in which customers are located.

收入按顧客之地區位置而分配。

Assets and capital expenditure are allocated based on where the assets are located.

資產及資本支出按該等資產之地區位置而分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OTHER GAINS – NET

6 其他收益 — 淨額

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Negative goodwill arising from increase in investment in an associate to a subsidiary (Note 35(e))	20,765	—	增持於一間聯營公司成為一間附屬公司之投資所引致之負商譽(附註35(e))
Negative goodwill arising from increase in investment in an associate (Note 20(iii))	1,128	—	增持於一間聯營公司之投資所引致之負商譽(附註20(iii))
Impairment of goodwill (Note 18)	(14,617)	—	商譽減值(附註18)
Loss on disposal of a subsidiary	—	(3,430)	出售一間附屬公司之虧損
Gain on disposal of certain interest in a subsidiary	—	7,020	出售於一間附屬公司之若干權益之收益
Gain on deemed disposal of certain interest in a subsidiary (Note 35 (c))	4,091	26,024	視作出售於一間附屬公司之若干權益之收益(附註35(c))
Fair value gains on investment properties (Note 16)	1,900	2,000	投資物業之公平價值收益(附註16)
Fair value gains arising from a call option granted by a third party to acquire a company (Note 23)	10,190	—	第三者授予用於收購一間公司之一個認購權所引致之公平價值收益(附註23)
Net fair value (losses)/gains on call/put options granted to/by a third party to dispose certain interests in a subsidiary (Note 23)	(1,145)	7,211	授予第三者/第三者授予用以出售於一間附屬公司之若干權益之認購權/認沽權之公平價值淨(虧損)/收益(附註23)
Fair value gains/(losses) on an interest rate instrument (Note 23)	6,214	(7,592)	一項利率工具之公平價值收益/(虧損)(附註23)
Net fair value gains on currency swap instruments (Note 23)	4,537	—	貨幣掉期工具之公平價值淨收益(附註23)
Net fair value (losses)/gains on forward foreign exchange contracts held for trading (Note 23)	(4,394)	2,656	持作買賣用途之遠期外匯合約之公平價值淨(虧損)/收益(附註23)
Impairment loss of an available-for-sale financial asset (Note 22)	(595)	(1,473)	一項可供出售之財務資產之減值虧損(附註22)
Gain on disposals of available-for-sale financial assets	6,947	336	出售可供出售之財務資產之收益
Dividend income from available-for-sale financial assets			可供出售之財務資產之股息收入
— listed	—	22	— 上市
— unlisted	2,763	1,923	— 非上市
Net exchange gain	5,038	2,541	淨滙兌收益
	42,822	37,238	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EXPENSES BY NATURE

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

7 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：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Raw materials consumed and finished goods sold	5,294,822	4,449,055	原材料耗用及製成品銷售
Depreciation of property, plant and equipment	22,130	20,205	物業、廠房及設備之折舊
Loss on disposals of property, plant and equipment	5,096	1,044	出售物業、廠房及設備之虧損
Amortisation of leasehold land and land use rights	563	466	租賃土地及土地使用權之攤銷
Employment costs (Note 8)	143,378	113,066	僱員成本(附註8)
Operating lease rental in respect of			營業租約租金
— land and buildings	12,338	11,181	— 土地及樓宇
— plant and machinery and motor vehicles	3,089	3,423	— 廠房及機器及汽車
Impairment of trade receivables	15,912	7,441	應收賬款減值
Impairment of other receivables	14,797	5,752	其他應收賬款減值
Write-down of inventories	9,118	33,151	存貨撇減
Auditor's remuneration	2,180	1,700	核數師酬金
Others	137,871	128,557	其他
Total cost of sales, selling and distribution expenses and general and administrative expenses	5,661,294	4,775,041	銷售成本、銷售及分銷支出與一般及行政支出總額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 EMPLOYMENT COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

8 僱員成本(包含董事酬金)

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Wages, salaries and allowances	119,282	88,610	工資、薪金及津貼
Bonus	5,442	8,701	花紅
Pension costs — defined contribution schemes	6,914	5,374	退休金成本 — 界定供款計劃
Share option scheme — value of services	652	976	購股權計劃 — 服務價值
Welfare and benefits	11,088	9,405	福利及利益
	143,378	113,066	

The VSC Group maintains two defined contribution pension schemes for its employees in Hong Kong, the ORSO Scheme and the MPF Scheme. The assets of these schemes are held separately from those of the VSC Group under independently administered funds.

Under the ORSO Scheme, each of the VSC Group and its employees make monthly contribution to the scheme at 5% of the employees' salary. The unvested benefits of employees who have terminated employment could be utilised by the VSC Group to reduce its future contributions.

萬順昌集團維持兩個界定退休金供款計劃予位於香港之員工，公積金計劃及強積金計劃。此兩個計劃之資產均與萬順昌集團之資產分開持有，並由獨立基金管理。

根據公積金計劃，萬順昌集團及其員工須各自按該員工收入之5%向該計劃作每月供款。終止僱用之員工未授予之利益均由萬順昌集團用作減少未來之供款。

8 EMPLOYMENT COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

Under the MPF Scheme, each of the VSC Group and its employees make monthly contributions to the scheme at 5% of the employee's relevant income, as defined in the Hong Kong Mandatory Provident Fund Scheme Ordinance. Both the VSC Group's and the employee's contributions are subject to a cap of HK\$1,000 per month. The contributions are fully and immediately vested for the employees.

As stipulated by rules and regulations in Mainland China, the VSC Group contributes to state-sponsored retirement plans for employees of its subsidiaries established in Mainland China. The employees contribute up to 8% of their basic salaries, while the VSC Group contributes approximately 14% to 20% of such salaries and has no further obligations for the actual payment of pensions or post-retirement benefits beyond these contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

During the year ended 31st March 2008, the aggregate amount of the VSC Group's contributions to the aforementioned pension schemes was approximately HK\$6,914,000 (2007: HK\$5,374,000), net of forfeited contributions of approximately HK\$2,000 (2007: HK\$18,000). As at 31st March 2008, there is no unutilised forfeited contribution which could be utilised to reduce future contributions of the VSC Group (2007: Nil).

8 僱員成本(包含董事酬金)(續)

根據強積金計劃，萬順昌集團及其員工各自須按香港強制性公積金條例所界定各自按該員工有關收入之5%向該計劃作每月供款。萬順昌集團及員工所作之每月供款上限各為1,000港元。供款全部及即時授予員工。

根據中國內地法規，萬順昌集團須為其設立於中國內地之附屬公司之員工對國家資助退休計劃供款。員工供款最高達其基本薪金之8%，萬順昌集團按該等薪金約14%至20%供款，除每年供款外，毋須支付任何實際退休金或退休後福利。該等國家資助退休計劃須負責向退休員工支付全部退休金。

於截至二零零八年三月三十一日止年度期間，萬順昌集團對上述退休金計劃之供款總額約為6,914,000港元(二零零七年：5,374,000港元)，淨沒收供款約2,000港元(二零零七年：18,000港元)。於二零零八年三月三十一日，並無未被利用之被沒收供款額可用作減少萬順昌集團未來之供款(二零零七年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

(a) Directors' emoluments

The remuneration of every Director for the year ended 31st March 2007 is set out below:

9 董事及高級行政人員酬金

(a) 董事酬金

截至二零零七年三月三十一日止年度每位董事酬金如下：

	Fees	Salaries and allowances	Discretionary bonus [#]	Contribution to defined contribution retirement benefit schemes 對界定退休福利供款計劃之供款	Share options scheme — value of services 購股權計劃 — 服務價值	2007 Total	
	袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	酌情花紅 [#] HK\$'000 千港元	千港元	千港元	千港元	總額 HK\$'000 千港元
Executive directors							
Mr. Yao Cho Fai, Andrew	—	1,156	800	12	230	2,198	執行董事 姚祖輝先生
Mr. Dong Sai Ming, Fernando	—	464	100	12	31	607	唐世銘先生
Independent non-executive directors							
Dr. Chow Yei Ching	120	—	—	—	—	120	獨立非執行董事 周亦卿博士
Mr. Harold Richard Kahler	351	—	—	—	—	351	Harold Richard Kahler先生
Mr. Tam King Ching, Kenny	120	—	—	—	—	120	譚競正先生
Mr. Xu Lin Bao	120	—	—	—	—	120	徐林寶先生
	711	1,620	900	24	261	3,516	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

The remuneration of every Director for the year ended 31st March 2008 is set out below:

9 董事及高級行政人員酬金(續)

(a) 董事酬金(續)

截至二零零八年三月三十一日止年度每位董事酬金如下：

	Fees	Salaries and allowances	Discretionary bonus [#]	Contribution to defined contribution retirement benefit schemes	Share options scheme — value of services	2008 Total	
	袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	酌情花紅 [#] HK\$'000 千港元	對界定退休福利供款計劃之供款 HK\$'000 千港元	購股權計劃 — 服務價值 HK\$'000 千港元	二零零八年總額 HK\$'000 千港元	
Executive directors							
Mr. Yao Cho Fai, Andrew	—	1,848	—	12	167	2,027	執行董事 姚祖輝先生
Mr. Dong Sai Ming, Fernando	—	464	100	12	22	598	唐世銘先生
Independent non-executive directors							
Dr. Chow Yei Ching	120	—	—	—	—	120	周亦卿博士
Mr. Harold Richard Kahler	351	—	—	—	—	351	Harold Richard Kahler先生
Mr. Tam King Ching, Kenny	120	—	—	—	—	120	譚競正先生
Mr. Xu Lin Bao	120	—	—	—	—	120	徐林寶先生
	711	2,312	100	24	189	3,336	

Note:

[#] The executive directors are entitled to discretionary bonus which are determined with reference to the financial performance of different business units of the VSC Group.

附註：

[#] 執行董事可享有參照萬順昌集團不同業務單位之財務表現而釐定之酌情花紅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

The share options scheme — value of services represent charges to the income statement of the fair value of the share options under the share option scheme measured at the respective grant dates, regardless of whether the share options would be exercised or not.

During the year ended 31st March 2008, Mr. Yao Cho Fai, Andrew, forfeited a bonus of approximately HK\$800,000. No other director waived any emolument during the year. No incentive payment as an inducement for joining the VSC Group or compensation for loss of office was paid/payable to any directors during the year.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the VSC Group include one director (2007: one), whose emoluments are reflected in the analysis presented in Note 9(a) above. The emoluments paid/payable to the remaining four (2007: four) individuals are as follows:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Salaries and allowances	6,015	6,354	薪金及津貼
Bonus	4,163	237	花紅
	10,178	6,591	

9 董事及高級行政人員酬金 (續)

(a) 董事酬金 (續)

購股權計劃 — 服務價值為無論購股權是否將會被行使均按不同授出日期以公平價值於損益表中列作開支。

截至二零零八年三月三十一日止年度期間，姚祖輝先生放棄其約800,000港元之花紅。本年度期間，並沒有其他董事放棄任何酬金。亦無已付／應付任何酬金予董事以作鼓勵加入萬順昌集團或離職補償。

(b) 五名最高薪人士

萬順昌集團中五位最高薪人士其中包括一位董事(二零零七年：一位)，彼之酬金分析已載於上文附註9(a)。其餘四位(二零零七年：四位)之人士之已付／應付酬金如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (CONTINUED)
(b) Five highest paid individuals (Continued)

9 董事及高級行政人員酬金 (續)
(b) 五名最高薪人士 (續)

	2008 二零零八年	2007 二零零七年	
The emolument fell within the following band:			酬金按組別分析如下：
— HK\$1,000,001 to HK\$1,500,000	—	1	— 1,000,001港元至 1,500,000港元
— HK\$1,500,001 to HK\$2,000,000	—	3	— 1,500,001港元至 2,000,000港元
— HK\$2,000,001 to HK\$2,500,000	2	—	— 2,000,001港元至 2,500,000港元
— HK\$2,500,001 to HK\$3,000,000	2	—	— 2,500,001港元至 3,000,000港元
	4	4	

No emoluments were paid/payable to the five highest paid individuals as an inducement to join the VSC Group or as compensation for loss of office during the year.

本年度期間，並無支付任何酬金予該五位最高薪人士以作鼓勵加入萬順昌集團或作離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 FINANCE INCOME AND COSTS

10 財務收入及費用

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Finance income			財務收入
Interest income:			利息收入：
on short-term bank deposits	9,204	4,982	於短期銀行存款
on loan receivables	108	—	於應收貸款
	9,312	4,982	
Finance costs			財務費用
Interest expenses:			利息支出：
on bank borrowings wholly repayable within five years	(44,524)	(38,663)	須於五年內全數償還 之銀行借貸
paid to a related party (Note 39(a))	(2,297)	(2,201)	已付予一位關連人士 (附註39(a))
paid for other loans wholly repayable within five years	—	(519)	已付須於五年內全數 償還之其他貸款
	(46,821)	(41,383)	
Net finance costs	(37,509)	(36,401)	淨財務費用

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until 2016.

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profit arising in or derived from Hong Kong.

