

北京京客隆

商业集团股份有限公司

BEIJING JINGKELONG COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China)
(於中華人民共和國註冊成立的股份有限公司)

(Stock Code 股份代號 : 0814)



Annual Report 年報

2008



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wei Tingzhan (*Chairman*)
Mr. Li Jianwen
Ms. Li Chunyan
Mr. Liu Yuejin

Non-executive Directors

Mr. Gu Hanlin
Mr. Li Shunxiang

Independent Non-executive Directors

Mr. Fan Faming
Mr. Huang Jiangming
Mr. Chung Chi Kong, *CPA*

AUDIT COMMITTEE

Mr. Chung Chi Kong, *CPA*
Mr. Fan Faming
Mr. Huang Jiangming

NOMINATION COMMITTEE

Mr. Wei Tingzhan
Mr. Fan Faming
Mr. Huang Jiangming

REMUNERATION COMMITTEE

Mr. Wei Tingzhan
Mr. Fan Faming
Mr. Huang Jiangming

SUPERVISORS

Ms. Qu Xinhua
Ms. Wang Shuying
Ms. Yao Jie
Mr. Chen Zhong
Ms. Cheng Xianghong
Mr. Yang Baoqun

董事會

執行董事

衛停戰先生(*董事長*)
李建文先生
李春燕女士
劉躍進先生

非執行董事

顧漢林先生
李順祥先生

獨立非執行董事

范法明先生
黃江明先生
鐘志鋼先生, *CPA*

審核委員會

鐘志鋼先生, *CPA*
范法明先生
黃江明先生

提名委員會

衛停戰先生
范法明先生
黃江明先生

薪酬委員會

衛停戰先生
范法明先生
黃江明先生

監事

屈新華女士
王淑英女士
姚婕女士
陳鐘先生
程向紅女士
楊寶群先生

AUTHORISED REPRESENTATIVES

Ms. Li Chunyan
Mr. Keung Siu Fai, *CPA*

QUALIFIED ACCOUNTANT

Mr. Keung Siu Fai, *CPA*

JOINT COMPANY SECRETARIES

Mr. Keung Siu Fai, *CPA*
Ms. Li Chunyan

COMPLIANCE ADVISER

DBS Asia Capital Limited

AUDITORS

Ernst & Young

LEGAL ADVISERS

As to Hong Kong law:

Richards Butler
in association with Reed Smith LLP

As to PRC law:

Jun Ze Jun Law Offices

INVESTORS AND MEDIA RELATION CONSULTANT

iPR Ogilvy Ltd.

PRINCIPAL BANKERS

Agricultural Bank of China

Tuanjie Lake Branch
2 Tuanjie Lake North Road
Chaoyang District
Beijing PRC

授權代表

李春燕女士
姜兆輝先生, *CPA*

合資格會計師

姜兆輝先生, *CPA*

聯席公司秘書

姜兆輝先生, *CPA*
李春燕女士

規章顧問

星展亞洲融資有限公司

核數師

安永會計師事務所

法律顧問

香港法律：

齊伯禮律師行
禮德律師行聯營行

中國法律：

君澤君律師事務所

投資者及傳媒關係顧問

iPR奧美公關

主要往來銀行

中國農業銀行

團結湖支行
中國北京市
朝陽區
團結湖北路2號

Corporate Information
公司資料

Bank of Beijing

Jiulongshan Branch
117th Building
Jinsong Dongkou Nongguang Lane
Beijing PRC

北京銀行

九龍山支行
中國北京市
勁松東口農光里
第117號樓

**HONG KONG SHARE REGISTRAR AND
TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited
17th Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

香港股份過戶登記處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心17層

**REGISTERED OFFICE AND PRINCIPAL PLACE OF
BUSINESS IN THE PRC**

Block No. 45
Xinyuan Street
Chaoyang District
Beijing PRC

中國註冊辦公及主要營業地點

中國
北京市
朝陽區
新源街45號

PLACE OF BUSINESS IN HONG KONG

20th Floor
Alexandra House
16-20 Chater Road
Hong Kong

香港營業地點

香港
遮打道16-20號
歷山大道
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**SHAREHOLDERS' ENQUIRIES CONTACT
INFORMATION OF THE COMPANY**

Department of Investor Relations
Tel: 0086-10-64603046
Fax: 0086-10-64611370

股東查詢公司聯絡資料

投資者關係部
電話：0086-10-64603046
傳真：0086-10-64611370

COMPANY WEBSITE

www.jkl.com.cn

公司網址

www.jkl.com.cn

STOCK CODE

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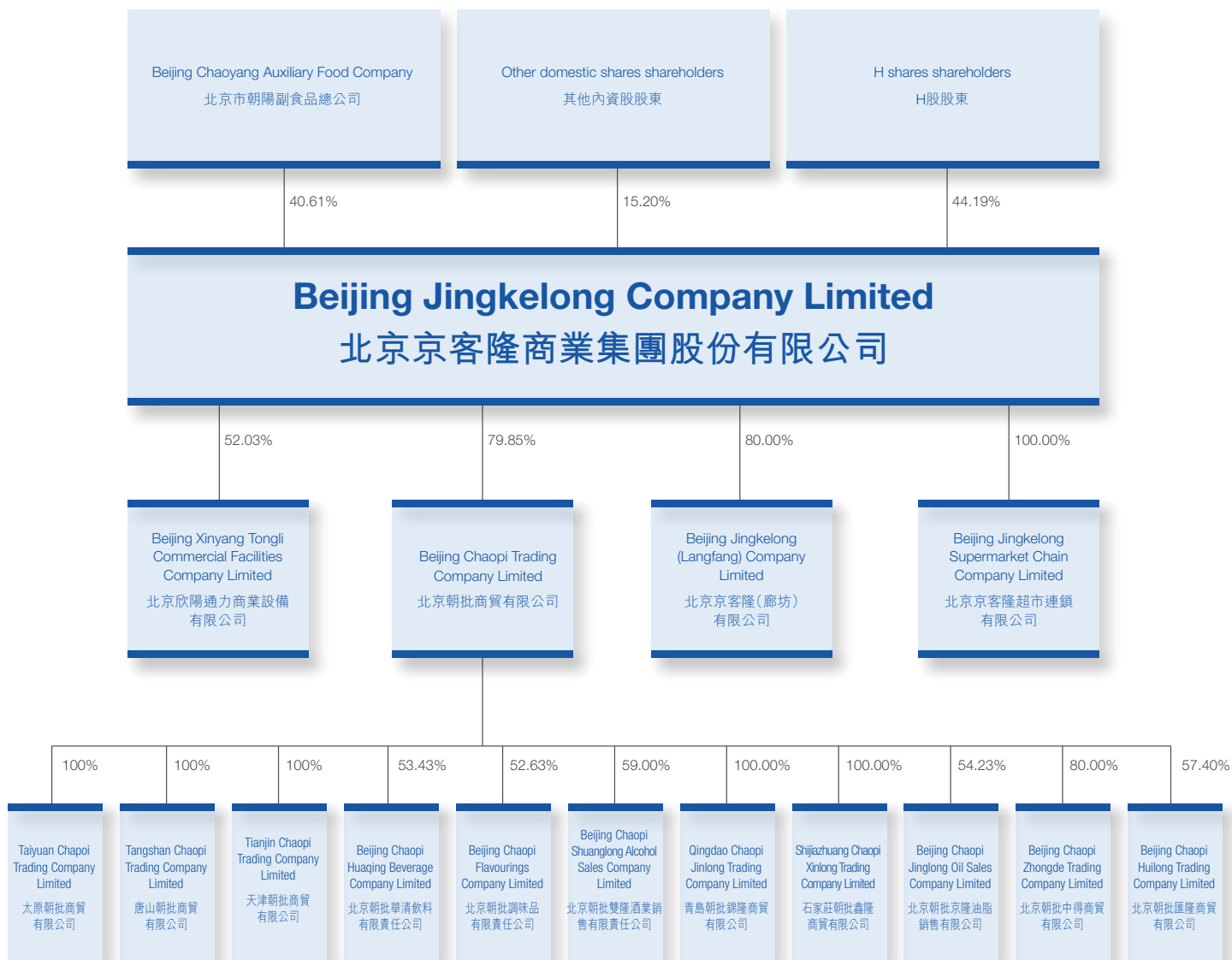
股票代號

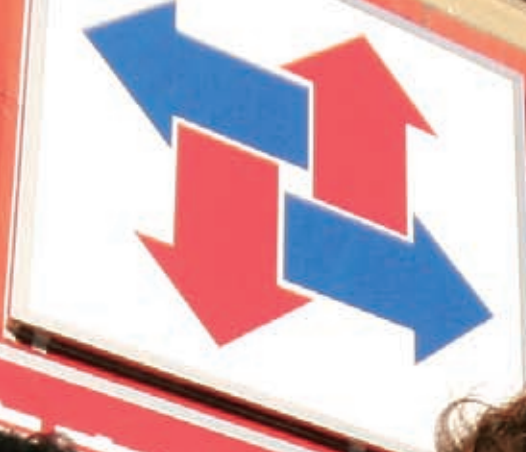
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Group Structure 集團架構

As at the date of this report, the shareholders and subsidiaries of Beijing Jingkelong Company Limited were as follows:

於本報告出具之日，北京京客隆商業集團股份有限公司之股東及附屬公司如下：





客隆便利

第一商場

Chairman's
Statement
董事長報告

Chairman's Statement 董事長報告



Dear shareholders,

On behalf of the board of directors (the "Board") of Beijing Jingkelong Company Limited (the "Company"), I am delighted to present the annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2008 (the "Reporting Period").

Looking back at 2008, the Chinese government calmly handled the impact caused by the global financial crisis and made timely adjustments to its macroeconomic policies. With its healthy banking system, robust domestic consumption market and effective monetary and fiscal policies, the national economy achieved remarkable growth. China's GDP topped 30 trillion yuan in 2008, up 9% from 2007, and Beijing also recorded a 9% economic growth.

Facing a complicated economic situation, keen competitions and ever changing consumption demand, the Group continued to optimise and adjust its development strategy and marketing policy. In 2008, the Group updated its shop image design and shop layout display, optimised its product mix, and upgraded its distribution, logistics and management information system, which contributed to the improvement in our operating results and efficiency. During the Reporting Period, we continued to explore potential business opportunities, and seek new sites and merger and acquisition opportunities to expand our business and network, which is a business development strategy that we will continue to pursue.

各位尊敬的股東：

本人謹代表北京京客隆商業集團股份有限公司（「本公司」）之董事會（「董事會」），欣然呈奉本公司及其附屬公司（合稱「本集團」）截至二零零八年十二月三十一日止年度（「報告期」）的業績報告。

回顧二零零八年，中國政府沉着應對國際金融危機衝擊，及時調整宏觀經濟政策。在國內健康的銀行體系、旺盛的國內消費市場與有效的貨幣及財政政策的支持下，中國國民經濟取得了顯著的增長。二零零八年中國的國內生產總值達到30萬億，較二零零七年增長9%，北京市也取得了9%的經濟增長。

面對複雜多變的經濟形勢、日趨激烈的競爭環境和不斷變化的消費需求，本集團對發展戰略和經營策略不斷完善和調整。二零零八年，本集團從對店鋪形象設計、賣場布局陳列的更新及商品結構的調整到物流配送及信息管理系統的升級，經營績效不斷提升。報告期內，本集團不斷發掘具有潛力的商機，積極物色新地點及併購機會拓展業務及網絡，走出了一條集團業務可持續發展之路。本集團繼續堅持區域化發展策略，做深做强在北京及其部分周邊地區（「大北京地區」）的零

Consistent with our regional development strategy, we strengthened our retail and wholesale distribution businesses in Beijing City and certain parts of its peripheral (the "Greater Beijing Region"). Through integration of our retail and wholesale businesses, optimising operational management, exploring ways to improve operational efficiency in our distribution system, we reinforced our competitiveness and achieved a stable growth of our distribution network, revenue and net profit. The Group achieved the following during the Reporting Period:

- Adding 39 new retail outlets with net operating area of approximately 23,600 square metres and the total number of retail outlets reached 242;
 - Revenue was approximately RMB6,694.4 million, representing a 18.7% growth as compared to 2007;
 - Gross profit was approximately RMB934.8 million, 29.5% higher than that of 2007;
 - Gross profit margin was approximately 13.96%, 1.16% higher than that of 2007;
 - Profit attributable to equity holders was approximately RMB156.8 million, representing a 25.8% growth as compared to 2007;
 - Basic earnings per share was approximately RMB38 cents, an increase of 19.1% over 2007; and
 - Final dividend per share was RMB21 cents (tax inclusive, 2007: RMB17.5 cents).
- 售及批發分銷業務。本集團通過持續增強零售及批發業務一體化經營的競爭力，持續改善經營管理、挖掘配送分銷系統營運效率，在分銷網絡、營業收入、淨利潤等方面均取得了穩定的增長。報告期內本集團取得的業績如下：
- 新開店鋪39間，淨營運面積增加約23,600平方米，零售店鋪總數達242間；
 - 營業收入約人民幣6,694,400,000元，較二零零七年增長18.7%；
 - 毛利約人民幣934,800,000元，較二零零七年增長29.5%；
 - 毛利率約為13.96%，較二零零七年增長約1.16%；
 - 股東應佔溢利約人民幣156,800,000元，較二零零七年增長25.8%；
 - 每股基本盈利約人民幣0.38元，較二零零七年增長19.1%；及
 - 每股末期派息人民幣0.21元(含稅)(二零零七年為人民幣0.175元)。

In 2009, the global financial crisis is still unabated, and its impact on China's economic development will become more apparent. The global financial crisis presents unprecedented challenges and opportunities. China has accumulated enormous surplus to pursue further economic development in difficult times, and has demonstrated its political will to continue with its reform and open policy adopted 30 years ago and deploy measures to sustain its economic growth. The financial crisis should not affect the foundation of China's economic development and the long-term development trends.

Under the recent significant adjustment of its macroeconomic policies, the government regarded the stimulation of domestic demand as the driver for enhancing economic growth. Meanwhile, positive implementation of financial policy and moderate loosening of monetary policy has helped domestic demand. Having set the tone for increase in consumer spending, making available more exploring consumption spots and space, and improving consumption policy and optimising consumption environment, we expect that the government will continue to adopt effective measures in encouraging and stimulating consumption. Beijing will be in the phase of new development after hosting the 2008 Olympic Games. The improvement in public transport and other infrastructural facilities, the speeding up of urbanisation, and the positive measures adopted by the government to encourage and promote domestic consumption have created the environment that is conducive to the Group's strategy to tap the demand of the consumers in the Greater Beijing Region. We believe that, following the continuous increase in disposable income, the continuous perfection of social insurance scheme, and improvement of consumption environment, enhancement of rural consumption, expansion of urban consumption, maintenance of market stability, reduction of consumption costs and adoption of other measures in increasing consumers' confidence, the consumption level in China will hopefully maintain its growth rate. Meanwhile, we expect the consumer product market will gradually launch various promotional activities to attract consumers, and as a result, competition will increase in various business segments.

二零零九年，世界經濟危機仍繼續蔓延，對中國經濟發展的影響將進一步顯現。世界金融危機帶來了前所未有的挑戰及機遇。中國已積累了在逆境中持續發展的巨大潛力，並堅持三十年來的改革開放政策，採取多項措施支持經濟發展。金融危機的衝擊並沒有影響中國經濟發展的基本態勢和長期發展趨勢。

在此輪宏觀政策重大調整中，政府把擴大內需作為促進經濟增長的根本途徑和主要著力點，同時實施積極的財政政策和適度寬鬆的貨幣政策以期達到刺激總內需的目的。在擴大居民消費的背景下，從培育消費熱點到拓展消費空間，從完善消費政策到優化消費環境，我們預期政府將繼續採取有力措施鼓勵和刺激消費。北京市在主辦2008年奧運後將步入新的發展階段。公共交通等基礎設施建設快速發展並日趨完善，城市化進程將進一步加快，政府積極採取措施鼓勵消費及擴大內需，均將有益於本集團滿足大北京區消費需求的發展戰略。我們相信，隨著居民可支配收入不斷增加、社保制度不斷健全、消費環境不斷改善，再配合拉動農村消費、擴大城市消費、維護市場穩定、降低消費成本、提高消費信心等措施，中國消費有望保持較快增長。同時，我們預見消費品行業將紛紛積極採取各種促銷政策吸引消費者，行業內競爭將更加激烈。



Chairman's Statement
董事長報告

As the Group is engaged in the wholesale and retail distribution of daily consumer products, 2009 will be full of challenges and immense development opportunities. We shall continue to optimise our existing retail and wholesale distribution network taking account of the overall economic and its impact on our retail and wholesale distribution of daily consumer products and the changes in consumer behavior. We shall closely monitor changes in consumers' demand and to adjust our overall operation structure and marketing strategies, and implement more stringent budget control on costs and expenses so as to promote the operating efficiency in our Group. We will leverage on the Group's reputable brand image and our valuable experience in the regional retail and wholesale markets to overcome challenges, seize business opportunities whilst we continue to maintain our strategy to steadily develop our business and bring the best investment returns to our shareholders.

On behalf of the Board, I would like to express our sincere gratitude to our shareholders for their trust and support and to all investors, business partners, suppliers and customers for their support and assistance, and our appreciation to all staff and the management team for their hard work and contribution to the Group during the Reporting Period.

Wei Tingzhan
Chairman

Beijing, PRC
27 March 2009

對從事日用消費品的批發及零售分銷業務的本集團而言，二零零九年將是充滿挑戰同時也是蘊含著重大發展機遇的一年，我們將持續優化現有零售及批發分銷網絡，更加注意整體經濟環境對於日用消費品零售與批發分銷行業的影響及消費者行為的變化。我們將以消費者需求為導向調整經營結構和營銷策略，並實施嚴格的成本費用預算控制，努力提升本集團經營效益。基於本集團良好的品牌聲譽，加上深諳區域零售批發市場的寶貴經驗，我們將不懈努力，迎接挑戰，抓住機遇，繼續堅持穩健的發展策略，將本集團的業務發展壯大，給全體股東帶來良好的投資回報。

本人謹此代表董事會感謝各位股東對本集團的信任與支持，感謝各位投資者、合作夥伴、供應商及廣大顧客的支持和幫助，同時也向本集團全體員工及管理團隊在過去一年中的勤勉努力及寶貴貢獻致以衷心謝意。

董事長
衛停戰

中國，北京
二零零九年三月二十七日

A woman with dark hair tied back, wearing a bright green high-collared jacket, is smiling and pushing a metal shopping cart. The cart is filled with fresh produce, including several oranges, green leafy vegetables, and yellow bell peppers. The background shows a well-lit supermarket aisle with shelves of various fruits and vegetables.

Management
Discussion and Analysis
管理層討論及分析

Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW

In 2008, since the third quarter, the China economy has slowed down under the impact of intensively growing global financial crisis. In the face of grim economic situation, the China government has acted decisively to make timely adjustments on the macroeconomic policy, promptly introduced measures to expand domestic demand and formulated a series of related economic policies which made up a systematic and comprehensive package plan aimed at promoting steady and relatively fast economic growth. With its healthy banking system, effective monetary and fiscal policy and robust domestic consumption market, China economy has achieved remarkable growth in 2008. According to the report of the National Bureau of Statistics of China, the GDP of China grew by 9.0%.

According to the information published by the Beijing Municipal Bureau of Statistics, the per capita disposable income and the per capita consumption expenditure increased by 12.4% and 7.4% respectively in 2008. Development of the economy and consumption market in China and Beijing region provides us the opportunities and challenges for growth and expansion of our wholesale and retail businesses in the Greater Beijing Region.



業務回顧

二零零八年，自第三季度起，中國經濟在愈演愈烈的世界金融危機的衝擊下逐漸放緩。在面臨嚴酷的經濟環境，中國政府及時果斷調整宏觀經濟政策，迅速推出擴大內需措施及一系列相關經濟政策組成一套系統全面的一攬子計劃，以促使經濟穩定、較快增長。在健全的銀行體系、有效的財政及貨幣政策與旺盛的國內消費市場的支持下，中國經濟於二零零八年取得了顯著增長。根據國家統計局報告，中國年內國內生產總值增長9.0%。

根據北京市統計局公布統計信息顯示，二零零八年，全市居民人均可支配收入及消費支出同比分別增長12.4%及7.4%。中國及北京地區經濟及消費市場的發展給本集團在大北京地區的批發及零售業務的增長及拓展帶來了機遇與挑戰。



The integrated development of the Group's wholesale and retail businesses is a unique operation mode and one of its competitive advantages. During the Reporting Period, the Group executed its operating strategies and development plans in its retail and wholesale businesses and both achieved stable development.

Positive and steady development of distribution network

During the Reporting Period, the Group further strengthened its regional superiority in the Greater Beijing Region, with 16 new directly-operated retail outlets (included 1 hypermarket, 8 supermarkets and 7 convenience stores) and 23 franchise convenience stores being opened. The Group's retail network has covered all the 18 districts and counties of Beijing City; and with 2 new stores opened in Langfang of the Hebei Province, a retail network comprising 1 hypermarket, 3 supermarkets and 1 convenience store has been developed in the Hebei Province.

During the Reporting Period, the Group continued to further integrate the resources of Beijing Shou Lian Trading Company Limited ("Shou Lian") according to its plan. With the foundation of integrating the business systems of the Shou Lian delegated stores into the systems of centralised procurement, logistics, settlement and management information of Jingkelong, the Group concentrated its efforts in taking positive measures to gradually improve the operation capability and profitability of the Shou Lian delegated stores. During the Reporting Period, the Group adopted the current design requirements of its retail outlets to redesign, renovate and revamp the Shou Lian delegated stores. By now, 6 delegated shops have been subsequently reopened for business with improved shopping environment and operation conditions, enlarged self-operating area, rational shop layout and operating results were obviously promoted.

本集團批發及零售業務的一體化發展是本集團獨特的經營模式和競爭優勢之一。報告期內，本集團於零售及批發業務實施有效的經營策略及發展計劃，取得了批發和零售業務的同步穩定發展。

積極穩步拓展分銷網絡

報告期內，本集團繼續增強於大北京地區的區域優勢，新開直營店16間(包括1間大賣場、8間綜合超市及7間便利店)，新開加盟便利店23間。本集團的零售網絡已遍布北京市全部18個區縣；其中在河北省廊坊地區新開2間店鋪，本集團於河北省擁有的店鋪包括1間大賣場、3間綜合超市及1間便利店。

報告期內，本集團繼續按照計劃對北京首聯商業集團有限公司(「首聯」)資源進行進一步整合。在將首聯托管店鋪業務系統整合至京客隆中央化採購、配送、結算及信息管理系統的基礎上，本集團集中力量積極採取措施逐步改善首聯托管店鋪的運營能力和盈利能力。報告期內，本集團按照店鋪最新設計要求分批對首聯托管店鋪進行重新設計及裝修改造。到目前為止，已有6家店鋪裝修改造後重新開業，購物環境及店鋪面貌一新，經營面積增大，賣場布局也趨於合理，經營業績顯著提升。

Management Discussion and Analysis

管理層討論及分析

For Shou Lian reorganisation purpose, on 23 December 2008, the Company entered into a sales and purchase agreement with Beijing Jinyang Jiulong Trading Company Limited (“Jinyang Jiulong”), an independent third party, to dispose of its 11.04% equity interest in Shou Lian to Jinyang Jiulong, for a cash consideration of RMB50 million (the “Disposal”). After the Disposal, Jinyang Jiulong owns 100% equity interest in Shou Lian. On the same date, the Company and Shou Lian entered into an equity delegation agreement for the delegation of the 100% equity interest in Beijing Shou Lian Supermarket Company Limited (“Shou Lian Supermarket”) to the Company for a period from 23 December 2008 to 28 February 2010 (the “Equity Delegation Agreement”). Shou Lian Supermarket is wholly owned by Shou Lian and has taken up all the operations of Shou Lian. The principal terms of the Equity Delegation Agreement are basically similar to the co-operation agreement entered into between the Company, Shou Lian and Beijing Xi Dan You Yi Group on 10 February 2007. This co-operation agreement has been terminated after entering the Equity Delegation Agreement.

為重組首聯，於二零零八年十二月二十三日，本公司與獨立第三方北京金陽久隆商貿有限公司（「金陽久隆」）簽署股權轉讓協議，以現金人民幣50,000,000元的轉讓對價將持有首聯11.04%的股權轉讓給金陽久隆（「股權轉讓」）。於股權轉讓後，金陽久隆持有首聯100%的股權。同日，本公司與首聯簽署股權托管協議（「股權托管協議」），本公司托管其持有北京首聯超市有限公司（「首聯超市」）100%的股權，托管期限自二零零八年十二月二十三日起至二零一零年二月二十八日。首聯超市由首聯全資持有並已接管首聯全部的經營業務。股權托管協議的主要條款均與本公司於二零零七年二月十日與首聯及北京西單友誼集團簽署的合作協議基本一致。該合作協議於股權托管協議簽署後隨即終止。





The following table set out the number and net operating area of the Group's retail outlets as at 31 December 2008:

下表列示本集團於二零零八年十二月三十一日的零售門店數目和淨營運面積：

	Department stores 百貨商場	Hypermarkets 大賣場	Supermarkets 綜合超市	Convenience stores 便利店	Total 合計
Number of retail outlets 零售門店數目：					
Directly-operated 直營店	1	7	47	54	109
Franchise-operated 特許加盟店	—	—	1	105	106
Shou Lian delegated stores 首聯托管店鋪	1	3	23	—	27
	2	10	71	159	242
Net operating area (square metres) 淨營運面積（平方米）：					
Directly-operated 直營店	27,800	60,138	103,163	12,294	203,395
Franchise-operated 特許加盟店	—	—	880	20,058	20,938
Shou Lian delegated stores 首聯托管店鋪	19,300	21,185	48,389	—	88,874
	47,100	81,323	152,432	32,352	313,207

The coverage of the Group's wholesale network further extended to Northern China and the Economic Circle of Bohai. During the Reporting Period, the number of sole distributorship brands supplied to the supermarkets, shopping centers and, catering and entertainment businesses in Beijing, Northern China, Eastern China and the Bohai circle has reached 72. The scale of turnover and profitability from wholesale business has been promoted steadily.

Strengthening commodity quality supervision

During the Reporting Period, the Group's internal commodity quality entire process control system has been revised pursuant to the relevant laws and regulations stipulated in the Food Security Regulations of Beijing City effective from 1 January 2008. QS market assess system has been fully applied to all commodities under the scope of QS compulsory authentication according to the relative regulations and requirements. On-site inspection and appraisal were conducted on the newly introduced commodity channels. By adhering to the standards of safety, healthiness and freshness to select reliable commodity procurement base, the safety in sourcing commodity has been enhanced. Meanwhile, the Company's examination centre has fully displayed its scientific technique in conducting non-periodical commodity spot-check to assure customers' confidence.

During the Reporting Period, the Group launched a network management system of suppliers' certificate identification to promote the efficiency in the management of commodity quality and certificate identification. By utilising the Group's food security early warning mechanism, commodities with quality problems can be promptly removed from display area and handled in the shortest time.

Promoting the customer-oriented marketing concept

The Group continued to implement the consumer-oriented marketing concept based on consumer characteristics and behavior. During the Reporting Period, the data application system was installed in the Group's retail outlets, which could provide data reference for the shop management teams to adjust product mix, display layout and marketing strategy timely on the basis of classifying, combining, digging and analysing data information.

Following the extension of retail outlets to the 18 districts and counties of the Beijing City, and the Hebei Province, the Group implemented regional marketing strategy based on its scale superiority. Differential management and marketing were implemented based on the consumption conditions

本集團的批發網絡進一步拓展批發業務至華北及環渤海經濟圈。報告期內，批發業務向北京、華北、華東及環渤海地區超市、購物中心及餐飲娛樂業供貨的獨家代理品牌增至72個。批發業務銷售規模和盈利能力穩步提升。

加強商品質量監控

報告期內，本集團結合自2008年1月1日起施行的《北京市食品安全條例》等相關法律法規修訂本集團內部的商品質量全程管理制度。按照相關規定及要求對已納入QS強制認證範圍內全部產品實施QS市場准入制度。對新引進產品渠道實地考察評估，以安全、健康、綠色為標準選擇商品採購基地，提升產品源頭安全性。同時，充分發揮公司檢測中心的科技手段，對產品進行不定期抽檢，確保消費者放心消費。

報告期內，本集團啟動供應商證照的網上管理系統，提高對商品資質及證照的管理效率。利用本集團建立的食品安全預警機制，對於發現有質量問題的商品，在最短時間內進行下架及相關處理。

推進以消費者為導向的市場營銷理念

本集團繼續貫徹在對消費者特徵及行為分析的基礎上以消費者為導向的營運理念。報告期內，本集團在零售店鋪層面安裝數字化應用系統，在對數據資料分類、組合、挖掘的基礎上為店鋪經營管理部門適時調整商品結構、陳列布局及營銷策略提供數據依據。

隨著零售店鋪拓展到北京市18個區縣及河北省，本集團在發揮規模優勢的基礎上實施地區化營銷策略。在對不同商圈內消費行為及特徵研究的基礎上，根據零售店鋪的位置、類型等具體情況執

in different commercial sectors and characteristic research as well as the location, type and conditions of retail outlets. By having the opportunity of hosting the Olympic Games, festivals, shop celebration, and based on the conditions of commercial sectors to adjust shop layout, commodity display design and optimisation of product mix, the Group positively arranged various characteristic marketing activities.

Enhancing logistics and distribution systems

During the Reporting Period, the Group insisted on refinery management on its centralised logistics system. The live and fresh produce logistics centre strengthened the construction of its live and fresh produce base, extended procurement sources and reduced unnecessary procedures to form the live and fresh operation pattern of “supermarket plus base”. The perfection of live and fresh produce purchase network and enhancement of logistics management ability enabled the Company to save costs and improve operation results efficiently.

During the Reporting Period, the wholesale distribution centre installed the large-scale automatic classifying and picking assembly system. The classifying and picking capacity was promoted to 9,000 boxes per hour resulting in promoting distribution efficiency and concurrently reducing error rate of classification and picking. The rapid development of the Group’s wholesale business was thus safeguarded by its strong logistics system.

Consolidating customer loyalty

The Group continued to stick with the long-term commitment of “limited demand, unlimited service” in promoting customer service. During the Reporting Period, the Group implemented “cents storage” project in membership reward card originated from the business segment which enhances collection efficiency and convenience to customer shopping. Through the introduction of “member price” commodities, exchange and purchase with accumulated points recorded in membership reward cards during festivals and holidays, the accumulated points reward and other activities under the membership reward scheme provides more valued-added services.

During the Reporting Period, with the opportunities from the Olympic Games, the Group conducted food safety knowledge education in the surrounding community of its retail outlets and used the theme of “happy kitchen” to explain to residents of cooking know-how, nutrition knowledge as well as introduce the Group’s commodity production flow, procurement flow and quality control skill.

行差異化管理與市場營銷。以北京奧運、節假日及店慶為契機，根據商圈情況調整店鋪布局、商品陳列設計及優化產品結構，積極策劃多種特色主題營銷活動。

提升物流配送系統

報告期內，本集團對中央配送系統堅持精細化管理。生鮮配送中心加強生鮮基地建設，擴大採購源頭，減少不必要的中間環節，形成「超市+基地」的生鮮經營模式。生鮮產品採購網絡的完善和物流管理能力的提升為公司有效控制成本費用、提升經營業績提供了空間。

報告期內，本集團批發分銷中心啓用大型自動化分揀流水綫系統。分揀承載能力提高到每小時9,000箱，提高了配送效率的同時充分降低了分揀的差錯率，為本集團批發業務的快速發展提供強大的物流保障。

鞏固消費者忠誠度

本集團繼續堅持「需求有限，服務無限」的長期承諾，努力提升客戶服務水平。報告期內，本集團開發並實施了業內首創的會員卡「零錢包」項目，提高了收銀效率並極大便利了顧客購物。並通過推出「會員價」商品、節假日積分換購、積分回饋等活動為顧客提供更多的會員卡增值服務。

報告期內，本集團以奧運為契機，各零售店鋪在其周邊社區舉辦食品安全知識宣傳，並以「快樂廚房」為主題為居民講解各種烹飪竅門、營養知識，並介紹本集團商品的生產流程、採購流程及質量控制技術。

Operation results

The retail revenues are categorised to include the sales of goods generated from the Group's directly-operated retail outlets and the commissions from concessionaire sales. Over 99% of the Group's retail turnover and contribution to retailing profit is attributable to the operation and management of the Group's directly-operated hypermarkets, supermarkets and convenience stores in the Reporting Period. During the Reporting Period, the Group recorded commissions of approximately RMB18 million earned from the concessionaire sales of approximately RMB124.1 million recognised in the Jiulong department store which commenced business in November 2007.

An analysis of the revenue and gross profit margin contributed by the Group's directly-operated hypermarkets, supermarkets and convenience stores is set out below:

經營業績

零售業務收入包括來自本集團直營零售店舖及特許專櫃銷售佣金收入。報告期內，超過百分之九十九的零售營業收入及利潤貢獻來自本集團直營大賣場、綜合超市、便利店。報告期內，本集團來自久隆百貨商場(二零零七年十一月開始營業)特許專櫃銷售收入約人民幣124,100,000元中的特許專櫃銷售佣金收入約為人民幣18,000,000元。

下述呈列本集團直營大賣場、綜合超市、便利店的收入及毛利率的分析數據：

	Revenue (RMB'000)		Increase
	營業收入 (人民幣千元)		增長
	2008	2007	(%)
	二零零八年	二零零七年	百分比
Hypermarkets 大賣場	1,007,300	682,380	47.6
Supermarkets* 綜合超市*	1,818,988	1,763,647	3.1
Convenience stores 便利店	249,846	212,904	17.4
Total 合計	3,076,134	2,658,931	15.7
Gross profit margin (%) 毛利率 (%)	16.7	15.8	0.9

* The revenue of supermarkets included the amount generated by the Guanzhuang supermarket which was transformed to a hypermarket in 2008. Excluding the revenue of the Guanzhuang supermarket, the revenue of supermarkets increased by approximately 10% in 2008.

* 綜合超市的營業收入包含管莊超市(於二零零八年轉為大賣場)的數額。除去管莊超市收入的影響，綜合超市於二零零八年的營業收入增長約10%。

The increase in the 2008 revenue of the Group's directly-operated hypermarkets, supermarkets and convenience stores of approximately 15.7% was mainly attributable (i) the same store sale growth of approximately 7.2%, (ii) contributions from the full years sales performance of the new stores opened in 2007, and (iii) inclusion of the sales performance of the new stores opened in the Reporting Period.

二零零八年本集團直營大賣場、綜合超市、便利店的營業收入較去年增長約15.7%，主要是由於(i) 同店銷售增長約7.2%，(ii) 二零零七年新開店舖全年銷售業績貢獻，及(iii) 報告期內新開店舖銷售業績貢獻。

The increase in gross profit margin generated from the hypermarket operation, supermarket operation and convenience store operation from approximately 15.8% in 2007 to approximately 16.7% in the Reporting Period, was mainly contributed by (i) higher gross profit margin generated by self-operated live and fresh produce, (ii) bargaining power with suppliers strengthened based on the increase in purchase volume as a result of expansion of distribution network, and (iii) the continuous optimisation of product mix.

The wholesale revenues are categorised to include the sales recognised by Beijing Chaopi Trading Company Limited (“Chaopi Trading”) and its subsidiaries and sales to franchisees recognised by the Company.

報告期內，本集團大賣場、綜合超市、便利店經營業務的毛利率較二零零七年的約15.8%增長到約16.7%。主要原因是：(i)自營生鮮商品帶來較高的毛利率，(ii)隨著分銷網絡的拓展，採購量的增加使對供應商的議價能力增強，及(iii)持續的商品結構調整。

批發業務的收入歸類為包括由北京朝批商貿有限公司(「朝批商貿」)及其附屬公司實現的銷售收入及本公司實現的向加盟店的銷售收入。

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	Increase 增長 (%) 百分比
Revenue recognised by Chaopi Trading and its subsidiaries 朝批商貿及其附屬公司實現的收入	3,677,352	3,152,907	16.6
Less: Intersegment sales 減：分部間銷售	(557,517)	(462,196)	20.6
Sales to franchisees 向加盟店鋪的銷售	474,475	257,289	84.4
Consolidated wholesale revenue 合併批發收入	3,594,310	2,948,000	21.9
Gross profit margin* 毛利率*	10.3%	9.5%	0.8

* Represents gross profit margin recognised by Chaopi Trading and its subsidiaries including intersegment sales.

* 該毛利率指朝批商貿及其附屬公司所實現的毛利率(包含分部間銷售)。

The increase in wholesale revenue recognised by Chaopi Trading and its subsidiaries of approximately 16.6% during the Reporting Period was primarily due to (i) the in line expansion of wholesale business with the rapid expansion of domestic retail business, (ii) the full year contribution in 2008 by Chaopi Zhongde, Chaopi Huilong, and Chaopi Taiyuan with businesses commenced in mid and late 2007 respectively, and (iii) the increase in the number of regional sole distributorship brands.

報告期內，朝批商貿及其附屬公司所實現的收入比去年同期增長約16.6%。增長的主要原因是：(i)隨著國內零售業務的快速增長，批發業務不斷拓展；(ii)分別自二零零七年年中及年末開展業務的朝批中得、朝批匯隆及朝批太原於二零零八年的銷售貢獻；及(iii)區域性獨家代理品牌數量增加。

The increase in gross profit margin from approximately 9.5% in 2007 to 10.3% during the Reporting Period was mainly because of (i) better bargaining power with suppliers due to increase in purchase volume, (ii) the increase in the regional sole distributorship brands with higher gross profit margin, and (iii) the continuous optimisation of product mix.

報告期內，毛利率從二零零七年的約9.5%升至10.3%，主要是由於：(i)採購量的增加使對供應商的議價能力增強，(ii)具有較高毛利率的區域性獨家分銷品牌數量的增加；及(iii)持續的商品結構調整。

FINANCIAL RESULTS

財務業績

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Revenue 收入	6,694,357	5,640,599
Gross profit 毛利	934,836	721,837
Gross profit margin (%) 毛利率 (%)	13.96	12.80
Other income and gains 其他收入及收益	345,568	242,961
Selling and distribution costs 銷售及分銷成本	(680,336)	(521,598)
Administrative expenses 行政開支	(195,360)	(137,008)
Other expenses 其他支出	(33,333)	(23,493)
Finance costs 融資成本	(91,100)	(27,397)
Tax 稅項	(76,581)	(86,434)
Profit for the year 年度利潤	203,683	168,872
Net profit margin (%) 淨利潤率 (%)	3.0	3.0
Profit attributable to equity holders of the parent 母公司股權持有人應佔利潤	156,758	124,593
Net profit margin attributable to equity holders of the parent (%) 母公司股權持有人應佔淨利潤率 (%)	2.3	2.2
Basic earnings per share – RMB 每股基本盈利 – 人民幣	38.0 cents 仙	31.9 cents 仙

Revenue

Revenue represents the net invoiced value of goods sold, after deduction of relevant taxes and allowances for returns and trade discounts.

The Group's revenue increased by approximately 18.7%, from approximately RMB5,640.6 million in 2007 to approximately RMB6,694.4 million, primarily due to the increase in retail and wholesale revenue by approximately 15.1% and 21.9%, respectively.

Gross profit and gross profit margin

During the Reporting Period, the gross profit of the Group was approximately RMB934.8 million, representing an increase of approximately 29.5% compared with approximately RMB721.8 million last year. The increment was in line with the increase in revenue. The increase in gross profit margin from approximately 12.80% to approximately 13.96% in the current year was mainly attributable to the increase in gross profit margins of both the retail and wholesale businesses.

收入

收入指已售貨物的發票淨值，扣除有關稅項及減退貨及貿易折扣。

本集團的收入，從二零零七年約人民幣5,640,600,000元增至約人民幣6,694,400,000元，增長約18.7%，主要是由於零售與批發營業收入分別增長約15.1%及21.9%。

毛利與毛利率

報告期內，本集團毛利約為人民幣934,800,000元，較去年同期之毛利額約人民幣721,800,000元增長約29.5%，與收入的增幅相稱。本年度毛利率從約12.80%提升至約13.96%，主要是由於零售及批發業務毛利率的增長。

Other income and gains

Other income and gains mainly comprise of income from suppliers for display space leasing fee and promotion income, rental income from leasing and sub-leasing of properties and counters, and interest income.

The Group's other income and gains increased by approximately 42.2% from approximately RMB243 million to approximately RMB345.6 million in the Reporting Period, mainly due to the increase in income from suppliers and rental income of approximately 29.7% and 45.6%, respectively.

Selling and distribution costs

Selling and distribution costs mainly comprise of salary and welfare, depreciation, energy fee, rental expenses, repair and maintenance, transportation expenses, packaging expenses and advertising expenses.

The Group's selling and distribution costs were approximately RMB680.3 million in the Reporting Period. The selling and distribution costs ratio against revenue increased from approximately 9.2% to 10.2% in the current year. The increase was primarily due to (i) the increase in salary and welfare, and (ii) the inclusion of selling and distribution costs of the new retail outlets and wholesale subsidiaries set up and commenced operation in the second half of 2007 and during the Reporting Period.

Administrative expenses

Administrative expenses mainly comprise of salary and welfare, social security costs (including retirement benefit contribution), depreciation expenses and entertainment expenses, etc.

The Group's administrative expenses were approximately RMB195.4 million in 2008. The administrative expenses ratio against revenue increased from approximately 2.4% to 2.9% in the current year. The increase was mainly attributable to (i) the increase in salary, welfare and social security costs as a result of a general increase in salary, and (ii) the inclusion of administrative expenses of the new retail outlets and wholesale subsidiaries set up and commenced operation in the second half of 2007 and during the Reporting Period.

Other expenses

Other expenses primarily comprise of business tax, city construction tax and surcharges mainly charged on rental income and service income.

其他收入及收益

其他收入及收益主要指來自供應商的陳列租賃收入、促銷收入、租賃投資物業及櫃檯的租金及利息收入。

報告期內，本集團的其他收入及收益從約人民幣243,000,000元增至報告期內約人民幣345,600,000元，增長約42.2%，主要歸因於來自供應商的收入及租金收入分別增長約29.7%及45.6%。

銷售及分銷成本

銷售及分銷成本主要指薪金及福利、折舊、能源費用、租金支出、維修費用、運輸費用、包裝費用及廣告費用支出。

本集團於報告期內的銷售及分銷成本約為人民幣680,300,000元。銷售及分銷成本佔收入的比例從去年約9.2%增長到本年度的約10.2%。增長的主要由於(i)工資、福利的增長，及(ii)自二零零七年下半年及本報告期內建立及開始營運的零售店鋪及批發附屬公司的銷售及分銷成本支出。

行政開支

本集團的行政開支主要指薪金及福利、社會保障開支(包括退休福利供款)、折舊開支及應酬費用等。

本集團於二零零八年的行政開支為約人民幣195,400,000元，行政開支佔收入的比例自去年約2.4%增長到本年度的約2.9%。增長的主要因為：(i)工資的增長，及由於工資總額增長而使福利及社會保障開支增加；(ii)自二零零七年下半年及報告期內建立及開始營運的零售店鋪及批發附屬公司的行政開支支出。

其他支出

其他支出主要包括營業稅、城建稅及對於租金收入及服務收入的額外稅費。

The Group's other expenses increased from approximately RMB23.5 million to approximately RMB33.3 million in 2008. The increase was mainly because of increase in business tax, city construction tax and surcharges as a result of increase in rental income and service income in 2008.

Finance costs

Finance costs represent interest on bank loans, other borrowings and debenture.

The Group's finance costs significantly increased from approximately RMB27.4 million to approximately RMB91.1 million in 2008, and was primarily due to (i) the increase in bank loans and other borrowings during the Reporting Period as well as the short-term debenture issued in December 2007, (ii) the increase of the one-year benchmark lending rate from 6.84% in July 2007 to 7.47% in December 2007, and 7.2% in September 2008, and (iii) a decrease of capitalised interest of approximately RMB23.6 million mainly due to the completion of the construction projects by the end of 2007. Taking into account of the interest income of RMB22.9 million (2007: RMB9.7 million) recorded in other income and gains, the net finance costs would be approximately RMB68.2 million for the Reporting Period (2007: RMB17.7 million).

Tax

The Group is not subject to Hong Kong profit tax as the Group had no assessable profit arising in or derived from Hong Kong during the Reporting Period.

The members of the Group are subject to corporate income tax at a rate of 25% during the Reporting Period (2007: 33%) on their respective taxable profit pursuant to the relevant PRC tax laws and regulations.

Income tax decreased from approximately RMB86.4 million to approximately RMB76.6 million in 2008, primarily due to the decrease in corporate income tax rate from 33% in 2007 to 25% in 2008.

Profit for the year

Profit for the year increased by approximately 20.6% from approximately RMB168.9 million to approximately RMB203.7 million in the current year. The increase was mainly attributable to an increase in gross profit of approximately 29.5% and an increase in other income and gains of approximately 42.2%.

本集團其他支出自二零零七年的約人民幣23,500,000元增至於二零零八年的約人民幣33,300,000元，增長的主要原因是由於二零零八年租金收入及服務收入的增長致使營業稅、城建稅及額外稅費支出增長。

融資成本

融資成本指銀行貸款及其他借款、融資債券的利息支出。

本集團融資成本自二零零七年的約人民幣27,400,000元增至二零零八年的約人民幣91,100,000元，主要是由於(i)報告期內，銀行貸款及其他借款的增加，以及於二零零七年十二月發行的短期融資債券；(ii)一年期貸款基準利率從二零零七年七月的6.84%增至二零零七年十二月的7.47%及二零零八年九月的7.2%；及(iii)主要因二零零七年底建築工程竣工而使利息資本化降低約人民幣23,600,000元。考慮納入於其他收入及收益中確認的利息收入人民幣22,900,000元(二零零七年：人民幣9,700,000元)之後，報告期內融資成本淨額約為人民幣68,200,000元(二零零七年：人民幣17,700,000元)。

稅項

報告期內，由於本集團並無來自或源於香港的應課稅利潤，因此本集團毋需支付香港利得稅。

本集團各成員公司於報告期內按照中國稅收法律法規規定須按25% (二零零七年：33%)的稅率分別就其應課稅利潤繳納企業所得稅。

所得稅從約人民幣86,400,000元降至二零零八年的約人民幣76,600,000元，主要由於二零零八年企業所得稅稅率自二零零七年的33%降至二零零八年的25%。

年度利潤

本年度利潤自約人民幣168,900,000元增長至本年度的約人民幣203,700,000元，增長約20.6%。該增長主要歸因於毛利增長約29.5%，及其他收入及收益增加約42.2%。

Basic earnings per share

The Group recorded basic earnings per share of approximately RMB38 cents for 2008, which was calculated on the basis of the number of 412,220,000 shares, representing approximately 19.1% higher than RMB31.9 cents of last year.

LIQUIDITY AND FINANCIAL RESOURCES

During the Reporting Period, the Group mainly financed its operations through internally generated cash flows, bank and other borrowings and the proceeds from the H shares placement in October 2007.

As at 31 December 2008, the Group had non-current assets of approximately RMB1,688 million, which mainly comprised property, plant and equipment of approximately RMB1,528.5 million, and non-current liabilities of approximately RMB77.5 million mainly comprised interest-bearing bank and other borrowings of RMB56 million.

As at 31 December 2008, the Group had net current liabilities of approximately RMB121,764,000. Current assets mainly comprised cash and cash equivalents (mainly denominated in RMB) of approximately RMB543 million, inventories of approximately RMB710.1 million, trade receivables of approximately RMB970.1 million and prepayments, deposits and other receivables of approximately RMB272.7 million. Current liabilities mainly comprised of trade and bills payables of approximately RMB799 million, interest-bearing bank and other borrowings of approximately RMB1,008.5 million, short-term debentures of RMB370 million and, other payables and accruals of approximately RMB497.8 million.

INCREASE IN INTERESTS IN SUBSIDIARIES

During the Reporting Period, the Company contributed cash of approximately RMB147.1 million to Chaopi Trading, resulting in the increase of the Group's direct equity interest in Chaopi Trading from approximately 76.42% to 79.85%.

During the Reporting Period, Chaopi Trading acquired an interest of approximately 6.3% in Beijing Chaopi Huilong Trading Company Limited ("Chaopi Huilong") from a minority shareholder of Chaopi Huilong by cash of approximately RMB849,000. Accordingly, the Group's indirect equity interest in Chaopi Huilong increased from approximately 39.05% to 45.83%.

每股基本盈利

二零零八年本集團錄得每股基本盈利約人民幣0.38元，乃依據412,220,000股而計算，較去年的人民幣0.319元提高約19.1%。

流動資金及財務資源

報告期內，本集團通過內部產生的現金流及銀行貸款以及其他借款以及二零零七年十月配售H股所得款項籌集營運所需資金。

於二零零八年十二月三十一日，本集團非流動資產約為人民幣1,688,000,000元，主要包括約人民幣1,528,500,000元的物業、廠房及設備，非流動負債約為人民幣77,500,000元，主要包括付息銀行貸款及其他借款人民幣56,000,000元。

於二零零八年十二月三十一日，本集團流動負債淨值約人民幣121,764,000元。流動資產主要包括現金及現金等價物(主要以人民幣列值)約人民幣543,000,000元，存貨約人民幣710,100,000元，應收賬款約人民幣970,100,000元及預付款、按金及其他應收款約人民幣272,700,000元；流動負債包括應付賬款及票據約人民幣799,000,000元，付息銀行貸款及其他借款約人民幣1,008,500,000元、短期融資債券人民幣370,000,000元及其他應付款項及預提費用約人民幣497,800,000元。

增加於附屬公司的權益

報告期內，本公司對朝批商貿以現金出資約人民幣147,100,000元，本集團於朝批商貿的直接股本權益由約76.42%增至79.85%。

報告期內，朝批商貿以現金約人民幣849,000元自北京朝批匯隆商貿有限公司(「朝批匯隆」)的少數股東購買朝批匯隆約6.3%的權益。因此，本集團於朝批匯隆的間接股本權益自約39.05%增至45.83%。

FOREIGN CURRENCY RISK

The Group's operating revenues and expenses are principally denominated in Renminbi.

During the Reporting Period, the Group did not encounter any material effect on its operation or liquidity as a result of fluctuation in currency exchange rates.

EMPLOYEES

As at 31 December 2008, the Group employed 5,057 (2007: 5,068) full-time employees in the People's Republic of China (the "PRC"). The total staff costs (including directors' and supervisors' remunerations) of the Group for the Reporting Period amounted to approximately RMB319.4 million (2007: RMB228.2 million). The staff emolument (including directors and supervisors) of the Group are based on duty (position), experience, performance, and market rates in order to maintain their remunerations at a competitive level.

As required by the PRC laws and regulations, the Group participates in the defined contribution retirement benefits scheme for its employees operated by the relevant local government authorities in the PRC. The Group is required to make contributions for those employees who are registered as permanent residents in the PRC at a rate of 20% (2007: 20%) of the employees' salaries, bonuses and certain allowances. The Group has no further obligation associated with the said defined contribution retirement benefits scheme beyond the annual contributions. The Group's contributions to the defined contribution retirement benefits schemes amounted to approximately RMB24,981,000 for the Reporting Period (2007: RMB21,115,000).

During the Reporting Period, 103 training seminars such as pre-job training, staff back-up support, etc. had been conducted.

INDEBTEDNESS AND PLEDGE OF ASSETS

As at 31 December 2008, the Group had an aggregate borrowings (all denominated in RMB) of approximately RMB1,434.5 million, consisted of secured short-term bank loans of approximately RMB503.5 million, unsecured short-term bank loans of RMB205 million, secured long-term bank loans of RMB56 million, unsecured short-term other borrowing of RMB300 million and unsecured short-term debentures of RMB370

外匯風險

本集團所有營運收入及支出主要以人民幣列值。

報告期內，匯率的波動未對本集團的營運或流動性產生任何重大影響。

員工

於二零零八年十二月三十一日，本集團於中華人民共和國（「中國」）境內共有5,057名（二零零七年：5,068名）全職僱員，本集團於二零零八年員工成本（包括董事及監事酬金）總計約人民幣319,400,000元（二零零七年：人民幣228,200,000元）。本集團僱員（包括董事及監事）薪酬依據職務（崗位）、經驗、業績及市場水平確定，以維持具有競爭力水平的薪酬。

按照中國法律法規的若干要求，本集團參加中國當地政府部門組織的定額退休福利供款計劃。本集團按照要求為登記為中國固定居民的員工按照員工的工資、獎金及若干津貼的20%（二零零七年：20%）的比例交納供款。除上述年度供款外，本集團就所述定額退休福利供款計劃無其他進一步責任。報告期內，本集團就所述定額退休福利供款計劃供款總計約人民幣24,981,000元（二零零七年：人民幣21,115,000元）。

報告期內，共安排103期專門培訓課程，如崗前培訓、員工後備支持等。

負債及資產抵押

於二零零八年十二月三十一日，本集團借款總額（所有均以人民幣列值）約人民幣1,434,500,000元，包括有抵押短期銀行貸款約人民幣503,500,000元，無抵押短期銀行貸款人民幣205,000,000元，有抵押長期銀行貸款人民幣56,000,000元，無抵押短期其他借款人民幣

million (fixed interest rate of 6.8% per annum). All the Group's bank loans bear fixed interest rates ranging from 4.9% to 7.5% per annum. All the Group's other borrowing bears a fixed interest rate of 7.3% per annum. The secured bank loans were secured by:

- Certain of the Group's buildings, investment properties and lease prepayments for land use rights with an aggregate carrying value of approximately RMB578.7 million as at 31 December 2008; and
- Certain of the Group's time deposits of approximately RMB17.7 million as at 31 December 2008.

Certain of the Group's time deposits of approximately RMB12.6 million were pledged for bills payable as at 31 December 2008.

The Group's net gearing ratio* was approximately 57.8% as at 31 December 2008 which was higher than 37.4% as at 31 December 2007. The increase was primarily due to an increase of bank loans and other borrowing, and acquisition of property, plant and equipment during the Reporting Period.

* Represented by: (Total borrowings (including debentures) – pledged deposits, and cash and cash equivalent)/Total equity

According to an independent legal opinion, all the borrowings incurred in 2008 were in compliance with the relevant PRC applicable laws.

CONTINGENT LIABILITIES

As at 31 December 2008, the Group had no material contingent liabilities.

STRATEGIES AND PLANS

The financial crisis should not affect the foundation of China's economic development and the long-term development trends. To effectively meet the global financial crisis, the central government has been making every effort to serve the goal of ensuring sturdy and rapid economic development in China as the top one overarching objective, and will also preserve the well-being of the people and stability in China.

300,000,000元及及無抵押短期債券人民幣370,000,000元(固定年利率為6.8%)。本集團所有銀行貸款承擔從4.9%到7.5%的固定年利率。本集團其他借款為7.3%固定年利率。該等有抵押銀行貸款由下述擔保：

- 本公司若干房屋、投資物業及土地使用權租賃預付款於二零零八年十二月三十一日賬面淨值總計約人民幣578,700,000元；及
- 本集團於二零零八年十二月三十一日定期存款約人民幣17,700,000元。

於二零零八年十二月三十一日，本集團約人民幣12,600,000元的定期存款為應付票據提供抵押。

本集團於二零零八年十二月三十一日的淨負債比率*約為57.8%，高於二零零七年十二月三十一日的37.4%。增加的主要原因是報告期內銀行貸款、其他借款及物業、廠房及設備購置的增加。

* 指：(總借款額(包括債券)–擔保存款，及現金及現金等價物)／股本權益總額

根據獨立法律顧問意見，所有於二零零八年發生的借款均符合中國現行法律。

或然負債

截至二零零八年十二月三十一日，本集團並無重大或然負債。

戰略與計劃

金融危機的衝擊並沒有改變中國經濟發展的基本態勢及長期發展趨勢。為更有效地應對國際金融危機，中央政府致力服務於確保經濟穩健快速發展的首要目標以及保障人民生活安定及社會穩定。

Management Discussion and Analysis

管理層討論及分析

Both the central government and local governments will draw up feasible measures to expand consumption and stimulate domestic demand to promote economic growth. The investment to improve people's livelihood will drive the economic growth. The improvement of education and health system will expand consumption, and the expansion of consumption will in turn improve the structure and quality of economic growth.

Looking forward, we believe in the sustainable development of our country with enormous potential, strong motivation and ability to prevent risks. We expect that the Group's retail and wholesale businesses have immense development opportunity in spite of encountering stringent challenge caused by the global financial crisis as well as gradual intensified competition. We believe that room and potential are still available for the Group's development in the Greater Beijing Region.

With respect to the development strategy, the Group will continue to look for new location for new retail outlets in the Greater Beijing Region and establish new wholesale network in the second-tier cities of the Northern China, the Eastern China and the Economic Circle of Bohai at a stable speed. At the same time, we shall adopt effective measures to promote the operating results of the Group existing retail and wholesale networks.

With respect to the marketing management, the Group will continue to optimise product mix, strengthen marketing strategy, adapt to customer consumption concept and changes in consumption structure. We shall promote the marketing capability of in-house branded commodities.

With respect to the supply chain, the Group will thoroughly improve the flow of logistics centers, reduce logistics costs practically, enhance distribution efficiency, develop commodity sub-packing and processing capability and explore new profitable sources.

With respect to the internal control and management, the Group will gradually improve its internal control system and strengthen the establishment of a risk management organisation system. By integrating the Group's management and marketing mode, we shall implement the KPI evaluation system for each management department, retail outlet and logistics centre to promote the Group's operating efficiency.

中央政府及地方政府均採取多項可行措施以擴大消費及刺激國內需求以促進經濟增長。對改善民生的投資將推動經濟增長，對教育及醫療體系的改進將擴大消費，並進而提升經濟發展的結構及質量。

展望未來，我們確信中國具有持續發展的巨大潛力、強勁動力及抵禦風險的能力。我們預期，雖然本集團的零售和批發業務面臨世界金融危機帶來的嚴峻挑戰及日益加劇的競爭，但也蘊含著重大發展機遇。我們相信本集團在大北京地區仍有巨大的發展空間和發展潛力。

在拓展戰略上，本集團將繼續以穩健的步伐在大北京地區尋找更多的新地點發展零售店鋪，在華北、華東及環渤海商圈的二級城市建立新的批發分銷網絡。同時本集團將採取有效措施提升現有零售及批發分銷網絡的經營業績。

在營運管理上，本集團將持續優化商品結構，加強營銷策劃，不斷適應顧客消費理念及消費結構的變化，提高自有品牌的營銷能力。

在供應鏈體系上，全面改善配送中心流程，切實降低物流成本，提高配送效率，並推動商品分裝及加工能力開發，挖掘新的利潤增長點。

在內部控制及管理上，本集團將逐步完善內部控制體系，加強風險管理組織體系建設。結合本集團管理運營模式對各個管理部門、零售店鋪及配送中心實施關鍵績效(KPI)考核制度，提升集團運營效率。

Corporate Governance Report 企業管治報告

The Group is committed to maintain good corporate governance with an emphasis on the principles of transparency, accountability and independence to all shareholders. The Group recognises the importance of effective corporate governance is essential for its continual growth, and will also attract more investors to invest in the Company. The Group has adopted the principles of the Code on Corporate Governance Practices as set out in Appendix 15 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) before the migration of the listing of the H shares of the Company from the Growth Enterprise Market to the Main Board of the Stock Exchange of Hong Kong Limited (the “Main Board Migration”) and Appendix 14 of the Rules Governing the Listing of Securities on the Main Board (the “Listing Rules”) after the Main Board Migration with the objective of enhancing the quality of corporate governance of the Group.

In the opinion of the directors, the Company has applied the principles of and complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules before the Main Board Migration and Appendix 14 of the Listing Rules after the Main Board Migration during the Reporting Period, saving for the directors’ retirement by rotation as explained below.

Both the provision A4.2 of Appendix 15 of the GEM Listing Rules and Appendix 14 of the Listing Rules require that every director, including those appointed for a specific term, of a listed issuer should be subject to retirement by rotation at least once every three years. The Company’s Articles of Association stipulates that each director shall be elected in general meeting of the Company for a term of not more than three years, and eligible for re-election upon the expiry of the term. Having taken into account of the continuity of the Group’s operation and management policies, the Company’s Articles of Association contains no express provision for the directors’ retirement by rotation and thus deviating from the aforesaid provision A4.2.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules before the Main Board Migration and the Model Code

本集團致力保持較好的企業管治水平，並著重於透明度、責任感及獨立於所有股東的原則。本集團深信有效的公司管治的重要性，不僅是持續發展所必需的，也能吸引更多的投資者投資於本公司。本集團已於採納創業板證券上市規則（「創業板上市規則」）附錄十五（公司H股自創業板轉至香港聯合交易所主板（「轉主板」）上市之前）及主板證券上市規則（「上市規則」）附錄十四（轉主板之後）企業管治常規守則的原則性規定，以提升本集團企業管治水平。

董事認為，報告期內，除下文所述董事輪流退任之外，本公司已實施及遵守了載於創業板上市規則附錄十五（轉主板之前）及遵守上市規則附錄十四（轉主板之後）企業管治常規守則的原則及所有規定條款。

根據創業板上市規則附錄十五及上市規則附錄十四第A4.2條的規定，上市發行人每位董事（包括被指定一定期限的），至少每三年應輪流退任一次。本公司的公司章程規定，董事應當由股東大會選舉產生，任期不超過三年，任期屆滿連選可以連任。考慮到本集團經營及管理政策的持續性，本公司的公司章程暫無明確規定董事輪流退任機制，因而與前述第A4.2條文規定有所偏離。

董事的證券交易

本公司已就董事的證券交易採納了一套不低於創業板上市規則第5.48至5.67條（轉主板之前）及於上市規則附錄十（轉主板之後）所載上市發行人董事證券交易的標準守則（「標準守則」）的行為守則。

for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules after the Main Board Migration. Having made specific enquiries, all the directors have confirmed that they have complied with the required standard of dealings and code of conduct regarding their securities transactions throughout the Reporting Period.

THE BOARD

The Board takes the responsibility for leadership and control of the Group and be collectively responsible for safeguarding the best interest of the Group and accountable to shareholders. Matters that are required to be determined or considered by the Board include overall group strategies, substantial acquisitions and disposals, capital transactions, annual, interim and quarterly results, distribution of dividends and other substantial operating and financial matters. Major corporate matters that are specifically delegated by the Board to the Group’s management include the preparation of financial accounts for Board approval, execution of business strategies and initiatives adopted by the Board, implementation of adequate system of internal controls and risk management procedures, and compliance with relevant statutory requirements, rules and regulations.

The Board currently comprises of nine directors (being four executive directors, two non-executive directors and three independent non-executive directors) which have served the Group for the whole Reporting Period. Their respective initial term of office has been ended on 31 October 2007 and were all been extended for a further term of three years commenced from 1 November 2007 pursuant to an ordinary resolution passed at the annual general meeting held on 18 May 2007. Each of the four executive directors is entitled to a fixed basic salary, a performance based salary and other allowance and benefits in kind under applicable PRC law and regulations. The two non-executive directors do not receive any directors’ fee. Each of the three independent non-executive directors is entitled to receive a fixed director’s fee.

本公司已向全體董事作出特定查詢，全體董事均確認其於截報告期內均遵守了關於證券交易的買賣準則及行為守則。

董事會

董事會負責本集團的領導及監控工作，並對保障本集團及股東最佳利益共同負責。董事會決議及考慮的事項包括集團的整體策略、重大收購及出售、股本交易、年度和半年度及季度業績及股息分派等，以及其他重大營運及財務事項。董事會特別授權本集團管理層的重大事項包括編製財務報告以備董事會核准、貫徹董事會批准的業務計劃及意向，執行充分的內控制度與風險管理程式體系，遵守相關的法定要求及規則、規章的規定。

現屆公司董事會由九名董事(包括四名執行董事，兩名非執行董事和三名獨立非執行董事)組成，均於整個報告期內履行了董事職責。董事的第一屆任期於二零零七年十月三十一日到期，根據二零零七年五月十八日舉行的股東周年大會通過的決議，其已再次獲得自二零零七年十一月一日起三年的任期。四名執行董事均有權收取固定薪金，績效薪金及其他津貼及根據中國法律法規適用的實物利益。兩名非執行董事無不收取任何董事袍金，三名獨立非執行董事均獲得固定的董事袍金。

During the Reporting Period, the Board fulfilled the requirement of having at least three independent non-executive directors as required by the GEM Listing Rules before the Main Board Migration and the Listing Rules after the Main Board Migration. The Company also met the requirement of having at least one independent non-executive director must have appropriate professional qualifications or accounting or related financial management expertise. The Company has received, from each of the independent non-executive directors, an annual confirmation in respect of their independence. The Company is of the opinion that all of the independent non-executive directors are independent pursuant to Rules 5.09 of the GEM Listing Rules before the Main Board Migration and Rules 3.13 of the Listing Rules after the Main Board Migration.

Reasonable notice period and sufficient relevant information have been given to all directors so as to enable them to attend the Board meetings and make appropriate decision in relation to matters to be discussed. All directors are entitled to include matters of their concern in the agenda of all Board meetings. All directors are free to inspect all relevant corporate information.

The biographical details of the directors are set out on pages 59 to 61 of this annual report.

Mr. Wei Tingzhan, acting as the chairman and executive director of the Company is responsible for the operation of the Board.

Mr. Li Jianwen, acting as the general manager and executive director of the Company is responsible for the Group's daily business development and management.

Another two executive directors, Mr. Liu Yuejin and Ms. Li Chunyan are responsible for the retail operation, and legal and financial affairs of the Group, respectively.

Each executive director has sufficient experience to hold the position so as to accomplish his/her duties effectively and efficiently.

報告期內，董事會遵守了創業板上市規則(轉主板之前)及上市規則(轉主板之後)關於擁有至少三名獨立非執行董事的要求。本公司也符合關於擁有至少一名獨立非執行董事為專業會計師或具備專業會計或財務管理經驗的要求。本公司已收到每位獨立非執行董事就其獨立性的年度確認。本公司認為，根據創業板上市規則第5.09條(轉主板之前)及上市規則3.13條(轉主板之後)規定，所有的獨立非執行董事均為獨立的。

已給予全體董事合理的通知期間及足夠的相關資訊以使其能參加董事會會議並對所審議事項作出適當的決議。全體董事均有權將其關注的事宜提交所有的董事會議程。所有董事均有權自行查閱所有相關的公司資訊。

各董事的個人資料詳請載於本年報第59頁至第61頁。

衛停戰先生，本公司董事長及執行董事，負責董事會的運作。

李建文先生，本公司總經理及執行董事，負責集團日常業務發展及管理。

其他兩位執行董事劉躍進先生和李春燕女士分別負責本集團的零售營運和法律事務及財務工作。

每位執行董事擁有有效及高效履行其職責所需的充分的經驗。

During the Reporting Period, 5 Board meetings were held and the attendance records of directors (including attendance by proxy and via telephone conference) are set out below:

報告期內，董事會共舉行了五次會議，有關董事出席(包括通過委任代表參加或通過電話會議參加)記錄如下：

Attendance/Number of meetings
出席／會議次數

Executive Directors

Mr. Wei Tingzhan (*Chairman*)
Mr. Li Jianwen
Ms. Li Chunyan
Mr. Liu Yuejin

執行董事

衛停戰先生(董事長)
李建文先生
李春燕女士
劉躍進先生

5/5
5/5
5/5
5/5

Non-executive Directors

Mr. Gu Hanlin
Mr. Li Shunxiang

非執行董事

顧漢林先生
李順祥先生

5/5
5/5

Independent Non-executive Directors

Mr. Chung Chi Kong
Mr. Fan Faming
Mr. Huang Jiangming

獨立非執行董事

鐘志鋼先生
范法明先生
黃江明先生

5/5
4/5
5/5

CHAIRMAN AND GENERAL MANAGER

Mr. Wei Tingzhan and Mr. Li Jianwen are the chairman of the Board and the general manager of the Company, respectively, which are two clearly defined positions. The chairman is responsible for the operation of the Board and ensuring the Board works effectively while the general manager is in charge of the Group's daily business development and management. The Company's Articles of Association sets out the respective duties and power of the chairman and the general manager in detail.

董事長及總經理

本公司的董事長及總經理分別由衛停戰先生及李建文先生擔任，為兩個明確劃分的不同職位，董事長負責董事會的有效運作，而總經理負責集團的日常業務發展及管理。本公司公司章程中詳細列明董事長及總經理的職權。

AUDIT COMMITTEE

An audit committee has been established on 29 July 2005 and the second session of the audit committee was established pursuant to a resolution passed by the Board on 13 November 2007. Its authority and responsibility are properly written out in compliance with Rule 3.22 of the Listing Rules. The audit committee provides an important link between the Board and the external auditors in matters falling within the scope of the audit of the Company and the Group. It reviews the effectiveness of the external audit, internal controls and risk evaluation

審核委員會

本公司董事會於二零零五年七月二十九日成立審核委員會，並於二零零七年十一月十三日通過決議，選舉成立了第二屆審核委員會，並遵守上市規則第3.22條之規定書面列明審核委員會的職權及責任。審核委員會就本公司及本集團核數範圍內所涉及事項為董事會與外聘核數師之間建立重要聯繫，負責審閱外部核數及內控與風險評估的有效性，並向董事會提供意見及建議。審核委員會

and, provides comments and suggestions to the Board. The audit committee comprises three independent non-executive directors, namely Mr. Chung Chi Kong, Mr. Huang Jiangming and Mr. Fan Faming. Mr. Chung Chi Kong is the chairman of the audit committee.

The audit committee held three meetings with all members attended during the Reporting Period for reviewing the accounting principles and practices adopted by the Group and discussing internal controls and financial reporting matters including a review of the 2007 annual reports, and the 2008 quarterly and interim results.

The audit committee has reviewed the Group's 2008 audited annual results and discussed with the management and the external auditors on the accounting principles and practices adopted by the Group, internal control and financial reporting matters.

REMUNERATION COMMITTEE

The Company has established its remuneration committee on 29 July 2005 and the second session of the remuneration committee was established pursuant to a resolution passed by the Board on 13 November 2007 which comprising three directors, namely Mr. Wei Tingzhan, Mr. Fan Faming and Mr. Huang Jiangming. Mr. Wei Tingzhan is the chairman of the remuneration committee. The remuneration committee is responsible for reviewing and determining the policy of the remuneration packages of all directors by considering factors such as salaries paid by comparable companies, time commitments and complexity of duties and responsibilities of the directors to ensure incentives are effectively implemented for all directors.

During the Reporting Period, two meetings were held by the remuneration committee with all members attended for discussing and considering the remuneration management system of the Company's senior management and the criterion of their performance based salary from 2008 to 2010. The relevant decisions have been submitted to the Board for consideration and were approved.