During the year, subsidiaries established in Mainland China are subject to China corporate income tax at rates ranging from 7.5% to 25% (2007: 10% to 33%). Subsidiaries engaging in manufacturing are exempted from corporate income tax for two years starting from the first year of profitable operations after offsetting prior years' tax losses, followed by a 50% reduction for the next three years. However, when the new Corporate Income Tax Law ("CIT Law") became effective on 1st January 2008, entities that had not yet started their tax holiday due to the cumulative tax losses, the new CIT law deemed that the holiday began on 1st January 2008.

The amount of income tax charged to the income statement represents:

11 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17.5% (二零零七年：17.5%) 作出撥備。

本年度期間，於中國內地成立之附屬公司按稅率7.5%至25% (二零零七年：10%至33%) 繳付中國企業所得稅。從事製造業之附屬公司自首個獲利年度 (經抵銷過往年度稅務虧損後) 起計兩年內可豁免繳付企業所得稅，隨後三年則獲50%減免。但自新企業所得稅法於二零零八年一月一日起生效後，如實體由於其累計稅務虧損而從未開始其稅務寬免期則其稅務寬免期會被視作為由二零零八年一月一日起開始。

於損益表中扣除之所得稅包括：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Current income tax			當期所得稅
— Hong Kong profits tax	1,713	15,298	— 香港利得稅
— China corporate income tax	7,259	4,123	— 中國企業所得稅
— Macau profits tax	—	105	— 澳門利得稅
Deferred income tax (Note 21)	(6,596)	(6,217)	遞延所得稅 (附註21)
Over-provision in prior years	(500)	(775)	過往年度之高估撥備
	1,876	12,534	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX EXPENSE (CONTINUED)

The tax on the VSC Group's profit before income tax differs from the theoretical amount that would arise using the domestic tax rates applicable to profits in the respective places as follows:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Profit before income tax	47,047	93,453	除稅前溢利
Tax calculated at domestic tax rates applicable to profits in the respective places	(3,323)	13,773	按個別地區適用之當地稅率計算之稅項
Effect of changes in tax rate	(5,809)	—	稅率轉變之影響
Income not subject to tax	(3,669)	(3,732)	無須課稅之收入
Expenses not deductible for tax	4,117	2,863	不可扣稅之支出
Deferred income tax assets not recognised	11,060	2,527	未確認之遞延所得稅資產
Recognition of previous unrecognised deferred income tax assets	—	(2,122)	確認以前未確認之遞延所得稅資產
Over-provision in prior years	(500)	(775)	過往年度之高估撥備
Income tax expense	1,876	12,534	所得稅支出

For the year ended 31st March 2008, the weighted average domestic tax rates applicable to profits in the respective places was -7% (2007: 15%). This was mainly due to the losses of approximately HK\$36,389,000 made by certain subsidiaries in Shanghai and Shenzhen at which the domestic tax rates applied to these subsidiaries were higher.

11 所得稅支出(續)

萬順昌集團之除稅前溢利與按照個別地區適用之當地稅率計算之理論金額有所差異，詳情如下：

截至二零零八年三月三十一日止年度，按個別地區適用之加權平均當地稅率為-7% (二零零七年：15%)。主要由於位於上海及深圳之若干附屬公司引致約36,389,000港元之虧損，而應用於此等附屬公司之當地稅率相對較高。

12 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders includes a profit of approximately HK\$8,141,000 (2007: HK\$15,007,000) dealt with in the financial statements of the Company.

12 本公司股權持有人應佔溢利

股權持有人應佔綜合溢利中包括本公司於本財務報表所說明之溢利約8,141,000港元(二零零七年：15,007,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 DIVIDENDS

13 股息

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Interim dividend of HK1.1 cents (2007: HK2.2 cents) per ordinary share	4,155	8,109	中期股息每股普通股1.1港仙(二零零七年: 2.2港仙)
Proposed final dividend of HK1.3 cents (2007: HK2.6 cents) per ordinary share	4,946	9,584	建議末期股息每股普通股1.3港仙(二零零七年: 2.6港仙)
	9,101	17,693	

A final dividend for the year ended 31st March 2008 of HK1.3 cents per ordinary share, totalling HK\$4,946,000 (2007: HK2.6 cents per ordinary share, totalling HK\$9,584,000), is recommended by the Directors for approval at the forthcoming Annual General Meeting of the Company. This proposed dividend has not been dealt with as dividend payable as at 31st March 2008.

董事建議於即將舉行之本公司股東週年大會上批准派付截至二零零八年三月三十一日止年度末期股息每股普通股1.3港仙，合共4,946,000港元(二零零七年: 2.6港仙，合共9,584,000港元)。該擬派股息並沒有於二零零八年三月三十一日之賬目中列為應付股息。

14 EARNINGS PER SHARE

14 每股盈利

(a) 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 year.

(a) 基本

每股基本盈利乃根據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。

	2008 二零零八年	2007 二零零七年	
Profit attributable to equity holders of the Company (HK\$'000)	31,317	70,627	本公司股權持有人應佔溢利(千港元)
Weighted average number of ordinary shares in issue ('000)	377,591	368,605	已發行普通股之加權平均數(千股)
Basic earnings per share (HK cents)	8.29	19.16	每股基本盈利(港仙)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 EARNINGS PER SHARE (CONTINUED)

(b) 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 is 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.

14 每股盈利(續)

(b) 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。

	2008 二零零八年	2007 二零零七年	
Profit attributable to equity holders of the Company and used to determine diluted earnings per share (HK\$'000)	31,317	70,627	本公司股權持有人應佔溢利及用以釐訂每股攤薄盈利(千港元)
Weighted-average number of ordinary shares in issue ('000)	377,591	368,605	已發行普通股之加權平均數(千股)
Adjustments for share options ('000)	2,273	58	調整購股權(千份)
Weighted-averaged number of ordinary shares for diluted earnings per share ('000)	379,864	368,663	計算每股攤薄盈利之普通股加權平均數(千股)
Diluted earnings per share (HK cents)	8.24	19.16	每股攤薄盈利(港仙)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

	Consolidated						
	綜合						
	Buildings	Leasehold improvements, furniture and equipment	Machinery	Motor vehicles	Construction in progress	Total	
	樓宇	租賃物業裝修、傢俬及設備	機器	汽車	在建工程	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		
At 1st April 2006							於二零零六年四月一日
Cost	46,879	62,205	74,950	9,532	—	193,566	成本
Accumulated depreciation	(11,800)	(36,734)	(37,423)	(4,411)	—	(90,368)	累計折舊
Net book amount	35,079	25,471	37,527	5,121	—	103,198	賬面淨值
Year ended 31st March 2007							截至二零零七年三月三十一日止年度
Opening net book amount	35,079	25,471	37,527	5,121	—	103,198	期初賬面淨值
Additions	57	9,242	25,629	1,904	12,340	49,172	添置
Disposals	(899)	(170)	(812)	(68)	—	(1,949)	出售
Depreciation	(2,552)	(9,824)	(6,206)	(1,623)	—	(20,205)	折舊
Disposal of a subsidiary	—	(7,474)	—	—	—	(7,474)	出售一間附屬公司
Exchange differences	1,328	556	1,560	129	—	3,573	滙兌差額
Closing net book amount	33,013	17,801	57,698	5,463	12,340	126,315	期終賬面淨值
At 31st March 2007							於二零零七年三月三十一日
Cost	48,068	61,926	104,044	11,330	12,340	237,708	成本
Accumulated depreciation	(15,055)	(44,125)	(46,346)	(5,867)	—	(111,393)	累計折舊
Net book amount	33,013	17,801	57,698	5,463	12,340	126,315	賬面淨值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

15 物業、廠房及設備(續)

	Consolidated 綜合						
	Buildings 樓宇 HK\$'000 千港元	Leasehold improve- ments, furniture and equipment 租賃物業裝 修、傢俬及 設備 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
Year ended 31st March 2008							截至二零零八年 三月三十一日止年度
Opening net book amount	33,013	17,801	57,698	5,463	12,340	126,315	期初賬面淨值
Additions	4,677	15,114	10,945	1,056	15	31,807	添置
Disposals	—	(2,065)	(3,250)	(124)	—	(5,439)	出售
Depreciation	(3,740)	(8,911)	(7,776)	(1,703)	—	(22,130)	折舊
Transfer	12,140	215	—	—	(12,355)	—	轉撥
Exchange differences	3,432	647	5,554	236	—	9,869	滙兌差額
Closing net book amount	49,522	22,801	63,171	4,928	—	140,422	期終賬面淨值
At 31st March 2008							於二零零八年 三月三十一日
Cost	68,442	45,219	121,029	12,658	—	247,348	成本
Accumulated depreciation	(18,920)	(22,418)	(57,858)	(7,730)	—	(106,926)	累計折舊
Net book amount	49,522	22,801	63,171	4,928	—	140,422	賬面淨值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation expense is recognised in the income statement is as follows:

15 物業、廠房及設備(續)

於損益表中確認之折舊支出如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Cost of sales	15,361	11,576	銷售成本
General and administrative expenses	6,769	8,629	一般及行政支出
	22,130	20,205	

As at 31st March 2008, buildings of approximately HK\$29,964,000 (2007: HK\$12,645,000) were pledged as collaterals for certain of the VSC Group's bank borrowings (Note 31).

於二零零八年三月三十一日，約29,964,000港元(二零零七年：12,645,000港元)之樓宇已作若干萬順昌集團之銀行借貸之抵押品(附註31)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 INVESTMENT PROPERTIES/NON-CURRENT ASSETS HELD FOR SALE 16 投資物業／持作出售之非流動資產

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
At 1st April	50,000	48,000	於四月一日
Fair value gains	1,900	2,000	公平價值收益
Reclassified as non-current assets held for sale	(7,100)	—	重新分類為持作出售之非流動資產
At 31st March	44,800	50,000	於三月三十一日

Details of the geographical locations and tenure are as follows:

地理位置及業權租賃期詳情如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
In Hong Kong			於香港
— medium-term leases of 10 to 50 years	29,000	28,000	— 10至50年之中期租約
— long-term leases of over 50 years	15,800	22,000	— 超逾50年之長期租約
	44,800	50,000	

As at 31st March 2008, investment properties of approximately HK\$44,800,000 (2007: HK\$50,000,000) were stated at open market value as determined by the directors based on valuations assessed by Jointgoal Surveyors Limited, independent qualified valuers.

於二零零八年三月三十一日，約44,800,000港元(二零零七年：50,000,000港元)之投資物業由董事按獨立合資格估值師晉高測量師有限公司所釐定之公開市價之估值列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 INVESTMENT PROPERTIES/NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

The VSC Group leases out the investment properties under operating leases, for an initial period of two to three years, with an option to renew on renegotiated terms. None of the leases includes contingent rentals. During the year ended 31st March 2008, the rental income from investment properties amounted to approximately HK\$722,000 (2007: HK\$856,000). As at 31st March 2008, the VSC Group's future rental income under non-cancellable operating leases is as follows:

16 投資物業／持作出售之非流動資產(續)

萬順昌集團訂立營業租約租出投資物業，初步訂立為2至3年，並有選擇權於再協商下續約。沒有租約為或然租約。截至二零零八年三月三十一日止年度期間，由投資物業帶來之租金收入約為722,000港元(二零零七年：856,000港元)。於二零零八年三月三十一日，萬順昌集團訂立不可撤回之營業租約之未來租金收入如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Not later than one year	557	107	未逾1年
Later than one year and not later than five years	881	—	逾1年及未逾5年
	1,438	107	

Van Shung Chong Hong Limited, a subsidiary of the VSC Group, sold some of the investment properties in May 2008 at a total consideration of HK\$7,100,000 which were similar to the fair values as at 31st March 2008. These investment properties, which were located in Hong Kong with medium-term leases of 10 to 50 years, were reclassified to non-current assets held for sale as at 31st March 2008.

萬順昌集團之一間附屬公司，萬順昌行有限公司，於二零零八年五月以7,100,000港元之代價出售部份投資物業，出售代價與其於二零零八年三月三十一日之公平價值相約。此位於香港並擁有10至50年之中期租約之投資物業，已於二零零八年三月三十一日重新分類為持作出售之非流動資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LEASEHOLD LAND AND LAND USE RIGHTS

The VSC Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book amounts are analysed as follows:

17 租賃土地及土地使用權

萬順昌集團於租賃土地及土地使用權之權益包括預付營業租約款項及其賬面淨值，並分析如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
At 1st April	26,527	22,741	於四月一日
Additions	—	3,793	添置
Amortisation	(563)	(466)	攤銷
Exchange differences	1,453	459	滙兌差額
At 31st March	27,417	26,527	於三月三十一日

Details of the geographical locations and tenure are as follow:

地理位置及業權租賃期詳情如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
In Hong Kong			於香港
— long-term leases of over 50 years	97	1,018	— 超逾50年之長期租約
In Mainland China			於中國內地
— medium-term rights of 10 to 50 years	16,030	14,018	— 10至50年之中期使用權
— long-term rights of over 50 years	11,290	11,491	— 超逾50年之長期使用權
	27,417	26,527	

Amortisation of leasehold land and land use rights has been included in general and administrative expenses in the income statement.

租賃土地及土地使用權之攤銷已包括在損益表之一般及行政支出中。

As at 31st March 2008, leasehold land and land use rights of approximately HK\$17,509,000 (2007: HK\$12,554,000) were pledged as collaterals for certain of the VSC Group's bank borrowings (Note 31).