NOMINATION COMMITTEE

The Company has established its nomination committee on 29 July 2005 and the second session of the nomination committee was established pursuant to a resolution passed by the Board on 13 November 2007

由三名獨立非執行董事組成，即鐘志鋼先生、黃江明先生及范法明先生，鐘志鋼先生為審核委員會主席。

報告期內，審核委員會召開了三次會議(所有會員均出席)，審核本集團所採用的會計準則及政策，討論內部控制及財務報告(包括審閱二零零七年年報、二零零八年季報及中期報告)事宜。

審核委員會已審閱了本集團經審計的二零零八年年報業績，並與本公司高級管理人員及外聘核數師就本集團所採用的會計準則及政策、內部控制及財務報告事宜進行了討論。

薪酬委員會

本公司已於二零零五年七月二十九日成立了薪酬委員會，並於二零零七年十一月十三日董事會通過決議選舉成立了第二屆薪酬委員會，由三位董事組成，即衛停戰先生、范法明先生及黃江明先生。薪酬委員會由衛停戰先生擔任主席。薪酬委員會負責根據可比較公司薪資水準、時間投入及職責的複雜程度等因素審閱及釐定所有董事的薪酬政策，以確保對所有董事予以有效激勵。

報告期內，薪酬委員會召開了兩次會議，全體委員出席並討論及考慮本公司高級管理層薪酬體系及其於二零零八年至二零一零年的績效工資的標準。相關決議已提交董事會審議並已獲批准。

提名委員會

本公司於二零零五年七月二十九日成立了提名委員會，並於二零零七年十一月十三日董事會通過決議選舉成立了第二屆提名委員會，由三位董事

which comprising three directors, namely Mr. Wei Tingzhan, Mr. Fan Faming and Mr. Huang Jiangming. Mr. Wei Tingzhan is the chairman of the nomination committee. The nomination committee is responsible for nominating potential candidates for directorships, reviewing the nomination of directors and making recommendations to the Board on such appointments.

SUPERVISORY COMMITTEE

During the Reporting Period, the supervisory committee of the Company comprised Ms. Qu Xinhua, Ms. Wang Shuying, Ms. Yao Jie, Mr. Yang Baoqun, Mr. Chen Zhong and Ms. Cheng Xianghong. Ms. Qu Xinhua is the chairman of the supervisory committee. The supervisors have performed their work in a dedicated and diligent manner and carried out effectively the functions of supervising the legal and regulatory compliance relating to financial matters and overseeing the directors and senior management of the Group during their offices.

AUDITORS' REMUNERATION

The audit committee of the Company is responsible for considering the appointment of Messrs. Ernst & Young as the external auditors of the Company for the year ended 31 December 2008. For the year ended 31 December 2008, the Company agreed auditing fees of RMB1,800,000 payable to Messrs. Ernst & Young. During the Reporting Period, the Company has also paid RMB400,000 to Messrs. Ernst & Young for non-audit services in respect of reviewing the Group's 2008 interim financial statements.

RESPONSIBILITIES FOR PREPARATION OF ACCOUNTS

The directors are responsible for the preparation of financial statements in compliance with the relevant regulations and applicable accounting standards.

The responsibility of the auditors with respect to the financial reporting are set out in the Independent Auditors' Report on pages 64 to 65.

組成，即衛停戰先生、范法明先生及黃江明先生。提名委員會由衛停戰先生擔任主席。提名委員會負責提名有潛質的人士出任董事、審閱董事提名及就該等提名向董事會提出建議。

監事會

報告期內，本公司監事會包括，屈新華女士、王淑英女士、姚婕女士、楊寶群先生、陳鐘先生及程向紅女士。屈新華女士擔任監事會主席。監事勤勉盡責，並有效履行監督財政事宜合法合規的職責，並對公司董事及高級管理人員執行職務的行為予以監督。

核數師酬金

本公司審核委員會負責考慮委任安永會計師事務所作為公司截至二零零八年十二月三十一日會計年度的外部核數師。截至二零零八年十二月三十一日之年度，本公司同意向安永會計師事務所支付的核數費用為人民幣1,800,000元。報告期內，本公司向安永會計師事務所提供的非核數服務(審閱本集團二零零八年中中期財務報表)支付的費用為人民幣400,000元。

編製財務帳目之責任

董事負責根據有關法規及適用之會計準則編製財務帳目。

核數師對於財務報告之責任載於本年報第64頁至65頁的獨立核數師報告中。

INTERNAL CONTROL

The Board has overall responsibility for maintaining an adequate system of internal control to safeguard shareholders' interest and Group's assets. Regular reviews have been conducted by the Board for ensuring the effectiveness and adequacy of the Group's internal systems in respect of financial, operational and risk management areas.

GOING CONCERN

There were no uncertain events or conditions of material nature that would affect the Group's ability to continue as a going concern during the Reporting Period and up to the date of this annual report.

INVESTOR RELATIONS

The Group is committed to establish a long-term relationship with shareholders and investors, an adherence to the principles of integrity, regularity, and high transparency, and disclose the required information in compliance with the GEM Listing Rules before the Main Board Migration and the Listing Rules after the Main Board Migration. Information of the Group is disseminated to its shareholders in the following manners:

- delivery of results and reports to shareholders;
- publication of announcements on the Stock Exchange websites and the Company's website, and issue of shareholders' circulars in accordance with the continuing disclosure obligations under the GEM Listing Rules before the Main Board Migration and the Listing Rules after the Main Board Migration.; and
- arrange general and extraordinary meetings with shareholders as an effective communication channel between the Board and shareholders.

內部監控

董事會全面負責保證集團對維護股東利益及集團資產有充分的內部監控體系，董事會就審核集團內部財務、營運及風險管理領域的內控體系的有效性和充分性實施定期審查。

持續經營

報告期內及至本年報發布之日，概無任何重大不確定事項或情形影響本集團持續經營能力。

投資者關係

本集團致力於與股東及投資者建立長期合作關係，堅持誠信、規範及高透明度的原則並根據創業板上市規則(轉主板之前)及上市規則(轉主板之後)的要求披露相關資訊，本集團通過以下各種渠道為其股東提供資料：

- 向全體股東送呈其業績與報告；
- 在聯交所網站及公司網站上刊發有關公告、及根據創業板上市規則(轉主板之前)及上市規則(轉主板之後)關於持續披露的要求向股東派發股東通函；及
- 召開股東大會及股東特別大會亦是董事會與股東之間有效的溝通管道之一。

The Company maintains effective communications with its shareholders, investors and analysts through, inter alia:

- the Department of Investor Relations of the Company is responsible for liaison with investors and analysts by answering their questions;
- arranging on-site visits to the retail outlets and logistics centers of the Group to enhance their timely understanding of the situations and latest development of the Group's business operations;
- gathering, in a timely manner, opinions and comments from analysts and investors on the operation of the Group, and selectively adopting them in the Group's operation;
- making available information on the Company's website.; and
- actively communicating with various parties, in particular, convening briefing sessions, press conferences and individual meeting with institutional investors upon the announcement of results and making decisions on material investments. The Group also participates in a range of investor activities and communicates on one-on-one basis with its investors regularly.

本公司與其股東、投資者和分析員保持有效的溝通，其中包括：

- 設立專門的部門與人員與投資者和分析員聯絡，回答其提出的問題；
- 安排實地考查本集團的店鋪與配送中心，以使其及時瞭解集團業務營運方面的情況及最新發展；
- 及時收集分析員與投資者關於集團營運的意見及建議，並於本集團的營運中有選擇性地予以採納；
- 於本公司網站上提供集團資訊；及
- 主動與各方人士溝通，特別是，於公佈業績及重大投資決策事項後，舉行推介會，媒體發布會及與機構投資者的單獨會議。本集團亦參加一系列的投資者活動，定期與投資者進行一對一的溝通。

Report of the Board of Directors

董事會報告

The board of directors hereby presents their annual report and the audited financial statements of the Company and the Group for the Reporting Period.

MAIN BOARD MIGRATION

On 25 September 2006, the Company completed its initial public offering, with its H shares listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and subsequently migrated to the Main Board of the Stock Exchange on 26 February 2008.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the retail and wholesale distribution of daily consumer products in the Greater Beijing Region. There were no significant changes in the nature of the Group’s principal activities during the Reporting Period.

RESULTS AND DIVIDENDS

The Group’s profit for the Reporting Period and the state of affairs of the Company and the Group at 31 December 2008 are set out in the financial statements on pages 66 to 155.

The directors recommend the payment of a final dividend of RMB21.0 cents (2007: RMB17.5 cents) per share (tax inclusive) in respect of the Reporting Period to shareholders on the register of members on the date of the annual general meeting 2008. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the balance sheet.

Pursuant to the “Enterprise Income Tax Law of the PRC” and the “Detailed Rules for the Implementation of the Enterprise Income Tax Law of the PRC”, beginning from 1 January 2008, any Chinese domestic enterprise which pays dividends to a non-resident enterprise shareholder (i.e. legal person shareholder) in respect of accounting periods beginning from 1 January 2008 shall withhold and pay enterprise income tax for such shareholder. Since the Company is a H share listed company in Hong Kong, the proposed 2008 final dividend of RMB21.0 cents per share (tax inclusive) will be subject to the aforesaid Enterprise Tax Laws.

董事會謹此提呈本公司及本集團於報告期間的年度報告及經審核財務報表。

轉至主板上市

於二零零六年九月二十五日，本公司完成首次公開發行，其H股於香港聯合交易所有限公司（「聯交所」）創業板上市，隨後於二零零八年二月二十六日轉至聯交所主板上市。

主要業務

本集團主要於大北京地區從事日用消費品的零售及批發分銷業務。報告期內本集團主要業務性質未發生重大變化。

業績及股息

本集團於報告期內之溢利及本公司和本集團於二零零八年十二月三十一日之業務狀況載於財務報表第66至155頁。

董事建議向於二零零八年股東周年大會之舉行日期名列股東名冊之股東派發年終股息每股人民幣0.21元(含稅)(二零零七年：人民幣0.175元)。此項建議已載入財務報表內，列入資產負債表內權益項下保留溢利分配。

根據《中華人民共和國企業所得稅法》及《中華人民共和國企業所得稅法實施條例》，自二零零八年一月一日起，任何中國國內企業自二零零八年一月一日起的會計期間向非居民企業股東(法人股東)支付股息，應當為該等股東扣繳企業所得稅。因本公司為於香港上市的H股公司，擬派二零零八年末期股息每股人民幣0.21元(含稅)須遵守前述企業所得稅法。

In order to properly carry out the withholding and payment of income tax on dividends to non-resident enterprise shareholders, the Company will strictly abide by the law and identify those shareholders who are subject to the withholding and payment of income tax based on the register of its H shareholders as at the end of 29 April 2009. In respect of all shareholders whose names appear in the register of H shareholders kept at Computershare Hong Kong Investor Services Limited, the Company's H-Shares Registrar and Transfer Office in Hong Kong as at the end of 29 April 2009 who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees, and other entities or organizations that are all considered as non-resident enterprise shareholders), the Company will distribute the 2008 final dividends after deducting income tax of 10%. The 10% income tax will not be deducted from the 2008 final dividends payable to any natural person shareholders whose names appear in the register of the Company's H shareholders kept at Computershare Hong Kong Investor Services Limited as at the end of 29 April 2009.

SUMMARY FINANCIAL INFORMATION

A summary of the published results, assets, liabilities and equity of the Group for the last five financial years, is set out on page 156 of the annual report.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Company and the Group during the Reporting Period are set out in notes 14 and 15 to the financial statements, respectively.

SHARE CAPITAL

There were no movements in the Company's share capital during the Reporting Period.

為適當實施為非居民企業股東股息收入扣繳所得稅的政策，本公司將嚴格遵守法律規定並確定於二零零九年四月二十九日註冊的H股股東扣繳所得稅。於二零零九年四月二十九日名列存放於本公司在香港之H股股東過戶登記處香港中央證券登記有限公司的股東名冊的非個人股東（包括香港中央結算（代理人）有限公司或託管人及其他為非居民企業股東的實體或組織），本公司將扣除10%的所得稅後派發二零零八年末期股息。向於二零零九年四月二十九日名列存放於中央證券登記有限公司的股東名冊的任何自然人股東派發二零零八年末期股息將不予扣除10%所得稅。

財務資料概要

本集團於過往五個財政年度之公告業績、資產及負債以及權益載於本年報第156頁。

物業、廠房、設備及投資物業

報告期內有關本公司及本集團之物業、廠房、設備及投資物業之變動詳情分別載於財務報表附註14及15。

股本

報告期內，本公司股本未發生變動。

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period and up to the date of this report.

RESERVES

Details of movements in the reserves of the Company and the Group during the Reporting Period are set out in note 34(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

Details of reserves available for distribution are set out in note 34(b)(ii) to the financial statements.

BORROWINGS

Details of the Group's borrowings at the balance sheet date are set out in note 30 to the financial statements.

RE-ISSUE OF UNSECURED SHORT-TERM DEBENTURES

The Company re-issued unsecured short-term debentures to institution investors in the PRC inter-bank debenture market on 14 July 2008. The unsecured short-term debentures aggregating RMB370 million were issued at 100% of their face value and have a term of maturity of one year. Interest rate of 6.8% per annum is payable at maturity. The issue has been passed by a special resolution at the annual general meeting of the Company held on 19 May 2008.

優先購買權

本公司之公司章程或中國法律並無載列有關強制本公司按現有股東持股比例向彼等發售新股之優先購買權之規定。

購買、贖回或出售本公司之上市證券

報告期內及截至本報告出具之日，本公司或其任何附屬公司概無購買、贖回或出售任何本公司之上市證券。

儲備

報告期內本公司及本集團儲備之變動詳情分別載於財務報表附註34(b)及合併權益變動表。

可供分派儲備

可供分派儲備詳情載於財務報表附註34(b)(ii)。

借款

本集團於資產負債表日的借款詳情載於財務報表附註30。

重新發行無抵押短期融資券

本公司於二零零八年七月十四日在中國全國銀行間債券市場公開發行短期融資券。本次短期融資券發行金額總計為人民幣370,000,000元，以融資券面值足額發行，期限為一年，年利率為6.8%，到期還本付息。本次發行已獲得於二零零八年五月十九日舉行的股東周年大會以特別決議批准。

INTEREST CAPITALISED

During the Reporting Period, the interest capitalized amounted to RMB1,722,000 (2007: RMB25,283,000).

CHARITABLE CONTRIBUTIONS

During the Reporting Period, the Group made charitable contributions totaling RMB733,300 (2007: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, sales to the Group's five largest customers accounted for approximately 19.4% (2007: 19%) of the total sales for the year and sales to the largest customer accounted for approximately 6.7% (2007: 4.8%). Purchase from the Group's five largest suppliers accounted for approximately 14.3% (2007: 18%) of the total purchases for the year and purchases from the largest supplier accounted for approximately 3.3% (2007: 3.8%) during the Reporting Period.

None of the directors or supervisors of the Company or any of its associates or any shareholders which, to the best knowledge of the directors and supervisors, own more than 5% of the Company's issued share capital had any beneficial interest in the Group's five largest customers and suppliers.

DIRECTORS AND SUPERVISORS

The directors and supervisors of the Company during the Reporting Period and up to the date of this report are as follows:

Executive Directors:

Mr. Wei Tingzhan (*Chairman*)
Mr. Li Jianwen
Ms. Li Chunyan
Mr. Liu Yuejin

Non-executive Directors:

Mr. Gu Hanlin
Mr. Li Shunxiang

資本化利息

報告期內，資本化利息總計人民幣1,722,000元（二零零七年：人民幣25,283,000元）。

慈善捐助

報告期內，本集團慈善捐助金額為人民幣733,300元（二零零七年：零）。

主要客戶及供應商

報告期內，向本集團五大客戶銷售額佔本年度總銷售額的約19.4%（二零零七年：19%），而向最大客戶銷售額約佔6.7%（二零零七年：4.8%）。報告期內，向五大供應商採購額佔總採購額的約14.3%（二零零七年：18%），而向最大供應商採購額約佔3.3%（二零零七年：3.8%）。

概無本公司董事或監事或彼等之聯繫人或就董事或監事所知擁有逾5%已發行股本之任何股東，於本集團五大客戶或供應商擁有任何權益。

董事及監事

報告期內及截至本報告出具之日，本公司董事及監事如下：

執行董事

衛停戰先生（*董事長*）
李建文先生
李春燕女士
劉躍進先生

非執行董事：

顧漢林先生
李順祥先生

Independent Non-executive Directors:

Mr. Fan Faming
Mr. Huang Jiangming
Mr. Chung Chi Kong

Supervisors:

Ms. Qu Xinhua
Ms. Wang Shuying
Ms. Yao Jie
Mr. Yang Baoqun
Mr. Chen Zhong
Ms. Cheng Xianghong

The Company has received the annual confirmations of independence from each of the three independent non-executive directors and is of the view that they are independent.

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors, supervisors and senior management of the Company are set out on pages 59 to 63 of the annual report.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

The Company entered into employment agreements with each of the executive directors pursuant to which they have agreed to act as executive directors for a term of three years with effect from 1 November 2007. Each of the executive directors is entitled to a fixed basic salary, a performance based salary and other allowance and benefits in kind under applicable PRC law and regulations.

Each of the non-executive directors entered into an appointment letter with the Company pursuant to which they have agreed to act as non-executive directors for a term of three years with effect from 1 November 2007. They do not receive any directors' fee.

獨立非執行董事：

范法明先生
黃江明先生
鐘志鋼先生

監事：

屈新華女士
王淑英女士
姚婕女士
楊寶群先生
陳鐘先生
程向紅女士

本公司已自三位獨立非執行董事獲得其獨立性的年度確認，並確信其具備獨立性。

董事、監事及高級管理人員個人資料

董事、監事及高級管理人員個人資料載於本年報第59頁至63頁。

董事及監事之服務合約

各執行董事已與本公司訂立聘用協議，據此，彼等已同意自二零零七年十一月一日起出任執行董事，為期三年。各執行董事有權收取固定薪金、績效薪金及其他津貼及根據中國法律法規適用的實物利益。

各非執行董事與本公司訂立委任函件，據此，彼等同意自二零零七年十一月一日起共計三年任期內擔任非執行董事。彼等將不會收取任何董事袍金。

Each of the independent non-executive directors entered into an appointment agreement with the Company pursuant to which they have agreed to act as independent non-executive directors for a term of three years with effect from 1 November 2007. The terms of the appointment agreements of the independent non-executive directors are identical in all material respects and they are entitled to receive fixed directors' fee.

Each of Ms. Qu Xinhua, Ms. Wang Shuying, Ms. Yao Jie, Mr. Yang Baoqun, Mr. Chen Zhong and Ms. Cheng Xianghong entered into an appointment agreement or letter with the Company pursuant to which each has agreed to act as supervisor for a term of three years commenced from 1 November 2007. The terms of the appointment agreements or letters of the supervisors are identical in all material respects save that:

- i. Mr. Yang Baoqun does not receive any supervisor's fee;
- ii. each of Mr. Chen Zhong and Ms. Cheng Xianghong receives a fixed supervisor's fee;
- iii. each of Ms. Qu Xinhua, Ms. Wang Shuying and Ms. Yao Jie receives a fixed basic salary, a performance based salary and other allowance and benefits in kind under applicable PRC law and regulations.

None of the directors or supervisors had entered into or is proposed to enter into, any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S REMUNERATION

The directors' and supervisors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' and supervisors' duties, responsibilities, performance and the results of the Group. The Company has established a remuneration committee to formulate compensation policies and to determine and manage the compensation of the Company's senior management. Details of the directors' and supervisors' remuneration are disclosed in note 9 to the financial statements.

各獨立非執行董事與本公司訂立一份委任協議，據此，彼等同意自二零零七年十一月一日起共計三年任期內擔任獨立非執行董事。獨立非執行董事的委任協議的條款在各重大方面皆為相同，而彼等將有權收取定額董事袍金。

屈新華女士、王淑英女士、姚婕女士、楊寶群先生、陳鐘先生及程向紅女士均與本公司訂立委任協議或函件，據此，彼等同意自二零零七年十一月一日起共計三年任期內擔任監事。監事的委任協議或函件的條款在各重大方面皆為相同，唯以下各項除外：

- i. 楊寶群先生並無收取任何監事袍金；
- ii. 陳鐘先生及程向紅女士收取定額監事袍金；及
- iii. 屈新華女士、王淑英女士及姚婕女士收取定額基本薪金、績效薪金及其它津貼及依據中國法律法規規定適用的實物利益。

概無任何董事或監事已與或擬與本公司簽訂本公司於一年內毋需支付賠償(法定賠償除外)而不可以終止之服務合約。

董事、監事及高級管理人員的酬金

董事及監事之酬金經股東大會批准。其他報酬由董事會根據董事及監事的職責、責任、任職表現及集團業績決定。本公司已成立薪酬委員會以釐定補償政策及決定與管理對公司高級管理人員的補償。董事及監事的薪酬詳情載於財務報表附註9。

DIRECTORS' AND SUPERVISORS' INTEREST IN CONTRACTS

None of the directors and supervisors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its controlling shareholder, or any of its subsidiaries was a party during the Reporting Period.

DIRECTORS' AND SUPERVISORS' RIGHTS IN ACQUIRING SHARES AND DEBENTURES

At no time during the Reporting Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or its subsidiaries granted to any directors and supervisors or their respective associates, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the directors and supervisors to acquire such rights in any other body corporate.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2008, the interests and positions of the directors, supervisors and chief executive of the Company in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 of the Listing Rules, were as follows:

董事及監事於合約之權益

董事及監事概無與本公司、其控股股東或其任何附屬公司參與簽署任何直接或間接於有關本集團業務擁有重大權益之重要合約。

董事及監事收購股份或債權證之權利

報告期內任何時間概無授予任何董事及監事或其相應的聯繫人通過收購本公司或其附屬公司之股份或債權證的方式獲取利益之權利，或已實行任何這些權利；本公司或其附屬公司也沒有成為能使董事及監事與其他法人公司獲得此類權利的合同之一方當事人。

董事、監事及主要行政人員於股份、相關股份及債權證中的權益

於二零零八年十二月三十一日，本公司董事、監事及主要行政人員於本公司及其聯繫法團（按《證券及期貨條例》第XV部所界定者）的股份、相關股份或債權證中，擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據《證券及期貨條例》有關條文規定，彼等被當作或視為擁有的權益或淡倉），或根據《證券及期貨條例》第352條規定須記入本公司持有登記冊內的權益及淡倉，或根據上市規則附錄十《標準守則》規定，須知會本公司及聯交所的權益及淡倉如下：

Long positions in the domestic shares of the Company

本公司內資股之好倉

Name 姓名	Capacity 身份	Total number of domestic shares held 所持內資股股數	Approximate percentage of total issued domestic shares 佔已發行內資股 概約百分比 (%)	Approximate percentage of total issued shares 佔已發行總股本 概約百分比 (%)
Wei Tingzhan 衛停戰	Personal 個人	1,417,237	0.62	0.34
Li Jianwen 李建文	Personal 個人	1,354,712	0.59	0.33
Li Chunyan 李春燕	Personal 個人	395,992	0.17	0.10
Liu Yuejin 劉躍進	Personal 個人	375,151	0.16	0.09
Gu Hanlin 顧漢林	Personal 個人	1,417,237	0.62	0.34
Li Shunxiang 李順祥	Personal 個人	5,210,428	2.26	1.26
Yang Baoqun 楊寶群	Personal 個人	1,042,086	0.45	0.25
Qu Xinhua 屈新華	Personal 個人	833,669	0.36	0.20
Wang Shuying 王淑英	Personal 個人	375,151	0.16	0.09
Yao Jie 姚婕	Personal 個人	125,051	0.05	0.03

Save as disclosed above, as at 31 December 2008, none of the directors, supervisors or chief executives of the Company nor any of their associates had any interest and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 of the Listing Rules.

除上文所披露者外，於二零零八年十二月三十一日，概無任何本公司董事、監事或主要行政人員或彼等的聯繫人與本公司或任何聯繫法團（按《證券及期貨條例》第XV部所界定者）的股份、相關股份及債權證中，擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據《證券及期貨條例》有關條文已獲得或視為擁有的權益或淡倉），或根據《證券及期貨條例》第352條規定須記入本公司持有登記冊內的權益或淡倉，或根據上市規則附錄十《標準守則》規定，須知會本公司及聯交所的權益或淡倉。

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2008, so far as is known to the directors, supervisors or chief executive of the Company, the persons (other than a director, supervisor or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in the domestic shares of the Company

Name 名稱	Capacity 身份	Total number of domestic shares held 所持內資股的股數	Approximate percentage of total issued domestic shares 佔已發行內資股 概約百分比 (%)	Approximate percentage of total issued shares 佔已發行總股本 概約百分比 (%)
Beijing Chaoyang Auxiliary Food Company 北京市朝陽副食品總公司	Beneficial owner 實益擁有人	167,409,808	72.77	40.61

主要股東

於二零零八年十二月三十一日，就本公司董事、監事或主要行政人員所知，下列人士(本公司董事、監事或主要行政人員除外)於本公司的股份及相關股份或債券中，擁有或被視為擁有根據《證券及期貨條例》第XV部第2及第3分部須知會本公司及聯交所的權益或淡倉，或根據《證券及期貨條例》第336條須記入本公司持有登記冊內的權益或淡倉如下：

本公司內資股之好倉

Approximate percentage of total issued domestic shares 佔已發行內資股 概約百分比 (%)	Approximate percentage of total issued shares 佔已發行總股本 概約百分比 (%)
72.77	40.61

Positions in the H shares of the Company

於本公司H股

Name 名稱	Total number of H shares held 所持有 已發行H股股數	Approximate percentage of total issued H shares 佔已發行H股總數 的概約百分比 (%)	Approximate percentage of total issued shares 佔已發行的總股本 的概約百分比 (%)
Genesis Asset Managers, LLP (Note 1) (附註1)	24,227,000 (L)	13.30	5.88
JP Morgan Chase & Co. (Note 2) (附註2)	22,022,000 (L) 22,022,000 (P)	12.09 12.09	5.34 5.34
UOB Asset Management Limited ("UOB Asset") (Note 3) (附註3)	19,793,000 (L)	10.87	4.80
United Overseas Bank Limited ("UOB") (Note 4) (附註4)	19,793,000 (L)	10.87	4.80
Montpelier Investment Management LLP (formerly Montpelier Asset Management Limited) (Note 5) (附註5)	26,283,000 (L)	14.43	6.38
Schroder Investment Management (Hong Kong) Limited (Note 6) (附註6)	13,036,000 (L)	7.16	3.16
Montpelier Global Funds Limited – The Montpelier Fund ("Montpelier Funds") (note 7) (附註7)	9,208,000 (L)	5.05	2.23
Chelsea Investment LP (note 8) (附註8)	11,167,000 (L)	6.13	2.71
(L) – Long Position		(L) – 好倉	
(P) – Lending Pool		(P) – 可供借出的股份	

Notes:

1. These 24,227,000 H shares were held by Genesis Asset Managers, LLP in its capacity as an investment manager.
2. These 22,022,000 H shares were held by JP Morgan Chase & Co. in its capacity as a custodian corporation/an approved lending agent.
3. These 19,793,000 H shares were held by UOB Asset in its capacity as an investment manager.
4. UOB Asset is a subsidiary of UOB and UOB was therefore deemed to have an interest in the 19,793,000 H shares in which UOB Asset was interested in.
5. These 26,283,000 H shares were held by Montpelier Investment Management LLP (formerly Montpelier Asset Management Limited) in its capacity as an investment manager.
6. These 13,036,000 H shares were held by Schroder Investment Management (Hong Kong) Limited in its capacity as an investment manager.
7. These 9,208,000 H shares were held by Montpelier Funds in its capacity as a beneficial owner.
8. These 11,167,000 H shares were held by Chelsea Investment LP in its capacity as a beneficial owner.

Save as disclosed above, as far as is known to the directors, supervisors or chief executive of the Company, as at 31 December 2008, no other persons (not being a director, supervisor or chief executive of the Company) had, or were deemed or taken to have any interests or short positions in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

1. 此等24,227,000股H股由Genesis Asset Managers, LLP以投資經理身份持有。
2. 此等22,022,000股H股由JP Morgan Chase & Co. 以保管人法團／核准借出代理人身份持有。
3. 此等19,793,000股H股由UOB Asset以投資經理身份持有。
4. UOB Asset是UOB的附屬公司，遂被視作於UOB持有的19,793,000股H股中擁有權益。
5. 此等26,283,000股H股由Montpelier Investment Management LLP (前稱Montpelier Asset Management Limited)以投資經理身份持有。
6. 此等13,036,000股H股由Schroder Investment Management (Hong Kong) Limited以投資經理身份持有。
7. 此等9,208,000股H股由Montpelier Fund以實益擁有人身份持有。
8. 此等11,167,000股H股由Chelsea Investment LP以實益擁有人身份持有。

除上文所披露者外，據本公司董事、監事及主要行政人員所知，於二零零八年十二月三十一日，概無任何人士(本公司董事、監事或主要行政人員除外)於本公司的股份、相關股份或債券中，擁有或被視為擁有根據《證券及期貨條例》第XV部第2及3分部須知會本公司及聯交所的權益及淡倉，或根據《證券及期貨條例》第336條須記入本公司持有登記冊內的權益及淡倉。

CONTINUING CONNECTED TRANSACTIONS

持續關連交易

During the Reporting Period, the Group entered into the following continuing connected transactions:

報告期內，本公司進行了如下持續關連交易：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	
1.	Lease of properties by Chaoyang Auxiliary to the Company (not including 15 below)* (note 1)	朝陽副食品租賃物業(不包含下述第15項)予本公司*(附註1)	6,713	6,713
2.	Supply of cooked food by Jiazeng Foodstuff (note 2)	加增食品供應熟食(附註2)	18,537	20,862
3.	Supply of tea leaves by Beijing Wuyifeng (note 3)	北京武夷峰供應茶葉(附註3)	5,112	4,160
4.	Supply of raw meat By Beijing Yingguangda (note 4)	北京應廣達供應生肉(附註4)	8,764	923
5.	Provision of interior decoration services by Tianjin Jinganghua (note 5)	天津金港華提供室內裝飾服務(附註5)	7,280	2,721
6.	Provision of construction, repair and renovation services by Beijing Zhonglianjian (note 6)	北京中聯建提供建造、維修及翻新服務(附註6)	605	996
7.	Supply of products by Chaopi Flavourings (note 7)	朝批調味品供應商品(附註7)	57,282	41,413
8.	Supply of products by Chaopi Jinglong (note 8)	朝批京隆供應商品(附註8)	33,457	35,677
9.	Provision of delivery and logistic services by Chaopi Trading to Chaopi Flavourings (note 9)	朝批商貿提供予朝批調味品送貨及配送服務(附註9)	11,898	9,827
10.	Provision of delivery and logistic services by Chaopi Trading to Chaopi Jinglong (note 10)	朝批商貿提供予朝批京隆送貨及配送服務(附註10)	4,762	4,105
11.	Lease of properties by Chaoyang Auxiliary to Chaopi Trading* (note 11)	朝陽副食品租賃物業予朝批商貿*(附註11)	945	1,099
12.	Lease of properties by Chaoyang Auxiliary to Xinyang Tongli* (note 12)	朝陽副食品租賃物業予欣陽通力*(附註12)	16	16

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
13. Provision of loan financing by the Company to Chaopi Flavourings (note 13)	本公司提供予朝批調味品貸款融資(附註13)	20,000	20,000
14. Provision of loan financing by the Company to Chaopi Jinglong (note 14)	本公司提供予朝批京隆貸款融資(附註14)	20,000	20,000
15. Lease of a property by Chaoyang Auxiliary to the Company in 2007* (note 15)	於二零零七年朝陽副食品租賃物業予本公司*(附註15)	1,564	623
16. Lease of a property by Tengyuan Xingye to the Company in 2007* (note 16)	於二零零七年騰遠興業租賃物業予本公司*(附註16)	2,100	1,575

* Also reported as related party transactions as disclosed in note 39 to the financial statements

* 亦為關聯人士交易披露於財務報表附註39

Notes:

附註：

1. Pursuant to the lease agreements, the supplemental lease agreements, a confirmation letter and a memorandum entered into between the Company and Beijing Chaoyang Auxiliary Food Company ("Chaoyang Auxiliary") during the period from 30 April 2004 to 12 August 2008, Chaoyang Auxiliary has agreed to lease to the Company certain properties (referred to as the "JKL Properties" on page 110 of the introduction document dated 29 June 2007 in connection with the Main Board Migration (the "Introduction Document")) for terms of between 10 years to 20 years commencing on 1 January 2004, 1 July 2005 and 1 July 2006 (as the case may be) with fixed annual rentals (inclusive of the relevant business and property taxes) for four to six year periods (as the case may be). The rental is paid in advance on a quarterly or half-yearly basis (as the case may be).

Chaoyang Auxiliary is the controlling shareholder of the Company which owns approximately 40.61% of the issued share capital of the Company and is one of the Company's promoters.

The aggregate rental was RMB6,713,205 for the year ended 31 December 2008, with a term of increase in rental for each fixed rental period from RMB7,389,460 to RMB8,135,010 per annum during the period from 1 January 2009 to 31 December 2023.

1. 根據本公司與北京市朝陽副食品總公司(「朝陽副食品」)於二零零四年四月三十日至二零零八年八月十二日期間內訂立的租約、補充租約、確認函及備忘錄，朝陽副食品同意將若干物業租予本公司(參見二零零七年六月二十九日的關於轉至主板上市的介紹上市文件(「介紹上市文件」)第110頁「京客隆物業」)，租期自二零零四年一月一日、二零零五年七月一日及二零零六年七月一日起計為期十年至二十年(視情況而定)，為期四至六年(視情況而定)的年租(包括相關營業稅及物業稅)金額固定。該租金按照每季度或每半年(視情況而定)提前予以支付。

朝陽副食品為本公司的控股股東，持有本公司已發行股本約40.61%，並且為本公司發起人之一。

截至二零零八年十二月三十一日止年度租金總額為人民幣6,713,205元，自二零零九年一月一日至二零二三年十二月三十一日按各段固定租金期間每年租金自人民幣7,389,460元至人民幣8,135,010元。

All the leased properties (with a total gross area of approximately 86,766 sq.m) are located in the Chaoyang District, Beijing and are principally used by the Company to operate 14 supermarkets, 27 convenience stores and the live and fresh produce logistics centre.

2. Beijing Jiazeng Foodstuff Company Limited ("Jiazeng Foodstuff") has been supplying, on a non-exclusive basis, to the Group various types of cooked food for sale to its customers, pursuant to a supplemental supply agreement dated 8 August 2006. Mr. Ma Jiazeng ("Mr. Ma") holds an equity interest of 59.7% in Beijing Jiazeng Gongmao Company Limited, which is one of the Company's promoters holding approximately 0.77% of the issued shares of the Company. Mr. Ma holds an indirect equity interest of approximately 66.7% in Jiazeng Foodstuff. Jiazeng Foodstuff is principally engaged in the wholesale distribution of cooked food. The said supplemental supply agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009 pursuant to the ordinary resolution passed at the extraordinary general meeting held on 29 December 2008 (the "EGM").

Under the supply agreement, the consideration payable by the relevant member of the Group to Jiazeng Foodstuff for the supply of the same cooked food will not be higher, on the same per unit price basis, than the consideration paid to it by any other third party and will not be higher than the then prevailing market prices. The purchase price of cooked food is settled within one month after its delivery.