於二零零八年三月三十一日，約17,509,000港元(二零零七年：12,554,000港元)之租賃土地及土地使用權已作若干萬順昌集團之銀行借貸之抵押品(附註31)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 GOODWILL

18 商譽

	Consolidated	
	綜合	
	HK\$'000	
	千港元	
At 1st April 2006		於二零零六年四月一日
Cost	17,318	成本
Accumulated impairment	(10,543)	累計減值
Net book amount	6,775	賬面淨值
Year ended 31st March 2007		二零零七年 三月三十一日止年度
Opening net book amount	6,775	期初賬面淨值
Acquisition of certain interests in a subsidiary	24,427	收購於一間附屬公司之 若干權益
Closing net book amount	31,202	期終賬面淨值
At 31st March 2007		於二零零七年 三月三十一日
Cost	41,745	成本
Accumulated impairment	(10,543)	累計減值
Net book amount	31,202	賬面淨值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 GOODWILL (CONTINUED)

18 商譽(續)

	Consolidated 綜合 HK\$'000 千港元	
Year ended 31st March 2008		二零零八年 三月三十一日止年度
Opening net book amount	31,202	期初賬面淨值
Impairment (Note 6)	(14,617)	減值(附註6)
Closing net book amount	16,585	期終賬面淨值
At 31st March 2008		於二零零八年 三月三十一日
Cost	41,745	成本
Accumulated impairment	(25,160)	累計減值
Net book amount	16,585	賬面淨值

The impairment loss of goodwill for the year ended 31st March 2008 is included in other losses in the income statement. Impairment loss arose as a consequence of decrease in the recoverable amount of cash-generating unit ("CGU") based on a five-year cash flow projections.

Impairment tests for goodwill

Goodwill is allocated to the VSC Group's CGUs identified according to the business segments. The VSC Group's goodwill is allocated to CAMP.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by the VSC Group's management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

截至二零零八年三月三十一日止年度之商譽減值虧損已包括在損益表之其他虧損中。減值虧損乃由於按五年現金流量預測現金產生單位之可收回價值減少所引致。

商譽之減值測試

商譽乃根據業務分部分配至萬順昌集團現金產生單位。萬順昌集團之商譽分配至中國先進材料加工。

現金產生單位之可收回金額乃按使用價值計算。該計算方法使用按由萬順昌集團管理層批准之財務預算得出涵蓋五年期間之現金流量預測進行。超過五年期間之現金流量乃使用以下之估計增長率推斷而來。增長率不會超過其商業現金產生單位運作之長期平均增長率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 GOODWILL (CONTINUED)

Impairment tests for goodwill (continued)

Key assumptions under value-in-use calculations are:

Gross margin	6%–8% per annum	每年	毛利率
Growth rate	6% per annum	每年	增長率
Discount rate	10% per annum	每年	折現率

The VSC Group's management determined budgeted gross margin based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect risks relating to the relevant segments.

18 商譽(續)

商譽之減值測試(續)

使用價值計算之主要假設為：

萬順昌集團之管理層根據過往表現及其對市場發展之預測釐訂預算毛利率。所採用之加權平均增長率與工業報告內之預測一致。所採用之折現率並未計及稅項，並反映相關分部之風險。

19 INVESTMENTS IN SUBSIDIARIES

19 於附屬公司之投資

	Company		
	本公司		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Unlisted shares, at cost	71,746	71,746	非上市股份，按成本
Due from subsidiaries	442,013	457,466	應收附屬公司
	513,759	529,212	

The amounts due from subsidiaries are unsecured, non-interest bearing and without predetermined repayment terms. The carrying amounts approximated their fair values and were not impaired as at 31st March 2008 (2007: Nil).

應收附屬公司之金額無抵押的，不計利息及並無預定之還款期。於二零零八年三月三十一日，其賬面金額與其公平價值相約，並沒有減值(二零零七年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the principal subsidiaries as at 31st March 2008 are as follows:

19 於附屬公司之投資(續)

於二零零八年三月三十一日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation and operations 註冊成立及經營地點	Issued and fully paid share capital/ registered share capital 已發行及繳足股本／註冊股本	Percentage of equity interest attributable to the VSC Group (i) 萬順昌集團應佔之股本權益百分比(i)	Principal activities 主要業務
*Dongguan Van Shung Chong Steel Products Co., Ltd. (iii) 東莞萬順昌鋼鐵製品有限公司(iii)	Mainland China 中國內地	HK\$36,190,000 36,190,000港元	60%	Processing of rolled flat steel products 卷鋼產品加工
Fit Team Holdings Limited	British Virgin Islands 英屬處女群島	US\$10,050,002 10,050,002美元	100%	Investment holding 投資控股
*Guangzhou Shenchang Metal Products Co., Ltd. (iii) 廣州神昌金屬製品有限公司(iii)	Mainland China 中國內地	RMB46,500,000 人民幣46,500,000元	42%	Processing of rolled flat steel products 卷鋼產品加工
*Leisure Plus International Trading (Shanghai) Co., Ltd. (iii) 利尚派國際貿易(上海)有限公司(iii)	Mainland China 中國內地	US\$200,000 200,000美元	100%	Trading of sanitary wares 買賣潔具
*Leisure Plus Trading (Shenzhen) Co., Ltd. (iii) 利尚派貿易(深圳)有限公司(iii)	Mainland China 中國內地	HK\$3,000,000 3,000,000港元	100%	Trading of sanitary wares 買賣潔具
*Shanghai Bao Shun Chang International Trading Co., Ltd. (iii) 上海寶順昌國際貿易有限公司(iii)	Mainland China 中國內地	US\$3,000,000 3,000,000美元	66.7%	Stockholding and trading of steel 存銷及買賣鋼材

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綜合財務報表附註

19 INVESTMENTS IN SUBSIDIARIES (CONTINUED) 19 於附屬公司之投資(續)

Name 名稱	Place of incorporation and operations 註冊成立及經營地點	Issued and fully paid share capital/ registered share capital 已發行及繳足股本／註冊股本	Percentage of equity interest attributable to the VSC Group (i) 萬順昌集團應佔之股本權益百分比(i)	Principal activities 主要業務
*Tianjin Van Shung Chong Metal Products Co., Ltd. (iii) 天津萬順昌金屬制品有限公司(iii)	Mainland China 中國內地	HK\$33,000,000 33,000,000港元	57%	Processing of rolled flat steel products 卷鋼產品加工
Tomahawk Capital Limited 東誠企業(香港)有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	Finance business 財務業務
V&R Global Trading Co., Ltd.	British Virgin Islands 英屬處女群島	US\$1 1美元	60%	Sourcing of steel products 鋼材產品採購
Van Shung Chong (B.V.I.) Limited	British Virgin Islands 英屬處女群島	US\$6 6美元	100%	Investment holding 投資控股
Van Shung Chong Hong Limited 萬順昌行有限公司	Hong Kong 香港	HK\$2,000 ordinary HK\$10,000,000 non-voting deferred (ii) 2,000港元普通股 10,000,000港元無投票權遞延股(ii)	100%	Trading of steel, and provision of management services 買賣鋼材與及提供管理服務
Vantage Godown Company Limited 順發貨倉有限公司	Hong Kong 香港	HK\$200,000 200,000港元	100%	Provision of warehousing services 提供倉庫服務
Vanyee Building Products (Macau) Co., Ltd. 萬義建築材料(澳門)有限公司	Macau 澳門	MOP 900,000 900,000澳門元	82%	Trading of sanitary wares 買賣潔具

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綜合財務報表附註

19 INVESTMENTS IN SUBSIDIARIES (CONTINUED) 19 於附屬公司之投資(續)

Name 名稱	Place of incorporation and operations 註冊成立及經營地點	Issued and fully paid share capital/ registered share capital 已發行及繳足股本／註冊股本	Percentage of equity interest attributable to the VSC Group (i) 萬順昌集團應佔之股本權益百分比(i)	Principal activities 主要業務
*VJY Telecommunication Equipment (Shenzhen) Company Limited (iii) 萬嘉源通訊設備(深圳)有限公司(iii)	Mainland China 中國內地	HK\$16,500,000 16,500,000港元	100%	Manufacturing of enclosure systems 製造系統設備外殼
*VSC Advanced Material (Kunshan) Co., Ltd. (iii) 萬順昌高新材料(昆山)有限公司(iii)	Mainland China 中國內地	US\$8,000,000 8,000,000美元	54%	Processing of rolled flat steel products and metal fabrication 卷鋼產品加工及軋金
VSC Building Products Company Limited 萬順昌建築材料有限公司	Hong Kong 香港	HK\$2 2港元	100%	Trading of sanitary wares and kitchen cabinets and kitchen cabinet installation 買賣潔具及廚櫃及安裝廚櫃
VSC Plastics Company Limited 萬順昌塑膠有限公司	Hong Kong 香港	HK\$2 2港元	100%	Trading of plastics resins 買賣塑膠樹脂
VSC-Ryerson China Limited 萬順昌—瑞爾盛中國有限公司	British Virgin Islands 英屬處女群島	US\$15,000 15,000美元	60%	Investment holding 投資控股
VSC Shinsho Company Limited 萬順昌神商有限公司	Hong Kong 香港	US\$9,646,200 9,646,200美元	42%	Trading of processed rolled flat steel products 買賣加工卷鋼產品

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綜合財務報表附註

19 INVESTMENTS IN SUBSIDIARIES (CONTINUED) 19 於附屬公司之投資(續)

Name 名稱	Place of incorporation and operations 註冊成立及經營地點	Issued and fully paid share capital/ registered share capital 已發行及繳足股本／註冊股本	Percentage of equity interest attributable to the VSC Group (i) 萬順昌集團應佔之股本權益百分比(i)	Principal activities 主要業務
*VSC Steel (Shenzhen) Co., Ltd. (iii) 萬順昌鋼鐵(深圳)有限公司(iii)	Mainland China 中國內地	HK\$20,000,000 20,000,000港元	100%	Stockholding and trading of steel 存銷及買賣鋼材
*VSC Steel (Shanghai) Co., Ltd. (iii) 亞萬鋼國際貿易(上海)有限公司(iii)	Mainland China 中國內地	US\$6,480,000 6,480,000美元	100%	Stockholding and trading of steel 存銷及買賣鋼材
VSC Steel Company Limited 萬順昌鋼鐵有限公司	Hong Kong 香港	HK\$38,000 ordinary HK\$20,000,000 non-voting deferred (ii) 38,000港元普通股 20,000,000港元無投票權遞延股(ii)	100%	Stockholding and trading of steel 存銷及買賣鋼材
VSC Steel Products Company Limited 萬順昌鋼鐵制品有限公司	Hong Kong 香港	HK\$2 2港元	60%	Trading of processed rolled flat steel products 買賣加工卷鋼產品
*VSC Trading (Shezhen) Co., Ltd (iii) 金運貿易(深圳)有限公司(iii)	Mainland China 中國內地	HK\$2,400,000 2,400,000港元	100%	Trading of plastics resins and stockholding of sanitary wares 買賣塑膠及存銷潔具

Notes:

- (i) The shares of Van Shung Chong (B.V.I.) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.

附註：

- (i) Van Shung Chong (B.V.I.) Limited之股份由本公司直接持有。其他附屬公司之股份則屬間接持有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Notes: (continued)

- (ii) These non-voting deferred shares are owned by the VSC Group. The non-voting deferred shares have no voting rights, are not entitled to any distributions upon winding up unless a sum of HK\$2,000,000,000 per share has been distributed to the holders of ordinary shares for Van Shung Chong Hong Limited or a sum of HK\$10,000,000,000 has been distributed to the holders of ordinary shares for VSC Steel Company Limited.
- (iii) Dongguan Van Shung Chong Steel Products Co., Ltd. is a contractual joint venture established in Mainland China with an operating period of 24 years to 2019. Guangzhou Shenchang Metal Products Co., Ltd. is a co-operation joint venture established in Mainland China with an operating period of 50 years to 2043. Leisure Plus International Trading (Shanghai) Co., Ltd. and VSC Steel (Shanghai) Co., Ltd. are wholly foreign owned enterprises established in Mainland China with an operating period of 20 years to 2023. Shanghai Bao Shun Chang International Trading Co., Ltd. is an equity joint venture established in Mainland China with an operating period of 20 years to 2014. Tianjin Van Shung Chong Metal Products Co., Ltd. is a 57% foreign owned enterprise established in Mainland China with an operating period of 50 years to 2052. VJY Telecommunication Equipment (Shenzhen) Company Limited is a wholly foreign owned enterprise established in Mainland China with an operating period of 15 years to 2016. VSC Advanced Material (Kunshan) Co., Ltd. is a 54% foreign owned enterprise established in Mainland China with an operating period of 50 years to 2056. VSC Steel (Shenzhen) Co., Ltd. is a wholly foreign owned enterprise established in Mainland China with an operating period of 30 years to 2035. VSC Trading (Shenzhen) Co., Ltd. is a wholly foreign owned enterprise established in Mainland China with an operating period of 20 years to 2024. Leisure Plus Trading (Shenzhen) Co., Ltd. is a wholly foreign owned enterprise established in Mainland China with an operating period of 20 years to 2027.

* The English names of these subsidiaries represent the best effort by management of the VSC Group in translating their registered Chinese names as they do not have official English names.

The above lists the principal subsidiaries which principally affected the results or formed a substantial portion of the net assets of the VSC Group. To give details of other subsidiaries would, in the opinion of the Company's Directors and the VSC Group's management, result in particulars of excessive length.

None of the subsidiaries had any loan capital in issue at any time during the year ended 31st March 2008.

19 於附屬公司之投資(續)

附註：(續)

- (ii) 此等無投票權遞延股份由萬順昌集團擁有。無投票權遞延股份並無投票權，亦無權於清盤時分享股息及除非萬順昌行有限公司普通股持有人已獲分派每股普通股2,000,000,000港元之款額或萬順昌鋼鐵有限公司之普通股持有人已獲分派10,000,000,000港元之款額外。
- (iii) 東莞萬順昌鋼鐵制品有限公司乃一間於中國內地成立之中外合營企業，經營期為24年，至二零一九年止。廣州神昌金屬制品有限公司乃一間於中國內地成立之中外合作企業，經營期為50年，至二零四三年止。利尚派國際貿易(上海)有限公司及亞萬鋼國際貿易(上海)有限公司乃於中國內地成立之外資企業，經營期為20年，至二零二三年止。上海寶順昌國際貿易有限公司乃一間於中國內地成立之合資合營企業，經營期為20年，至二零一四年止。天津萬順昌金屬制品有限公司乃一間於中國內地成立外資擁有57%股權之企業，經營期為50年，至二零五二年止。萬嘉源通訊設備(深圳)有限公司乃一間於中國內地成立之外資企業，經營期為15年，至二零一六年止。萬順昌高新材料(昆山)有限公司乃一間於中國內地成立外資擁有54%股權之企業，經營期為50年，至二零五六年止。萬順昌鋼鐵(深圳)有限公司乃一間於中國內地成立之外資企業，經營期為30年，至二零三五年止。金運貿易(深圳)有限公司乃一間於中國內地成立之外資企業，經營期為20年，至二零二四年止。利尚派貿易(深圳)有限公司乃一間於中國內地成立之外資企業，經營期為20年，至二零二七年止。

* 由於該等附屬公司並無正式英文名稱，其英文名稱乃係萬順昌集團之管理人員據其註冊中文名稱作最佳翻譯。

上述已列出主要影響萬順昌集團之業績或組成萬順昌集團淨資產之大部份主要附屬公司。本公司之董事及萬順昌集團之管理層認為提供其他附屬公司之詳情將使篇幅過於冗長。

於二零零八年三月三十一日止年度之任何期間，各附屬公司並無任何已發行貸款資本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES 20 於聯營公司之投資／應收聯營公司

	Consolidated		
	綜合		
	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Share of net assets	155,951	5,832	應佔之淨資產
Goodwill	2,931	—	商譽
Investment cost	158,882	5,832	投資成本
Amounts due from associates	16,927	510	應收聯營公司

The movements of share of net assets of associates are as follows:

應佔聯營公司之淨資產之變動如下：

	Consolidated		
	綜合		
	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
At 1st April	5,832	5,832	於四月一日
Additional investments in associates	62,257	—	增加於聯營公司之投資
Increase in investment in an associate to a subsidiary (Note 35(e))	(57,425)	—	增持於一間聯營公司之投資成為一間附屬公司(附註35(e))
Deemed acquisition of an associate through increase in investment in an associate to a subsidiary (Note 35(e))	119,115	—	視作收購一間聯營公司透過增持於一間聯營公司之投資成為一間附屬公司(附註35(e))
Decrease in investment in a subsidiary and recognise it as an associate (Note 35(d))	2,979	—	減持於一間附屬公司之投資及確認為一間聯營公司(附註35(d))
Share of associates' results			應佔聯營公司之業績
— share of profit	12,783	—	— 應佔溢利
— negative goodwill	12,453	—	— 負商譽
Exchange difference	888	—	滙兌差額
At 31st March	158,882	5,832	於三月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES (CONTINUED)

The VSC Group's share of the revenues and results of its associates, all of which are unlisted, and their aggregated assets and liabilities, are as follows:

20 於聯營公司之投資／應收聯營公司(續)

萬順昌集團於全非上市之聯營公司之應佔收入及業績及其總資產及負債如下：

Name	Registered and paid-up share capital	Place of incorporation	Attributable to the VSC Group				Percentage of equity interest attributable to the VSC Group
			Assets	Liabilities	Revenues	Profit	
名稱	註冊及已繳股本	註冊成立地點	資產	負債	收入	溢利	萬順昌集團應佔之股本權益百分比
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	
			千港元	千港元	千港元	千港元	
As at 31st March 2008							
於二零零八年三月三十一日							
Fit Team Holdings Limited (i)	US\$10,050,002	British Virgin Islands	—	—	1,025	18,230	50%
(up to 26th March 2008 when it became a subsidiary)	10,050,002美元	英屬處女群島					
(直至二零零八年三月二十六日成為一間附屬公司為止)							
China Able Limited (ii)	US\$26,190,000	British Virgin Islands	219,068	(99,953)	—	—	33.3%
	26,190,000美元	英屬處女群島					
VSC Hotel Investments Limited (iii)	US\$50	British Virgin Islands	51,216	(22,043)	3,528	6,066	44%
	50美元	英屬處女群島					
Protection Asia Limited (iv)	US\$1,000	Samoa	2,978	(2,975)	53	—	37.5%
	1,000美元	薩摩亞					
*Changshu Baoshunchang Electromechanical Manufacturing Co., Ltd. (v)	US\$6,400,000	Mainland China	23,970	(16,310)	34,857	940	34.9%
常熟寶順昌機電製造有限公司(v)	6,400,000美元	中國內地					
			297,232	(141,281)	39,463	25,236	
As at 31st March 2007							
於二零零七年三月三十一日							
*Changshu Baoshunchang Electromechanical Manufacturing Co., Ltd. (v)	US\$6,400,000	Mainland China	11,706	(5,874)	—	—	34.9%
常熟寶順昌機電製造有限公司(v)	6,400,000美元	中國內地					

* The English name of the associate represents the best effort by management of the VSC Group in translating the registered Chinese name as it does not have an official English name

* 由於該聯營公司並無正式英文名稱，其英文名稱乃係萬順昌集團之管理人員據其註冊中文名稱作最佳翻譯。

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綜合財務報表附註

20 INVESTMENTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES (CONTINUED)

Notes:

- (i) Fit Team Holdings Limited ("Fit Team") was a company of which 50% of its equity interest was held by the VSC Group starting from 18th May 2007 and it was recognised by the VSC Group as an associate. On 26th March 2008, the VSC Group has further acquired the remaining 50% equity interest of Fit Team and it was recognised by the VSC Group as a wholly owned subsidiary since then. The share of the associate's profit ceased on the date of the further acquisition and it was consolidated to the VSC Group.
- (ii) China Able Limited ("China Able") is a contractual joint venture which is held in equal shares between Fit Team, a wholly owned subsidiary of the VSC Group since 26th March 2008, Nanyang Industrial (China) Limited, an independent third-party and Marvel Champ Investments Limited, another independent third-party. China Able became an associate of the VSC Group since 26th March 2008 on which Fit Team became the subsidiary of the VSC Group.
- (iii) VSC Hotel Investments Limited ("VSC Hotel") became an associate of the VSC Group when the VSC Group disposed 50% VSC Hotel on 25th July 2007 to Far Profit Limited ("Far Profit"), reducing its equity interest in VSC Hotel from 90% to 40%. Subsequently, the VSC Group further invested 4% in VSC Hotel, increasing its equity interest from 40% to 44% and negative goodwill of approximately HK\$1,128,000 was recognised. A call option was granted by the shareholder of Far Profit in February 2008 which allowed the VSC Group to acquire 100% equity interest of Far Profit from 1st November 2008 to 30th April 2010. If the existing shareholding in VSC Hotel remains unchanged, VSC Hotel will become the subsidiary of the VSC Group upon the exercise of the call option.
- (iv) Protection Asia Limited became an associate of the VSC Group when 37.5% of its equity interest was acquired by CAMP (B.V.I.) Holdings Limited, a wholly owned subsidiary of the VSC Group, on 1st September 2007. Goodwill of approximately HK\$2,931,000 arose from the investment in this associate.
- (v) Changshu Baoshunchang Electromechanical Manufacturing Co., Ltd became an associate of the VSC Group since November 2005. It is a contractual joint venture established in Mainland China with an operating period of 30 years to 2035.

20 於聯營公司之投資／應收聯營公司(續)

附註：

- (i) 自二零零七年五月十八日起，萬順昌集團擁有Fit Team Holdings Limited (「Fit Team」)之50%股本權益及確認為萬順昌集團之一間聯營公司。於二零零八年三月二十六日，萬順昌集團進一步收購Fit Team餘下之50%股本權益並自此確認Fit Team成為萬順昌集團之一間全資附屬公司。應佔聯營公司之溢利因此在進一步收購當日結束，並綜合於萬順昌集團內。
- (ii) China Able Limited (「China Able」)乃一間由Fit Team(其自二零零八年三月二十六日後，成為萬順昌集團之一間全資附屬公司)、Nanyang Industrial (China) Limited，為獨立第三者及Marvel Champ Investments Limited，為另一獨立第三者共同持有等額股份之合營企業。自二零零八年三月二十六日，當Fit Team成為萬順昌集團之一間附屬公司後，China Able亦成為萬順昌集團之一間聯營公司。
- (iii) 當萬順昌集團於二零零七年七月二十五日出售其於VSC Hotel Investments Limited (「VSC Hotel」)之50%權益予Far Profit Limited (「Far Profit」)，其權益由90%減少至40%，Far Profit因此成為萬順昌集團之一間聯營公司。其後，萬順昌集團進一步投資4%於VSC Hotel，並提高其股本權益由40%至44%及確認約1,128,000港元之負商譽。Far Profit之股東於二零零八年二月授予萬順昌集團一個認購權，允許萬順昌集團於二零零八年十一月一日至二零一零年四月三十日期間收購Far Profit 100%之股本權益。如果VSC Hotel之股權維持不變，當萬順昌集團行使其認購權，VSC Hotel便會成為萬順昌集團之附屬公司。
- (iv) 自二零零七年九月一日起，當萬順昌集團之一間全資附屬公司，CAMP (B.V.I.) Holdings Limited，收購Protection Asia Limited 37.5%之股本權益後，其便成為萬順昌集團之一間聯營公司。約2,931,000港元之商譽由於投資此聯營公司所引致。
- (v) 常熟寶順昌機電制造有限公司自從二零零五年十一月成為萬順昌集團之一間聯營公司，此乃一間於中國內地成立之中外合營企業，經營期30年，至二零三五年止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES (CONTINUED)

The amounts due from associates are unsecured, non-interest bearing and without pre-determined repayment terms.

The carrying amounts approximated their fair values and were not impaired as at 31st March 2008 and 2007. The amounts due from associates were denominated in Chinese Renminbi.

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The balances shown in the balance sheet, after appropriate offsetting, are as follows:

20 於聯營公司之投資／應收聯營公司(續)

應收聯營公司為無抵押的，不計利息及並無預定之還款期。

於二零零八年及二零零七年三月三十一日，其賬面金額與其公平價值相約，並沒有減值。應收聯營公司以人民幣列賬。

21 遞延所得稅資產／(負債)

遞延所得稅資產及負債只可在現行所得稅資產及負債有合法權利下及遞延所得稅為同一稅務機關下，方可互相抵銷。經適當抵銷後於資產負債表上之結餘如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Deferred income tax assets:			遞延所得稅資產：
— Deferred income tax asset to be recovered after 12 months	27,208	7,131	— 將於十二個月後收回之遞延所得稅資產
— Deferred income tax asset to be recovered within 12 months	4,187	16,198	— 將於十二個月內收回之遞延所得稅資產
	31,395	23,329	
Deferred income tax liabilities:			遞延所得稅負債：
— Deferred income tax liabilities to be settled after 12 months	(2,268)	(2,301)	— 將於十二個月後清償之遞延所得稅項負債
Net deferred income tax assets	29,127	21,028	遞延所得稅資產淨額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

The movements in net deferred income tax assets are as follow:

21 遞延所得稅資產／(負債)(續)

淨遞延所得稅資產變動如下：

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
At 1st April	21,028	14,811	於四月一日
Recognised in the income statement (Note 11)	6,596	6,217	已於損益表中確認 (附註11)
Exchange differences	1,503	—	滙兌差額
At 31st March	29,127	21,028	於三月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

The movements in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred tax assets:

21 遞延所得稅資產／(負債)(續)

本年度期間，並無考慮相同司法權區內之結餘抵銷之遞延所得稅資產及負債之變動如下：

遞延所得稅資產：

	Consolidated					
	Fair value losses of investment properties	Provisions	Cumulative tax losses	Decelerated depreciation	Total	
	投資物業之公平價值虧損	撥備	累計稅項虧損	減慢折舊	總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	
At 1st April 2006	—	6,982	11,307	—	18,289	於二零零六年四月一日
Credited/(charged) to the income statement	853	(2,843)	6,571	497	5,078	已於損益表中計入／(扣除)
At 31st March 2007/1st April 2007	853	4,139	17,878	497	23,367	於二零零七年三月三十一日／二零零七年四月一日
(Charged)/credited to the income statement	(198)	(2,523)	9,400	(32)	6,647	已於損益表中(扣除)／計入
Exchange differences	—	195	1,308	—	1,503	滙兌差額
At 31st March 2008	655	1,811	28,586	465	31,517	於二零零八年三月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

Deferred tax liabilities:

21 遞延所得稅資產／(負債)(續)

遞延所得稅負債：

	Accelerated depreciation	Consolidated 綜合 Fair value gains of investment properties 投資物業 之公平價 值收益	Total	
	加速折舊 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1st April 2006	(1,286)	(2,192)	(3,478)	於二零零六年四月一日
Credited to the income statement	1,139	—	1,139	已於損益表中計入
At 31st March 2007/ 1st April 2007	(147)	(2,192)	(2,339)	於二零零七年三月 三十一日／ 二零零七年四月一日
Charged to the income statement	(13)	(38)	(51)	已於損益表中扣除
At 31st March 2008	(160)	(2,230)	(2,390)	於二零零八年三月 三十一日

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31st March 2008, the deferred income tax assets recognised from tax loss of approximately HK\$10,815,000 (2007: HK\$9,648,000) can be carried forward indefinitely.