3. Beijing Wuyifeng Tea Leaves Sales Company Limited ("Beijing Wuyifeng") has been supplying, on a non-exclusive basis, to the Group various types of tea leaves for sale to its customers, pursuant to a supply agreement dated 5 April 2006 between the Company and Beijing Wuyifeng. Beijing Wuyifeng is owned by Mr. Xia Wensheng ("Mr. Xia") as to 80% of its registered capital and Mr. Xia is one of the Company's promoters holding an equity interest of approximately 0.50% in the Company. Beijing Wuyifeng is principally engaged in the wholesale distribution of tea leaves. The said supply agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009. Relevant announcement for the renewal has been made on 27 October 2008.

Under the supply agreement, the consideration payable by the relevant member of the Group to Beijing Wuyifeng for the supply of the same tea leaves will not be higher, on the same per unit price basis, than the consideration paid to it by any other third party and will not be higher than the then prevailing market prices. The purchase price of tea leaves is settled within one month after its delivery.

所有朝陽副食品租予本公司的物業均位於北京市朝陽區，主要由本公司用作經營14家綜合超市、27家便利店以及生鮮食品配送中心。租賃物業的建築面積約為86,766平方米。

2. 根據二零零六年八月八日簽署的供貨補充協議，北京加增食品有限公司(「加增食品」)按非獨家基準向本集團供應多種熟食，以供本集團售予其顧客。馬加增先生(「馬先生」)持有北京加增工商貿有限公司59.7%的權益，北京加增工商貿有限公司為本公司發起人之一，持有本公司已發行股本的約0.77%。馬先生間接持有加增食品66.7%的權益。加增食品主要從事於熟食的批發分銷業務。上述供貨補充協議於二零零八年十二月三十一日期限屆滿，根據二零零八年十二月二十九日召開的股東特別大會(「股東特別大會」)以普通決議案批准，供貨協議自二零零九年一月一日起續簽三年期限。

根據供貨協議，加增食品同意，其向本集團有關成員供應熟食的同一單位價格不會高於其向其他任何第三方供應同樣或同類貨物的價格，亦不會高於當時市價。此外，貨款須在貨物送達後一個月之內支付。

3. 根據本公司與北京武夷峰茶葉銷售有限公司(「北京武夷峰」)於二零零六年四月五日簽署的供貨協議，北京武夷峰按非獨家基準向本集團供應各種茶葉，以供本集團售予其顧客。夏文盛先生(「夏先生」)持有北京武夷峰80%的權益，同時夏先生亦為本公司發起人之一，持有本公司約0.50%的權益。北京武夷峰主要從事茶葉的批發分銷業務。上述供貨協議已於二零零八年十二月三十一日期限屆滿，並已自二零零九年一月一日起續簽三年期限。就上述交易更新的有關公告已於二零零八年十月二十七日刊發。

根據供貨協議，北京武夷峰同意其向本集團有關成員供應茶葉的價格不會高於其向其他任何第三方供應同樣或同類貨物的價格，亦不會高於當時市價。此外，貨款須在貨物送達後一個月之內支付。

4. Beijing Yingguangda Foodstuff Company Limited ("Beijing Yingguangda") has been supplying, on a non-exclusive basis, to the Group various types of raw meat for sale to its customers, pursuant to a supply agreement dated 3 April 2006 between the Company and Beijing Yingguangda. Mr. Gao Jiaqiang ("Mr. Gao") is one of the Company's promoters holding approximately 0.50% of the issued shares of the Company. Mr. Gao holds an equity interest of 66.67% in Beijing Yingguangda. Beijing Yingguangda is principally engaged in the wholesale distribution of raw meat. The said supply agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009. Relevant announcement for the renewal has been made on 27 October 2008.

Under the supply agreement, the consideration payable by the relevant member of the Group to Beijing Yingguangda for the supply of the same raw meat will not be higher, on the same per unit price basis, than the consideration paid to it by any other third party and will not be higher than the then prevailing market prices. The purchase price of raw meat is settled within one month after its delivery.

5. Tianjin Jinganghua Jianzhu Art Decoration Work Company Limited ("Tianjin Jinganghua") has been providing interior decoration (including signboard installation) services to the Group pursuant to a service agreement dated 3 April 2006 between the Company and Tianjin Jinganghua. Tianjin Jinganghua is one of the Company's promoters holding approximately 1.26% of the issued shares of the Company. Tianjin Jinganghua is principally engaged in the provision of interior decoration services. The said service agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009. Relevant announcement for the renewal has been made on 27 October 2008.

Pursuant to the service agreement, the Group has agreed, but at the Group's sole discretion and without obligation on its part, to invite Tianjin Jinganghua, on a non-exclusive basis, to submit quotations for the provision of interior decoration (including signboard installation) services to the Group. In the event that the quotation submitted by Tianjin Jinganghua is comparable to or lower than those given by the other contractors solicited by the Group, the Group would consider engaging Tianjin Jinganghua to undertake such services. Furthermore, Tianjin Jinganghua has agreed that the quotation for service that it may submit to the Group for the provision of interior decoration services will be comparable to or lower than that it provides to any other third party and will not be higher than the then prevailing market prices. The consideration for the provision of the said interior decoration services is settled within three months after the completion of the said services.

4. 根據本公司與北京應廣達食品有限公司(「北京應廣達」)於二零零六年四月三日簽署的供貨協議，北京應廣達按非獨家基準向本集團供應各種生肉，以供本集團售予其顧客。高加強先生(「高先生」)為本公司發起人之一，持有本公司約0.50%的權益，同時高先生亦持有北京應廣達66.67%的權益。北京應廣達主要從事生肉的批發分銷業務。上述供貨協議已於二零零八年十二月三十一日期限屆滿，並已自二零零九年一月一日起更新三年期限。就上述交易更新的有關公告已於二零零八年十月二十七日刊發。

根據供貨協議，北京應廣達向本集團有關成員供應生肉的價格不會高於其向其他任何第三方供應同樣或同類貨物的價格，亦不會高於當時市價。此外，貨款須在貨物送達後一個月之內支付。

5. 根據本公司與天津市金港華建築藝術裝飾工程有限公司(「天津金港華」)於二零零六年四月三日簽署的服務協議，天津金港華向本集團提供室內布置(包括廣告牌安裝)服務。天津金港華為本公司的發起人之一，持有本公司約1.26%的權益。天津金港華主要從事室內佈置服務。上述服務協議已於二零零八年十二月三十一日期限屆滿，並已自二零零九年一月一日起續簽三年期限。就上述交易更新的有關公告已於二零零八年十月二十七日刊發。

根據服務協議，本集團同意，在擁有絕對酌情權及不需承擔責任的前提下，邀請天津金港華為本集團提供非獨家基準的報價以進行室內布置(包括廣告牌安裝)服務。如天津金港華提供的報價與本集團其它裝飾服務商的價格相若或更低，本集團將考慮委聘天津金港華為本集團提供該等服務。此外，根據服務協議，天津金港華同意，其就室內布置服務而向本集團提交的服務報價將會與任何第三方的出價相若或更低，亦不會高於當時市價。室內布置服務的代價於該服務完成後三個月內清償。

6. Beijing Zhonglian Construction Company Limited (“Beijing Zhonglian”) has been providing construction, repair and renovation services to the Group pursuant to a service agreement dated 3 April 2006 between the Company and Beijing Zhonglian. Beijing Zhonglian is owned by Mr. Li Shun Xiang (“Mr. Li”) as to 55% of its registered capital. Mr. Li is a non-executive director of the Company and one of the Company’s promoters holding an equity interest of approximately 1.26% in the Company. Beijing Zhonglian is principally engaged in the provision of construction, repair and renovation services. The said service agreement has expired by 31 December 2008 and no renewal was made.

Pursuant to the service agreement, the Group has agreed, but at the Group’s sole discretion and without obligation on its part, to invite Beijing Zhonglian, on a non-exclusive basis, to submit quotations for the provision of construction, repair and renovation services to the Group. In the event that the quotation submitted by Beijing Zhonglian is comparable to or lower than those given by the other contractors solicited by the Group, the Group would consider engaging Beijing Zhonglian to undertake such services. Furthermore, Beijing Zhonglian has agreed that the quotations for services that it may submit to the Group for the provision of construction, repair and renovation services will be comparable to or lower than that it provided to any other third party and will not be higher than the then prevailing market prices. 95% of the consideration is settled after the completion of the said services and the remaining 5% is paid until satisfaction of all the conditions of such services.

7. Beijing Chaopi Flavourings Company Limited (“Chaopi Flavourings”) has been supplying, on a non-exclusive basis, to the Group various types of flavourings, grains, flour, edible oil products and other food stuff for sale to its customers pursuant to a supply agreement dated 3 April 2006 between the Company and Chaopi Flavourings. Mr. Li Jun Wei is a director of each of Chaopi Flavourings and Beijing Chaopi Jinglong Oil Sales Company Limited (“Chaopi Jinglong”) and holds approximately 30.84%, 31.78% and 0.82% of the equity in Chaopi Flavourings, Chaopi Jinglong and Beijing Chaopi Trading Company Limited (“Chaopi Trading”), respectively. Chaopi Flavourings and Chaopi Jinglong are held as to 52.63% and 54.23% respectively by Chaopi Trading, which is held as to 79.85% by the Company. Hence, both Chaopi Flavourings and Chaopi Jinglong are connected persons of the Company under the Listing Rules. Chaopi Flavourings is principally engaged in the wholesale distribution of flavourings, edible oil and food. The said supply agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009 pursuant to the ordinary resolution passed at the EGM.

6. 根據本公司與北京中聯建裝飾工程有限公司(「北京中聯建」)於二零零六年四月三日簽署的服務協議，北京中聯建向本集團提供建造、維修及翻新服務。北京中聯建為一間由李順祥先生(「李先生」)擁有55%註冊資本的公司，李先生為本公司非執行董事，為本公司的發起人之一，持有本公司約1.26%的權益。北京中聯建主要從事建造、維修及翻新服務。上述服務協議已於二零零八年十二月三十一日期限屆滿，且並未續簽。

根據服務協議，本集團同意，在擁有絕對酌情權及不需承擔責任的前提下，邀請北京中聯建為本集團提供非獨家基準的報價以進行建造、維修及翻新服務。如北京中聯建提供的報價與本集團其它裝飾服務商的價格相若或更低，本集團將考慮委聘北京中聯建為本集團提供該等服務。此外，根據服務協議，北京中聯建同意，其就其建造、維修及翻新服務而向本集團提交的服務報價將會與任何第三方的出價相若或更低，亦不會高於當時市價。代價的95%於該服務完成後清償，5%於該等服務狀況滿意後支付。

7. 根據本公司與北京朝批調味品有限責任公司(「朝批調味品」)於二零零六年四月三日簽署的供貨協議，朝批調味品按非獨家基準向本集團提供各種調味品、米糧、麵粉、食油產品及其他產品，以供本集團售予其顧客。李俊偉先生是朝批調味品及北京朝批京隆油脂銷售有限公司(「朝批京隆」)的董事之一，分別持有朝批調味品、朝批京隆和北京朝批商貿有限公司(「朝批商貿」)約30.84%、31.78%及0.82%的權益。朝批商貿分別擁有朝批調味品及朝批京隆52.63%及54.23%的權益，而本公司擁有朝批商貿79.85%的權益。因此，根據上市規則，朝批調味品及朝批京隆均為本公司的關連人士。朝批調味品主要從事調味品、食用油及食品的批發分銷業務。上述供貨協議於二零零八年十二月三十一日期限屆滿，經股東特別大會以普通決議案批准，供貨協議自二零零九年一月一日起續簽三年期限。

Under the supply agreement, the consideration payable by the relevant member of the Group to Chaopi Flavourings for the supply of the same products will not be higher, on the same per unit price basis, than the consideration paid to it by any other third party and will not be higher than the then prevailing market prices. The purchase price is settled within one month after its delivery.

8. Chaopi Jinglong has been supplying, on a non-exclusive basis, to the Group various types of edible oil products and other food stuff for sale to its customers pursuant to a supply agreement dated 3 April 2006 between the Company and Chaopi Jinglong. Chaopi Jinglong is principally engaged in the wholesale distribution of edible oil. The said supply agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009 pursuant to the ordinary resolution passed at the EGM.

Under the supply agreement, the consideration payable by the relevant member of the Group to Chaopi Jinglong for the supply of the same products will not be higher, on the same per unit price basis, than the consideration paid to it by any other third party and will not be higher than the then prevailing market prices. The purchase price is settled within one month after its delivery.

9. Chaopi Trading has been providing delivery and logistic services to Chaopi Flavourings for the delivery of products to both the Group and other third party customers pursuant to a service agreement dated 3 April 2006 between Chaopi Trading and Chaopi Flavourings. The said service agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009 pursuant to the ordinary resolution passed at the EGM.

Under the service agreement, the consideration payable by Chaopi Flavourings to the Group for the provision of such delivery services will not be less than (i) the prevailing market fees, and (ii) the consideration charged by the Group for the provision of similar services to any other party. The consideration for the provision of the said delivery and logistic services is settled on a monthly basis.

10. Chaopi Trading has been providing delivery and logistic services to Chaopi Jinglong for the delivery of products to both the Group and other third party customers pursuant to a service agreement dated 3 April 2006 between Chaopi Trading and Chaopi Jinglong. The said service agreement has expired by 31 December 2008 and renewed for a term of three years commencing on 1 January 2009 pursuant to the ordinary resolution passed at the EGM.

根據供貨協議，朝批調味品同意，本集團相關成員向其採購同等朝批調味品商品而應支付的同一單位價格將不高於其他任何第三方支付價格，同時亦不高於當時市價。此外，貨款在送貨後一個月之內支付。

8. 根據本公司與朝批京隆於二零零六年四月三日簽署的供貨協議，朝批京隆按非獨家基準向本集團提供各種食用油產品及其他食品，以供本集團售予其顧客。朝批京隆主要從事食用油的批發分銷業務。上述供貨協議於二零零八年十二月三十一日期限屆滿，經股東特別大會以普通決議案批准，供貨協議自二零零九年一月一日起續簽三年期限。

根據供貨協議，朝批京隆同意，本集團相關成員向其採購同等朝批京隆商品而應支付的同一單位價格將不高於其他任何第三方支付價格，同時亦不高於當時市價。此外，貨款須在送貨後一個月之內支付。

9. 根據朝批商貿與朝批調味品於二零零六年四月三日簽署的服務協議，朝批商貿向朝批調味品提供送貨及配送服務，將朝批調味品的商品送達本集團及其他第三方客戶。上述服務協議於二零零八年十二月三十一日期限屆滿，經股東特別大會以普通決議案批准續簽自二零零九年一月一日起三年期限。

根據服務協議，朝批調味品因該等送貨服務而應付予本集團的代價將不低於(i)當時市價；及(ii)不低於本集團向其他任何第三方支付提供類似服務所收取的代價。該送貨及配送服務的代價按月支付。

10. 根據朝批商貿與朝批京隆於二零零六年四月三日簽署的服務協議，朝批商貿向朝批京隆提供送貨及配送服務，將朝批京隆的商品送達本集團及其他第三方客戶。上述服務協議於二零零八年十二月三十一日期限屆滿，經股東特別大會以普通決議案批准續簽自二零零九年一月一日起三年期限。

Under the service agreement, the consideration payable by Chaopi Jinglong to the Group for the provision of such delivery services will not be less than (i) the prevailing market fees, and (ii) the consideration charged by the Group for the provision of similar services to any other party. The consideration for the provision of the said delivery and logistics services is settled on a monthly basis.

11. Pursuant to the lease agreement dated 30 April 2004 and a supplemental lease agreement dated 25 July 2005 entered into between Chaoyang Auxiliary and Chaopi Trading, Chaoyang Auxiliary has agreed to lease to Chaopi Trading certain properties (referred to as the "Chaopi Properties" on page 122 of the Introduction Document) for a term of 20 years commencing on 1 January 2004 with a fixed annual rental (inclusive of the relevant business and property taxes) for each five year period. On 28 August 2007, Chaoyang Auxiliary and Chaopi Trading entered into another supplemental lease agreement for ceasing to rent the property numbered 106 on page 374 of the Introduction Document from 1 July 2007.

The aggregate rental was RMB945,265 for the year ended 31 December 2008, with a term of increase in rental for each fixed rental period from RMB984,689 to RMB1,069,546 per annum during the period from 1 January 2009 to 31 December 2023.

All the leased properties are located in the Chaoyang District, Beijing for office and warehouse uses with a total gross area of approximately 12,271 sq.m.

12. Pursuant to a lease agreement dated 1 July 2004 and a supplemental lease agreement dated 25 July 2005 entered into between Chaoyang Auxiliary and Beijing Xinyang Tongli Commercial Facilities Company Limited ("Xinyang Tongli"), Chaoyang Auxiliary has agreed to lease to Xinyang Tongli certain property (referred to as the "Xinyang Property" on page 123 of the Introduction Document) for a term of 20 years commencing on 1 January 2004 with a fixed annual rental (inclusive of the relevant business and property taxes) for each five years period.

Xinyang Tongli is an approximately 52.03% held subsidiary of the Company and is principally engaged in the production of plastic packaging materials and installation and maintenance of commercial equipment.

The aggregate rental was RMB16,257 for the year ended 31 December 2008, with a term of increase in rental for each fixed rental period from RMB16,931 to RMB18,383 per annum during the period from 1 January 2009 to 31 December 2023.

根據服務協議，朝批京隆因該等送貨服務而應付予本集團的代價將不低於(i)當時市價；及(ii)不低於本集團向其他任何第三方提供類似服務的收費價格。送貨及配送服務的代價按月清償。

11. 根據朝陽副食品與朝批商貿於二零零四年四月三十日訂立的租賃協議及於二零零五年七月二十五日訂立的補充協議，朝陽副食品同意將若干物業(參見介紹上市文件第122頁之「朝批物業」)租予朝批商貿，租期自二零零四年一月一日起為期二十年，每五年期間的年租(包括相關營業及物業稅)固定不變。於二零零七年八月二十八日，朝陽副食品與朝批商貿就介紹上市文件第374頁所載第106號物業簽署補充租賃協定，自二零零七年七月一日起停止租賃該物業。

截至二零零八年十二月三十一日止年度租金總額為人民幣945,265元，自二零零九年一月一日至二零零二年十二月三十一日期間按各段固定租金期間每年租金自人民幣984,689元至人民幣1,069,546元。

所有租賃物業均位於北京市朝陽區，用作辦公室及倉庫，總建築面積約為12,271平方米。

12. 根據朝陽副食品與北京欣陽通力商業設備有限公司(「欣陽通力」)於二零零四年七月一日訂立的租賃協議及於二零零五年七月二十五日訂立的補充協議，朝陽副食品同意將若干物業(參見介紹上市文件第123頁所載之「欣陽物業」)租予欣陽通力，租期自二零零四年一月一日起為期二十年，每五年期間的年租(包括相關營業及物業稅)固定不變。

欣陽通力為本公司持股約52.03%的附屬公司。欣陽通力主要從事塑膠包裝材料的生產及商業設備的安裝及維護。

截至二零零八年十二月三十一日止年度租金總額為人民幣16,257元，自二零零九年一月一日至二零零二年十二月三十一日期間按各段固定租金期間每年租金自人民幣16,931元至人民幣18,383元。

The leased property is located in the Chaoyang District, Beijing for commercial, office, warehouse and industrial uses, with a total gross area of approximately 1,362 sq.m.

13. The Company has been providing loan financing to Chaopi Flavourings as working capital requirement through certain designated loan arrangement with Bank of Beijing. Based on such designated loan arrangement, the Company deposited a cash amount with Bank of Beijing, and Chaopi Flavourings received a loan from the said bank in the same amount as the deposit of the Company to be repaid by the end of the relevant 12-month period. Chaopi Flavourings paid an annual handling charge to the said bank and was solely responsible for the repayment to the Company of loan and related interest charged at the then prevailing bank lending rate. Such designated loan arrangement is a common form of lending between companies in the PRC and complies with the relevant PRC laws and regulations. The loan granted to Chaopi Flavourings by the Company in 2008 was RMB20 million charged at an interest rate of 7.29% per annum.

On 27 October 2008, the Company and Chaopi Flavourings entered into a designated loan agreement of which the Company has agreed to provide financing to Chaopi Flavourings through designated loan arrangement for a term of three years commencing on 1 January 2009 and was passed by the ordinary resolution at the EGM.

14. The Company has been providing loan financing to Chaopi Jinglong as working capital requirement through certain designated loan arrangement with Bank of Beijing in the same manner as referred to in note 13. The loan granted to Chaopi Jinglong by the Company in 2008 was RMB20 million charged at an interest rate of 7.29% per annum.

On 27 October 2008, the Company and Chaopi Jinglong entered into a designated loan agreement of which the Company has agreed to provide financing to Chaopi Jinglong through designated loan arrangement for a term of three years commencing on 1 January 2009 and relevant announcement has been made on the same date.

15. Pursuant to the lease agreement dated 15 November 2007 entered into between the Company and Chaoyang Auxiliary, Chaoyang Auxiliary has agreed to lease to the Company a property for a term of 16 years and 9 months commencing on 1 April 2007. The rental was RMB1,563,793 for the year ended 31 December 2008, with a term of increase in rental for each fixed rental period from RMB1,895,690 to RMB2,120,564 per annum during the period from 1 January 2009 to 31 December 2023. The rental is payable in advance on a half-yearly basis.

租賃物業均位於北京市朝陽區，乃作商業、辦公室、倉庫及工業用途，總建築面積約為1,362平方米。

13. 本公司通過與北京銀行的特定委托貸款安排向朝批調味品提供貸款融資，作為其營運資金。基於上述委託貸款安排，本公司將一筆現金存入北京銀行，而朝批調味品則從該銀行獲得一筆相等於本公司存款金額的貸款，及於有關期間十二個月後還款。朝批調味品將向該銀行支付年度手續費並獨自承擔償還本公司貸款及按當時銀行同期貸款利率計算的利息的責任。委托貸款安排乃中國國內公司之間的常見借貸方式，符合中國相關的法律法規。本公司於二零零八年委托貸款給朝批調味品人民幣20,000,000元，利率為每年7.29%。

於二零零八年十月二十七日，本公司與朝批調味品簽署了一項自二零零九年一月一日開始為期三年的委托貸款協議，本公司同意通過前述委托貸款安排向朝批調味品提供貸款融資，該項委托貸款已經股東特別大會以普通決議案批准。

14. 本公司通過與北京銀行的特定委托貸款安排向朝批京隆提供貸款融資，作為其營運資金。安排方式同附註13部分所述相同。本公司於二零零八年委托貸款給朝批京隆人民幣20,000,000元，利率為每年7.29%。

於二零零八年十月二十七日，本公司與朝批京隆簽署了一項自二零零九年一月一日開始為期三年的委托貸款協議，本公司同意通過前述委托貸款安排向朝批京隆提供貸款融資，相關公告已於同日予以公布。

15. 根據本公司與朝副公司於二零零七年十一月十五日簽署的租賃協議，朝陽副食品同意將一處物業租予向本公司，租期自二零零七年四月一日為期十六年零九個月。截至二零零八年十二月三十一日止年度租金總額為人民幣1,563,793元，自二零零九年一月一日至二零二三年十二月三十一日期間按各段固定租金期間每年租金為人民幣1,895,690元至人民幣2,120,564元。該租金按照每半年提前予以支付。

Report of the Board of Directors
董事會報告

The leased property is located in the Chaoyang District, Beijing with a total gross area of approximately 6,800 sq.m. and is principally used by the Company to operate a hypermarket.

16. Pursuant to the lease agreement dated 2 July 2007 entered into between the Company and Beijing Tengyuan Xingye Automobile Service Company Limited ("Tengyuan Xingye"), a subsidiary of Chaoyang Auxiliary, Tengyuan Xingye has agreed to lease to the Company a property for a term of 15 years commencing on 1 April 2007. The rental was RMB2,100,000 for the year ended 31 December 2008, with a term of increase in rental for each fixed rental period from RMB2,100,000 to RMB2,425,500 per annum during the period from 1 January 2009 to 31 March 2022. The rental is payable in advance on a half-yearly basis.

The leased property is located in the Chaoyang District, Beijing with a total gross area of approximately 7,300 sq.m. and is principally used by the Company as office, staff canteen and quarter.

A waiver has been granted by the Stock Exchange with respect to the transactions of 1, 3, 5, 6 and 10 to 12 from the announcement requirement, and the transactions of 2, 4, 7 to 9 and 13 to 14 from both the announcement requirement and the independent shareholders' approval requirements during the initial public offering of the Company's H shares and the Main Board Migration. With respect to the transactions of 15 and 16, the lease agreements were entered into before the Main Board Migration and have complied with the requirements in accordance with Chapter 20 of the GEM Listing Rules.

The directors (including the independent non-executive directors) have reviewed all the above continuing connected transactions and confirmed that the continuing connected transactions have been entered into:

- a. in the ordinary and usual course of the Group's business;
- b. on normal commercial terms or, if there are no sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than those available to or from (as appropriate) independent third parties; and
- c. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

該租賃物業位於北京市朝陽區，總建築面積約為6,800平方米，由本公司用作經營一所大賣場。

16. 根據本公司與北京騰遠興業汽車服務有限公司(「騰遠興業」)，朝陽副食品的一家附屬公司，於二零零七年七月二日簽署的物業租賃協議，騰遠興業同意將一處物業租予本公司，租期自二零零七年四月一日起為期十五年。截至二零零八年十二月三十一日止年度租金總額為人民幣2,100,000元，自二零零九年一月一日至二零二二年三月三十一日期間按各段固定租金期間每年租金為人民幣2,100,000元至人民幣2,425,500元。該租金按照每半年提前予以支付。

該租賃物業位於北京市朝陽區，總建築面積約為7,300平方米，由本公司用作辦公、員工食堂及宿舍用途。

在本公司初次公開發行H股及轉主板期間，聯交所已授予本公司豁免權，豁免第1、3、5、6及第10至12項所述持續關連交易遵守公佈規定，豁免第2、4、第7至9及第13至14項所述的持續關連交易遵守公佈規定及獨立股東批准規定。關於第15及16項持續關連交易，有關租賃協議於轉主板之前簽署，已符合創業板上規則第二十章的規定。

董事(包括獨立非執行董事)審閱上述所有持續關連交易後均認為：

- a. 屬於本集團的日常業務及按照通常程序作出；
- b. 按照一般商務條款進行，或如可供比較的交易不足以判斷該等交易的條款是否一般商務條款，則對本集團而言，該等交易的條款不遜於獨立第三方可取得或提供(視屬何情況而定)的條款；
- c. 該等交易是根據有關交易的協議條款進行，而交易條款公平合理，並且符合本公司股東的整體利益。

The Board has received a letter from the external auditors in relation to the agreed upon procedures performed on the above continuing connected transactions and confirmed that these continuing connected transactions:

- a. have been approved by the Board;
- b. are in accordance with the pricing policies of the Group in respect of items 7, 8, 9 and 10;
- c. have been entered into in accordance with the terms of the respective agreements governing the transactions; and
- d. items 1 to 14 have not exceeded their respective annual caps as disclosed in the Introduction Document.

The Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules before the Main Board Migration and Chapter 14A of the Listing Rules after the Main Board Migration.

SUFFICIENCY OF PUBLIC FLOAT

Based on public information and within the knowledge of the directors, the Company's public float complied with the applicable requirements of the GEM Listing Rules before the Main Board Migration and the Listing Rules after the Main Board Migration from 1 January 2008 and up to the date of this report.

COMPETITION AND CONFLICT OF INTEREST

None of the directors, supervisors or the controlling shareholder of the Company or any of their respective associates had engaged in any business that competed or might compete, either directly or indirectly, with the business of the Group, or had any other conflict of interests with the Group during the Reporting Period.

董事會收到外部核數師就上述持續關連交易已進行的協議程序發出的函件，其確認該等持續關連交易：

- a. 已獲董事會批准；
- b. 第7、8、9及10項與本集團的定價政策一致；
- c. 依據相關交易所簽署協議的條款所進行；
- d. 第1項至第14項未超逾介紹上市文件所披露之相應年度上限。

本公司嚴格遵守創業板上市規則第20章(轉主板之前)及上市規則第14A章(轉主板之後)規定之披露要求。

充足的公眾持股量

根據本公司獲得的已公開之資料及就董事所知悉，自二零零八年一月一日起至本報告出具之日，本公司之公眾持股量均遵守創業板上市規則(轉主板之前)及上市規則(轉主板之後)的相關要求。

競爭及利益衝突

報告期內，概無本公司之董事、監事、控股股東或其任何聯繫人從事直接或間接與集團業務競爭或可能競爭的業務，或與本集團存在任何其他利益衝突。

AUDITORS

The financial statements have been audited by Ernst & Young, who retired and being eligible for their re-appointment as auditors of the Company. A resolution will be proposed at the forthcoming annual general meeting for their re-appointment.

ON BEHALF OF THE BOARD

Wei Tingzhan

Chairman

Beijing, PRC

27 March 2009

核數師

財務報表已由安永會計師事務所審核，其任期屆滿後有資格再度委任為本公司核數師，本公司將於即將舉行之股東周年大會上提呈關於再度委任其為核數師之議案。

承董事會命

衛停戰

董事長

中國北京

二零零九年三月二十七日

Report of the Supervisory Committee 監事會報告

To the shareholders,

Since the incorporation of the Company, the supervisory committee of the Company (the "Supervisory Committee") adheres to principles of honesty and integrity in discharging its supervisory duties and obligations cautiously and diligently in accordance with the Company's Articles of Association, the relevant laws and requirements of the PRC and Hong Kong for their accountability to the shareholders and the Company.

During the Reporting Period, the major work performed by the Supervisory Committee included the attendance of Board meetings; inspection of resolutions made by the Board, reviewed internal control system, reviewed the use of proceeds from the initial public offer/placement, strictly and effectively monitored whether the policies and decisions made by the management of the Company had confirmed with the relevant laws and regulations and the Company's Articles of Association and safeguarded the interest of the Company and shareholders. The Supervisory Committee has also reviewed the performance of the directors and senior management in the daily operation by various means, examined the Group's financial affairs and connected transactions. As a result of our work, the Supervisory Committee concluded that:

1. Decision-making process of the Company is in compliance with the Company's Articles of Association. Proper and adequate internal control system has been established. The directors and senior management observed their fiduciary duties and worked diligently and legally. The Supervisory Committee is not aware the directors and senior management of the Company acted in breach of the relevant laws and regulations and the Company's Articles of Association or against the interests of shareholders.
2. The Company's 2008 financial statements reflected a true and fair view of the financial position and operating results of the Group in material aspects. The unqualified opinion expressed in the auditors' report issued by Ernst & Young is objective and fair.
3. All continuing connected transactions conducted in the Reporting Period between the Group and its connected persons were in the ordinary course of business and have not discovered any act that prejudiced the interests of the Company and shareholders.

致股東，

自本公司成立之日起，公司監事會（「監事會」）遵照本公司章程、中國及香港地區有關法律法規之規定，遵守誠信原則、恪盡職守、勤勉謹慎履行其監督職權，維護股東及本公司之權益。

報告期內，監事會完成的主要工作包括：出席董事會，監督董事會決議，審查內控系統，審查上市／配售所得資金的使用情況；嚴格有效地監督公司管理層所做出的決定及製定的政策是否符合有關法律法規和公司章程的規定，保障公司和股東的權益。監事會也通過各種途徑審查董事及高級管理人員的日常經營行為，檢查本集團的財務事項及關連交易。根據上述工作，監事會發表意見如下：

1. 本公司的決策程式符合公司章程的規定。公司已建立適當及足夠的內控體系。公司董事及高級管理人員遵守信託義務，勤勉依法履行職責，監事會未察覺董事及高級管理人員存在違反法律法規或公司章程或損害股東權益之行為。
2. 本公司二零零八年財務報表在各重大方面公允真實地反映了本集團的財務狀況及經營業績。安永會計師事務所出具的無保留意見審計報告是客觀公允的。
3. 報告期內本集團與關連人士實施之所有關連交易依據一般商業標準執行，未發現任何侵害本公司及股東權益的行為。

Report of the Supervisory Committee
監事會報告

- | | |
|--|--------------------------------------|
| 4. The Group did not encounter any major litigation during the Reporting Period. | 4. 報告期內本集團無任何重大訴訟。 |
| 5. We did not find the application of the proceeds from the Company's initial public offering/placement was not in accordance with the plan. | 5. 報告期內未發現本公司首次發行／配售股票所得款項未按照計劃予以運用。 |

We would like to express our appreciation to the strenuous supports given by the shareholders, directors and all staff to the work of the Supervisory Committee during the Reporting Period.

我們對報告期內股東、董事及全體員工對本監事會的大力支持，深表謝意。

BY ORDER OF THE SUPERVISORY COMMITTEE

Qu Xinhua

Chairman

Beijing, PRC
27 March 2009

承監事會命

屈新華

監事會主席

中國北京
二零零九年三月二十七日

Directors', Supervisors' and Senior Management's Biographies 董事、監事及高級管理人員的個人資料

DIRECTORS

Executive Directors

Mr. Wei Tingzhan, aged 55, is the Chairman of the Company and an executive director. He was elected as a representative of the 12th Beijing People's Congress. From 1991 to 1994 and 1999 to 2004, he was the general manager of Beijing Chaoyang Auxiliary Company Limited ("Chaoyang Auxiliary"). From 1994 to 2002, he was the general manager of Beijing Jingkelong Shang Sha ("Jingkelong Shang Sha"), the predecessor of Beijing Jingkelong Supermarket Chain Group Company Limited ("Jingkelong Supermarket"). He was the managing director of Jingkelong Supermarket from 2002 to 2004. Since November 2004, he has been the Chairman of the Board. In December 2008, Mr. Wei was granted the title of "outstanding figure of Chinese commerce & service industry during the 30 years of reform and opening-up" ("中國商業服務業改革開放三十周年卓越人物") by the China General Chamber of Commerce and China Business Herald.

Mr. Li Jianwen, aged 48, is the General Manager of the Company and an executive director. He also worked in Jingkelong Shang Sha as the deputy general manager from 1998 to 2002. From 2002 to 2004, he was a director and the deputy general manager of Jingkelong Supermarket. He has been the managing director of the Company since 2004.

Ms. Li Chunyan, aged 36, is an executive director. Ms. Li obtained bachelor's degree and master's degree in Private International Law from China University of Politics & Law. She was the Officer of the Bureau of Law of Jingkelong Shang Sha from 2001 to 2002. In addition, she was the Officer of the Bureau of Law and the Secretary to the board of directors of Jingkelong Supermarket from 2002 to 2004. Since November 2004, she has been one of the executive directors and the Secretary to the Board. She has been appointed as the Company's Chief Financial Officer and deputy general manager since 29 December 2008.

董事

執行董事

衛停戰先生，現年55歲，本公司之董事長及執行董事。彼為北京市第十二屆人民代表大會代表。從一九九一年至一九九四年及一九九九年至二零零四年，衛先生為北京市朝陽副食品總公司(「朝陽副食品」)的總經理。從一九九四年至二零零二年，他是北京京客隆商廈(「京客隆商廈」)的總經理，京客隆商廈為北京京客隆超市連鎖集團有限公司(「京客隆超市」)之前身。彼從二零零二年至二零零四年出任京客隆超市董事總經理。彼自二零零四年十一月起為本公司董事長。衛先生於二零零八年十二月被中國商業聯合會與中國商報評為中國商業服務業改革開放三十周年卓越人物。

李建文先生，現年48歲，本公司之總經理及執行董事。李先生從一九九八年至二零零二年擔任京客隆商廈的副總經理。由二零零二年至二零零四年，彼是京客隆超市的董事及副總經理。彼由二零零四年起為本公司董事總經理。

李春燕女士，現年36歲，本公司之執行董事。李女士獲中國政法大學學士學位及國際私法碩士學位。從二零零一年到二零零二年，她是京客隆商廈的法律辦公室主任。彼從二零零二年至二零零四年亦是京客隆超市的法律辦公室主任兼董事會秘書。自二零零四年十一月起，彼身兼執行董事及董事會秘書。自二零零八年十二月二十九日起任公司財務負責人及副總經理。

Directors', Supervisors' and Senior Management's Biographies

董事、監事及高級管理人員的個人資料

Mr. Liu Yuejin, aged 49, is an executive director. From 2000 to 2004, he was the general manager of Beijing Jingkelong (Langfang) Company Limited. Between 2002 and 2004, he was one of the directors of Jingkelong Supermarket. Since November 2004, he has been an executive director. During part of 2005 and 2006, he was the manager of the First Operation Division of the Company. Since September 2006, he has been the head of the Jiuxianqiao Community Shopping Centre coordination team. Since commencement of business of the Jiuxianqiao Community Shopping Centre in November 2007, he has been the manager of this Shopping Centre. He has been the manager of Shopping Centre Operation Division since November 2008.

Non-executive Directors

Mr. Gu Hanlin, aged 56, is a non-executive director. From 2002 to 2004, he was a chairman of the Board of Jingkelong Supermarket. Since May 2004, he has been the manager of Chaoyang Auxiliary. Since November 2004, he has been a non-executive director.

Mr. Li Shunxiang, aged 56, is a non-executive executive director. From 2000 to present, he is the general manager of Beijing Zhonglianjian Construction Company Limited. From 2002 to 2004, he was a non-executive director of Jingkelong Supermarket. Since November 2004, he has been a non-executive director.

Independent non-executive Directors

Mr. Fan Faming, aged 55, is an independent non-executive executive director. Mr. Fan obtained a master's degree in Business Administration from Monash University, Australia and a doctorate degree from Central South University of Technology. He is currently a professor at the Institute of Finance and Commerce Management Beijing and a visiting professor at Asia International Open University (Macau). He is also a senior member of Hong Kong Quality Management Association. Since January 2005, he has been an independent non-executive director.

劉躍進先生，現年49歲，本公司之執行董事。由二零零零年至二零零四年，他是北京京客隆(廊坊)有限公司的經理。從二零零二年到二零零四年，他是京客隆超市的董事。由二零零四年十一月起，彼成為本公司的執行董事。在二零零五年至二零零六年部分期間，彼成為本公司營運一部的經理。從二零零六年九月起，彼任酒仙橋購物廣場籌備組負責人。二零零七年十一月酒仙橋購物廣場正式營業後，彼任酒仙橋購物廣場的經理。自二零零八年十一月起，彼任公司購物中心營運部經理。

非執行董事

顧漢林先生，現年56歲，本公司之非執行董事。從二零零二年至二零零四年，他是京客隆超市的董事長。自二零零四年五月起，彼為朝陽副食品的總經理。自二零零四年十一月起，彼為本公司非執行董事。

李順祥先生，現年56歲，本公司之非執行董事。自二零零零年至今，李先生任北京中聯建裝飾工程有限公司總經理。從二零零二年至二零零四年，他是京客隆超市的非執行董事。彼自二零零四年十一月起成為本公司非執行董事。

獨立非執行董事

范法明先生，現年55歲，本公司之獨立非執行董事。范先生獲澳大利亞莫納士大學工商管理碩士學位及中南工業大學頒授博士學位。彼現時為北京財貿管理幹部學院教授及亞洲(澳門)國際公開大學客席教授。他是香港品質管制協會的資深會員。自二零零五年一月彼為本公司獨立非執行董事。

Mr. Huang Jiangming, aged 45, is an independent non-executive executive director. Mr. Huang obtained a master's degree in Economics from Renmin University of China and a PhD in Commercial Science from Kobe University respectively. He is currently a professor at the School of Business, Renmin University of China. Since January 2005, he has been an independent non-executive director.

Mr. Chung Chi Kong, aged 38, is an independent non-executive executive director. Mr. Chung is also the chairman of the Company's audit committee. He is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He has over nine years audit experience in international accounting firms and two years accounting experience. He is currently a director of Ascension Financial Services Group Limited and Ascension (Beijing) Financial Advisory Company Limited. Since July 2005, he has been an independent non-executive director.

SUPERVISORS

Ms. Qu Xinhua, aged 55, is a supervisor of the Company. From 2002 to 2004, she was the deputy general manager of Jingkelong Supermarket. Since November 2004, she has been a supervisor of the Company. Since November 2007, she has been the chairman of the Company's committee of supervisors.

Mr. Yang Baoqun, aged 56, is a supervisor of the Company. He was a supervisor of Jingkelong Supermarket from 2002 to 2004. Since November 2004, he has been a supervisor of the Company.

Mr. Chen Zhong, aged 45, is a supervisor of the Company. Mr. Chen obtained doctorate from Peking University. He is a professor in the School of Software and Microelectronics at the Peking University. He has been the Dean of the School of Software of the Peking University since June 2002. Since January 2005, he has been a supervisor of the Company.

黃江明先生，現年45歲，本公司之獨立非執行董事。黃先生持有中國人民大學經濟系碩士學位及日本神戶大學商學博士學位。彼現時為中國人民大學商學院教授。自二零零五年一月彼為本公司獨立非執行董事。

鐘志鋼先生，現年38歲，本公司之獨立非執行董事，為本公司審核委員會主席。鐘先生為英國特許公認會計師公會的會員及香港會計師公會的會員。彼有超過九年於國際會計師行的核數經驗及兩年的會計經驗。彼現時為盛翔金融服務集團有限公司及北京盛鑫財務諮詢有限公司的董事。自二零零五年七月彼為本公司獨立非執行董事。

監事

屈新華女士，現年55歲，本公司之監事。自二零零二年至二零零四年，彼是京客隆超市的副總經理。自二零零四年十一月起，彼擔任本公司監事。自二零零七年十一月，彼任本公司監事會主席。

楊寶群先生，現年56歲，本公司之監事。彼從二零零二年至二零零四年是京客隆超市的監事。自二零零四年十一月起，彼擔任本公司監事。

陳鐘先生，現年45歲，本公司之監事。陳先生持有北京大學博士學位。他是北京大學軟體與微電子學院教授。自二零零二年六月起成為北京大學軟體學院院長。自二零零五年一月起，彼擔任本公司監事。

Directors', Supervisors' and Senior Management's Biographies 董事、監事及高級管理人員的個人資料

Ms. Cheng Xianghong, aged 37, is a supervisor of the Company. Ms. Cheng obtained her bachelor degree from Renmin University of China. She is a qualified accountant, certified public valuer and registered tax agent. She has previously worked in Beijing Ding Xin Li accounting firm. She has been the deputy general manager and financial controller of Beijing Zhongguancun City Construction Company since December 2003. Since January 2005, she has been a supervisor of the Company.

Ms. Wang Shuying, aged 53, is a supervisor of the Company. From 2003 to 2004, she was a manager of the Third Operation Division of Jingkelong Supermarket. She was a supervisor of Jingkelong Supermarket from 2003 to October 2004. During part of 2005 and 2006, she was the manager of the Third Operation Division of the Company. From September 2006 to February 2007, she was the manager of the First Operation Division of the Company. Since February 2007, she has been the general manager of Shou Lian. Since February 2006, she has been a supervisor of the Company.

Ms. Yao Jie, aged 46, is a supervisor of the Company. From 2002 to 2004, she was the deputy manager of the Human Resources Department of Jingkelong Supermarket. Since November 2004, she has been the deputy manager of the Human Resources Department of the Company. Since November 2007, she has been a supervisor of the Company.

SENIOR MANAGEMENT

Ms. Chen Limin, aged 60, was the Chief Financial Officer of the Company during the period from November 2004 to 29 December 2008. She was the deputy general manager of Jingkelong Shang Sha from 1994 to 2002. She worked as a director of Jingkelong Supermarket from May 2002 to November 2004.

Mr. Gao Jingsheng, aged 54, from 2002 to 2004, Mr. Gao was the assistant general manager of Jingkelong Supermarket. From 1999 to 2002, he was the assistant general manager of Chaoyang Auxiliary. From 1998 to 1999, he was the assistant general manager of Jingkelong Shang Sha. He has been the assistant general manager of the Company since November 2004.

程向紅女士，現年37歲，本公司之監事。程女士獲得中國人民大學授予學士學位。她是註冊會計師、註冊資產評估師及註冊稅務師。她曾任職於北京鼎新立會計師事務所。自二零零三年十二月起出任北京中關村電子城建設有限公司副總經理兼財務總監。自二零零五年一月起，她擔任本公司監事。

王淑英女士，現年53歲，本公司之監事。彼於二零零三年至二零零四年，任京客隆超市營運三部的經理。彼於二零零三年至二零零四年十月擔任京客隆超市監事。在二零零五年至二零零六年部份期間，彼任本公司營運三部經理。自二零零六年九月至二零零七年二月，彼任本公司營運一部經理。自二零零七年二月起，她擔任首聯總經理。自二零零六年二月起，她擔任本公司監事。

姚婕女士，現年46歲，本公司之監事。彼於二零零二年至二零零四年任京客隆超市人力資源部的副主任。自二零零四年十一月起，她擔任本公司人力資源部的副主任。自二零零七年十一月起，她擔任本公司監事。

高級管理層

陳莉敏女士，現年60歲，自二零零四年十一月至二零零八年十二月二十九日擔任本公司之財務負責人。陳女士從一九九四年至二零零二年任京客隆商廈副總經理。她自二零零二年五月至二零零四年十一月任京客隆超市的董事。

高京生先生，現年54歲，自二零零二年至二零零四年，他是京客隆超市的副總經理。從一九九九年至二零零二年，他是朝陽副食品的副總經理。從一九九八年至一九九九年，他是京客隆商廈的副總經理。自二零零四年十一月起為本公司的副總經理。

Mr. Zhao Weili, aged 56, from 2002 to 2004, Mr. Zhao was the assistant general manager of Jingkelong Supermarket. From 1990 to 2002, he was the assistant general manager of Chaoyang Auxiliary. From 1998 to 1999, he was the assistant general manager of Jingkelong Shang Sha. He has been the assistant general manager of the Company since November 2004.

Mr. Keung Siu Fai, aged 50, is the financial controller, the qualified accountant and one of the joint company secretaries of the Company. Prior to joining the Company in February 2005, Mr. Keung was the company secretary of Kong Sun Holdings Limited, a Hong Kong listed company. He has over 13 years of working experience with international accountant firms in accounting, auditing and financial services. He obtained his master's degree in Commerce from the University of New South Wales and a bachelor's degree in Science from the University of London. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of Certified Public Accountants Australia.

趙維歷先生，現年56歲，從二零零二年至二零零四年，他是京客隆超市的副總經理。從一九九零年至二零零二年，他是朝陽副食品的副總經理。從一九九八年至一九九九年，他是京客隆商廈的副總經理。自二零零四年十一月起為本公司的副總經理。

姜兆輝先生，現年50歲，為本公司財務總監、合資格會計師及其中一位聯席秘書。於二零零五年二月加入本公司前，姜先生為江山控股有限公司（一家聯交所主板上市公司）的公司秘書。姜先生在國際會計師行擁有超過13年會計、核數及金融服務方面的經驗。他持有新南威爾士大學商科碩士學位及倫敦大學科學學士學位。姜先生為香港會計師公會及澳洲會計師公會的會員。

Independent Auditors' Report

獨立核數師報告



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To the shareholders of Beijing Jingkelong Company Limited

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

We have audited the financial statements of Beijing Jingkelong Company Limited (the "Company") and its subsidiaries (collectively the "Group") set out on pages 66 to 155, which comprise the consolidated and Company balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

致北京京客隆商業集團股份有限公司之股東

(於中華人民共和國註冊成立的股份有限公司)

我們已完成審核載於第66至155頁之北京京客隆商業集團股份有限公司(「貴公司」)及其附屬公司(合稱「貴集團」)之財務報表，該財務報表包括於二零零八年十二月三十一日之合併及公司資產負債表及截至該日止年度之合併損益表、合併權益變動表與合併現金流量表以及重大會計政策和其他附註解釋。

董事對財務報表之責任

董事須負責根據香港會計公會頒布之香港財務報告準則及香港公司條例的披露規定編製並且真實、公允地列報該等財務報表。該等責任包括設計、實施及維持與編製及真實公允地列報財務報表相關的內部控制，以使其不存在由於欺詐或錯誤而造成的重大錯誤陳述；選擇及採用恰當之會計政策；以及在不同情況下做出合理的會計估計。

核數師之責任

我們的責任是根據我們的審核對該等財務報表作出意見，我們的報告僅為全體股東編製，不應用作其他用途。我們概不就本報告的內容對其他任何人士負責或承擔任何責任。

我們已按照香港會計師公會頒布之香港核數的準則執行審核。該等準則要求我們遵守職業道德規範，並規劃及執行審核，從而獲得合理確定此等財務報表是否不存在任何重大錯誤陳述。

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2008 and of the 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.

Ernst & Young
Certified Public Accountants

Hong Kong
27 March 2009

審核涉及執行情序以取得有關財務報表內所載金額及披露事項的審核證據。所選定的程序取決於核數師的判斷，包括對評估由於欺詐或錯誤導致財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與公司編製及真實而公允地列報財務報表相關的內部控制，以設計適當的審核程序符合公司具體情況，而並非對公司的內部控制的有效性發表意見。審核亦包括評估董事所採用的會計政策的合適性及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，我們所獲得的審核證據充足且適當地為我們的審核意見提供基礎。

意見

我們認為，該等財務報表已按照香港財務匯報準則編製，真實而公允地反映了貴公司及貴集團於二零零八年十二月三十一日之財務狀況及截至該日止年度貴集團的利潤及現金流量，並已按照香港公司條例的披露規定妥為編製。

安永會計師事務所
執業會計師

香港
二零零九年三月二十七日

Consolidated Income Statement

合併損益表

Year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
REVENUE	收入	5	6,694,357	5,640,599
Cost of sales	銷售成本		(5,759,521)	(4,918,762)
Gross profit	毛利		934,836	721,837
Other income and gains	其他收入及收益	5	345,568	242,961
Selling and distribution costs	銷售及分銷成本		(680,336)	(521,598)
Administrative expenses	行政開支		(195,360)	(137,008)
Other expenses	其他開支		(33,333)	(23,493)
Finance costs	融資成本	6	(91,100)	(27,397)
Share of profits/(losses) of associates	分佔聯營公司溢利/(虧損)		(11)	4
PROFIT BEFORE TAX	除稅前溢利	7	280,264	255,306
Tax	稅項	10	(76,581)	(86,434)
PROFIT FOR THE YEAR	年度溢利		203,683	168,872
Attributable to:	應佔：			
Equity holders of the parent	母公司的股本持有人		156,758	124,593
Minority interests	少數股東權益		46,925	44,279
			203,683	168,872
DIVIDENDS – Proposed final	擬派股息 – 末期	12	86,566	72,139
Dividend per share (RMB)	每股股息(人民幣)	12	21.0 cents	17.5 cents
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股持有人應佔每股盈利			
Basic (RMB)	基本(人民幣)	13	38.0 cents	31.9 cents

Consolidated Balance Sheet

合併資產負債表

31 December 2008
於二零零八年十二月三十一日

		Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	1,528,479	1,296,834
Investment properties	投資物業	15	7,783	8,240
Lease prepayments for land use rights	土地使用權租賃預付款	16	74,549	76,462
Interests in associates	佔聯營公司權益	18	-	202
Available-for-sale investments	可供銷售股本投資	19	1,085	53,680
Intangible assets	無形資產	20	8,583	7,964
Other long term lease prepayments	其他長期租賃預付款	21	67,434	20,299
Total non-current assets	非流動資產總計		1,687,913	1,463,681
CURRENT ASSETS	流動資產			
Available-for-sale investments	可供銷售股本投資	19	50,000	-
Inventories	存貨	22	710,080	599,550
Trade receivables	應收賬款	23	970,086	743,006
Prepayments, deposits and other receivables	預付款、按金及其它 應收賬款	24	272,700	197,610
Loan receivable	應收貸款	25	50,000	50,000
Investment deposit	投資存款		-	100,000
Pledged deposits	已抵押存款	26	30,387	19,414
Cash and cash equivalents	現金及現金等價物	26	543,028	501,940
Total current assets	流動資產總計		2,626,281	2,211,520
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付賬款及票據	27	798,976	816,795
Debentures	債券	28	370,000	370,000
Tax payable	應繳稅項		72,510	60,006
Other payables and accruals	其他應付款及預提費用	29	497,779	328,472
Interest-bearing bank and other borrowings	付息銀行貸款及 其他借款	30	1,008,513	577,462
Deferred income – current portion	遞延收入 – 本期部分	31	267	267
Total current liabilities	流動負債總計		2,748,045	2,153,002
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債)淨值		(121,764)	58,518
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,566,149	1,522,199

		Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,566,149	1,522,199
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	附息銀行貸款 及其他借款	30	56,000	100,375
Deferred income	遞延收入	31	2,932	3,199
Deferred tax liabilities	遞延稅項負債	32	11,601	12,333
Other long term payable	其他長期應付款		7,000	-
Total non-current liabilities	非流動負債總計		77,533	115,907
Net assets	淨資產		1,488,616	1,406,292
EQUITY	股本			
Equity attributable to equity holders of the parent	母公司股本持有人 應佔股權			
Issued capital	已發行股本	33	412,220	412,220
Reserves	儲備	34	826,233	758,636
Proposed final dividend	擬派末期股息	12	86,566	72,139
			1,325,019	1,242,995
Minority interests	少數股東權益		163,597	163,297
Total equity	股本總值		1,488,616	1,406,292

Wei Ting Zhan
 衛停戰
 Director
 董事

Li Chun Yan
 李春燕
 Director
 董事

Consolidated Statement of Changes in Equity

合併權益變動表

Year ended 31 December 2008
截至二零零八年十二月三十一日止年度

	Notes 附註	Attributable to equity holders of the parent 母公司股本持有人應佔									
		Issued capital 已發行 股本	Share premium account 股本溢價賬	Capital reserve 資本儲備	Available- for-sale investment revaluation 可供銷售 股本投資 重估儲備	Statutory surplus reserve 法定盈餘 公積金	Proposed final dividend 擬派 末期股息	Retained profits 保留溢利	Total 小計	Minority interests 少數股東 權益	Total equity 權益總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 1 January 2007	於二零零七年一月一日	384,620	442,230	5,121	2,749	43,049	57,693	49,511	984,973	89,672	1,074,645
Change in fair value of available-for-sale investments	可供銷售股本投資 公允價值變動	-	-	-	581	-	-	-	581	-	581
Total income and expense recognised directly in equity Profit for the year	於股權中直接確認 之收入與支出總額 年度溢利	-	-	-	581	-	-	-	581	-	581
Total income and expense for the year	年度收入與支出 之總額	-	-	-	581	-	-	124,593	125,174	44,279	169,453
2006 dividend declared	宣派二零零六年度股息	-	-	-	-	-	(57,693)	-	(57,693)	-	(57,693)
Dividends paid to minority equity holders	已付少數股權持有人 之股息	-	-	-	-	-	-	-	-	(21,553)	(21,553)
Issue of H shares upon placement	配售發行H股	33(a)	27,600	167,701	-	-	-	-	195,301	-	195,301
Share issue expenses	股份發行費用	-	(4,760)	-	-	-	-	-	(4,760)	-	(4,760)
Cash contributions from minority equity holders	少數股權持有人 現金投入	-	-	-	-	-	-	-	-	52,604	52,604
Acquisition of minority interests	收購少數股東權益	-	-	-	-	-	-	-	-	(1,705)	(1,705)
Appropriation to statutory surplus reserve	撥付法定盈餘公積金	-	-	-	-	15,155	-	(15,155)	-	-	-
Proposed final 2007 dividend	擬派二零零七年末期股息	12	-	-	-	-	72,139	(72,139)	-	-	-
As at 31 December 2007	於二零零七年 十二月三十一日	412,220	605,171*	5,121*	3,330*	58,204*	72,139	86,810*	1,242,995	163,297	1,406,292

Consolidated Statement of Changes in Equity (Continued)
合併權益變動表(續)

Year ended 31 December 2008
截至二零零八年十二月三十一日止年度

		Attributable to equity holders of the parent 母公司股本持有人應佔									
		Issued capital 已發行 股本	Share premium account 股本溢價賬	Capital reserve 資本儲備	Available- for-sale investment revaluation reserve 可供銷售 股本投資 重估儲備	Statutory surplus reserve 法定盈餘 公積金	Proposed final dividend 擬派 末期股息	Retained profits 保留溢利	Total 小計	Minority interests 少數股東 權益	Total equity 權益總計
Notes 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 1 January 2008	於二零零八年一月一日	412,220	605,171	5,121	3,330	58,204	72,139	86,810	1,242,995	163,297	1,406,292
Change in fair value of available-for-sale investments	可供銷售股本投資 公允價值變動	-	-	-	(2,595)	-	-	-	(2,595)	-	(2,595)
Total income and expense recognised directly in equity	於股權中直接確認 收入與支出總額	-	-	-	(2,595)	-	-	-	(2,595)	-	(2,595)
Profit for the year	年度溢利	-	-	-	-	-	-	156,758	156,758	46,925	203,683
Total income and expense for the year	年度收入與支出之總額	-	-	-	(2,595)	-	-	156,758	154,163	46,925	201,088
2007 dividend declared	宣派二零零七年度股息	-	-	-	-	-	(72,139)	-	(72,139)	-	(72,139)
Dividends paid to minority equity holders	已付少數股權持有 人之股息	-	-	-	-	-	-	-	-	(69,974)	(69,974)
Cash contributions from minority equity holders	少數股權持有人現金投入	-	-	-	-	-	-	-	-	28,865	28,865
Acquisition of minority interests	收購少數股東權益	-	-	-	-	-	-	-	-	(5,516)	(5,516)
Appropriation to statutory surplus reserve	撥付法定盈餘公積金	-	-	-	-	21,483	-	(21,483)	-	-	-
Proposed final 2008 dividend	擬派二零零八年末期股息	12	-	-	-	-	86,566	(86,566)	-	-	-
As at 31 December 2008	於二零零八年十二月三十一日	412,220	605,171*	5,121*	735*	79,687*	86,566	135,519*	1,325,019	163,597	1,488,616

* These reserve accounts comprise the consolidated reserves of RMB826,233,000 (2007: RMB 758,636,000) in the consolidated balance sheet.

* 該等儲備帳目包含合併儲備金額人民幣826,233,000元(二零零七年: 人民幣758,636,000元)載列於合併資產負債表中。

Consolidated Cash Flow Statement

合併現金流量表

Year ended 31 December 2008
截至二零零八年十二月三十一日止年度

	Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	來自經營活動的現金流量		
Profit before tax	除稅前溢利	280,264	255,306
Adjustments for:	就以下各項做出調整		
Finance costs	融資成本	6	27,397
Interest income	利息收入	(22,921)	(9,691)
Amortisation of intangible assets	無形資產攤銷	7	1,169
Gain on liquidation of associates	清算聯營公司收益	5	-
Recognition of lease prepayments for land use rights	確認土地使用權租賃預付款	7	842
Share of (profits)/losses of associates	分佔聯營公司(溢利)/虧損		(4)
(Gains)/losses on disposal of items of property, plant and equipment, net	處置物業、廠房及設備(收益)/虧損淨額	7	(242)
Depreciation	折舊	7	73,057
Impairment loss on items of property, plant and equipment	物業、廠房及設備之減值虧損	7	3,634
Reversal of impairment of trade and other receivables	應收賬款及其他應收款項之減值撥回	7	(8,344)
Write-off of inventories	核銷存貨	7	1,899
Write-down of inventories to net realisable value	核銷存貨至可變現淨值	7	2,725
Recognition of deferred income	確認遞延收入	31	(267)
Excess over the cost of acquisition of minority interests	超逾收購少數股東權益成本之金額	5	-
		467,827	347,481
Increase in inventories	存貨增加	(110,530)	(104,530)
Increase in trade receivables	應收賬款增加	(225,038)	(261,584)
Increase in prepayments, deposits and other receivables	預付款、按金及其他應收款項增加	(75,622)	(27,718)
Increase in other long term lease prepayments	其他長期租賃預付款增加	(47,135)	(9,565)
Increase/(decrease) in trade and bills payables	應付賬款及票據增加/(減少)	(17,819)	215,174
Increase/(decrease) in other payables and accruals	其他應付款項及預提費用增加/(減少)	105,804	(35,942)
Increase in other long term payables	其他長期應付款項增加	7,000	-
Cash generated from operations	經營產生的現金	104,487	123,316
Interest paid	已付利息	(67,566)	(31,722)
PRC corporate income tax paid	已付中國企業所得稅	(64,809)	(76,875)
Net cash inflow/(outflow) from operating activities	經營活動之現金流入/(流出)淨額	(27,888)	14,719

		Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Net cash inflow/(outflow) from operating activities	經營活動之現金流入/ (流出)淨額		(27,888)	14,719
CASH FLOWS FROM INVESTING ACTIVITIES	來自投資活動之現金流量			
Interest received	已收利息		22,921	9,691
Purchase of items of property, plant and equipment	購買物業、廠房及設備		(357,236)	(355,155)
Purchase of lease prepayments for land use rights	購入土地使用權租賃預付款		-	(5,110)
Purchase of intangible assets	購買無形資產		(2,556)	(6,789)
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備所得款項		1,306	1,753
Acquisition of minority interests	收購少數股東權益		(849)	(1,705)
Increase in pledged time deposits	已抵押定期存款增加		(10,973)	(2,495)
Decrease in non-pledged time deposits with original maturity of more than three months when acquired	獲得時原有到期日為三個月以上之未抵押定期存款減少		-	301,401
Increase in loan receivable	應收貸款增加		-	(50,000)
Decrease/(increase) in investment deposit	投資存款減少/(增加)		100,000	(100,000)
Purchase of an available-for-sale investment	購買可供銷售股本投資		-	(50,000)
Cash received from liquidation of associates	清算聯營公司所得款項		269	-
Net cash outflow from investing activities	投資活動現金流出淨額		(247,118)	(258,409)
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動之現金流量			
Net proceeds from issue of H shares	發行H股所得款項淨額		-	190,541
Cash contributions from minority equity holders	少數股東現金投入		28,865	52,604
Proceeds from issue of debentures	發行債券所得款項		370,000	370,000
Repayment of debentures	償還債券款項		(370,000)	-
New bank loans and other borrowings	新增銀行貸款及其他借款		1,439,138	559,712
Repayment of bank loans and other borrowings	償還銀行貸款及其他借款		(1,052,462)	(888,271)
Dividends paid	已付股東股息		(72,139)	(57,693)
Dividends paid to minority equity holders	已付少數股權持有人股息		(27,308)	(21,553)
Net cash inflow from financing activities	融資活動之現金流入淨額		316,094	205,340
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/ (減少)淨額		41,088	(38,350)
Cash and cash equivalents at beginning of year	年初現金及現金等價物		501,940	540,290
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物	26	543,028	501,940

Balance Sheet

資產負債表

31 December 2008
於二零零八年十二月三十一日

		Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	1,348,383	1,151,732
Investment properties	投資物業	15	7,783	8,240
Lease prepayments for land use rights	土地使用權租賃預付款	16	74,549	76,462
Interests in subsidiaries	佔附屬公司權益	17	476,233	514,258
Available-for-sale investments	可供銷售股本投資	19	-	50,000
Intangible assets	無形資產	20	4,756	3,017
Other long term lease prepayments	其他長期租賃預付款	21	43,195	-
Total non-current assets	非流動資產總計		1,954,899	1,803,709
CURRENT ASSETS	流動資產			
Available-for-sale investments	可供銷售股本投資	19	50,000	-
Inventories	存貨	22	248,068	210,721
Trade receivables	應收賬款	23	354,302	190,234
Prepayments, deposits and other receivables	預付款、按金及其他應收賬款	24	41,869	60,300
Loan receivable	應收貸款	25	50,000	50,000
Investment deposit	投資存款		-	100,000
Cash and cash equivalents	現金及現金等價物	26	319,261	295,698
Total current assets	流動資產總計		1,063,500	906,953
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付賬款及票據	27	406,373	406,217
Debentures	債券	28	370,000	370,000
Tax payable	應繳稅款		25,097	15,930
Other payables and accruals	其他應付款及預提費用	29	395,306	266,160
Interest-bearing bank and other borrowings	付息銀行貸款及其他借款	30	444,375	362,750
Deferred income – current portion	遞延收入 – 本期部分	31	267	267
Total current liabilities	流動負債總計		1,641,418	1,421,324
NET CURRENT LIABILITIES	流動負債淨額		(577,918)	(514,371)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,376,981	1,289,338

Balance Sheet (Continued)
資產負債表(續)

31 December 2008
於二零零八年十二月三十一日

		Notes 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,376,981	1,289,338
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	附息銀行借款及其他借款	30	56,000	100,375
Deferred income	遞延收入	31	2,932	3,199
Deferred tax liabilities	遞延稅項負債	32	11,601	12,333
Other long term payables	其他長期應付款		6,000	—
Total non-current liabilities	非流動負債總計		76,533	115,907
Net assets	淨資產		1,300,448	1,173,431
EQUITY	股本			
Issued capital	已發行股本	33	412,220	412,220
Reserves	儲備	34	801,662	689,072
Proposed final dividend	擬派末期股息	12	86,566	72,139
Total equity	股本總值		1,300,448	1,173,431

Wei Ting Zhan
衛停戰
Director
董事

Li Chun Yan
李春燕
Director
董事

1. CORPORATE INFORMATION

Beijing Jingkelong Company Limited (the “Company”) is a joint stock limited company incorporated in the People’s Republic of China (the “PRC”).

The registered office of the Company is located at 45 Xinyuan Street, Chaoyang District, Beijing, PRC. The principal place of business of the Company in Hong Kong is located at 20th Floor, Alexandra House, 16-20 Chater Road, Hong Kong.

The Group is principally engaged in the retail and wholesale distribution of daily consumer products in the region covering Beijing city and certain parts of its periphery. The details of the principal activities of the subsidiaries are set out in note 17 to the financial statements.

In the opinion of the directors, the controlling shareholder of the Company is Beijing Chaoyang Auxiliary Food Company (“Chaoyang Auxiliary”), a state-owned enterprise established in the PRC.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared on a historical cost convention, except for the equity investments, which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

As at 31 December 2008, the Group had net current liabilities of RMB121,764,000. Based on the Group’s history of obtaining financing, available banking facilities, operating performance, working capital forecast and financial obligations in the next twelve months, the directors consider that there are sufficient financial resources available to the Group to meet its liabilities as when fall due and to carry on its businesses in the foreseeable future. Accordingly, the directors have prepared these financial statements on a going concern basis.

1. 公司資料

北京京客隆商業集團股份有限公司(「本公司」)是一家於中華人民共和國(「中國」)註冊成立的股份有限公司。

本公司註冊地址為中華人民共和國北京市朝陽區新源街45號。本公司於香港之主要營業地點位於香港遮打道16 – 20號歷山大廈20樓。

本集團主要從事於北京及其部分周邊地區的日用消費品的零售和批發業務。附屬公司的主要經營活動詳情載於財務報表附註17。

董事認為，本公司的控股股東是北京市朝陽副食品總公司(「朝陽副食品」)，一家在中國成立的國有企業。

2.1 編製之基準

該等財務報表遵照香港會計師公會(「香港會計師公會」)頒布的香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及其詮釋)、香港公認會計原則及香港公司條例之披露要求編製。除若干股本投資以公允值計算外，其乃以歷史成本基準編製。該等財務報表以人民幣(「人民幣」)呈列，除另有指明外所有金額均調整到千元。

於二零零八年十二月三十一日，本集團流動負債淨額為人民幣121,764,000元。基於本集團歷史上獲得融資、可供使用銀行信用額、經營業績及未來十二月的經營資金預期、金融債務，董事認為本集團擁有足夠的金融資產以支付其到期負債及於可預知將來持續經營。據此，董事以持續經營為基礎編制本財務報表。

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of 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.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries. An acquisition of minority interest is accounted for using the parent existing extension method whereby the difference between the consideration and the book value of share of net assets acquired is recognised as goodwill.

2.1 編製之基準(續)

合併基準

合併財務報表包括本公司及其所有附屬公司(統稱「本集團」)截止二零零八年十二月三十一日止年度之財務報表。附屬公司的業績自收購日(即本集團取得其控制權之日)起開始合併，直至有關控制權終止為止。所有本集團內公司間交易產生之收入、費用、未實現的利得與損失及結餘已於合併賬目時全部抵消。

本年度內收購附屬公司以購買法進行會計處理，該會計方法涉及將業務合併成本分配至可確認之收購資產之公允值及自收購之日起所負之債務及或有債務。收購成本以交易之日所付出的資產、所發行的權益性證券及發生或承擔的負債之公允值總額加上直接歸屬於收購的費用計算。

少數股東權益指非由本集團持有的外部股東於本公司之附屬公司之業績及資產淨值中擁有之權益。收購少數股東權益採用母公司現有延伸方法，對價與所收購的股本淨資產的賬面價值之間的差額被確認為商譽。

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements.