遞延所得稅資產乃因應相關稅務利益透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零零八年三月三十一日，已就稅項虧損所確認之遞延所得稅資產約10,815,000港元(二零零七年：9,648,000港元)，該金額可以無限期結轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

The VSC Group did not recognise deferred income tax assets of approximately HK\$19,772,000 (2007: HK\$4,233,000) in which approximately HK\$4,479,000 arose from change in the tax rates during the year, in respect of losses amounting to approximately HK\$85,906,000 (2007: HK\$23,696,000) that can be carried forward against future taxable income. As at 31st March 2008, the cumulative tax losses of approximately HK\$4,857,000 (2007: HK\$21,333,000) can be carried forward indefinitely while tax losses of approximately HK\$81,049,000 (2007: HK\$2,363,000) will expire in five years.

21 遞延所得稅資產／(負債)(續)

萬順昌集團並無就約85,906,000港元之虧損(二零零七年: 23,696,000港元)確認約19,772,000港元(二零零七年: 4,233,000港元)之遞延所得稅資產,其中約4,479,000港元由稅率轉變所引致,該金額可以結轉後期作未來應課稅收。於二零零八年三月三十一日,累計稅項虧損約4,857,000港元(二零零七年: 21,333,000港元)可以無限期結轉後期而稅項虧損約81,049,000港元(二零零七年: 2,363,000港元)將於五年內失效。

22 AVAILABLE-FOR-SALE FINANCIAL ASSETS

22 可供出售之財務資產

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Listed securities — equity securities in Hong Kong	—	5,822	上市證券 — 香港股本證券
Unlisted securities	7,055	7,170	非上市證券
	7,055	12,992	
Market value of listed securities	—	5,822	上市證券之市值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED) 22 可供出售之財務資產(續)

Movements were:

變動為：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
At 1st April	12,992	13,372	於四月一日
Additions	—	4	添置
Disposals	(6,098)	(277)	出售
Impairment	(595)	(1,473)	減值
Net revaluation surplus recognised in reserve (Note 34)	756	1,366	已於儲備中確認之淨重估盈餘(附註34)
At 31st March	7,055	12,992	於三月三十一日

As at 31st March 2007, investment in shares listed in Hong Kong mainly represents approximately 6.6% equity interests in North Asia Strategic Holdings Limited, a company incorporated in Bermuda amounting to approximately HK\$5,132,000. The shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

於二零零七年三月三十一日，於香港上市之股份投資主要包括於百慕達註冊成立之北亞策略控股有限公司約6.6%之股本權益，投資額約為5,132,000港元。其於香港聯合交易所有限公司創業板上市。

As at 31st March 2008, unlisted available-for-sale financial assets were stated at fair values as determined by the directors based on valuations assessed by Grant Sherman Appraisal Limited, independent qualified valuers. As at 31st March 2008, the VSC Group has an impairment provision on an available-for-sale financial asset of approximately HK\$595,000 (2007: HK\$1,473,000).

於二零零八年三月三十一日，非上市之可供出售之財務資產由董事按獨立合資格估值師中證評估有限公司所釐定之公平價值之估值列賬。於二零零八年三月三十一日，萬順昌集團已為一項約595,000港元(二零零七年：1,473,000港元)之可供出售之財務資產作減值撥備。

All available-for-sale financial assets were denominated in United States Dollar.

所有可供出售之財務資產以美元列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 DERIVATIVE FINANCIAL INSTRUMENTS

23 衍生金融工具

	Consolidated				
	綜合				
	2008		2007		
	二零零八年		二零零七年		
	Assets	Liabilities	Assets	Liabilities	
資產	負債	資產	負債		
HK\$'000	HK\$'000	HK\$'000	HK\$'000		
千港元	千港元	千港元	千港元		
A call option granted by a third party to acquire a company (Note (20(iii)))	10,190	—	—	—	第三者授予用作收購一間公司之認購權(附註20(iii))
Call/put options granted to/by a third party to dispose certain interests in a subsidiary (Note 36)	1,310	1,212	57,270	56,027	授予第三者／第三者授予用作出售於一間附屬公司若干權益之認購權／認沽權(附註36)
Interest rate instrument (Note (i))	—	1,378	—	7,592	利率工具(附註(i))
Currency swap instruments (Note (ii))	4,537	—	—	—	貨幣掉期工具(附註(ii))
Forward foreign exchange contracts — held for trading (Note (iii))	629	3,319	1,704	—	遠期外匯合約 — 持有作買賣用途(附註(iii))
Total	16,666	5,909	58,974	63,619	總額
Less non-current portion: Call/put options granted to/by a third party to dispose certain interests in a subsidiary (Note 36)	(1,310)	(1,212)	(57,270)	(56,027)	減去非當期部份： 授予第三者／第三者授予用作出售於一間附屬公司若干權益之認購權／認沽權(附註36)
Interest rate instrument	—	(1,378)	—	(7,592)	利率工具
Current portion	15,356	3,319	1,704	—	當期部份

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

23 衍生金融工具 (續)

	Company				
	本公司				
	2008		2007		
	二零零八年		二零零七年		
	Assets	Liabilities	Assets	Liabilities	
資產	負債	資產	負債		
HK\$'000	HK\$'000	HK\$'000	HK\$'000		
千港元	千港元	千港元	千港元		
Interest rate instrument	—	1,378	—	7,592	利率工具
Currency swap instruments	3,564	—	—	—	貨幣掉期工具
	3,564	1,378	—	7,592	
Less non-current portion:					減去非當期部份：
Interest rate instrument	—	(1,378)	—	(7,592)	利率工具
Current portion	3,564	—	—	—	當期部份

The fair value of a derivative is classified as a non-current asset or liability if the remaining maturity of the underlying item is more than 12 months, and as a current asset or liability if the maturity of the underlying item is less than 12 months.

若被對沖項目之剩餘期間超過12個月，則對沖衍生工具之公平價值分類為非流動資產或負債，而若被對沖項目的剩餘期間少於12個月，則分類為流動資產或負債。

The credit quality of derivative assets has been assessed by reference to historical information about the counterparty default rates. The existing counterparties do not have defaults in the past.

衍生工具之信貸質素，乃根據有關訂約方以往違約比率之資料而評定。現有訂約方於過往並無違約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Notes:

- (i) The notional principal amount of the outstanding interest rate instrument at 31st March 2008 were approximately HK\$28,608,000 (2007: HK\$42,692,000). Gains on the interest rate instrument as of 31st March 2008 were recognised in other gains in the income statement.
- (ii) The total notional principal amounts of the outstanding currency swap contracts at 31st March 2008 were approximately RMB389,340,000 (2007: Nil). Net fair value gains on currency swap contracts as of 31st March 2008 were recognised in other gains in the income statement.
- (iii) The total notional principal amounts of the outstanding forward foreign exchange contracts at 31st March 2008 were approximately HK\$452,724,000 (2007: HK\$344,239,000). Net fair value losses on forward foreign exchange contracts as of 31st March 2008 were recognised in the other losses in the income statement.

The valuations of the call option granted by a third party to acquire a company and the call/put options granted to/by a third party to dispose certain interests of a subsidiary are determined by the directors based on the valuations assessed by Vigers Appraisal & Consulting Limited, independent qualified valuers.

23 衍生金融工具 (續)

附註：

- (i) 於二零零八年三月三十一日，尚有之利率工具之設定本金額約28,608,000港元(二零零七年：42,692,000港元)。於二零零八年三月三十一日，利率工具之收益已確認於損益表之其他收益上。
- (ii) 於二零零八年三月三十一日，尚有之貨幣掉期合約之總設定本金額約人民幣389,340,000元(二零零七年：無)。於二零零八年三月三十一日，貨幣掉期合約之淨公平價值收益已確認於損益表之其他收益上。
- (iii) 於二零零八年三月三十一日，尚有之遠期外匯合約之總設定本金額約452,724,000港元(二零零七年：344,239,000港元)。於二零零八年三月三十一日，遠期外匯合約之淨公平價值虧損已確認於損益表之其他虧損上。

第三者授予用以收購一間公司之認購權及授予第三者或第三者授予用以出售於一間附屬公司之若干權益之認購權／認沽權均由董事按獨立合資格估值師威格斯評值及顧問有限公司之估值釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 INVENTORIES

24 存貨

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Raw materials	261,683	208,872	原材料
Work in progress	12,409	19,761	半製成品
Finished goods	541,285	359,239	製成品
	815,377	587,872	

The costs of inventories recognised as expenses and included in cost of sales in the income statement amounted to approximately HK\$5,294,822,000 (2007: HK\$4,449,055,000).

As at 31st March 2008, inventories of approximately HK\$152,414,000 (2007: HK\$62,724,000) were pledged as collaterals for certain of the VSC Group's bank borrowing, and certain inventories were held under trust receipts bank loan arrangements (Note 31).

約5,294,822,000港元(二零零七年: 4,449,055,000港元)存貨成本已確認為支出並已包括在損益表之銷售成本中。

於二零零八年三月三十一日,約152,414,000港元(二零零七年: 62,724,000港元)之存貨被抵押作為萬順昌集團若干銀行借貸之抵押品,同時若干存貨是以銀行信託收據貸款之安排下持有(附註31)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 DUE FROM CUSTOMERS ON INSTALLATION CONTRACT WORK 25 應收客戶之安裝合約工程

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Costs plus recognised profits less foreseeable losses	163,078	162,785	成本加已確認之溢利減可預見虧損
Less: Progress billings received and receivable	(160,378)	(158,850)	減：已收及應收之進度賬款
	2,700	3,935	

As at 31st March 2008, the amount due from customers on installation contract work has aged over 365 days. The carrying amount approximated its fair value and it was not impaired. It is the industry's practice that the remaining balance will be settled after 3 to 5 years.

於二零零八年三月三十一日，應收客戶之安裝合約工程之賬齡已超過365日。其賬面金額與其公平價值相約。由於行業慣例於三至五年後才收回餘款，因此並沒有進行減值。

26 TRADE AND BILL RECEIVABLES/LOAN RECEIVABLES 26 應收賬款及票據／應收貸款

(a) Trade and bill receivables

(a) 應收賬款及票據

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Trade and bill receivables	816,333	789,094	應收賬款及票據
Less: provision for impairment of trade receivables	(21,535)	(19,742)	減：應收賬款減值撥備
Trade and bill receivables, net	794,798	769,352	應收賬款及票據，淨額

Sales are either covered by (i) letters of credit with bill payable at sight or (ii) open account with credit terms of 15 to 90 days.

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90日不等。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 TRADE AND BILL RECEIVABLES/LOAN RECEIVABLES (CONTINUED)

(a) Trade and bill receivables (continued)

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

26 應收賬款及票據／應收貸款(續)

(a) 應收賬款及票據(續)

應收賬款及票據根據發票日期之賬齡分析如下：

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
0 to 60 days	623,513	558,971	0 — 60日
61 to 120 days	146,660	161,031	61 — 120日
121 to 180 days	16,641	13,837	121 — 180日
181 to 365 days	11,989	23,649	181 — 365日
Over 365 days	17,530	31,606	超過365日
	816,333	789,094	
Less: Provision for impairment of trade receivables	(21,535)	(19,742)	減：應收賬款減值撥備
	794,798	769,352	

Included in trade and bill receivables as at 31st March 2008 were retentions from installation contract work of approximately HK\$1,626,000 (2007: HK\$1,654,000), which were not due for collection until satisfaction of the conditions specified in the underlying contracts.

There is no concentration of credit risk with respect to trade and bill receivables as there are a large number of widely dispersed customers.