HKAS 39 & HKFRS 7 Amendments	Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures – Reclassification of Financial Assets</i>
HK(IFRIC)-Int 11	HKFRS 2 – <i>Group and Treasury Share Transactions</i>
HK(IFRIC)-Int 12	<i>Service Concession Arrangements</i>
HK(IFRIC)-Int 14	HKAS 19 – <i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>

The adoption of these new interpretations and amendments has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

2.2 新訂及經修訂香港財務報告準則之影響

本集團於本年度之財務報表首次採納以下新訂及經修訂香港財務報告準則。

香港會計準則 第39號及香港 財務報告準則 第7號(經修訂)	香港會計準則第39號 (經修訂)金融工具: 確認與計量; 香港 財務報告準則第7號 (經修訂)金融工具: 披露—金融資產重 分類
香港(國際財務報告 詮釋委員會) —詮釋第11號	香港財務報告準則 第2號—集團及庫藏 股份交易
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
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 —設定福利資產的 限制、最低資金 要求及其相關關係

該等新詮釋及經修訂準則之採納對本財務報表無重大影響，對本財務報表適用的會計政策亦無重大變化。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements:

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i> ¹
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i> ¹
HKFRS 3 (Revised)	<i>Business Combinations</i> ²
HKFRS 8 HKAS 1 (Revised)	<i>Operating Segments</i> ¹ <i>Presentation of Financial Statements</i> ¹
HKAS 23 (Revised)	<i>Borrowing Costs</i> ¹
HKAS 27 (Revised)	<i>Consolidated and Separate Financial Statements</i> ²
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation</i> ¹
HKAS 39 Amendment	Amendment to HKAS 39 <i>Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i> ²
HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i> ³
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i> ¹
HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i> ⁴
HK(IFRIC)-Int 17	<i>Distribution of Non-cash Assets to Owners</i> ²

2.3 已頒布但未生效的香港財務報告準則的影響

本集團尚未於本財務報表中應用下列已頒布但未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第1號及香港會計準則第27號 (經修訂)	香港財務報告準則第1號首次採納香港財務報告準則及香港會計準則第27號合併及單獨財務報表—於附屬公司、合營公司或聯營公司的投資成本的修訂
香港財務報告準則第2號(經修訂)	香港財務報告準則第2號以股份支付—歸屬條件及註銷的修訂 ¹
香港財務報告準則第3號(經修訂)	業務合併 ²
香港財務報告準則第8號 香港會計準則第1號(經修訂)	經營分部 ¹ 財務報表的呈列 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港會計準則第27號(經修訂)	合併財務報表及單獨財務報表 ²
香港會計準則第32號及香港會計準則第1號(經修訂)	香港會計準則第32號金融工具：列報及香港會計準則第1號財務報表的呈列—認沽金融工具及清盤時產生的責任的修訂 ¹
香港會計準則第39號(經修訂)	香港會計準則第39號金融工具：確認和計量—合資格對沖項目的修訂 ²
香港(國際財務報告詮釋委員會)—詮釋第13號	客戶忠誠計劃 ³
香港(國際財務報告詮釋委員會)—詮釋第15號	房地產建造協議 ¹
香港(國際財務報告詮釋委員會)—詮釋第16號	境外業務之投資淨額對沖 ⁴
香港(國際財務報告詮釋委員會)—詮釋第17號	向所有者分配非現金資產 ²

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Apart from the above, the HKICPA has also issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. Except for the amendment to HKFRS 5 which is effective for the annual periods on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 July 2009
- ³ Effective for annual periods beginning on or after 1 July 2008
- ⁴ Effective for annual periods beginning on or after 1 October 2008
- * Improvements to HKFRSs contain amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

The HKAS 27 Amendment requires all dividends from subsidiaries, associates or jointly-controlled entities to be recognised in the income statement in the separate financial statements. The amendment is applied prospectively only. The HKFRS 1 Amendment allows a first-time adopter of HKFRSs to measure its investment in subsidiaries, associates or jointly-controlled entities using a deemed cost of either fair value or the carrying amount under the previous accounting practice in the separate financial statements. The Group expects to adopt the HKAS 27 Amendment from 1 January 2009. The amendments have no impact on the consolidated financial statements. As the Group is not a first-time adopter of HKFRSs, the HKFRS 1 Amendment is not applicable to the Group.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

除上述之外，香港會計師公會頒布了經修訂之香港財務報告準則*，著眼於消除文字表述的矛盾及澄清措辭，對若干香港財務報告準則進行了修訂。除香港財務報告準則第5號於2009年7月1日或之後開始的年度期間生效之外，儘管存在各準則各自的過度條款，其他修訂本於2009年1月1日或之後開始的年度期間生效。

- ¹ 於2009年1月1日或之後之年度期間生效
- ² 於2009年7月1日或之後之年度期間生效
- ³ 於2008年7月1日或之後之年度期間生效
- ⁴ 於2008年10月1日或之後之年度期間生效
- * 香港財務報告準則的改進，包括經修訂的香港財務報告準則第5號及第7號，香港會計準則第1號，第8號，第10號，第16號，第18號，第19號，第20號，第23號，第27號，第28號，第29號，第31號，第34號，第36號，第38號，第39號，第40號及第41號。

香港會計準則第27號修訂要求來自附屬公司、聯營公司或合營公司的股利在單獨財務報表之損益表內予以確認。該修訂僅適用於預期。香港財務報告準則第1號允許首次採納香港財務報告準則的按照各自公允價值確認之成本或依據單獨財務報表先前會計實踐的賬面價值計量於附屬公司、聯營公司或合營公司之投資。本集團預期自二零零九年一月一日起適用香港會計準則第27號。該項修訂準則對合併財務報表並無影響。因本集團並非首次採納香港財務報告準則，香港財務報告準則第1號修訂並不適用本集團。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The HKFRS 2 Amendments clarify that vesting conditions are service conditions and performance conditions only. Any other conditions are non-vesting conditions. Where an award does not vest as a result of a failure to meet a non-vesting condition that is within the control of either the entity or the counterparty, this is accounted for as a cancellation. The Group has not entered into share-based payment schemes with non-vesting conditions attached and, therefore, the amendments are unlikely to have any significant implications on its accounting for share-based payments.

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rate*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*.

The Group expects to adopt HKFRS 3 (Revised) and HKAS 27 (Revised) from 1 January 2010. The changes introduced by these revised standards must be applied prospectively and will affect future acquisitions, loss of control and transactions with minority interests.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

經修訂之香港財務報告準則第2號澄清歸屬條件僅包括服務條件及表現條件。其他情況均為非歸屬條件。當一項獎勵在公司或對方的控制下不符合非歸屬條件而不能行使，則該等情形入賬作為註銷。本集團並未參與任何附帶歸屬條件的以股份為基礎之付款計劃，因此預期不會對以股份為基礎之付款的入賬方式造成重大影響。

經修訂之香港財務報告準則第3號，對會影響商譽的確認數額、收購發生期間的報告業績及未來報告業績的業務合併的會計方法引入多項變動。

經修訂之香港會計準則第27號要求，附屬公司所有權權益並未喪失控制權的變動應列為股本交易。因此，有關變動不會影響商譽，亦不會由此產生相應的利得或損失。此外，經修訂準則亦更改了對附屬公司產生的虧損以及對喪失附屬公司控制權的會計入賬方式。相因產生的修訂有香港會計準則第7號 *現金流轉之列報*、香港會計準則第12號 *所得稅*、香港會計準則第21號 *匯率變動之影響*、香港會計準則第28號 *於聯營公司之投資*及香港會計準則第31號 *於合營公司之權益*。

本集團預期將自二零一零年一月一日起採用經修訂的香港財務報告準則第3號及經修訂之香港會計準則第27號。引入該等修訂準則的變動只須未來應用，並將影響與少數股東權益之間的未來收購、喪失控制權及交易。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 8, which will replace HKAS 14 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group expects to adopt HKFRS 8 from 1 January 2009.

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group expects to adopt HKAS 1 (Revised) from 1 January 2009.

HKAS 23 has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group's current policy for borrowing costs aligns with the requirements of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

The HKAS 32 Amendments provide a limited scope exception for puttable financial instruments and instruments that impose specified obligations arising on liquidation to be classified as equity if they fulfil a number of specified features. HKAS 1 Amendments require disclosure of certain information relating to these puttable financial instruments and obligations classified as equity. As the Group currently has no such financial instruments or obligations, the amendments are unlikely to have any financial impact on the Group.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

香港財務報告準則第8號將取代香港會計準則第14號分部報告，具體說明實體應如何讓報告其經營分部的資料，並以組成實體的資料為依據，該等實體可供公司主要營運決策者用作分配資源予有關分部及評估其表現。該準則亦規定須披露有關分部所提供產品及服務之資料、本集團經營所在地區及來自本集團主要客戶之收入。本集團預期自二零零九年一月一日起採納香港財務報告準則第8號。

經修訂之香港會計準則第1號引入財務報表呈報及披露的變化。該經修訂準則區分所有人及非所有人權益變動。權益變動表的變化僅包括與所有人交易之詳情，與所有非所有人權益變動作為在單項予以列報。此外，該準則引入合併損益表：呈列所有直接於損益表內確認的收入及支出項目，連同所有其他其他已確認收入及支出項目（無論於單獨報表或兩個聯繫報表內）。本集團預期將自二零零九年一月一日起採納經修訂之香港會計準則第1號。

經修訂之香港會計準則23號要求當借款成本可直接歸於一項符合條件的資產的購置、建造或生產時，可將其予以資本化。本集團現有有關借款成本政策符合該經修訂準則之要求，該經修訂準則將不會對本集團產生任何財務影響。

經修訂之修訂香港會計準則第32號規定，當可認沽金融工具及清盤時產生的特定責任的工具符合若干指定特徵後，可獲有限度豁免而被歸類為股本權益。經修訂之香港會計準則第1號要求披露有關該等歸類為可認沽金融工具及負債的若干資料。因本集團尚無該等金融工具或負債，該等修訂應不會對本集團產生任何財務影響。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The amendment to HKAS 39 addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. As the Group has not entered into any such hedges, the amendment is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 13 requires customer loyalty award to be accounted for as a separate component of the sales transaction in which they are granted. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

HK(IFRIC)-Int 15 will replace HK Interpretation 3 Revenue – *Pre-completion Contracts for the Sale of Development Properties*. It clarifies when and how an agreement for the construction of real estate should be accounted for as a construction contract in accordance with HKAS 11 *Construction Contracts* or an agreement for the sale of goods or services in accordance with HKAS 18 *Revenue*. As the Group currently is not involved in any construction of real estate, the interpretation is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 16 provides guidance on the accounting for a hedge of a net investment in a foreign operation. This includes clarification that (i) hedge accounting may be applied only to the foreign exchange differences arising between the functional currencies of the foreign operation and the parent entity; (ii) a hedging instrument may be held by any entities within a group; and (iii) on disposal of a foreign operation, the cumulative gain or loss relating to both the net investment and the hedging instrument that was determined to be an effective hedge should be reclassified to the income statement as a reclassification adjustment. As the Group currently has no hedge of a net investment in a foreign operation, the interpretation is unlikely to have any financial impact on the Group.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

對香港會計準則第39號的修訂指明對沖項目的單方面風險，及指明通脹為對沖風險或特定情況下的部分。其闡明實體可獲准指定金融工具的部分公允價值變動或現金流量變化為對沖項目。因本集團未曾涉及任何相關對沖，該修訂將不會對本集團構成任何財務影響。

香港(國際財務報告詮釋委員會) – 詮釋第13號要求將予顧客提供的忠誠獎賞確認為銷售交易的一個單獨的組成部分。於該銷售交易已收對價應在授予的獎賞與收入交易的其他組成部分之間進行分攤。獎勵分攤數額參考其公允價值確定，並予以遞延直至該獎賞被重新確認或該負債以其他方式清償。

香港(國際財務報告詮釋委員會) – 詮釋第15號將取代香港詮釋第3號收入 – 發展物業的預售合約。該詮釋澄清了何時及如何將房地產建設協議根據香港會計準則第11號建築合約作為建築合約或根據香港會計準則第18號收入作為商品或服務出售協議進行會計處理。由於本集團現時並無參與任何房地產建設，此項詮釋將不會對本集團構成任何財務影響。

香港(國際財務報告詮釋委員會) – 詮釋第16號規定了對境外業務投資淨額對沖進行會計處理的指引。其中包括澄清(i)對沖會計處理僅適用於境外業務與母公司實體的功能貨幣間產生的匯兌差額；(ii)集團內任何實體均可持有的對沖工具；及(iii)於出售境外業務時，有關投資淨額及已被認定為有效的對沖工具兩者的累積收益或虧損，須作為重新分類調整於收益表重新分類。因本集團現時並無境外業務投資淨額對沖，此項詮釋應不會對本集團構成任何財務影響。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HK(IFRIC)-Int 17 standardises practice in the accounting for non-reciprocal distributions of non-cash assets to owners. The Group expects to apply the interpretation from 1 January 2010 prospectively. The Interpretation clarifies that (i) a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity; (ii) an entity should measure the dividend payable at the fair value of the net assets to be distributed; and (iii) an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss. Other consequential amendments were made to HKAS 10 *Events after the Balance Sheet Date* and HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. While the adoption of the interpretation may result in changes in certain accounting policies, the interpretation is unlikely to have any material financial impact on the Group.

In October 2008, the HKICPA issued its first Improvements to HKFRSs which sets out amendments to a number of HKFRSs. The Group expects to adopt the amendments from 1 January 2009. There are separate transitional provisions for each standard. The Group has not yet adopted the following amendments and anticipates that these amendments are not expected to have a significant financial impact on the Group.

- (a) HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*: Clarifies that all assets and liabilities of a subsidiary shall be classified as held for sale if an entity has a sale plan involving loss of control of the subsidiary, regardless of whether the entity will retain a non-controlling interest.
- (b) HKFRS 7 *Financial Instruments*: Disclosures: Removes the reference to “total interest income” as a component of finance costs.
- (c) HKAS 1 *Presentation of Financial Statements*: Clarifies that assets and liabilities which are classified as held for trading in accordance with HKAS 39 are not automatically classified as current in the balance sheet.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

香港(國際財務報告詮釋委員會)－詮釋第17號統一了向擁有着非現金資產的非互惠性分配會計實務標準。本集團預期未來來自二零一零年一月一日起採用該詮釋。此項新詮釋闡明(i)應付股息應於該股息獲正式批核且不再受該實體操控時確認；(ii)實體應以將予分配資產淨值的公平值計量應付股息；及(iii)實體應在損益表中確認已付股息與已分配資產淨值賬面值之間的差額。其他針對香港會計準則第10號「結算日後事項」及香港財務報告準則第5號「持作待售之非流動資產及已終止經營業務」之後續修訂亦相繼採納。然而，儘管採納該詮釋可能導致若干會計政策發生變動，但該詮釋不會對本集團構成任何重大財務影響。

於二零零八年十月，香港會計師公會頒布其對香港財務報告準則的首次改進，其中載列對若干項香港財務報告準則的修訂。本集團預期自二零零九年一月一日起採納該等修訂。各項準則均就有關修訂各設有過渡性條文。本集團尚未採納以下修訂，預期該等修訂不會對本集團產生重大財務影響。

- (a) 香港財務報告準則第5號持作待售的非流動資產及已終止經營業務：該準則澄清了倘實體擁有涉及失去附屬公司控股權的出售計劃(無論實體是否將保留非控股權益)，則該附屬公司的全部資產及負債均應分類為持作待售資產或負債。
- (b) 香港財務報告準則第7號金融工具：披露：該準則刪去了關於「利息收入總額」作為財務費用的組成部分。
- (c) 香港會計準則第1號財務報表的呈列：該準則澄清了根據香港會計準則第39號分類為持作買賣資產及負債，並不會於資產負債表內自動分類為流動資產。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

- (d) HKAS 16 *Property, Plant and Equipment*: Replaces the term “net selling price” with “fair value less costs to sell” and the recoverable amount of property, plant and equipment is calculated as the higher of an asset’s fair value less costs to sell and its value in use.

In addition, items held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale.

- (e) HKAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*: Requires government loans granted in the future with no or at a below-market rate of interest to be recognised and measured in accordance with HKAS 39 and the benefit of the reduced interest to be accounted for as a government grant.
- (f) HKAS 27 *Consolidated and Separate Financial Statements*: Requires that when a parent entity accounts for a subsidiary at fair value in accordance with HKAS 39 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale.
- (g) HKAS 28 *Investments in Associates*: Clarifies that an investment in an associate is a single asset for the purpose of conducting the impairment test and that no impairment is separately allocated to goodwill included in the investment balance.
- (h) HKAS 36 *Impairment of Assets*: When discounted cash flows are used to estimate “fair value less cost to sell”, additional disclosure is required about the discount rate, consistent with the disclosures required when the discounted cash flows are used to estimate “value in use”.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

- (d) 香港會計準則第16號物業、廠房及設備：該準則以「公允價值與出售成本的差額」取代「淨售價」項目，及物業、廠房及設備的可回收數額應以資產公允價值減出售成本與使用價值兩者較高者為準進行計算。

此外，持有供出租資產項目通常按一般商業條款除去租金進行出售的，在租期屆滿時轉為存貨，從而成為持有待售資產。

- (e) 香港會計準則第20號政府補助的會計處理及政府援助的披露：要求按照香港會計準則第39號確認及計量在未來無息或低於市場利率的政府撥出貸款，降低利率所得利益應計入政府撥款。
- (f) 香港會計準則第27號合併及獨立財務報表：該準則要求當母公司實體根據香港會計準則第39號在其獨立財務報表中按公平價值對附屬公司進行會計處理時，即使附屬公司隨後被分類為持有待售，此項處理仍將持續。
- (g) 香港會計準則第28號投資於聯營公司：該準則澄清了於聯營公司的投資就進行減值測試而言為單項資產，及並無減值被擔負分配至投資結餘包含的商譽內。
- (h) 香港會計準則第36號資產減值：當使用折現現金流估計「公允價值與出售成本的差額」時，須同時披露有關折現率以及以折現現金流量作為「使用價值」的估計。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

- (i) HKAS 38 *Intangible Assets*: Expenditure on advertising and promotional activities is recognised as an expense when the Group either has the right to access the goods or has received the service.

The reference to there being rarely, if ever, persuasive evidence to support an amortisation method of intangible assets other than a straight-line method has been removed.

- (j) HKAS 40 *Investment Property*: Revises the scope such that property being constructed or developed for future as an investment property is classified as an investment property.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity, whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities. The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively.

2.3 已頒布但未生效的香港財務報告準則的影響(續)

- (i) 香港會計準則第38號無形資產：當本集團有權獲得商品或已接收服務而就宣傳及促銷活動的支出被確認為支出。

刪除涉及很少存在，如有，有力證據支持無形資產的攤銷方法，而非直線方法。

- (j) 香港會計準則第40號投資物業：該項準則修訂了未來投資物業的建設或發展中的物業應匪類為投資物業的範圍。

2.4 重大會計政策概要

附屬公司

附屬公司乃其財務及營運政策由本公司直接或間接控制以從其業務中獲取利益之實體。附屬公司之業績按已收及應收之股息計入本公司之損益表內。本公司在附屬公司之權益按成本扣除任何減值虧損列帳。

聯營公司

聯營公司乃為本集團於其股本表決權擁有一般不低於20%的長期權益及可對其有重大影響的公司實體，而非本集團的附屬公司或共同控制實體。

本集團於聯營公司之權益乃以權益法按本集團分佔資產淨值扣除減值損失於合併資產負債表入帳，本集團分佔聯營公司收購後業績及儲備分別計入合併損益表及合併儲備中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and other parties have an interest.

The joint venture agreement between the ventures stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture arrangement.

A joint venture is treated as:

- (a) a subsidiary if the Group/Company has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group/Company does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group/Company does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or
- (d) an equity investment accounted for in accordance with HKAS 39, if the Group/Company holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

2.4 重大會計政策概要(續)

合營公司

合營公司乃根據合約性安排成立之公司，據此，本集團與其他人士從事一項經營活動。合營公司作為一個獨立主體營運，本集團與其他人士均擁有其權益。

合營公司各方訂立之合營協議約定合營各方之出資額、合營公司之期限及在合營公司解散時變現資產之基準。合營公司業務之盈虧及盈餘資產之分派均由合營公司各方按其各自之出資額或依據合營協議之條款計算。

在下列情況下合營公司被視為：

- (a) 附屬公司，倘若本集團／本公司直接或間接單方控制合營公司；
- (b) 共同控制企業，倘若本集團／本公司不可單方面控制，但可共同直接或間接地控制該合營公司；
- (c) 聯營公司，倘若本集團／本公司並無單方面或共同控制權，但直接或間接持有一般不低於該合營公司註冊資本之20%，並可對該合營公司施加重大影響；或
- (d) 以香港會計準則第39號計入之股本投資，倘若本集團／本公司直接或間接持有低於該合營公司註冊資本之20%，且對該合營公司並無共同控制權及不可施加重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill

Goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entities represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses. The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

2.4 重大會計政策概要(續)

商譽

因收購附屬公司、聯營公司及合營公司而產生之商譽，為企業合併成本超過於收購日本集團於被收購方的可辨認資產、負債及或有負債的公允價值中應佔權益的部分。

約定收購日期於二零零五年一月一日或之後的商譽

收購產生之商譽在合併資產負債表中被確認為一項資產，初始確認按成本計量，後續計量以成本減去累計減值損失。商譽的賬面價值需每年進行減值測試，如有事件或環境發生變化有迹象表明賬面價值可能發生減值，則需更頻繁進行測試。為了進行減值測試，企業合併取得的商譽自收購日起，分配給本集團的每一個預期能從企業合併協同獲益的現金產出單元或現金產出單元組，無論本集團的其他資產或負債是否被分配給上述單元或單元組。

減值損失以評估與商譽相關的現金產出單元(現金產出單元組)的可收回金額來確定。如果現金產出單元(現金產出單元組)的可收回金額少於其賬面價值，則確認減值。經確認的減值損失在以後會計期間不得轉回。

如果商譽構成現金產出單元(現金產出單元組)的一部分，且該單元業務的一部分被處置，在確定該被處置業務的損益時，與被處置業務相關的商譽將包括在該業務的賬面金額。在這種情況下處置的商譽以被處置的業務和被保留的現金產出單元的相對值為基礎計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Excess over the cost of acquisition of minority interests

Any excess of the Group's interest in the net book value of the acquirees' net assets over the cost of acquisition of minority interests (previously referred to as negative goodwill), is recognised immediately in the income statement.

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or if annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises.

2.4 重大會計政策概要(續)

超逾收購少數股東權益成本的差額

本集團於被收購方的淨資產的賬面價值淨額應佔權益超過收購少數股東權益(先前稱為負商譽)的成本的差額部分，即在利潤表中確認。

除商譽外非金融資產之減值

當出現減值迹象或需就資產(存貨、金融資產、投資物業及商譽除外)進行年度減值測試時，則估計資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值或其公允值減銷售成本以較高者為準而計算，並就個別資產釐定，除非資產並無產生現金流入，且在很大程度獨立於其他資產或資產類別，在此情況下，可收回金額則以資產所屬之現金產出單位釐定。

減值虧損僅於資產帳面值超逾其可收回數額時確認。在評估使用價值時，估計日後現金流量按可反映目前資金時值之市場估量及資產特定風險的稅前貼現率貼現至其現值。減值虧損乃於產生時於損益表中列支。

於每個報告日評估以往年度確認之減值虧損是否不再存在或有所減少。倘有任何該等情況，則應可收回金額。先前確認之資產(除商譽外)減值虧損，只會在用以釐定可收回金額之估計有所改變時轉回，但轉回之金額不可超過該項資產倘於以往年度未獲確認減值虧損之帳面值(扣除任何折舊／攤銷)。減值虧損之撥回於其發生期間計入損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Related parties**

A party is considered to be related to the Group if:

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

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

2.4 重大會計政策概要(續)**關聯人士**

在下列情況下，有關人士將被視為本集團的關聯人士：

- (a) 有關人士直接或透過一名或多名仲介人間接：(i)控制本集團、被本集團控制或受本集團及其它人士共同控制；(ii)持有本集團權益並對本集團發揮重大影響力；或(iii)與他人共同擁有本集團的控制權；
- (b) 有關人士為聯營公司；
- (c) 有關人士為合營公司；
- (d) 有關人士為本集團或其母公司主要管理人；
- (e) 有關人士為上述(a)或(d)項所述人士之直系親屬；或
- (f) 有關人士受直接或間接歸屬於(d)及(e)所述人士控制的實體所控制、與他人共同控制或發揮重大影響力，或擁有重大投票權。

物業、廠房及設備以及其折舊

除在建工程外，物業、廠房及設備乃以成本減累計折舊及任何減值虧損入帳。物業、廠房及設備項目之成本包括購買價及任何使其投入目前運作狀況及運往現址做擬定用途的直接可歸屬成本。於物業、廠房及設備項目投入運營後所產生之維修及保養費用等開支，通常會於發生期間從損益表中列支。倘若可明確顯示該等開支使藉使用物業、廠房及設備項目在可獲得之預期經濟利益增加，及該等項目之成本能可靠計量時，則該等開支作為該資產之額外成本或重置予以資本化。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment and depreciation

(Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives used for this purpose are as follows:

Buildings	20 to 40 years
Leasehold improvements	Over the lease terms
Machinery	5 to 10 years
Office equipment	5 years
Motor vehicles	5 to 8 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings and various infrastructure projects under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 重大會計政策概要(續)

物業、廠房及設備以及其折舊(續)

各項物業、廠房及設備之折舊乃以直線法按其估計可使用年期撇銷至剩餘價值。固定資產的估計可使用年限如下：

樓宇	20至40年
租賃物業裝修	按租賃年期
機器	5至10年
辦公設備	5年
汽車	5至8年

倘若一項物業、廠房及設備的各部份具有不同的使用期限，則其成本乃按合理基準分配給各部份，由各部份各自計算折舊。

剩餘價值、可使用期限及折舊方法於各資產負債表日評審及調整(如適用)。

當一項物業、廠房及設備項目於出售後，或其使用或出售該項目將不會產生任何經濟利益時終止確認。因出售或報廢而產生於該資產終止確認的年度於損益表內確認的受益或虧損指相關資產的銷售所得款項淨額與帳面值之差額。

在建工程指正於建設中之樓宇和各項基建專案，按成本減任何減值虧損入帳，且不作折舊。成本包括建設的直接成本和在建期內的有關借款的資本化借貸成本。當在建工程完成並可供使用時，在建工程將重新分類至適當的物業、廠房及設備類別。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are stated at cost including transaction costs and are depreciated on the straight-line basis to write off the cost of each property over their estimated useful lives between 20 to 25 years, after taking into account their estimated residual values.

The carrying values of investment properties are reviewed for impairment either annually, or whenever events or changes in circumstances indicate that the carrying values may not be recoverable, whichever is earlier. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the investment properties are written down to its recoverable amount. Impairment losses are recognised in the income statement. Investment properties shall be derecognised on disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

Intangible assets (other than goodwill)

Intangible assets represent the acquisition costs of distribution network software less accumulated amortisation and impairment losses. Intangible assets with finite lives are amortised over the useful economic life on the straight-line basis of 5 to 10 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

2.4 重大會計政策概要(續)

投資物業

投資物業指以賺取租金收入及／或作為資本增值(並非用於生產或供應貨品或服務或用作行政用途)或於日常業務活動中作為銷售用途的物業或樓宇而持有之權益。該物業按成本(包括交易成本)列帳並在扣除預估的餘值後，按其與本集團之預計20至25年估計可使用年限內以直線法計算折舊以攤銷各物業的成本。

投資物業的帳面值應當於每年或發生事件情況變化等迹象出現表明帳面值有可能不可收回(兩者中的較早者)確認減值。當出現該等減值迹象且帳面價值超逾其可收回金額時，投資物業應當撇銷至可收回金額。減值損失須於損益表中予以確認，當投資物業出售後，或其永遠不作使用，該物業將不會產生任何經濟利益時終止確認。報廢或出售投資物業產生之任何收益或虧損於報廢或出售年度在損益表內確認。

無形資產(除商譽外)

無形資產指分銷網絡軟體的購買成本減去累計攤銷及減值虧損。有固定使用年限之無形資產在其可利用之商業周期內以直線法於五至十年攤銷，同時，在有迹象顯示無形資產可能會減值時評估其減值額。有使用年限之無形資產的攤銷期和攤銷方法至少於每個資產負債表日進行評審。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms. Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as either loans and receivables or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date. All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.4 重大會計政策概要(續)

租約

資產所有權之收益及風險實際上仍歸於出租人所有之租約均列為經營租約。倘本集團為出租人，本集團根據經營租約出租之資產乃計入非流動資產內，而根據經營租約應收租金則按直線法在租約期內計入損益表。倘本集團為承租人，有關該等經營租約應付租金乃按直線法在租約期內於損益表中列支。經營租賃之預付土地租賃款起初時以成本列帳，之後按租賃年限以直線法確認。

投資及其他金融資產

香港會計準則第39號所界定之金融資產，適當地分類為貸款及應收款項及可供出售金融資產。金融資產於初步確認時是以公允值計算，就非按公允值計入損益表之投資而言，加上按直接應佔交易成本計算。本集團於初步確認後釐定其金融資產的分類，並在容許及適當之情況下於資產負債表日重新評估有關分類。正常情況下買入或出售之金融資產買賣於交易日予以確認，即本集團承諾購買或出售該資產之日期。正常情況下買入及出售於規例或市場慣例一般設定之期間內交付之金融資產的買入或出售。

貸款及應收賬款

貸款及應收賬款為具有固定或可確定付款且於活躍市場並無報價之非衍生金融資產。該等資產用實際利率方法計算已攤銷成本減去任何減值準備列帳。攤銷成本在計算時應考慮購買時的折扣、溢價，包括交易成本和構成實際利率組成部份的費用。有關收益及虧損於貸款和應收賬款被終止確認或減值時通過攤銷程式計入損益表中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Investments and other financial assets** *(Continued)**Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity securities that are designated as available-for-sale or are not classified in any of other categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gains or losses previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the available-for-sale investment revaluation reserve.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

2.4 重大會計政策概要(續)**投資及其他金融資產(續)***可供出售金融資產*

可供出售金融資產乃於上市及非上市股本證券內並指定為可供出售或非分類於任何其他類別的非衍生可供出售金融資產。經初始確認後，可供出售金融資產乃按公允值計量，而收益及虧損則確認為權益之獨立部分，直至該項投資不再確認或直至經釐定為有所減值為止，屆時過往於權益內的呈報累積收益或虧損則納入損益表內。所獲利息及股息分別以利息收入及股息收入呈報及依照下述「收入確認」政策於權益表中確認為「其他收入」。該等投資之減值損失於權益表中確認為「可供出售金融資產減值損失」並自可供出售股權投資重估儲備轉入。

倘由於(a)合理公允值估算之變化範圍對該投資而言誠屬重大；或(b)該範圍內各個估算之概率無法合理評估及應用於公允值估算，而未能可靠地計量非上市股本證券的公允值，則該等權益證券乃按成本減任何減值虧損列帳。

公允值

於有秩序金融市場交易活躍的投資的公允值，乃參考資產負債表日營業時間結束之市場買入價而釐定。對於並無活躍市場的投資，公允值乃以估值方法而釐定。該等方法包括使用近期公平市場交易；參考本質相同之金融工具的現時市場價值；貼現現金流量分析；及期權定價模式。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are recognised when they are assessed as uncollectible.

2.4 重大會計政策概要(續)

金融資產減值

本集團於各資產負債表日評估是否存在任何客觀憑證顯示某一項金融資產或一組金融資產出現減值。

按已攤銷成本列賬之資產

倘有客觀憑證顯示已按攤銷成本列賬的貸款及應收賬款已出現減值虧損，則該虧損數額乃按資產帳面值與按金融資產初始實際利率(即首次確認時計算的實際利率)貼現的未來現金流量估計現值(不包括未產生的未來信貸虧損)兩者間的差額而計量。資產帳面值乃直接或透過使用備抵賬而減少。減值虧損數額乃於損益表內確認。貸款及應收賬款與任何相關的津貼於沒有任何未來沖回之可靠預期時予以核銷。

倘於其後期間，減值虧損之金額減少，及該減幅客觀上與確認減值後所發生的事件有關，則以往確認之減值虧損將會撥回。任何其後撥回的減值虧損於損益表內確認，唯有關資產之帳面值不超過撥回當日已攤銷成本。

關於應收賬款及其他應收款項，當有客觀證據顯示(如無力償還債務的可能性或債務人的重大財務困難及對債務人產生負面影響之技術、市場、經濟或法律環境的變化)集團將不能收回其於票據到期時所有的金額，集團將進行減值撥備。應收賬款的帳面值通過撥備帳戶減少。壞賬被評估為不可收回時予以確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Impairment of financial assets** *(Continued)**Assets carried at cost*

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Impairment losses on equity instruments classified as available-for-sale are not reversed through the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 重大會計政策概要(續)**金融資產減值(續)***按成本列賬之資產*

倘有客觀證據顯示由於非挂牌權益證券的公允值未能可靠地計量而令並非按公允值列賬的非挂牌權益證券出現減值虧損，則該虧損數額乃按資產之帳面值與同類金融資產之現行市場回報率貼現的預計未來現金流量現值兩者間的差額計量。該等資產之減值虧損不予沖回。

可供出售金融資產

倘可供出售金融資產出現減值，則其成本(扣除任何本金及攤銷)與其當時公允值之間的差額，再扣減任何過往已於損益表確認的減值虧損之金額，自權益撥至損益表。已分類為可供出售的權益證券減值虧損不會透過損益表沖回。

撤銷確認金融資產

在下列情況下，金融資產(或如適用，金融資產之一部分或一組類似之金融資產之一部分)會不再確認：

- 自該資產收取現金流量的權利已告屆滿；
- 本集團保留自資產收取現金流量的權利，唯已根據「轉遞」安排向第三方承擔責任全未支付款項並；或
- 本集團已轉讓其自資產收取現金流量的權利，並(a)並已轉讓該資產之絕大部份風險及回報；或(b)無轉讓或保留該資產之大部分的風險及回報，唯已轉讓該資產之控制權。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Derecognition of financial assets (Continued)

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade, bills and other payables, debentures and interest-bearing loans and borrowings are initially stated at the fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

2.4 重大會計政策概要(續)

撤銷確認金融資產(續)

倘本集團已轉讓其自資產收取現金流量的權利，而亦無轉讓或保留該資產之絕大部份的風險及回報及亦無轉讓該項資產之控制權，則該項資產按本集團繼續參與該資產之程度予以確認。倘以擔保已轉讓資產之方式作為繼續參與，乃以資產之原帳面值與本集團可能需要支付的最高代價兩者之較低者計量。

倘若繼續參與以所轉讓資產以書面及／或購買選擇權(包括現金支付選擇權或類似條文)形式進行，本集團的繼續參與的程度為本集團可能購回所轉讓資產之金額，唯按資產公允值計量之書面認沽權證(包括以現金支付選擇權或類似條文)除外，在該情況下，本集團的繼續參與程度限於所轉讓資產公允值與選擇權行使價兩者中之較低者。

按已攤銷成本列帳之金融負債(包括附息貸款及借貸)

金融負債包括應付賬款、應付票據及其他應付款項，債券和附息貸款及借款初始確認按所收代價公允值減直接應佔交易費用計，隨後以實際利率法按已攤銷成本計算，除非折現的影響不是十分重大，在該種情況下則記入成本。相關利息支出於損益表「融資成本」內確認。

收益及虧損乃於該不再確認負債時透過攤銷過程，確認入損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Derecognition of financial liabilities (Continued)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

2.4 重大會計政策概要(續)

撤銷確認金融負債(續)

倘金融負債下的責任被解除或取消或到期，本集團撤銷確認金融負債。

倘現有金融負債由同一貸款人按差異極大的條款之另一負債所取代，或對現有負債的條款作出重大修訂，該等取代及修訂將被視作撤銷確認原有負債及確認一項新負債，各自帳面值的差額於損益表內確認。

存貨

存貨乃按成本與可變現淨值兩者中較低者列賬。存貨的成本均按先入先出方法計算，倘為在產品及製成品，則成本包括直接材料、直接人工及適當比例的生產費用。可變現淨值乃根據估計售價減去直至完工及出售預計將產生的成本計算。

現金及現金等價物

就合併現金流量表而言，現金及現金等價物項目包括手頭現金及活期存款，以及隨時可轉換為已知現金金額並一般於購入後三個月內到期的價值改變風險不大之短期高變現能力投資，再扣除須於要求時償還的銀行透支，為本集團現金管理的組成部分。

就資產負債表而言，現金及現金等價物包括手頭現金及動用時不受限制的銀行存款，包括定期存款。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary difference, except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with interests in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重大會計政策概要(續)

撥備

倘因為過往事件須負上責任(法律或推斷)，且日後很可能須付出資源履行有關責任，而有關責任涉及的金額能可靠估計，則會作出撥備。

倘折現的影響重大，則確認為撥備的數額乃預期日後履行有關責任所需開支於資產負債表日的現值。隨著時間過去所導致的折現值增幅，將計入損益表中的融資成本。

所得稅

所得稅包括即期及遞延稅項，於損益表中確認。然而，倘所得稅關乎在同期或不同期間直接於權益項下確認的項目，則於權益項下確認。

本期或過往期間的流動稅項資產及負債乃以預期可由稅務機關收回或支付予稅務機關的數額作計量。

遞延稅項是按債務法，就資產負債表日資產及負債的計稅數額與財務報告的帳面之間的所有暫時差額計提的撥備。

所有應課稅暫時差額均確認為遞延稅項負債，惟：

- 因商譽或基於業務合併以外(且交易時並無影響會計盈利或應稅溢利或虧損)的交易而首次確認資產或負債而產生的遞延稅項負債；及
- 就於附屬公司、聯營公司及合營公司的權益相關的應課稅暫時差額而言，如可控制暫時差額的撥回時間，且暫時差額不大可能在可見將來撥回。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Income tax** *(Continued)*

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with interests in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 重大會計政策概要(續)**所得稅(續)**

除下述外，所有可扣除之暫時差額、承前未用稅務抵免及未用稅項虧損，如日後有可能出現應課稅溢利，可用作抵銷該等可扣除暫時差額、承前未用稅務抵免及未用稅項虧損，均確認為遞延稅項資產：

- 因基於非業務合併之交易(且交易時並無影響會計溢利或可課稅盈利或虧損)而首次確認資產或負債而產生的有關可扣除短暫性差異之遞延稅務資產；及
- 就於附屬公司、聯營公司及合營公司的權益相關的可扣除暫時差額，僅於暫時差額可能在可見將來撥回及日後可用該等暫時性差異抵銷可能出現之應課稅溢利，遞延稅項資產方予確認。

遞延稅項資產的帳面值會於各資產負債表日檢討，而倘不再可能有足夠應課稅溢利用作抵銷全部或部分遞延稅項資產，則減少遞延稅項資產帳面值。相反，於可能有足夠應課稅溢利用作抵銷相關遞延稅項資產之全部或部分時，則確認過往不予確認之遞延稅項資產。

遞延稅項資產及負債乃根據預期於變現資產或清償債務期間適用的稅率計算，而該稅率乃基於資產負債表日正式實施或實質採用的稅率(及稅法)釐定。

倘有法定權利可將本期稅項資產與本期稅項負債抵銷，而遞延稅項乃涉及同一應賦稅實體及同一徵稅機關，則遞延稅項資產及遞延稅項負債可對銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

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

- (i) from the sale of merchandise and produce, when the significant risks and rewards of ownership of the merchandise and produce have passed to the buyer and the amount of revenue can be measured reliably;
- (ii) income from suppliers, comprising promotion income, display space leasing fees and warehouse storage space income, according to the underlying contract terms and as these services are provided in accordance therewith;
- (iii) rental income, on a time proportion basis over the lease terms;
- (iv) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (v) dividend income, when the equity/shareholders' right to receive payment has been established.

2.4 重大會計政策概要(續)

政府補助金

政府補助金於合理肯定將獲發放、且已符合所有附帶條件時，以公允值確認入帳。倘若補助金與一項開支有關，則會於相關期間確認為收入，使該補助金有系統地對應其擬補助的成本入帳。倘若補助金與一項資產有關，補助金的公允值會記入遞延收入帳，並按有關資產的估計可使用年期每年等額在損益表中確認。

收入確認

當經濟利益有可能流入本集團和當收入能可靠地計算時，則會按下列基準確認收入：

- (i) 來自銷售貨品及產品，收入於貨品所有權的主要風險及回報已轉交買方並能可靠地計算收入數額時確認；
- (ii) 來自供應商的收入，包括推廣收入、上架費及倉儲費收入。該等服務乃根據有關合同條款及按該等合同條款提供；
- (iii) 租金收入，根據租約期內按時間比例確認；
- (iv) 利息收入，以應計方式按金融工具的估計年期用實際利率將未來估計的現金收入折現計算金融資產的帳面淨值；及
- (v) 股息收入，當權益／股份持有人收取付款之權利確定時。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Retirement benefits schemes

The Company and its subsidiaries participate in defined contribution retirement benefits schemes organised by the local government authorities in the PRC. The Company and its subsidiaries are required to make contributions to the retirement benefits schemes which are based on a certain percentage of the total salary of those employees and have no further obligation for post-retirement benefits. The contributions are charged to the income statement of the Group as they become payable in accordance with the rules of the schemes.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that is, assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as a part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs capitalised. Where funds have been borrowed generally, and used for the purpose of obtaining qualifying assets, a capitalisation rate, which is based on the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining qualifying assets, has been applied to the expenditure on the individual assets.

Dividends

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

2.4 重大會計政策概要(續)

退休福利計畫

本公司及其附屬公司參與由中國地方政府機關設立的定額供款退休福利計畫。本公司及其附屬公司須按有關僱員的薪金總額的若干百分比向退休福利計畫作出供款，而無需對員工退休後福利負上其他責任。該等供款於根據計畫規定應付時計入本集團的損益表中。

借貸成本

收購、建設或生產須經過頗長時間方可用作擬定用途或銷售的合資格資產直接涉及的借貸成本，乃資本化為該等資產的部分成本。倘若該等資產大致上可用作擬定用途或銷售，則停止將該等借貸成本資本化。待將特定借款用於合格資產時作出的暫時投資，其所得投資收入從已資本化借款中撇銷。若已借取非特定用途的資金，並用以取得合資格的資產，則在個別資產的開支上，採用本集團於期內尚未償還的借貸(不包括專為取得該合資格資產的借貸)的適用借貸成本的加權平均數作資本化比率。

股息

董事會擬派的股息在資產負債表內股本下的保留溢利獨立列帳，直至有關擬派的股息獲股東在股東大會上批准為止。當獲股東批准及宣派後，該等股息會確認為負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

These financial statements are presented in RMB, which is the Company's functional and presentation currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

2.4 重大會計政策概要(續)

外幣

此等財務報告乃以本公司的功能及呈列貨幣為人民幣列報。外幣交易乃按交易日的適用匯率計算。於資產負債表日以外幣計價的貨幣資產及負債按當日的適用匯率再換算為人民幣。匯兌差額視作損益處理。以外幣結算及根據歷史成本計算的非貨幣專案按首次交易日期的匯率換算。根據外幣公平值計算的非貨幣專案按釐定公允值當日的匯率換算。

3. 重大會計判斷及估計

本集團財務報表的編製要求管理層於報告日作出影響收入、支出、資產及負債呈報金額的判斷、估計及假設。但該等假設及估計的不確定因素可能會導致將來對於資產或負債的帳面值作出重大調整。

判斷

於採用本集團之會計政策時，除了涉及估計之外，管理層作出下列對於在財務報告所呈列金額有重大影響之判斷：

經營租賃承擔 – 本集團作為出租人

本集團就投資物業組合簽署商業物業租約。本集團依據對協議條款及有關條件的評估決定簽署，並保留按經營租約出租之物業所有權之全部風險及回報。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Write-down of inventories to net realisable value

Write-down of inventories to net realisable value is made based on the ageing and estimated net realisable value of inventories. The assessment of the write-down amount requires management's estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of inventories and write-down charge/reversal in the period in which such estimate has been changed.

Impairment of trade and other receivables

Impairment of trade and other receivables is made based on assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires management's judgement. Where the actual outcome is different from the original estimate, such differences will impact the carrying value of the receivables and the expenses/write-back of doubtful debt in the period in which such estimate has been changed.

Depreciation

The Group has estimated the useful lives of the property, plant and equipment and investment properties of 5 to 40 years, after taking into account of their estimated residual values, as set out in the principal accounting policies above. Depreciation of items of property, plant and equipment is calculated on the straight-line basis over their expected useful lives. The carrying amounts of items of property, plant and equipment and investment properties as at 31 December 2008 were RMB1,528,479,000 (2007: RMB1,296,834,000) and RMB7,783,000 (2007: RMB8,240,000), respectively. Further details are given in note 14 and note 15 to these financial statements, respectively.

3. 重大會計判斷及估計(續)

估計的不確定因素

下文披露有關未來的主要假設及於資產負債表日估計不確定因素的其他主要來源，該等因素於下個財政年度極有可能會導致資產負債帳面值作出重大調整。

撇減存貨至可變現淨值

撇減存貨至可變現淨值乃根據存貨的貨齡及估計可變現淨值作出。評估撇減數額需要管理層作出估計。倘實際結果或未來預期與原本的估計有所不同，差額將在估計出現變動的期間對存貨的帳面值及撇減／回撥有所影響。

應收賬款及其他應收款項減值

應收賬款及其他應收款項減值乃根據應收賬款及其他應收款項的可收回數額的評估作出。確認呆賬需要管理層作出判斷。倘實際結果與原本的估計有所不同，差額將在估計出現變動的期間對應收賬款的帳面值及呆賬開支／撥回有所影響。

折舊

本集團考慮到如上文主要會計政策所載，預期剩餘價值，估計物業、廠房及設備以及投資物業的使用年限為5至40年。各項物業、廠房及設備之折舊乃以直線法按其估計可使用年限計算。各項物業、廠房、設備及投資物業於二零零八年十二月三十一日的賬面價值分別為人民幣1,528,479,000元(二零零七年：人民幣1,296,834,000元)及人民幣7,783,000元(二零零七年：人民幣8,240,000元)。進一步詳情分別載於本財務報表附註14及附註15。

4. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of assets. No further geographical segment information is presented as the Group's customers and operations are located in the PRC.

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

- (i) the retailing segment engages in the distribution of live and fresh produce, dry products, beverages, processed food and daily necessities through any hypermarkets, supermarkets and/or convenience stores of the Group (the "Retail Outlets");
- (ii) the wholesaling segment engages in the wholesale supply of daily consumer products to consumers including the Retail Outlets, other retail operators and trading companies; and
- (iii) the "others" segment comprises, principally, the production of plastic packing materials, and installation and maintenance of commercial equipment.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 分部資料

分部資料以本集團按業務劃分的主要分部資料呈報基準呈列。本集團的地區分部是根據客戶所在地決定分部應佔收入及根據資產所在地決定分部應佔資產。由於本集團的客戶及業務運營均位於中國，故並無進一步呈列地區分部資料。

本集團之業務營運乃根據其經營性質及所提供的產品及服務劃分而獨立建構和管理。本集團各個業務分部均代表一個提供產品及服務的策略性業務單位，其承受的風險與回報與其它業務分部不同。各業務分部之詳情概述如下：

- (i) 零售業務分部透過本集團的大賣場、綜合超市及／或便利店(「零售門市」)分銷生鮮食品、乾貨、飲料、加工食品及日常用品；
- (ii) 批發業務分部向包括零售門市、其它零售商及貿易公司在內的客戶批發日用消費品；及
- (iii) 其它分部，主要包括，塑料包裝材料的生產及商業設備的安裝及維護。

分部間銷售及轉讓是參考以當時市價向第三方銷售所採用的售價進行交易。

4. SEGMENT INFORMATION (Continued)

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2008 and 2007.

4. 分部資料(續)

下表載列本集團業務分部截至二零零八年及二零零七年十二月三十一日止年度之收入、溢利及若干資產、負債及開支之資料。

Year ended 31 December 2008

截至二零零八年十二月三十一日止年度

		Retailing 零售 RMB'000 人民幣千元	Wholesaling 批發 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 合併 RMB'000 人民幣千元
Segment revenue:	分部收入：					
Sales to external customers	銷售予外界客戶	3,094,092	3,594,310	5,955	-	6,694,357
Intersegment sales	分部間銷售	267,352	557,517	9,324	(834,193)	-
Other income and gains	其他收入及收益	281,490	90,399	609	(26,930)	345,568
Total	總計	3,642,934	4,242,226	15,888	(861,123)	7,039,925
Segment results	分部業績	175,296	195,579	500	-	371,375
Finance costs	融資成本	(61,898)	(46,275)	-	17,073	(91,100)
Share of losses of associates	分佔聯營公司損失	-	(11)	-	-	(11)
Profit before tax	除稅前溢利					280,264
Tax	稅項					(76,581)
Profit for the year	年度溢利					203,683
Assets and liabilities:	資產與負債：					
Segment assets	分部資產	2,710,577	1,654,737	5,008	(56,128)	4,314,194
Segment liabilities	分部負債	(1,725,693)	(1,153,139)	(2,874)	56,128	(2,825,578)
Other segment information:	其他分部資料：					
Capital expenditure	資本開支	289,485	67,602	8	-	357,095
Depreciation:	折舊：					
property, plant and equipment	物業、廠房及設備	98,405	22,728	89	-	121,222
investment properties	投資物業	457	-	-	-	457
Amortisation of intangible assets	無形資產攤銷	817	1,120	-	-	1,937
Recognition of lease	確認土地使用權					
prepayments for land	租賃預付款					
use rights		1,913	-	-	-	1,913
Foreign exchange differences	外匯匯兌差額	(263)	-	-	-	(263)

4. SEGMENT INFORMATION (Continued)

4. 分部資料(續)

Year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		Retailing 零售 RMB'000 人民幣千元	Wholesaling 批發 RMB'000 人民幣千元	Others 其它 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 合併 RMB'000 人民幣千元
Segment revenue:	分部收入:					
Sales to external customers	銷售予外界客戶	2,688,648	2,948,000	3,951	-	5,640,599
Intersegment sales	分部間銷售	240,410	462,196	11,213	(713,819)	-
Other income and gains	其他收入及收益	197,072	58,028	601	(12,740)	242,961
Total	總計	3,126,130	3,468,224	15,765	(726,559)	5,883,560
Segment results	分部業績	101,100	181,176	423	-	282,699
Finance costs	融資成本	(9,941)	(30,196)	-	12,740	(27,397)
Share of profits of associates	分佔聯營公司溢利	-	4	-	-	4
Profit before tax	除稅前溢利					255,306
Tax	稅項					(86,434)
Profit for the year	年度溢利					168,872
Assets and liabilities:	資產與負債:					
Segment assets	分部資產	2,573,930	1,353,464	4,992	(257,387)	3,674,999
Interests in associates	佔聯營公司權益	-	202	-	-	202
Total assets	總資產					3,675,201
Segment liabilities	分部負債	(1,567,140)	(956,178)	(2,978)	257,387	(2,268,909)
Other segment information:	其他分部資料:					
Capital expenditure	資本開支	317,386	49,665	3	-	367,054
Depreciation:	折舊:					
property, plant and equipment	物業、廠房及設備	57,803	14,703	94	-	72,600
investment properties	投資物業	457	-	-	-	457
Amortisation of intangible assets	無形資產攤銷	516	653	-	-	1,169
Recognition of lease prepayments for land use rights	確認土地使用權租賃預付款	842	-	-	-	842
Impairment loss on items of property, plant and equipment	物業、廠房及設備減值損失	3,634	-	-	-	3,634
Write-off of inventories	註銷存貨	-	1,899	-	-	1,899
Write-down of inventories to net realisable value	撇銷存貨至可變現淨值	2,725	-	-	-	2,725
Foreign exchange differences	外匯匯兌差額	7,714	-	-	-	7,714

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after deduction of relevant taxes and allowances for returns and trade discounts.

An analysis of revenue, other income and gains is as follows:

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Revenue	收入		
Direct sale of merchandise and produce:	直接銷售貨物及商品：		
Retailing	零售	3,076,134	2,688,648
Wholesaling [#]	批發 [#]	3,594,310	2,948,000
		6,670,444	5,636,648
Commissions from concessionaire sales	特許專櫃銷售佣金	17,958	-
Others	其他	5,955	3,951
Total revenue	總收入	6,694,357	5,640,599

Included in the balances are sales to franchisees amounting to RMB474,475,000 (2007: RMB 257,289,000).

5. 收入、其他收入及收益

收入，也就是本集團的營業額，指已售貨物的發票淨值，扣除相關稅項及減退貨與貿易折扣。

收入、其它收入及收益的分析如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
	NOTES 附註		
Other income and gains	其它收入及收益		
Income from suppliers:	源自供應商的收入		
Promotion income	推廣收入	182,438	100,739
Display space leasing fee	上架費	6,213	42,707
Others	其他	21,560	18,684
		210,211	162,130
Gross rental income	租金收入總額	72,063	49,486
Net compensation on demolished properties	拆遷物業之賠償淨額	1,231	2,817
Compensation for early termination of rental agreements	租賃協議提前終止之賠償	-	6,000
Interest income	利息收入	22,921	9,691
Government grants	政府補貼	12,283	267
Excess over the cost of acquisition of minority interests	超逾收購少數股東權益成本之金額	4,667	-
Gain on liquidation of associates	清算聯營公司收益	158	-
Franchise fee	加盟費	8,785	1,778
Others	其他	13,249	10,792
Total other income and gains	其他收入及收益總計	345,568	242,961

其數額包含向加盟店鋪銷售額為人民幣474,475,000元的銷售收入(二零零七年：人民幣257,289,000元)。

5. REVENUE, OTHER INCOME AND GAINS (Continued)

- (i) During the years ended 31 December 2008 and 2007, the Group entered into agreements with independent third party real estate developers that certain retail outlet properties were demolished and re-possessed by the developers. The Group has been compensated for the loss of business and the related items of property, plant and equipment, primarily leasehold improvements and machinery and equipment of the affected properties, arising from the demolition and re-possession. The net compensation on demolished properties represented the gross compensation received from the developers in excess of the carrying amounts of the related items of property, plant and equipment upon demolition.
- (ii) Various local government grants have been granted to reward the Group for its contributions to the local economy and the Beijing 2008 Olympic Games. There were no unfulfilled conditions or contingencies attaching to these compensations.

6. FINANCE COSTS

Interest on bank loans wholly repayable within five years	五年內應償還銀行貸款利息
Interest on other borrowings wholly repayable within five years	五年內應付其他借款利息
Less: Interest capitalised	減：利息資本化

5. 收入、其他收入及收益(續)

- (i) 截至二零零八年及二零零七年十二月三十一日止年度內，本集團與若干獨立第三方房地產開發商簽署多項協議，內容關於開發商已拆遷及接收若干零售門市，而本集團已因拆遷及接收所損失的業務及相關物業、廠房、設備(主要為租賃物業裝修及受影響物業的機器及設備)而獲得補償。已拆遷物業的賠償淨額為自開發商收取的賠償額超出拆遷時相關物業、廠房、設備的賬面值的差額。
- (ii) 不同地方政府補貼已授予本集團，以獎勵本集團為當地經濟以及北京2008年奧運會所做出的貢獻，該等補償中沒有無法履行的條件或或有費用。

6. 融資成本

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Interest on bank loans wholly repayable within five years	五年內應償還銀行貸款利息	51,968	36,808
Interest on other borrowings wholly repayable within five years	五年內應付其他借款利息	40,854	15,872
Less: Interest capitalised	減：利息資本化	92,822 (1,722)	52,680 (25,283)
		91,100	27,397

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

7. 除稅前溢利

於扣除／(計入)以下各項後，本集團除稅前
溢利：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		NOTES 附註	
Cost of inventories sold	售出存貨成本		5,759,521
Depreciation:	折舊：		
Property, plant and equipment	物業、廠房及設備	14	121,222
Investment properties	投資物業	15	457
			121,679
			73,057
Amortisation of intangible assets	無形資產攤銷	20	1,937
Recognition of lease prepayments for land use rights	確認土地使用權租賃預付款	16	1,913
Minimum lease payments under operating lease on properties	物業營運租約之最低租金		104,023
Losses/(gains) on disposal of items of property, plant and equipment, net	處置物業、廠房及設備虧損／(收益)淨額		366
Reversal of impairment of trade and other receivables	應收賬款及其他應收款項之撥回減值		(1,430)
Write-off of inventories	核銷存貨		-
Write-down of inventories to net realisable value	撇銷存貨至可變現淨值		-
Net rental income	租金淨收入		(63,572)
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	賺取租金之投資物業直接營運費用(包括維修和保養)		8,491
Impairment loss on items of property, plant and equipment	物業、廠房及設備減值損失	14	-
Auditors' remuneration	核數師酬金		2,200
Staff costs:	員工成本：		
Directors' emoluments	董事酬金	9	2,983
Other staff costs	其它員工成本		
Wages, salaries and social security costs	工資、薪金及社會保障成本		291,884
Retirement benefit contributions	退休福利供款		24,581
			316,465
			225,833
Staff costs	員工成本		319,448
Foreign exchange differences	外匯匯兌差額		(263)
			7,714

8. RETIREMENT BENEFITS

The Group's contributions to pension costs amounted to approximately RMB24,981,000 and RMB21,115,000 for the years ended 31 December 2008 and 2007, respectively.

9. DIRECTORS', SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

Details of the remuneration of directors and supervisors for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and Section 161 of the Hong Kong Companies Ordinance, are as follows:

8. 退休福利

截至二零零八年及二零零七年十二月三十一日止年度，本集團的退休福利供款總額約為人民幣24,981,000元及人民幣21,115,000元。

9. 董事、監事薪酬及五位最高薪僱員的酬金

根據香港聯交所證券上市規則及香港公司條例第161條，年內董事及監事酬金之詳情披露如下：

		The Group 本集團			
		Directors 董事		Supervisors 監事	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Fees	袍金	160	160	68	68
Other emoluments: Salaries, allowances and benefits in kind	其他酬金： 薪金、津貼及其他 實物利益	1,625	1,312	732	889
Performance related bonuses*	績效獎金*	798	636	370	438
Retirement benefit contributions	退休福利供款	400	244	179	209
		2,823	2,192	1,281	1,536
Total	總計	2,983	2,352	1,349	1,604

* Certain executive directors and supervisors of the Company are entitled to bonus payments which are determined based on the Company's net profit for the year.

* 若干本公司執行董事及監事有權收取獎金，其乃按照本公司年內淨利而釐定。

9. DIRECTORS', SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Mr. Fan Faming	范法明先生	40	40
Mr. Huang Jiangming	黃江明先生	40	40
Mr. Chung Chi Kong	鐘志鋼先生	80	80
Total	總計	160	160

There were no other emoluments payable to the independent non-executive directors during the year (2007: Nil).

9. 董事、監事薪酬及五位最高薪僱員的酬金(續)

(a) 獨立非執行董事

年內支付獨立非執行董事之袍金如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Mr. Fan Faming	范法明先生	40	40
Mr. Huang Jiangming	黃江明先生	40	40
Mr. Chung Chi Kong	鐘志鋼先生	80	80
Total	總計	160	160

本年度內並無其他支付予獨立非執行董事的薪酬(二零零七年：零)。

(b) Executive directors and non-executive directors

		Fees 袍金 RMB'000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼 及其他 實物利益 RMB'000 人民幣千元	Performance related bonuses 績效獎金 RMB'000 人民幣千元	Retirement benefit contributions 退休福利 供款 RMB'000 人民幣千元	Total remunerations 酬金總額 RMB'000 人民幣千元
2008	二零零八年					
Executive directors:	執行董事：					
Mr. Wei Tingzhan	衛停戰先生	-	565	280	140	985
Mr. Li Jianwen	李建文先生	-	565	280	140	985
Ms. Li Chunyan	李春燕女士	-	249	120	60	429
Mr. Liu Yuejin	劉躍進先生	-	246	118	60	424
		-	1,625	798	400	2,823
Non-executive directors:	非執行董事：					
Mr. Gu Hanlin	顧漢林先生	-	-	-	-	-
Mr. Li Shunxiang	李順祥先生	-	-	-	-	-
		-	-	-	-	-
Total	總計	-	1,625	798	400	2,823

(b) 執行董事及非執行董事

		Fees 袍金 RMB'000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼 及其他 實物利益 RMB'000 人民幣千元	Performance related bonuses 績效獎金 RMB'000 人民幣千元	Retirement benefit contributions 退休福利 供款 RMB'000 人民幣千元	Total remunerations 酬金總額 RMB'000 人民幣千元
2008	二零零八年					
Executive directors:	執行董事：					
Mr. Wei Tingzhan	衛停戰先生	-	565	280	140	985
Mr. Li Jianwen	李建文先生	-	565	280	140	985
Ms. Li Chunyan	李春燕女士	-	249	120	60	429
Mr. Liu Yuejin	劉躍進先生	-	246	118	60	424
		-	1,625	798	400	2,823
Non-executive directors:	非執行董事：					
Mr. Gu Hanlin	顧漢林先生	-	-	-	-	-
Mr. Li Shunxiang	李順祥先生	-	-	-	-	-
		-	-	-	-	-
Total	總計	-	1,625	798	400	2,823

9. DIRECTORS', SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

9. 董事、監事薪酬及五位最高薪僱員的酬金(續)

(b) Executive directors and non-executive directors
(Continued)

(b) 執行董事及非執行董事(續)

		Fees	Salaries, allowances and benefits in kind 薪金、津貼及其他 實物利益	Performance related bonuses 績效獎金	Retirement benefit contributions 退休福利供款	Total remunerations 酬金總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2007	二零零七年					
Executive directors:	執行董事：					
Mr. Wei Tingzhan	衛停戰先生	-	389	156	61	606
Mr. Li Jianwen	李建文先生	-	401	240	63	704
Ms. Li Chunyan	李春燕女士	-	261	120	60	441
Mr. Liu Yuejin	劉躍進先生	-	261	120	60	441
		-	1,312	636	244	2,192
Non-executive directors:	非執行董事：					
Mr. Gu Hanlin	顧漢林先生	-	-	-	-	-
Mr. Li Shunxiang	李順祥先生	-	-	-	-	-
		-	-	-	-	-
Total	總計	-	1,312	636	244	2,192

(c) Supervisors

(c) 監事

		Fees	Salaries, allowances and benefits in kind 薪金、津貼及其他 實物利益	Performance related bonuses 績效獎金	Retirement benefit contributions 退休福利供款	Total remunerations 酬金總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2008	二零零八年					
Ms. Qu Xinhua	屈新華女士	-	332	180	84	596
Ms. Wang Shuying	王淑英女士	-	283	150	71	504
Ms. Yao Jie	姚婕女士	-	117	40	24	181
Mr. Chen Zhong	陳鐘先生	34	-	-	-	34
Ms. Cheng Xianghong	程向紅女士	34	-	-	-	34
Total	總額	68	732	370	179	1,349

9. DIRECTORS', SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(c) Supervisors (Continued)

		Fees	Salaries, allowances and benefits in kind 薪金、津貼及其他 實物利益	Performance related bonuses 績效獎金	Retirement benefit contributions 退休福利供款	Total remunerations 酬金總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2007	二零零七年					
Ms. Chen Jie	陳捷女士	–	250	125	59	434
Ms. Qu Xinhua	屈新華女士	–	353	180	84	617
Ms. Wang Shuying	王淑英女士	–	267	126	62	455
Ms. Yao Jie	姚婕女士	–	19	7	4	30
Mr. Chen Zhong	陳鐘先生	34	–	–	–	34
Ms. Cheng Xianghong	程向紅女士	34	–	–	–	34
Total	總額	68	889	438	209	1,604

There was no arrangement under which a director or a supervisor waived or agreed to waive any remuneration during the year.

本年度內概無任何董事或監事放棄或同意放棄任何酬金。

(d) Five highest paid employees

During the year, no directors or supervisors remuneration fell within the five highest paid employees (2007: nil). The remuneration paid to the non-director and non-supervisor five highest paid employees is as follows:

(d) 五位最高薪僱員的酬金

本年度內，概無董事及監事於五位薪酬最高僱員(二零零七年：零)，支付予非董事及非監事五位最高薪僱員的酬金之詳細情況如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及其他實物利益	3,695	3,555
Performance related bonuses	績效獎金	8,225	7,017
Retirement benefit contributions	退休福利供款	37	43
		11,957	10,615

9. DIRECTORS', SUPERVISORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(d) Five highest paid employees (Continued)

The number of non-director and non-supervisor highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2008 二零零八年	2007 二零零七年
HK\$1,000,001 to HK\$1,500,000 (equivalent to RMB881,900 to RMB1,322,850)	1,000,001港元至1,500,000港元 (相當於人民幣881,900元至 人民幣1,322,850元)	1	1
HK\$1,500,001 to HK\$2,000,000 (equivalent to RMB1,322,851 to RMB1,763,800)	1,500,001港元至2,000,000港元 (相當於人民幣1,322,851元至 人民幣1,763,800元)	1	2
HK\$2,000,001 to HK\$2,500,000 (equivalent to RMB1,763,801 to RMB2,204,750)	2,000,001港元至2,500,000港元 (相當於人民幣1,763,801元至 人民幣2,204,750元)	-	1
HK\$2,500,001 to HK\$3,000,000 (equivalent to RMB2,204,751 to RMB2,645,700)	2,500,001港元至3,000,000港元 (相當於人民幣2,204,751元至 人民幣2,645,700元)	1	-
HK\$3,000,001 to HK\$3,500,000 (equivalent to RMB2,645,701 to RMB3,086,650)	3,000,001港元至3,500,000港元 (相當於人民幣2,645,701元至 人民幣3,086,650元)	1	-
HK\$3,500,001 to HK\$4,000,000 (equivalent to RMB3,086,651 to RMB3,527,600)	3,500,001港元至4,000,000港元 (相當於人民幣3,086,651元至 人民幣3,527,600元)	-	1
HK\$5,000,001 to HK\$5,500,000 (equivalent to RMB4,409,501 to RMB4,850,450)	5,000,001港元至5,500,000港元 (相當於人民幣4,409,501元至 人民幣4,850,450元)	1	-
		5	5

9. 董事、監事薪酬及五位最高薪僱員的酬金(續)

(d) 五位最高薪僱員的酬金(續)

非董事及非監事的最高薪僱員，其薪酬屬於以下範疇者的數目如下：

10. TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group is not liable for income tax in Hong Kong as it did not have assessable income currently arising in Hong Kong. Under the prevailing PRC income tax law, the Group and its associates are subject to corporate income tax at a rate of 25% (2007: 33%) on their respective taxable incomes.

10. 稅項

本集團須按實體基準就產生或源於本集團成員公司註冊及經營所在稅收管轄權區域的溢利繳納所得稅。本集團目前並無源於香港的任何應課稅收入，因此無需繳納香港利得稅。依據中國現行所得稅法規定，適用於本集團及其聯營公司的企業所得稅依其各自應課稅收入按25% (二零零七年：33%)的稅率繳納。

10. TAX (Continued)

The income tax in the consolidated income statement of the Group comprised the following:

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Current income tax – PRC	本期企業所得稅－中國	77,313	92,780
Deferred income tax (note 32)	遞延企業所得稅－附註32	(732)	(6,346)
Total tax charge for the year	年度稅項支出	76,581	86,434

A reconciliation of tax expense applicable to profit before tax at the statutory rate to tax expense at the Group's effective rate, and a reconciliation of the statutory rate to the effective tax rate, are as follows:

本集團合併損益表中所得稅計算如下：

適用於除稅前溢利按法定稅率計算的企業所得稅與按本集團的實際企業所得稅稅率計算的企業所得稅，以及法定企業所得稅稅率與實際稅率分別對帳如下：

		The Group 本集團			
		2008 二零零八年		2007 二零零七年	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
		百分比			
Profit before tax	除稅前溢利	280,264		255,306	
Income tax at PRC statutory income tax rate	按中國法定企業所得稅稅率計算之企業所得稅	70,066	25.0	84,251	33.0
Expenses not deductible for tax	不可扣稅支出	5,625	2.0	4,243	1.7
Tax losses not recognised	未確認稅項虧損遞延	2,026	0.7	3,704	1.4
Effect on change in deferred tax rate	稅率變化之影響	-	-	(5,687)	(2.2)
Tax effect of non-taxable income	非應課稅收入之稅項影響	(1,167)	(0.4)	-	-
Others	其他	31	-	(77)	-
Tax charge at the Group's effective rate	依據本集團實際稅率支出稅項	76,581	27.3	86,434	33.9

11. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The consolidated profit attributable to equity holders of the parent for the year ended 31 December 2008 includes a profit of RMB199,156,000 (2007: RMB97,503,000) which has been dealt with in the financial statements of the Company (note 34(b)).

11. 母公司股本持有人應佔溢利

列入本公司財務報表截至二零零八年十二月三十一日止年度之母公司股本持有人應佔合併溢利為人民幣199,156,000元(二零零七年：人民幣97,503,000元)(附註34(b))。

12. DIVIDENDS

12. 股息

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Proposed final – RMB 21.0 cents (2007: RMB17.5 cents) per ordinary share	擬派末期股息 每普通股人民幣0.21元 (二零零七年：人民幣0.175元)	86,566	72,139

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

年內擬派的末期股息須待本公司股東於應屆股東周年大會上批准後，方可作實。

The profit after tax of the Company for the purpose of profit distribution will be the lesser of (i) the profit determined in accordance with PRC GAAP and (ii) the profit determined in accordance with HKFRSs.

本公司用於溢利分派的除稅後溢利為以下兩者之較低者：(i)根據中國公認會計準則釐定的溢利及(ii)根據香港財務報告準則釐定的溢利。

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

13. 母公司普通股持有人應佔每股盈利

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the year.

每股基本盈利乃根據本年度母公司普通股持有人應佔溢利及本年度內已發行普通股加權平均股數計算。

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
<i>Earnings:</i> Profit attributable to ordinary equity holders of the parent	盈利： 母公司股本持有人 應佔溢利	156,758	124,593

		Number of shares 股份數量	
		2008 二零零八年	2007 二零零七年
<i>Shares:</i> Weighted average number of ordinary shares in issue during the year used in basic earnings per share calculation	股份： 本年度內用於每股基本 盈利計算的已發行 普通股加權平均股數	412,220,000	390,719,448

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

The Company's weighted average number of shares in issue used in the basic earnings per share calculation for the year ended 31 December 2007 is determined by adjusting 27,600,000 new H shares issued on the placement on 12 October 2007 (note 33).

Diluted earnings per share for the years ended 31 December 2008 and 2007 have not been presented because no diluting events existed during these two years.