於二零零八年三月三十一日，包括在應收賬款及票據內約1,626,000港元(二零零七年：1,654,000港元)為安裝合約工程之保固金，該等款項將直至達成合約所指明之條款後才可收回。

由於擁有眾多分散之顧客，應收賬款及票據並無信貸集中風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 TRADE AND BILL RECEIVABLES/LOAN RECEIVABLES (CONTINUED)

(a) Trade and bill receivables (continued)

Movements on the provision for impairment of trade receivables are as follows:

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
At 1st April	19,742	15,105	於四月一日
Provision recognised in the income statement	19,676	14,589	已於損益表中確認之撥備
Provision written back in income statement	(3,764)	(7,148)	已於損益表中撤回之撥備
Provision written off	(14,848)	(2,946)	撇銷撥備
Exchange difference	729	142	滙兌差額
At 31st March	21,535	19,742	於三月三十一日

As at 31st March 2008, trade receivables of approximately HK\$21,535,000 (2007: HK\$19,742,000) were impaired. The amount of net provision recognised in the income statement during the year was approximately HK\$15,912,000 (HK\$7,441,000). The ageing analysis of these receivables is as follows:

於二零零八年三月三十一日，應收賬款約減值21,535,000港元（二零零七年：19,742,000港元）。在本年度期間，已於損益表中確認之淨撥備金額約15,912,000港元（二零零七年：7,441,000港元）。其應收賬款賬齡分析如下：

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
0 to 60 days	1,860	—	0—60日
61 to 120 days	2,307	—	61—120日
121 to 180 days	247	—	121—180日
181 to 365 days	1,833	73	181—365日
Over 365 days	15,288	19,669	超過365日
	21,535	19,742	

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綜合財務報表附註

26 TRADE AND BILL RECEIVABLES/LOAN RECEIVABLES (CONTINUED)

(a) Trade and bill receivables (continued)

The ageing analysis of trade receivables past due but not impaired is as follows:

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
0 to 60 days	267,777	211,032	0 — 60日
61 to 120 days	23,176	52,583	61 — 120日
121 to 180 days	4,156	13,482	121 — 180日
181 to 365 days	6,170	21,125	181 — 365日
Over 365 days	817	8,381	超過365日
	302,096	306,603	

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2008.

淨應收賬款及票據之賬面金額與其於二零零八年三月三十一日之公平價值相約。

Trade and bill receivables were denominated in the following currencies:

應收賬款及票據包含下列貨幣：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Chinese Renminbi	317,610	372,965	人民幣
Hong Kong dollar	272,274	271,320	港元
United States dollar	225,841	141,728	美元
Other	608	3,081	其他
	816,333	789,094	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 TRADE AND BILL RECEIVABLES/LOAN RECEIVABLES (CONTINUED)

(b) Loan receivables

Loan receivable of approximately HK\$21,000,000 is secured by certain assets of the borrower. The remaining loan receivable of approximately HK\$1,472,000 is unsecured and interest bearing at prime rate quoted by the Hong Kong and Shanghai Banking Corporation Limited. These loan receivables are repayable by December 2008 and the carrying amounts approximated their fair values as at 31st March 2008. They were denominated in the following currencies:

26 應收賬款及票據／應收貸款（續）

(b) 應收貸款

約21,000,000港元之應收貸款由借款人之若干資產作抵押。其餘約1,472,000港元之應收貸款為無抵押的及按香港上海滙豐銀行所報之最優惠利率計息。應收貸款須於二零零八年十二月償還，及其賬面金額與其於二零零八年三月三十一日之公平價值相約。應收貸款包含下列貨幣：

	Consolidated		
	綜合		
	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Hong Kong dollar	21,000	—	港元
United States dollar	1,472	—	美元
	22,472	—	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

27 預付款項、按金及其他應收賬款

	Consolidated		
	綜合		
	2008	2007	
	二零零八年 HK\$'000 千港元	二零零七年 HK\$'000 千港元	
Prepayment for purchases	238,544	138,340	預付採購款項
Rental and other deposits	4,508	5,110	租金及其他按金
Dividends receivable	4,075	1,923	應收股息
Value added tax recoverable	6,611	4,116	可收回增值稅
Consideration receivable arising from disposals of certain interest in a subsidiary	—	7,800	出售於一間附屬公司之若干權益所引致之應收代價
Other receivables and advances	18,097	60,495	其他應收賬款及墊款
Others	2,921	3,082	其他
	274,756	220,866	
Less: Provision for impairment of other receivables	(10,442)	(3,438)	減：其他應收賬款減值撥備
	264,314	217,428	

Movements on the provision for impairment of other receivables are as follows:

其他應收賬款減值撥備之變動如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年 HK\$'000 千港元	二零零七年 HK\$'000 千港元	
At 1st April	3,438	1,103	於四月一日
Provision recognised in the income statement	14,797	5,752	已於損益表中確認之撥備
Provision written off	(7,793)	(3,417)	撤銷撥備
At 31st March	10,442	3,438	於三月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

As at 31st March 2008, other receivables of approximately HK\$10,442,000 (2007: HK\$3,438,000) has aged over 365 days and were impaired. The amount of provision recognised in the income statement during the year was approximately HK\$14,797,000 (2007: HK\$5,752,000).

The credit quality of other receivables neither past due nor impaired has been assessed by reference to the historical information about the counterparty default rates. The existing counterparties do not have defaults in the past.

The carrying amounts of prepayments, deposits and other receivables approximated their fair values as at 31st March 2008. They were denominated in the following currencies:

27 預付款項、按金及其他應收賬款(續)

於二零零八年三月三十一日，約10,442,000港元(二零零七年：3,438,000港元)之其他應收賬款已超過365日並已減值。在本年度期間，已於損益表中確認之撥備約14,797,000港元(二零零七年：5,752,000港元)。

並無逾期亦無減值之其他應收賬款之信貸質素，乃根據有關訂約方以往違約比率之資料而評定。現有訂約方於過往並無違約。

預付款項、按金及其他應收賬款之賬面金額與其於二零零八年三月三十一日之公平價值相約。預付款項、按金及其他應收賬款包含下列貨幣：

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Chinese Renminbi	255,093	204,189	人民幣
United States dollar	13,100	10,885	美元
Hong Kong dollar	6,563	5,792	港元
	274,756	220,866	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS

28 已抵押銀行存款／現金及現金等值

	Consolidated		Company		
	綜合		本公司		
	2008	2007	2008	2007	
	二零零八年	二零零七年	二零零八年	二零零七年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Cash on hand	432	368	—	—	手頭現金
Cash at bank	214,634	195,115	693	613	銀行存款
Short-term bank deposits	270,946	138,941	15,317	11,388	短期銀行存款
	486,012	334,424	16,010	12,001	
Maximum exposure to credit risk	485,580	334,056	16,010	12,001	最高信貸風險損失

Pledged bank deposits and cash and cash equivalents were denominated in the following currencies:

已抵押銀行存款及現金及現金等值包含下列貨幣：

	Consolidated		Company		
	綜合		本公司		
	2008	2007	2008	2007	
	二零零八年	二零零七年	二零零八年	二零零七年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Hong Kong dollar	68,032	24,141	514	432	港元
Chinese Renminbi	115,230	119,430	—	—	人民幣
United States dollar	301,442	187,732	15,496	11,569	美元
Euro	1,021	738	—	—	歐羅
Others	287	2,383	—	—	其他
	486,012	334,424	16,010	12,001	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS (CONTINUED)

As at 31st March 2008, bank deposits of approximately HK\$213,028,000 (2007: HK\$26,081,000) were pledged as collateral for the VSC Group's bank borrowings and of approximately HK\$1,549,000 (2007: HK\$3,769,000) was restricted as custom deposits in Mainland China.

As at 31st March 2008, bank deposits approximately HK\$15,317,000 (2007: HK\$11,388,000) were pledged as collateral for the Company.

As at 31st March 2008, cash and cash equivalents and bank deposits totalling approximately HK\$115,230,000 (2007: HK\$119,430,000) were denominated in Chinese Renminbi, which is not a freely convertible currency in the international market and its exchange rate is determined by the People's Bank of China.

The effective interest rate on bank deposits was 3.5% (2007: 3.8%) per annum. These deposits have an average maturity period of 30 days (2007: 30 days).

29 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 210 days.

Ageing analysis of trade and bill payables is as follows:

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
0 to 60 days	357,358	228,077	0 — 60日
61 to 120 days	25,416	42,860	61 — 120日
121 to 180 days	8,864	21,412	121 — 180日
181 to 365 days	9,092	3,350	181 — 365日
Over 365 days	687	5,332	超過365日
	401,417	301,031	

28 已抵押銀行存款／現金及現金等值(續)

於二零零八年三月三十一日，約213,028,000港元(二零零七年：26,081,000港元)之銀行存款作為萬順昌集團銀行信貸之抵押品，及約1,549,000港元(二零零七年：3,769,000港元)之限制現金為中國內地海關保證金。

於二零零八年三月三十一日，銀行存款約15,317,000港元(二零零七年：11,388,000港元)已作本公司之抵押品。

於二零零八年三月三十一日，萬順昌集團之現金及現金等值及銀行存款中約有115,230,000港元(二零零七年：119,430,000港元)以人民幣列賬，該貨幣並不能在國際市場自由兌換及其匯率是由中國人民銀行釐定。

銀行存款之實際年利率為3.5%(二零零七年：3.8%)。此等存款之平均到期日為30天(二零零七年：30天)。

29 應付賬款及票據

與供應商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210日不等。

應付賬款及票據之賬齡分析如下：

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綜合財務報表附註

29 TRADE AND BILL PAYABLES (CONTINUED)

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2008. Trade and bill payables were denominated in the following currencies:

29 應付賬款及票據(續)

應付賬款及票據之賬面金額與其於二零零八年三月三十一日之公平價值相約。應付賬款及票據包含下列貨幣：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Hong Kong dollar	22,263	23,634	港元
Chinese Renminbi	49,882	85,785	人民幣
United States dollar	329,272	191,612	美元
	401,417	301,031	

30 ACCRUED LIABILITIES AND OTHER PAYABLES

30 應計負債及其他應付賬款

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Accrual for employment costs	15,817	4,944	應計僱員成本
Accrual for operating expenses	28,906	25,813	應計經營支出
Value added tax payables	16,896	9,830	應付增值稅
	61,619	40,587	

The carrying amounts of accrued liabilities and other payables approximated their fair values as at 31st March 2008. They will be mature within one year.

應計負債及其他應付賬款之賬面金額與其於二零零八年三月三十一日之公平價值相約。應計負債及其他應付賬款將於一年內到期。

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綜合財務報表附註

30 ACCRUED LIABILITIES AND OTHER PAYABLES (CONTINUED)

They were denominated in the following currencies:

30 應計負債及其他應付賬款(續)

包含下列貨幣：

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Chinese Renminbi	45,122	30,324	人民幣
Hong Kong dollar	16,497	10,263	港元
	61,619	40,587	

The Company's accrued liabilities represents accrual for operating expenses. The carrying amounts of these accrued liabilities approximated their fair values as at 31st March 2008. They will be mature within one year. They were denominated in Hong Kong dollar.

本公司之應計負債為應計經營支出。應計負債之賬面金額與其於二零零八年三月三十一日之公平價值相約。應計負債以港元列賬並將於一年內到期。

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綜合財務報表附註

31 BORROWINGS

31 借貸

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Non-current			非當期
— Long-term bank loans, secured	117,690	27,300	— 長期銀行貸款，抵押的
Current			當期
— Trust receipts bank loans, secured	751,302	472,835	— 信託收據銀行貸款，抵押的
— Short-term bank loans, secured	281,957	203,052	— 短期銀行貸款，抵押的
— Long-term bank loan, secured, current portion	31,780	7,800	— 長期銀行貸款，抵押的，當期部份
	1,065,039	683,687	
Total borrowings	1,182,729	710,987	借貸總額

The VSC Group's borrowings are repayable as follows:

萬順昌集團之借貸還款期如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Within one year	1,065,039	683,687	1年內
Between one and two years	62,900	7,800	1至2年
Between two and five years	54,790	19,500	2至5年
	1,182,729	710,987	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 BORROWINGS (CONTINUED)

The Company's borrowings which are classified as non-current bank borrowings are repayable as follows:

	Company		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Between one and two years	7,780	7,800	1至2年
Between two and five years	11,670	19,500	2至5年
	19,450	27,300	

The VSC Group's borrowings are secured by:

- (i) pledge of buildings of the VSC Group of approximately HK\$29,964,000 (2007: HK\$12,645,000) (Note 15);
- (ii) pledge of leasehold land and land use rights of the VSC Group approximately HK\$17,509,000 (2007: HK\$12,554,000) (Note 17);
- (iii) pledge of the VSC Group's inventories of approximately HK\$152,414,000 (2007: HK\$62,724,000) and certain of VSC Group's inventories held under trust receipts bank loan arrangements (Note 24);
- (iv) pledge of the VSC Group's bank deposits of approximately HK\$213,028,000 (2007: HK\$26,081,000) (Note 28); and
- (v) guarantees provided by the Company of approximately HK\$1,227,347,000 (2007: HK\$1,426,787,000) (Note 37).

31 借貸(續)

本公司之借貸分類為非流動銀行借貸者，還款期如下：

萬順昌集團之借貸由下列各項作抵押：

- (i) 萬順昌集團之抵押樓宇約29,964,000港元(二零零七年：12,645,000港元)(附註15)；
- (ii) 萬順昌集團之抵押租賃土地及土地使用權約17,509,000港元(二零零七年：12,554,000港元)(附註17)；
- (iii) 萬順昌集團之抵押存貨約152,414,000港元(二零零七年：62,724,000港元)，同時若干存貨為透過銀行信託收據貸款之安排持有(附註24)；
- (iv) 萬順昌集團之抵押銀行存款約213,028,000港元(二零零七年：26,081,000港元)(附註28)；及
- (v) 本公司提供之擔保約1,227,347,000港元(二零零七年：1,426,787,000港元)(附註37)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 BORROWINGS (CONTINUED)

Borrowings were denominated in the following currencies:

31 借貸(續)

借貸包含下列貨幣：

	Consolidated		Company		
	綜合		本公司		
	2008	2007	2008	2007	
	二零零八年	二零零七年	二零零八年	二零零七年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Hong Kong dollar	744,904	453,203	—	—	港元
United States dollar	256,528	112,955	27,230	35,100	美元
Chinese Renminbi	181,297	144,829	—	—	人民幣
	1,182,729	710,987	27,230	35,100	

The effective annual interest rates of borrowings at the balance sheet dates are as follows:

於結算日，借貸之實際年利率如下：

	2008	2007	
	二零零八年	二零零七年	
Hong Kong dollar	2.8%	4.9%	港元
United States dollar	3.8%	5.9%	美元
Chinese Renminbi	6.9%	5.7%	人民幣

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 SHARE CAPITAL

32 股本

	Company				
	本公司				
	2008		2007		
	二零零八年		二零零七年		
	Number of shares	Nominal value	Number of shares	Nominal value	
股份數目	面值	股份數目	面值		
'000	HK\$'000	'000	HK\$'000		
千股	千港元	千股	千港元		
Authorised (Ordinary shares of HK\$0.10 each)	1,000,000	100,000	1,000,000	100,000	法定(每股面值0.10港元之普通股)
Issued and fully paid (Ordinary shares of HK\$0.10 each)	380,428	38,043	368,605	36,861	已發行及繳足(每股面值0.10港元之普通股)

As at 31st March 2008, the increase in share capital was due to the exercise of certain share options by the employees during the year.

於二零零八年三月三十一日，股本增加是由於員工於本年度期間行使若干之購股權。

33 SHARE OPTIONS

The VSC Group has a share option scheme under which it may grant options to any person being an employee, agent, consultant or representative (including executive directors and non-executive directors) of the VSC Group to subscribe for shares of the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time, excluding for the shares issued on the exercise of options. The exercise price will be determined by the Company's board of directors and shall be at least the highest of (i) the closing price of the Company's shares quoted on The Stock Exchange of Hong Kong Limited on the date of grant of the options, (ii) the average closing prices of the Company's shares quoted on The Stock Exchange of Hong Kong Limited on the five trading days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.10 each.

33 購股權

根據萬順昌集團之購股權計劃，萬順昌集團可授予萬順昌集團之任何僱員、代理人、顧問或代表(包括執行董事及非執行董事)以認購本公司之股份，而不得超過不時已發行本公司股份之30%(行使購股權所發行股份除外)。行使價將由本公司董事會釐定及最少將按以下列中最高者為準：(i)本公司股份於提出授予購股權當日香港聯合交易所有限公司所列之收市價；(ii)本公司股份於緊接提出授予購股權日期前五個交易日在香港聯合交易所有限公司所列之平均收市價；及(iii)本公司股份面值每股0.10港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 SHARE OPTIONS (CONTINUED)

Movement of share options were:

33 購股權(續)

購股權變動如下：

Date of grant 授予日期	Exercise period 行使期	Subscription price per share 每股行使價 HK\$ 港元	Beginning of year 年初 '000 千份	Exercised 行使 '000 千份	Lapsed 失效 '000 千份	End of Year 年終 '000 千份
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	0.9	8,700	(2,668)	(1,732)	4,300
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	1.418	1,300	—	—	1,300
7th May 2003 二零零三年五月七日	7th May 2005 to 6th May 2013 二零零五年五月七日至 二零一三年五月六日	0.97	4,605	(2,905)	(200)	1,500
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	0.98	7,250	(6,250)	—	1,000
			21,855	(11,823)	(1,932)	8,100

The fair value of options granted in previous year was determined by the directors based on the valuations assessed by Vigers Appraisal & Consulting Limited, independent valuers, using the Binomial Model. The significant inputs into the model were share price at the grant date, exercise price, expected exit rate of employee, estimated trigger price of exercising of option, expected life of options, expected dividend payout rate and annual risk-free rate. The volatility measured is based on statistical analysis of daily share prices over a period of one year.

於往年已授予之購股權之公平價值是由董事按獨立估值師威格斯評值及顧問有限公司採用二項式模型釐定。輸入該模型之重要數據包括授出日股價、行使價、預計僱員離職率、行使購股權之估計觸發價、購股權預計期限、預計派息率及年度無風險息率。波幅根據一年內每日股價統計分析而量度。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RESERVES

34 儲備

	Consolidated									
	綜合									
	Share premium (iii)	Share option reserve (iii)	Capital redemption reserve	Statutory reserves(i)	Capital reserve	Investment revaluation reserve	Cumulative foreign currency translation adjustments	Retained earnings	Total	
	股份溢價 (iii)	購股權儲備 (iii)	資本贖回儲備	法定儲備(i)	資本儲備	投資重估儲備	滙兌調整	保留盈利	總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1st April 2007	313,596	2,047	77,203	12,593	58,355	1,616	5,727	274,597	745,734	於二零零七年 四月一日
Profit for the year	—	—	—	—	—	—	—	31,317	31,317	年度溢利
Transfer from retained earnings	—	—	—	3,518	—	—	—	(3,518)	—	轉撥自保留盈利
Change in fair value of available-for-sale financial assets	—	—	—	—	—	756	—	—	756	可供出售之財務資產 之公平價值變動
Disposal of available-for-sale financial assets	—	—	—	—	—	(1,616)	—	—	(1,616)	出售可供出售之財務 資產
Issuance of shares (iii)	10,162	—	—	—	—	—	—	—	10,162	股份發行 (iii)
Share option scheme – value of services	—	652	—	—	—	—	—	—	652	購股權計劃 — 服務價值
Dividends paid to equity holders of the Company	—	—	—	—	—	—	—	(13,983)	(13,983)	已付本公司股權持有 人之股息
Currency translation differences	—	—	—	—	—	—	24,666	—	24,666	貨幣滙兌差額
At 31st March 2008	323,758	2,699	77,203	16,111	58,355	756	30,393	288,413	797,688	於二零零八年 三月三十一日
Representing:										包括：
Proposed dividend								4,946		建議股息
Others								283,467		其他
								288,413		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RESERVES (CONTINUED)

34 儲備(續)

	Consolidated									
	綜合									
	Share premium	Share option reserve	Capital redemption reserve	Statutory reserves(i)	Capital reserve	Investment revaluation reserve	Cumulative foreign currency adjustments	Retained earnings	Total	
	股份溢價	購股權儲備	資本贖回儲備	法定儲備(i)	資本儲備	投資重估儲備	累計外幣滙兌調整	保留盈利	總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	千港元
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1st April 2006	313,596	1,071	77,203	11,126	58,355	250	(608)	217,601	678,594	於二零零六年四月一日
Profit for the year	—	—	—	—	—	—	—	70,627	70,627	年度溢利
Transfer from retained earnings	—	—	—	1,467	—	—	—	(1,467)	—	轉撥自保留盈利
Change in fair value of available-for-sale financial assets	—	—	—	—	—	1,366	—	—	1,366	可供出售之財務資產之公平價值變動
Share option scheme – value of services	—	976	—	—	—	—	—	—	976	購股權計劃 – 服務價值
Dividends paid to equity holders of the Company	—	—	—	—	—	—	—	(12,164)	(12,164)	已付本公司股權持有人之股息
Currency translation differences	—	—	—	—	—	—	6,335	—	6,335	貨幣滙兌差額
At 31st March 2007	313,596	2,047	77,203	12,593	58,355	1,616	5,727	274,597	745,734	於二零零七年三月三十一日
Representing:										包括:
Proposed dividend								9,584		建議股息
Others								265,013		其他
								274,597		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RESERVES (CONTINUED)

34 儲備(續)

	Company						
	本公司						
	Share premium (iii)	Share option reserve	Capital redemption reserve	Contributed surplus (ii)	Retained earnings	Total	
	股份溢價 (iii)	購股權儲備	資本贖回儲備	繳入盈餘(ii)	保留盈利	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	
At 1st April 2006	313,596	1,071	77,203	53,986	11,841	457,697	於二零零六年 四月一日
Profit for the year	—	—	—	—	15,007	15,007	年度溢利
Share option scheme — value of services	—	976	—	—	—	976	購股權計劃 — 財務價值
Dividends paid	—	—	—	—	(12,164)	(12,164)	已付股息
At 31st March 2007	313,596	2,047	77,203	53,986	14,684	461,516	於二零零七年 三月三十一日
Representing:							包括:
Proposed dividend					9,584		建議股息
Others					5,100		其他
					14,684		
At 1st April 2007	313,596	2,047	77,203	53,986	14,684	461,516	於二零零七年 四月一日
Profit for the year	—	—	—	—	8,141	8,141	年度溢利
Issuance of shares	10,162	—	—	—	—	10,162	股份發行
Share option scheme — value of services	—	652	—	—	—	652	購股權計劃 — 財務價值
Dividends paid	—	—	—	—	(13,983)	(13,983)	已付股息
At 31st March 2008	323,758	2,699	77,203	53,986	8,842	466,488	於二零零八年 三月三十一日
Representing:							包括:
Proposed dividend					4,946		建議股息
Others					3,896		其他
					8,842		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RESERVES (CONTINUED)

Notes:

- (i) Statutory reserves represent enterprise expansion reserve fund and general reserve fund set up by certain subsidiaries in Mainland China. As stipulated by regulations in Mainland China, the subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior years losses) to the enterprise expansion reserve fund and general reserve fund, at rates determined by their respective boards of directors. The general reserve fund may be used for making up losses and increasing capital, while the enterprise expansion reserve fund may be used for increasing capital.
- (ii) Under the Companies Act 1981 of Bermuda, contributed surplus is distributable to equity holders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.
- (iii) As at 31st March 2008, the increase in share premium was due to the exercise of certain share options by the employees during the year.

34 儲備(續)

附註：

- (i) 法定儲備乃按中國內地若干附屬公司之企業發展儲備基金及一般儲備基金所設立。按照中國內地法規訂明，於中國內地成立及經營之附屬公司須於其除稅後溢利(經抵銷過往年度虧損)中撥出部份至企業發展儲備基金及一般儲備基金，比率乃由各自董事會釐定。一般儲備基金可用作抵銷虧損及增加股本，而企業發展儲備基金可用作增加股本。
- (ii) 根據百慕達一九八一年公司法，繳入盈餘可分派予股權持有人，惟倘本公司在宣派或支付股息或從繳入盈餘作出分派後、(i)本公司不能或在作出支付後將不能支付到期債項，或(ii)其資產之可變現價值將會因而少於其債項及其已發行股本及股份溢價賬目的合計總額，則本公司不可作出上述的宣派、支付或分派。
- (iii) 於二零零八年三月三十一日，股份溢價之增加由於員工於本年度期間行使若干之購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of profit before income tax to net cash (used in)/generated from operations is as follows:

35 綜合現金流量表

(a) 除稅前溢利與經營(所用)/產生之現金淨額對賬如下:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Profit before income tax	47,047	93,453	除稅前溢利
Share of profit of associates	(25,236)	—	應佔聯營公司溢利
Interest income	(9,312)	(4,982)	利息收入
Interest expense	46,821	41,383	利息支出
Depreciation of property, plant and equipment	22,130	20,205	物業、廠房及設備之折舊
Loss on disposals of property, plant and equipment	5,096	1,044	出售物業、廠房及設備之虧損
Amortisation of leasehold land and land use right	563	466	租賃土地及土地使用權之攤銷
Fair value gains on investment properties	(1,900)	(2,000)	投資物業之公平價值收益
Loss on disposal of a subsidiary	—	3,430	出售一間附屬公司之虧損
Gain on deemed disposal of certain interest in a subsidiary	(4,091)	(26,024)	視作出售於一間附屬公司之若干權益之收益
Gain on disposal of certain interest in a subsidiary	—	(7,020)	出售於一間附屬公司之若干權益之收益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

35 綜合現金流量表 (續)

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Dividend income from available-for-sale financial assets	(2,763)	(1,945)	可供出售之財務資產之股息收入
Gain on disposals of available-for-sale financial assets	(6,947)	(336)	出售可供出售之財務資產之收益
Impairment loss of an available-for-sale financial asset	595	1,473	一項可供出售之財務資產之減值虧損
Negative goodwill arising from increase in investment in an associate to a subsidiary	(20,765)	—	增持於一間聯營公司之投資成為一間附屬公司所引致之負商譽
Negative goodwill arising from increase in investment in an associate	(1,128)	—	增持於一間聯營公司之投資所引致之負商譽
Change in fair value of derivative financial instruments	(15,402)	(2,275)	衍生金融工具之公平價值變動
Impairment of goodwill	14,617	—	商譽減值
Share option scheme— value of services	652	976	購股權計劃—服務價值
Operating profit before working capital changes	49,977	117,848	營運資金變動前之經營溢利
Increase in inventories	(227,505)	(73,769)	存貨增加
Decrease in due from customers on installation contract work	1,235	4,390	應收客戶之安裝合約工程減少
Increase in trade and bill receivables	(25,446)	(39,849)	應收賬款及票據增加
Increase in prepayments, deposits and other receivables	(52,624)	(42,848)	預付款項、按金及其他應收賬款增加
Increase in loan receivables	(22,472)	—	應收貸款增加
Increase in amounts due from associates	(28,039)	(510)	應收聯營公司增加

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

35 綜合現金流量表 (續)

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Increase in trade and bill payables	100,386	111,364	應付賬款及票據增加
Decrease in due to customers on installation contract work	—	(102)	應付客戶之安裝合約工程減少
Decrease in amount due to an associate	—	(9,396)	應付一間聯營公司減少
Increase in receipts in advance	4,339	49,490	預收款項增加
Increase in accrued liabilities and other payables	21,032	7,006	應計負債及其他應付賬款增加
Dividend payable to a minority shareholder of a subsidiary	—	(149)	應付一間附屬公司之一位少數股東之股息
Written back of dividend payable to a minority shareholder of a subsidiary	—	707	撤回應付一間附屬公司之一位少數股東之股息
Net cash (used in)/generated from operations	(179,117)	124,182	經營(所用)/產生之現金淨額

(b) In the consolidated cash flow statement, proceeds from disposal of property, plant and equipment comprise:

(b) 在綜合現金流量表中，出售物業、廠房及設備之所得款項為：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Net book amount	5,439	1,949	賬面淨值
Loss on disposals of property, plant and equipment	(5,096)	(1,044)	出售物業、廠房及設備之虧損
Proceeds from disposals of property, plant and equipment	343	905	出售物業、廠房及設備之所得款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

(c) During the year, CAMP (Kunshan) Limited (“CAMP (Kunshan)”), a subsidiary of the VSC Group, issued 2,500 shares at par value of US\$200 per share to Shinsho Corporation for a consideration of approximately HK\$9,103,000. Consequently, 10% equity interest of CAMP (Kunshan) Limited was deemed disposed to Shinsho Corporation. VSC Group’s effective interest in CAMP (Kunshan) Limited reduced from 60% to 54% after disposal. Gain on this deemed disposal is as follows:

35 綜合現金流量表 (續)

(c) 本年度期間，CAMP (Kunshan) Limited (「CAMP (Kunshan)」)，萬順昌集團其中一間附屬公司，發行2,500股，每股面值200美元之股份予神鋼商事株式會社，代價約9,103,000港元。因此，萬順昌集團視作出售10%之股本權益予神鋼商事株式會社。萬順昌集團於CAMP (Kunshan)之有效權益由60%減至54%。此項視作出售之收益如下：

	HK\$'000 千港元	
Net assets at the date of the deemed disposal	41,016	視作出售當日之淨資產
Consideration for the shares issued	9,103	已發行股份之代價
Enlarged net assets	50,119	經擴大之淨資產
Interest disposed	10%	已出售之權益
Net assets deemed disposed	5,012	視作出售之淨資產
Consideration received from the deemed disposal	9,103	視作出售之已收代價
Less: net assets deemed disposed	(5,012)	減：視作出售之淨資產
Gain on deemed disposal of certain interest in CAMP (Kunshan)	4,091	視作出售CAMP (Kunshan)若干權益之收益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

- (d) During the year, the VSC Group disposed 50% of VSC Hotel, a subsidiary, for a consideration of approximately HK\$3,723,000, reducing the VSC Group's equity interests in VSC Hotel from 90% to 40% and the VSC Group recognised it as an associate since then.

Details of the net assets of VSC Hotel as at the date of disposal are as follows:

	HK\$'000 千港元	
Prepayments, deposits and other receivables	90	預付款項、按金及其他應收賬款
Amounts due from VSC Group's subsidiaries	7,357	應收萬順昌集團附屬公司
Net assets at the date of disposal	7,447	出售當日之淨資產
Interest disposed	50%	已出售之權益
Net assets disposed	3,723	已出售之淨資產
Consideration received from the disposal	3,723	出售之已收代價
Investment in an associate subsequent to the disposal	2,979	出售後於一間聯營公司之投資

35 綜合現金流量表(續)

- (d) 本年度期間，萬順昌集團出售一間附屬公司，VSC Hotel之50%權益，代價約3,723,000港元，因此萬順昌集團於VSC Hotel之股本權益由90%減少至40%，並自此確認VSC Hotel成為一間聯營公司。

出售VSC Hotel 當日之淨資產詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

- (e) During the year, the VSC Group acquired additional interest in an associate, Fit Team, at a consideration of approximately HK\$36,660,000, bringing the VSC Group's equity interest in Fit Team from 50% to 100% and the VSC Group recognised it as a subsidiary since then.

Details of the fair value of additional net assets acquired in Fit Team and the related negative goodwill are as follows:

35 綜合現金流量表(續)

- (e) 本年度期間，萬順昌集團增加收購於一間聯營公司，Fit Team之權益，其代價約36,660,000港元，因此萬順昌集團於Fit Team之股本權益由50%增加至100%，並自此確認Fit Team為萬順昌集團之一間附屬公司。

收購Fit Team所得之額外淨資產之公平價值及其相關負商譽之詳情如下：

	HK\$'000 千港元	
Investment in an associate	119,115	於一間聯營公司之投資
Amounts due to the VSC Group's subsidiaries	(4,265)	應付萬順昌集團之附屬公司
Net assets at the date of acquisition	114,850	收購當日之淨資產
Additional interest acquired	50%	已增持之額外權益
Additional net assets acquired	57,425	已收購之額外淨資產
Consideration paid for the acquisition	(36,660)	已付之收購代價
Negative goodwill recognised in the income statement	20,765	已於損益表中確認之負商譽

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36 DEEMED DISPOSAL OF CERTAIN INTERESTS IN SUBSIDIARIES

During the year ended 31st March 2007, the VSC Group has diluted its equity interest in VSC-Ryerson China Limited (“VSC-Ryerson”) as a consequence of VSC-Ryerson issuing new shares to Ryerson Pan-Pacific LLC (“Ryerson”) (the “deemed disposal”). Thereafter, the VSC Group has a 60% equity interest in VSC-Ryerson; while Ryerson has a 40% interest in VSC-Ryerson.

In connection with the deemed disposal, a call option has been granted by CAMP (B.V.I.) Holdings Limited (“CAMP (BVI)”), a subsidiary of the VSC Group, which allow Ryerson to further acquire 20% equity interest of VSC-Ryerson from CAMP (BVI) earliest in 2009. In addition, a put option has been granted to CAMP (BVI) by Ryerson which allow CAMP (BVI) to sell further 20% equity interests of VSC-Ryerson to Ryerson earliest in 2009 if Ryerson has exercised the call option granted by CAMP (BVI).

As at 31st March 2007, the valuations of the call option and the put option were amounted to approximately HK\$56,027,000 and HK\$57,270,000, respectively. The net fair value gains of approximately HK\$7,211,000 was included in the other gains in the income statement for the year ended 31st March 2007.

As at 31st March 2008, the valuation of the call option and the put option were amounted to approximately HK\$1,212,000 and HK\$1,310,000, respectively. The net fair value losses of approximately HK\$1,145,000 was included in the other losses in the income statement for the year ended 31st March 2008.

36 視作出售於附屬公司之若干權益

於二零零七年三月三十一日止年度，由於 VSC-Ryerson China Limited (「VSC-Ryerson」) 發行新股予 Ryerson Pan-Pacific LLC (「Ryerson」)，萬順昌集團因此攤薄其於 VSC-Ryerson 之權益 (「視作出售」)。因此，萬順昌集團擁有 VSC-Ryerson 60% 之股本權益；而 Ryerson 則擁有 VSC-Ryerson 40% 之股本權益。

在視作出售事項中，萬順昌集團附屬公司，CAMP (B.V.I.) Holdings Limited (「CAMP (BVI)」)，已授予一個認購權，允許 Ryerson 最早於二零零九年向 CAMP (BVI) 進一步收購 VSC-Ryerson 20% 之股本權益。此外，Ryerson 亦向 CAMP (BVI) 授予一個認沽權，允許 CAMP (BVI) 最早於二零零九年向 Ryerson 進一步出售 VSC-Ryerson 20% 之股本權益 (如果 Ryerson 行使 CAMP (BVI) 授予之所有認購權)。

於二零零七年三月三十一日，認購權及認沽權之估值分別為約 56,027,000 港元及 57,270,000 港元。淨公平價值收益約 7,211,000 港元已包括在截至二零零七年三月三十一日止年度之損益表之其他收益中。

於二零零八年三月三十一日，認購權及認沽權之估值分別為約 1,212,000 港元及 1,310,000 港元。淨公平價值虧損約 1,145,000 港元已包括在截至二零零八年三月三十一日止年度損益表之其他虧損中。

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37 GUARANTEES

37 擔保

	Consolidated		Company		
	綜合		本公司		
	2008	2007	2008	2007	
	二零零八年	二零零七年	二零零八年	二零零七年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Performance bonds	1,416	1,652	—	—	履約擔保書
Guarantees provided by the Company in respect of banking facilities of its subsidiaries	—	—	1,227,347	1,426,787	本公司就其附屬公司所獲銀行融資而提供之擔保
	1,416	1,652	1,227,347	1,426,787	

38 COMMITMENTS

38 承擔

(a) Capital commitments

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

(a) 資本承擔

關於物業、廠房及設備之資本承擔如下：

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Contracted but not provided for	611	3,756	已訂約但未確認

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38 COMMITMENTS (CONTINUED)

(b) Commitments under operating leases

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

	Consolidated		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Not later than one year	14,417	6,775	未逾1年
Later than one year and not later than five years	16,290	6,926	逾1年及未逾5年
Later than five years	1,854	2,186	逾5年
	32,561	15,887	

(c) Commitments under derivative contracts

As at 31st March 2008, the VSC Group had outstanding forward foreign currency contracts to purchase approximately US\$58,500,000 (2007: US\$44,600,000) for approximately HK\$452,724,000 (2007: HK\$344,239,000), for the purpose of hedging against the VSC Group's commitments arising from its trading activities.

As at 31st March 2008, the VSC Group had outstanding currency swap contracts to purchase approximately US\$54,000,000 (2007: Nil) for approximately RMB389,340,000 (2007: Nil), for the purpose of hedging against the VSC Group's commitments arising from its trading activities.

38 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：

(c) 衍生合約承擔

於二零零八年三月三十一日，萬順昌集團尚有約452,724,000港元(二零零七年：344,239,000港元)未行使之遠期外匯貨幣合約以用作購買約58,500,000美元(二零零七年：44,600,000美元)，目的為萬順昌集團於貿易活動有關之承諾作出對沖。

於二零零八年三月三十一日，萬順昌集團尚有約人民幣389,340,000元(二零零七年：無)未行使之貨幣掉期合約以用作購買約54,000,000美元(二零零七年：無)，目的為萬順昌集團於貿易活動有關之承諾作出對沖。

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39 RELATED PARTY TRANSACTIONS

(a) Transactions

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	
Management services provided to an associate	(ii)	12,500	—	向一間聯營公司提供之管理服務 (ii)
Purchase of goods from a related party	(i)(ii)	173,443	170,670	向一關連人士採購貨品 (i)(ii)
Rental expenses paid to an associate	(iii)	497	—	已付一聯營公司之租金支出 (iii)
Interest paid to a related party	(i)(iv)	2,297	2,201	已付一關連人士之利息 (i)(iv)

Notes:

- (i) This company relates to Shinsho Corporation, the 30% minority shareholder of VSC Shinsho Company Limited, a subsidiary of the VSC Group.
- (ii) Management services were provided and goods were purchased at prices mutually agreed by both parties.
- (iii) Rental expenses were determined by reference to open market rental.
- (iv) Interest expenses are determined at a rate of approximately 6% (2007: 5%) per annum on overdue balances.

附註：

- (i) 該公司與神鋼商事株式會社有關連，其為萬順昌神商有限公司擁有30%權益之少數股東，並為萬順昌集團之附屬公司。
- (ii) 所提供之管理服務及貨品採購皆按雙方達成協議之價格收取。
- (iii) 租金支出參考公開市值之租金而釐訂。
- (iv) 利息支出乃按年利率約6% (二零零七年：5%) 計算過期結餘之利息。

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39 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Year-end balances (included in trade payables)

	Consolidated		
	綜合		
	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Payable to a related party (i)	91,570	68,757	應付一關連人士(i)

Notes:

- (i) This company relates to Shinsho Corporation, the 30% minority shareholder of VSC Shinsho Company Limited, a subsidiary of the VSC Group.

附註：

- (i) 該公司與神鋼商事株式會社有關連，其為萬順昌神商有限公司擁有30%權益之少數股東，並為萬順昌之附屬公司。

(c) Key management compensation

	2008	2007	
	二零零八年	二零零七年	
	HK\$'000	HK\$'000	
	千港元	千港元	
Salaries and allowances	10,372	8,857	薪金及津貼
Bonus	3,407	1,137	花紅
Pension costs — defined contribution schemes	103	156	退休金成本—界定供款計劃
Share option scheme — value of services	440	555	購股權計劃—服務價值
	14,322	10,705	

(c) 主要管理層報酬

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