13. 母公司普通股持有人應佔每股盈利(續)

本公司截至二零零七年十二月三十一日止年度內用於計算每股基本盈利之已發行股份加權平均股數依據於二零零七年十月十二日配售之27,600,000股新H股進行調整(附註33)。

於截至二零零八年及二零零七年十二月三十一日止年度內，因本公司並無任何具攤薄影響的事項，因此於這兩年內並無呈列每股攤薄盈利。

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		The Group 本集團						
		Buildings	Leasehold improvements	Machinery	Office equipment	Motor vehicles	Construction in progress	Total
		樓宇	物業裝修	機器	辦公設備	汽車	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2008	於二零零八年十二月三十一日							
As at 31 December 2007 and at 1 January 2008:	於二零零七年十二月三十一日及二零零八年一月一日							
Cost	成本	662,411	294,010	374,646	105,628	47,555	146,203	1,630,453
Accumulated depreciation	累計折舊	(57,709)	(41,369)	(145,774)	(71,401)	(17,366)	-	(333,619)
Net carrying amount	帳面淨值	604,702	252,641	228,872	34,227	30,189	146,203	1,296,834
As at 1 January 2008, net of accumulated depreciation	於二零零八年一月一日，扣除累計折舊	604,702	252,641	228,872	34,227	30,189	146,203	1,296,834
Additions	增加	94,692	41,752	63,409	14,760	9,104	130,822	354,539
Disposals	處置	-	-	(481)	(716)	(475)	-	(1,672)
Depreciation	折舊	(26,713)	(29,379)	(48,376)	(13,215)	(3,539)	-	(121,222)
Transfers	轉入	28,733	64,136	37,788	11,937	-	(142,594)	-
As at 31 December 2008, net of accumulated depreciation	於二零零八年十二月三十一日，扣除累計折舊	701,414	329,150	281,212	46,993	35,279	134,431	1,528,479
As at 31 December 2008:	於二零零八年十二月三十一日							
Cost	成本	785,836	399,898	466,838	128,546	53,519	134,431	1,969,068
Accumulated depreciation	累計折舊	(84,422)	(70,748)	(185,626)	(81,553)	(18,240)	-	(440,589)
Net carrying amount	帳面淨值	701,414	329,150	281,212	46,993	35,279	134,431	1,528,479

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14. 物業、廠房及設備(續)

		The Group 本集團						
		Buildings	Leasehold improve- ments 租賃	Machinery	Office equipment	Motor vehicles	Con- struction in progress	Total
		樓宇 RMB'000 人民幣千元	物業裝修 RMB'000 人民幣千元	機器 RMB'000 人民幣千元	辦公設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
31 December 2007	於二零零七年 十二月三十一日							
At 1 January 2007:	於二零零七年一月一日							
Cost	成本	236,871	212,274	284,323	95,014	28,939	416,097	1,273,518
Accumulated depreciation and impairment	累計折舊及減值	(42,728)	(28,095)	(115,924)	(60,658)	(12,814)	(2,100)	(262,319)
Net carrying amount	帳面淨值	194,143	184,179	168,399	34,356	16,125	413,997	1,011,199
As at 1 January 2007, net of accumulated depreciation and impairment	於二零零七年一月一日 扣除累計折舊 及減值	194,143	184,179	168,399	34,356	16,125	413,997	1,011,199
Additions	增加	35,039	20,710	21,006	11,507	5,040	261,853	355,155
Disposals	處置	-	(299)	(281)	(890)	(41)	-	(1,511)
Impairment	減值	-	-	-	-	-	(3,634)	(3,634)
Depreciation	折舊	(11,976)	(13,274)	(31,449)	(11,021)	(4,880)	-	(72,600)
Transfer from investment properties, net (note 15)	自投資物業轉入，淨值 (附註15)	8,225	-	-	-	-	-	8,225
Transfers	轉入	379,271	61,325	71,197	275	13,945	(526,013)	-
As at 31 December 2007, net of accumulated depreciation and impairment	於二零零七年 十二月三十一日扣除 累計折舊及減值	604,702	252,641	228,872	34,227	30,189	146,203	1,296,834
As at 31 December 2007:	於二零零七年 十二月三十一日							
Cost	成本	662,411	294,010	374,646	105,628	47,555	146,203	1,630,453
Accumulated depreciation	累計折舊	(57,709)	(41,369)	(145,774)	(71,401)	(17,366)	-	(333,619)
Net carrying amount	帳面淨值	604,702	252,641	228,872	34,227	30,189	146,203	1,296,834

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14. 物業、廠房及設備(續)

		The Company 本公司						
		Buildings	Leasehold improve- ments 租賃	Machinery	Office equipment	Motor vehicles	Con- struction in progress	Total
		樓宇	物業裝修	機器	辦公設備	汽車	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2008	於二零零八年 十二月三十一日							
As at 31 December 2007 and at 1 January 2008	於二零零七年 十二月三十一日及 二零零八年一月一日							
Cost	成本	641,643	220,771	298,757	81,452	26,313	145,268	1,414,204
Accumulated depreciation	累計折舊	(57,624)	(23,962)	(118,553)	(55,390)	(6,943)	-	(262,472)
Net carrying amount	帳面淨值	584,019	196,809	180,204	26,062	19,370	145,268	1,151,732
As at 1 January 2008, net of accumulated depreciation	於二零零八年一月一日 扣除累計折舊	584,019	196,809	180,204	26,062	19,370	145,268	1,151,732
Additions	增加	92,621	28,932	33,161	10,343	1,331	109,527	275,915
Transfer from subsidiaries	附屬公司轉入	9,573	2,090	261	107	88	-	12,119
Disposals	處置	-	-	(481)	(76)	(89)	-	(646)
Depreciation	折舊	(26,430)	(19,521)	(34,537)	(9,445)	(804)	-	(90,737)
Transfers	轉入	28,733	63,201	37,788	11,937	-	(141,659)	-
As at 31 December 2008, net of accumulated depreciation	於二零零八年 十二月三十一日 扣除累計折舊	688,516	271,511	216,396	38,928	19,896	113,136	1,348,383
As at 31 December 2008:	於二零零八年 十二月三十一日							
Cost	成本	772,570	314,994	360,962	102,772	26,794	113,136	1,691,228
Accumulated depreciation	累計折舊	(84,054)	(43,483)	(144,566)	(63,844)	(6,898)	-	(342,845)
Net carrying amount	帳面淨值	688,516	271,511	216,396	38,928	19,896	113,136	1,348,383

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14. 物業、廠房及設備(續)

		The Company 本公司						
		Buildings	Leasehold improve- ments 租賃	Machinery	Office equipment	Motor vehicles	Con- struction in progress	Total
		樓宇 RMB'000 人民幣千元	物業裝修 RMB'000 人民幣千元	機器 RMB'000 人民幣千元	辦公設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
31 December 2007	於二零零七年 十二月三十一日							
As at 1 January 2007:	於二零零七年一月一日:							
Cost	成本	236,684	153,404	220,335	72,984	9,260	416,097	1,108,764
Accumulated depreciation and impairment	累計折舊及減值	(42,642)	(19,534)	(101,169)	(48,201)	(4,889)	(2,100)	(218,535)
Net carrying amount	帳面淨值	194,042	133,870	119,166	24,783	4,371	413,997	890,229
As at 1 January 2007, net of accumulated depreciation	於二零零七年一月一日 扣除累計折舊	194,042	133,870	119,166	24,783	4,371	413,997	890,229
Additions	增加	14,457	6,121	10,392	9,261	3,477	260,918	304,626
Transfer to subsidiaries	轉入附屬公司	-	(80)	(1,267)	-	-	-	(1,347)
Transfer from investment properties, net (note 15)	自投資物業轉入, 淨值 (附註15)	8,225	-	-	-	-	-	8,225
Disposals	處置	-	-	(277)	(869)	(41)	-	(1,187)
Impairment	減值	-	-	-	-	-	(3,634)	(3,634)
Depreciation	折舊	(11,976)	(4,427)	(19,007)	(7,388)	(2,382)	-	(45,180)
Transfers	轉入	379,271	61,325	71,197	275	13,945	(526,013)	-
As at 31 December 2007, net of accumulated depreciation and impairment	於二零零七年 十二月三十一日 扣除累計折舊及減值	584,019	196,809	180,204	26,062	19,370	145,268	1,151,732
As at 31 December 2007:	於二零零七年 十二月三十一日							
Cost	成本	641,643	220,771	298,757	81,452	26,313	145,268	1,414,204
Accumulated depreciation	累計折舊	(57,624)	(23,962)	(118,553)	(55,390)	(6,943)	-	(262,472)
Net carrying amount	帳面淨值	584,019	196,809	180,204	26,062	19,370	145,268	1,151,732

All the Group's and the Company's buildings are located in the PRC.

所有本集團和本公司的樓宇均位於中國境內。

As at 31 December 2008, the Group's and the Company's buildings with a net book value of approximately RMB503 million (2007: RMB381 million) were pledged to secure certain bank loans granted to the Group and the Company (note 30).

於二零零八年十二月三十一日, 本集團及本公司賬面淨值約人民幣503,000,000元(二零零七年: 人民幣381,000,000元)的樓宇被抵押用於擔保本集團及本公司獲授的若干銀行貸款(附註30)。

As at 31 December 2008, except for the 13 properties with total net book values of approximately RMB445 million located in Beijing (2007: RMB379 million for 11 properties) and the properties under construction, the Group has obtained all building ownership certificates.

於二零零八年十二月三十一日, 除在建工程及位於北京市賬面淨值約人民幣445,000,000元(二零零七年: 十一個物業人民幣379,000,000元)的十三個物業外, 本集團擁有相關物業的產權證書。

15. INVESTMENT PROPERTIES

15. 投資物業

		The Group and Company 本集團及本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日之帳面值	8,240	16,922
Transfer to owner-occupied property (note 14)	轉為自有物業 (附註14)	-	(8,225)
Depreciation provided during the year	本年度折舊撥備	(457)	(457)
Carrying amount at 31 December	於十二月三十一日之帳面值	7,783	8,240
Fair value	公允值	19,894	20,097

The Group's and the Company's investment properties are situated in the PRC.

本集團和本公司的投資物業位於中國境內。

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 37(a).

投資物業乃根據營運租賃協議被租予第三方，更多詳情載於財務報表附註37(a)之中。

At 31 December 2008, the Group's and the Company's investment properties with carrying amounts of RMB6.7 million (2007: RMB5.3 million) were pledged to secure certain bank loans granted to the Group and the Company (note 30).

於二零零八年十二月三十一日，本集團和本公司帳面值為人民幣6,700,000元的投資物業（二零零七年：人民幣5,300,000元）被用抵押於擔保本集團和本公司獲授的若干銀行貸款（附註30）。

The fair values of the investment properties as at the balance sheet date were determined based on the valuations performed by Vigers Appraisal & Consulting Limited, an independent firm of professional valuers. The fair value represents the amount at which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the date of valuation.

於資產負債表日投資物業之公允值由獨立專業物業估值師威格斯資產評估顧問有限公司所作出之估價確定。該公允值指於評估之日知情的自願買方及知情的自願賣方於公平交易中買賣資產所涉及金額。

16. LEASE PREPAYMENTS FOR LAND USE RIGHTS

16. 土地使用權租賃預付款

		The Group and Company 本集團及本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日之賬面值	76,462	72,194
Additions	增加	-	5,110
Recognised during the year	本年度確認	(1,913)	(842)
Carrying amount at 31 December	於十二月三十一日之賬面值	74,549	76,462

The leasehold land is held under long term leases and is situated in the PRC.

租賃土地都是長期租賃且均位於中國境內。

At 31 December 2008, the Group's and the Company's lease prepayments for land use rights with a carrying amount of RMB69 million (2007: RMB66 million) were pledged to secure certain bank loans granted to the Group and the Company (note 30).

於二零零八年十二月三十一日，本集團和本公司帳面值為人民幣69,000,000元的土地使用權租賃預付款(二零零七年：人民幣66,000,000元)被抵押用於擔保本集團和本公司獲授的若干銀行貸款(附註30)。

17. INTERESTS IN SUBSIDIARIES

17. 佔附屬公司的權益

		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Unlisted investments, at cost	非上市股本投資·按成本值	333,847	186,712
Amounts due from subsidiaries	應收附屬公司款項	172,089	335,899
Amounts due to subsidiaries	應付附屬公司款項	(29,703)	(8,353)
		476,233	514,258

17. INTERESTS IN SUBSIDIARIES (Continued)

Included in the amounts due from subsidiaries as at 31 December 2008 were entrusted loans lent by the Company (the "Lender") to Chaopi Trading, Chaopi Flavourings, Chaopi Huaqing, Chaopi Jinglong, Chaopi Zhongde, Chaopi Huilong (collectively the "Borrowers") amounting to RMB50 million (2007: RMB130 million), nil (2007: RMB20 million), nil (2007: RMB29.5 million), nil (2007: RMB20 million), RMB30 million (2007: RMB50 million) and RMB10 million (2007: RMB10 million), respectively, to finance the Borrowers' working capital. The entrusted loans were arranged via Bank of Beijing (the "Bank"). However, the Bank has no liability to either the Lender or the Borrowers in case of default. These entrusted loans were unsecured, bearing annual interest rates ranging from 7.29% to 7.47% (2007: 6.84% to 7.29%). All loans will mature in 2009.

Except for the aforementioned entrusted loans, all the amounts due from/to subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these amounts due from/to subsidiaries approximate to their fair values.

17. 佔附屬公司的權益(續)

於二零零八年十二月三十一日，本公司(「借出方」)對附屬公司包括對朝批商貿、朝批調味品、朝批華清、朝批京隆、朝批中德、朝批匯隆(總稱「借入方」)委托貸款的款項分別為人民幣50,000,000元(二零零七年：人民幣130,000,000元)、零(二零零七年：人民幣20,000,000元)、零(二零零七年：人民幣29,500,000元)、零(二零零七年：人民幣20,000,000元)、人民幣30,000,000元(二零零七年：人民幣50,000,000元)和人民幣10,000,000元(二零零七年：10,000,000元)，以作為借入方日常營運資金。該委托貸款經北京銀行(「銀行」)安排。但倘借出方或借入方違約時銀行均無責任。該委托貸款為無抵押的，年利息為7.29%至7.47%(二零零七年：6.84%至7.29%)計算利息。所有貸款均將於二零零九年到期。

除上述委托貸款之外，所有應收／應付附屬公司的款項均為無抵押、免息及無固定償還期。該等附屬公司應收及應付款項與其公允值相若。

17. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries held by the Company are set as follows:

Name 公司名稱	Place of registration and operations 註冊成立及營運地點	Nominal value of paid-up and registered capital 繳足註冊資本帳面值	Percentage of equity attributable to the Company 本公司應佔股本權益百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Beijing Jingkelong (Langfang) Company Limited 北京京客隆(廊坊)有限公司	Langfang, PRC 中國廊坊	RMB10,000,000 人民幣10,000,000元	80.00	–	Retail of general merchandise 一般貨品零售
Beijing Chaopi Trading Company Limited ("Chaopi Trading") 北京朝批商貿有限公司 (「朝批商貿」)	Beijing, PRC 中國北京	RMB368,000,000 人民幣368,000,000元	79.85	–	Wholesale of general merchandise 一般貨品批發
Beijing Xinyang Tongli Commercial Facilities Company Limited ("Xinyang Tongli") 北京欣陽通力設備有限公司 (「欣陽通力」)	Beijing, PRC 中國北京	RMB1,600,000 人民幣1,600,000元	52.03	–	Production of plastic packing materials and installation and maintenance of commercial equipment 塑料包裝物料生產和商業設備安裝及保養
Beijing Jingkelong Supermarket Chain Company Limited 北京京客隆超市連鎖有限公司	Beijing, PRC 中國北京	RMB29,000,000 人民幣29,000,000元	100.00	–	Retail of general merchandise 一般商品零售
Beijing Chaopi Huaqing Beverage Company Limited ("Chaopi Huaqing") (2) 北京朝批華清飲料有限責任公司 (「朝批華清」)(2)	Beijing, PRC 中國北京	RMB18,000,000 人民幣18,000,000元	–	42.66	Wholesale of drinks and food 飲品及食品批發
Beijing Chaopi Flavourings Company Limited ("Chaopi Flavourings") (2) 北京朝批調味品有限責任公司 (「朝批調味品」)(2)	Beijing, PRC 中國北京	RMB23,750,000 人民幣23,750,000元	–	42.03	Wholesale of flavourings, edible oil and food 調味品及食用油批發及食品批發

17. 佔附屬公司的權益(續)

本公司附屬公司詳情如下：

17. INTERESTS IN SUBSIDIARIES (Continued)

17. 佔附屬公司的權益(續)

Name 公司名稱	Place of registration and operations 註冊成立及營運地點	Nominal value of paid-up and registered capital 繳足註冊資本帳面值	Percentage of equity attributable to the Company 本公司應佔股本權益百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Beijing Chaopi Shuanglong Alcohol Sales Company Limited (2) 北京朝批雙隆酒業銷售有限責任公司 (2)	Beijing, PRC 中國北京	RMB24,000,000 人民幣24,000,000元	–	47.11	Wholesale of alcoholic beverages 酒精飲品批發
Beijing Chaopi Jinglong Oil Sales Company Limited ("Chaopi Jinglong") (2) 北京朝批京隆油脂銷售有限責任公司(「朝批京隆」) (2)	Beijing, PRC 中國北京	RMB18,000,000 人民幣18,000,000元	–	43.30	Wholesale of edible oil 食用油批發
Shijiazhuang Chaopi Xinlong Trading Company Limited 石家莊朝批鑫隆商貿有限公司	Shijiazhuang, PRC 中國石家莊	RMB5,000,000 人民幣5,000,000元	–	79.85	Wholesale of alcoholic beverages 酒精飲品批發
Qingdao Chaopi Jinlong Trading Company Limited 青島朝批錦隆商貿有限公司	Qingdao, PRC 中國青島	RMB5,000,000 人民幣5,000,000元	–	79.85	Wholesale of alcoholic beverages 酒精飲品批發
Beijing Chaopi Zhongde Trading Company Limited ("Chaopi Zhongde") 北京朝批中得商貿有限公司(「朝批中得」)	Beijing, PRC 中國北京	RMB28,000,000 人民幣28,000,000元	–	63.88	Wholesale of consumer sanitary products 日化用品批發
Beijing Chaopi Huilong Trading Company Limited ("Chaopi Huilong") (2) 北京朝批匯隆商貿有限公司(「朝批匯隆」) (2)	Beijing, PRC 中國北京	RMB12,000,000 人民幣12,000,000元	–	45.83	Wholesale of alcoholic beverages 酒精飲品批發
Taiyuan Chaopi Trading Company Limited 太原朝批商貿有限公司	Taiyuan, PRC 中國太原	RMB5,000,000 人民幣5,000,000元	–	79.85	Wholesale of general merchandise 一般商品批發
Tangshan Chaopi Trading Company Limited 唐山朝批商貿有限公司	Tangshan, PRC 中國唐山	RMB5,000,000 人民幣5,000,000元	–	79.85	Wholesale of general merchandise 一般商品批發
Tianjin Chaopi Trading Company Limited 天津朝批商貿有限公司	Tianjin, PRC 中國天津	RMB5,000,000 人民幣5,000,000元	–	79.85	Wholesale of general merchandise 一般商品批發

17. INTERESTS IN SUBSIDIARIES (Continued)

None of the subsidiaries of the Company are audited by Ernst & Young Hong Kong or any other member firm of the Ernst & Young global network.

Notes:

- (1) All subsidiaries are registered as limited liability companies under PRC law.
- (2) These companies are directly held by Chaopi Trading as to more than 50% equity interests and are accounted for as subsidiaries of Chaopi Trading. Since the Company holds a 79.85% equity interest in Chaopi Trading as at 31 December 2008, such companies are accounted for as subsidiaries of the Company, though the equity interests indirectly attributable to the Company are less than 50%.

18. INTERESTS IN ASSOCIATES

During the year, the two associates of the Group, Beijing Chaopi Ziguang Trading Company Limited and Beijing Chaopi Tianxing Vegetables Company Limited underwent voluntarily Liquidation. The Group has received an aggregate amount of cash of RMB269,000 after their voluntarily liquidation, and the resulting gain of RMB158,000 was recognised in the consolidated income statement.

17. 佔附屬公司的權益(續)

概無本公司附屬公司由安永香港或其它安永國際成員公司負責審計。

附註：

- (1) 所有附屬公司都是按中國法律設立的有限責任公司。
- (2) 直接由朝批商貿擁有超過50%的股本權益的公司，被視為朝批商貿的附屬公司。因本公司截止二零零八年十二月三十一日對朝批商貿擁有79.85%的股本權益，彼等公司也計為本公司的附屬公司，儘管本公司對其間接擁有的股本權益少於50%。

18. 佔聯營公司的權益

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Share of net assets	分佔資產淨值	-	202

本年度內，本集團的兩家聯營公司北京朝批紫光商貿有限公司及北京朝批天興果菜有限公司進行了自願清盤，於其清盤之後，本集團收到現金總額人民幣269,000元，因其產生的收益人民幣158,000元已於合併損益表中予以確認。

18. INTERESTS IN ASSOCIATES (Continued)

The following table illustrates the summarised financial information of the Group's associates extracted from their management accounts:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Assets	資產	-	907
Liabilities	負債	-	(407)
Revenue	收入	-	-
Losses	虧損	(32)	(10)

18. 佔聯營公司的權益(續)

下表載列自本集團聯營公司經營賬目中摘取的財務概要資料：

19. AVAILABLE-FOR-SALE INVESTMENTS

		The Group 本集團		The Company 本公司	
		2008 RMB'000 二零零八年 人民幣千元	2007 RMB'000 二零零七年 人民幣千元	2008 RMB'000 二零零八年 人民幣千元	2007 RMB'000 二零零七年 人民幣千元
Listed equity investments in the PRC, at fair value	於中國境內上市股本投資，按公允值	1,085	3,680	-	-
Unlisted equity investments, at cost	非上市股本投資，按成本值	51,188	51,188	50,000	50,000
Less: impairment loss of equity investment	減：股本投資減值虧損	(1,188)	(1,188)	-	-
		50,000	50,000	50,000	50,000
		51,085	53,680	50,000	50,000
Less: current portion included in equity investment, at cost	減：股本投資本期部分，按成本值	(50,000)	-	(50,000)	-
Non-current portion	非本期部分	1,085	53,680	-	50,000

The above investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturing date or coupon rate. The fair value of listed equity investment is based on quoted market prices.

During the year, the gross loss of the Group's available-for-sale investments recognised directly in equity amounted to RMB2,595,000 (2007: gain of RMB581,000).

上述投資包括投資被稱為可供銷售的金融資產的股本證券，並且無固定的還款期限和票息率。上市股本投資的公允值乃根據市場所報價計算。

本年度內，集團可供銷售股本投資的總虧損直接於權益中確認，總值人民幣2,595,000元（二零零七年：收益人民幣581,000元）。

19. AVAILABLE-FOR-SALE INVESTMENTS (Continued)

- * On 23 December 2008, the Group entered into a sales and purchase agreement with Beijing Jinyang Jiulong Trading Company Limited, an independent third party, to dispose of its 11.04% equity interest in Beijing Shoulian Trading Company Limited ("Shoulian"), for a cash consideration of RMB50,000,000. The disposal transaction was completed in January 2009.

20. INTANGIBLE ASSETS

The intangible assets represented the carrying amount of a distribution network and software acquired.

19. 可供銷售股本投資(續)

- * 於二零零八年十二月二十三日，本集團與獨立第三方北京金陽久隆商貿有限公司簽署股權轉讓協議，以人民幣50,000,000元的對價將所持有北京首聯商業集團有限公司(「首聯」) 11.04%的股權予以轉讓。該項轉讓交易已於二零零九年一月完成。

20. 無形資產

無形資產指購入分銷網絡及軟件之帳面值。

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Cost at 1 January, net of accumulated amortisation	於一月一日的成本 扣除累計攤銷	7,964	2,344	3,017	2,344
Additions	增加	2,556	6,789	2,556	1,189
Amortisation provided during the year	本年度攤銷撥備	(1,937)	(1,169)	(817)	(516)
At 31 December, net of accumulated amortisation	於十二月三十一日， 減累計攤銷	8,583	7,964	4,756	3,017
At 31 December:	於十二月三十一日：				
Cost	成本	15,463	12,907	9,863	7,307
Accumulated amortisation	累計攤銷	(6,880)	(4,943)	(5,107)	(4,290)
Net carrying amount	帳面淨值	8,583	7,964	4,756	3,017

21. OTHER LONG TERM LEASE PREPAYMENTS

Other long term lease prepayments of the Group as at 31 December 2008 represented rental deposits for leasing eight premises for five to eighteen years commencing from July 2006 and rental deposits for leasing warehouses for ten to twenty years commencing from January 2008.

21. 其他長期租約預付款

本集團於二零零八年十二月三十一日的其它長期租約預付款指就租賃八個由二零零六年七月起計五至十八年租賃房屋以及由二零零八年一月起計十至二十年的租賃庫房支付的租賃按金。

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Cost at 1 January, net of accumulated amortisation	於一月一日的成本 扣除累計攤銷	27,089	17,524	-	-
Additions	增加	54,895	11,461	46,389	-
Amortisation provided during the year	本年度內 攤銷撥備	(6,817)	(1,896)	(14)	-
At 31 December, net of accumulated amortisation	於十二月三十一日 減累計攤銷	75,167	27,089	46,375	-
Less: current portion included prepayments, deposits and other receivables	減：包括預付款、 按金及其他應 收款之本期部分	(7,733)	(6,790)	(3,180)	-
Non-current portion	非本期部分	67,434	20,299	43,195	-

22. INVENTORIES

22. 存貨

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Merchandise and produce for resale	供轉售商品和產品	698,084	586,793	237,319	201,178
Raw materials	原材料	10,606	8,213	10,606	8,213
Low value consumables	低值易耗品	708,690 1,390	595,006 4,544	247,925 143	209,391 1,330
		710,080	599,550	248,068	210,721

23. TRADE RECEIVABLES

23. 應收賬款

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Trade receivables	應收賬款	970,966	749,457	354,302	193,763
Impairment	減值	(880)	(6,451)	-	(3,529)
		970,086	743,006	354,302	190,234

The Group normally allows a credit period of not more than 60 days to its customers. A longer credit period is granted to its major customers with long term relationship. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group's trade receivables comprised about 2,500 (2007: 3,500) customers with amounts ranging from RMB0.001 million to RMB344.3 million (2007: RMB0.1 million to RMB192.1 million). Trade receivables are non-interest-bearing except for amounts due from Shoulian which bore interest ranging from 5.58% to 7.47% per annum.

An aged analysis of the trade receivables of the Group and the Company as at the balance sheet date, based on the invoice date and net of provision, is as follows:

本集團給予客戶的信用期一般不超過六十日。對於有長期業務關係的主要客戶授予較長的信用期。本集團設法嚴格控制其尚未收回之應收賬款，高級管理層會定期就逾期未償還金額進行評審。本集團應收賬款分佈於2500名(二零零七年：3,500名)客戶，此等客戶之債務額從人民幣1,000元至人民幣344,300,000元(二零零七年：從人民幣100,000元至人民幣192,100,000元)。除應收首聯的應收賬款年利率為5.58%至7.47%，其他應收賬款均不計利息。

本集團及本公司於資產負債表日應收賬款根據發票日期及扣除撥備後之帳齡分析如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within 2 months	兩個月之內	620,419	602,686	81,101	96,278
2 to 6 months	兩個至六個月	223,477	136,353	150,458	93,785
6 months to 1 year	六個月到一年	126,184	3,855	122,743	171
1 to 2 years	一年到二年	6	112	-	-
		970,086	743,006	354,302	190,234

23. TRADE RECEIVABLES (Continued)

The movements in provision for impairment of trade receivables are as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	於一月一日	6,451	16,406	3,529	3,529
Impairment losses recognised	已確認減值損失	-	568	-	-
Amount written-off as uncollectible	已核銷壞帳	(3,529)	(1,611)	(3,529)	-
Impairment losses reversed	已撥回之減值損失	(2,042)	(8,912)	-	-
At 31 December	於十二月三十一日	880	6,451	-	3,529

The provision represented the individually impaired trade receivables related to customers that were outstanding over 360 days. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Not past due	未過期	764,566	695,731	230,942	187,543
Less than 1 month past due	過期未超過一個月	92,466	30,213	30,408	1,955
1 to 3 months past due	過期超過一個月 至三個月	77,330	12,612	58,763	736
Over 3 months past due	過期超過三個月	35,724	4,450	34,189	-
		970,086	743,006	354,302	190,234

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

23. 應收賬款(續)

應收賬款壞帳之撥備變動如下：

應收超過360天的長期未付款客戶之應收賬款已分別單獨計提減值準備。本集團就上述餘額未獲得擔保或其他信用增級。

未確認減值之應收賬款賬齡分析如下：

未確認減值的已過期應收賬款分佈於若干與本集團有良好過往記錄的獨立客戶。依據過往經驗，本公司董事認為該餘額之信用質量無重大變化且其被認為能全部收回，因此沒有必要撥備減值。本集團就上述餘額未獲得任何擔保或其它信用增級。

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES 24. 預付款、按金及其他應收款項

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Prepayments to suppliers	預付供應商款項	169,850	90,727	7,940	7,623
Other receivables	其他應收款項	23,926	26,573	10,034	22,138
Prepaid expenses	預付費用	25,285	17,242	11,681	6,340
Input value-added tax receivables	增值稅進項稅應收款項	53,639	63,068	12,214	24,199
		272,700	197,610	41,869	60,300

Other receivables

其他應收款項

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Other receivables	其他應收款項	31,538	35,700	17,646	31,138
Impairment	減值	(7,612)	(9,127)	(7,612)	(9,000)
		23,926	26,573	10,034	22,138

The movements in provision for impairment of other receivables are as follows:

其他應收款項減值撥備變動如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	於一月一日	9,127	9,127	9,000	9,000
Impairment losses recognised	已確認減值損失	612	-	612	-
Amount written-off as uncollectible	壞帳撇銷數額	(2,127)	-	(2,000)	-
At 31 December	於十二月三十一日	7,612	9,127	7,612	9,000

The individually impaired other receivables related to customers that were long outstanding over 360 days. The Group does not hold any collateral or other credit enhancements over these balances.

對超過360天的期限較長未付款客戶的其他應收款項已分別單獨撥備減值。本集團對上述餘額未獲得擔保或其他信用增級。

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(Continued)

The aged analysis of the other receivables that are not considered to be impaired is as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Not past due	未過期	23,926	24,953	10,034	20,518
Less than 1 month past due	過期未超過一個月	-	1,620	-	1,620
		23,926	26,573	10,034	22,138

Other receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Other receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

25. LOAN RECEIVABLE

As at 31 December 2008, the loan receivable represented an entrusted loan made by the Company to a third party through Bank of Beijing. The entrusted loan was unsecured, bearing an annual interest rate of 7.47% and will mature on 14 May 2009. The carrying amounts of the loan receivable approximate to its fair value.

24. 預付款、按金及其他應收款項(續)

未被確認減值的其他應收款項之賬齡分析如下：

其他應收賬款未過期，或因分布至眾多不同客戶且該等客戶均無違約歷史而未減值。

其他應收賬款已過期但因其分布至若干與本集團有良好過往記錄的客戶而未減值。依據過往經驗，本公司董事認為該餘額之信用質量無重大變化且其被認為能全部收回，因此沒有必要撥備減值。本集團就上述餘額未獲得任何擔保或其它信用增級。

25. 應收貸款

於二零零八年十二月三十一日，應收貸款系本公司通過北京銀行向第三方提供的委托貸款，該委托貸款為無擔保的，年利率介乎於7.47%，該應收貸款將於二零零九年五月十四日到期。此應收貸款的賬面價值與其公允值相若。

26. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS 26. 現金及現金等價物以及已抵押存款

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
	Notes 附註				
Cash and bank balances	現金及銀行結餘	543,028	501,940	319,261	295,698
Pledged time deposits for bills payable with original maturity of less than three months when acquired	獲得時原有到期日為少於三個月的為應付票據擔保的有抵押定期存款	12,645	9,000	-	-
Pledged time deposits for secured bank loans with original maturity of less than three months when acquired	獲得時原有到期日為少於三個月的為銀行貸款擔保抵押定期存款	17,742	10,414	-	-
		573,415	521,354	319,261	295,698
Less: pledged time deposits with original maturity of less than three months when acquired	減：獲得時原有到期日少於三個月的有抵押定期存款	(30,387)	(19,414)	-	-
Cash and cash equivalents	現金和現金等價物	543,028	501,940	319,261	295,698

At the balance sheet date, except for cash and bank balances to RMB118,000 (2007: RMB78,000) which were dominated in foreign currencies, the rest of the Group's cash and bank balances were denominated in RMB, which are not freely convertible in the international market. The remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

Cash at banks earns interest at floating rates based on daily bank deposits rates. Short term time deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

於資產負債表日，除人民幣118,000元(二零零七年：人民幣78,000元)的現金及銀行結餘以外匯列值之外，本集團其他現金及銀行結餘均以人民幣列值，且不能於國際金融市場上自由兌換。於中國境外之匯款資金須遵守中國政府的外匯限制規定。

銀行存款賺取之利息乃按每日銀行存款利率之浮動利率而定。短期存款的期限介於一日和三個月之間，主要取決於集團的現金需求並可賺取短期存款利息。銀行結餘及有抵押銀行存款存於沒有過往不履行責任之歷史的有信譽的銀行。

27. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the balance sheet date, based on the invoice date, is analysed as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within 2 months	兩個月之內	702,836	739,648	333,750	335,249
2 to 6 months	兩個月至六個月	90,293	69,333	68,869	66,607
6 months to 1 year	六個月至一年	2,815	3,162	1,763	527
1 to 2 years	一年到二年	1,035	430	46	21
Over 2 years	超過二年	1,997	4,222	1,945	3,813
		798,976	816,795	406,373	406,217

The trade and bills payables are non-interest-bearing and are normally settled on 60-day terms.

As at 31 December 2008, the bills payable of the Group amounting to RMB42 million (2007: RMB30 million) was secured by certain of the Group's pledged time deposits amounting to approximately RMB12.6 million (2007: RMB9 million) (note 26).

28. DEBENTURES

On 14 July 2008, the Company issued debentures in aggregate amounting to RMB370 million, with a term of maturity of one year. The debentures are unsecured, interest-bearing at 6.8% per annum and are issued through Bank of Beijing. The carrying amounts of the debentures approximate to their fair values.

On 19 December 2007, the Company issued debentures in aggregate amounting to RMB370 million, with a term of maturity of 182 days. The debentures were unsecured, interest-bearing at 7.08% per annum and were fully settled during the year.

27. 應付賬款及票據

於資產負債表日應付賬款及票據按發票日期之帳齡分析如下：

應付票據和賬款為無息的，一般償還期限為60天。

於二零零八年十二月三十一日，本集團應付票據共計人民幣42,000,000元(二零零七年：人民幣30,000,000元)，由本集團共計約人民幣12,600,000元(二零零七年：9,000,000元)的銀行定期存款提供擔保(附註26)。

28. 債券

於二零零八年七月十四日，本公司發行總額約為人民幣370,000,000元的債券，期限為一年。該債券為無擔保的，年利率為6.8%，通過北京銀行發行。此債券的賬面價值與其公允值相若。

於二零零七年十二月十九日，本公司發行總金額為人民幣370,000,000元的債券，期限為182天。該債券為無擔保的，年利率為7.08%，並已於本年度內全部償清。

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及預提費用

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Accrued salaries, wages and benefits	應付薪金、工資及福利	25,605	38,917	21,088	35,789
Deposits from suppliers and lessees	供應商/承租人按金	32,121	41,130	30,331	38,595
Advances from customers	預收客戶賬款	271,316	180,622	254,487	152,064
Interest expense payable	應付利息費用	28,776	3,520	11,733	2,720
Rental expense payable	應付租金費用	39,345	3,325	33,258	2,445
Accrued operating expenses	應計營運費用	8,888	4,393	8,934	3,506
Construction fee payables	應付工程費	24,402	28,821	18,382	16,475
Dividend payable to minority equity holders	應付少數股本權益持有人之股息	42,666	-	-	-
Others	其他	24,660	27,744	17,093	14,566
Total other payables and accruals	其他應付款項及預提費用總額	497,779	328,472	395,306	266,160

Other payables are non-interest-bearing and are repayable within one year.

其他應付款項本不附利息，並應於一年內償還。

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

30. 附息銀行貸款及其他借款

		The Group 本集團			
		2008 二零零八年		2007 二零零七年	
		Maturity 到期日	RMB'000 人民幣千元	Maturity 到期日	RMB'000 人民幣千元
Current	本期部分				
Bank loans – secured	銀行貸款－有抵押	2009	459,138	2008	334,712
Bank loans – unsecured	銀行貸款－無抵押	2009	205,000	2008	180,000
Other loans – unsecured	其他借款－無抵押	2009	300,000	2008	20,000
Current portion of long term bank loans – secured	長期銀行貸款本期部分－有抵押	2009	44,375	2008	42,750
			1,008,513		577,462
Non-current	非本期部分				
Bank loans – secured	銀行貸款－有抵押	2010-2011	56,000	2009-2011	100,375
			1,064,513		677,837

30. INTEREST-BEARING BANK AND OTHER BORROWINGS 30. 附息銀行貸款及其他借款(續)

(Continued)

		The Company 本公司			
		2008 二零零八年		2007 二零零七年	
		Maturity 到期日	RMB'000 人民幣千元	Maturity 到期日	RMB'000 人民幣千元
Current	本期部分				
Bank loans – secured	銀行貸款—有抵押	2009	400,000	2008	300,000
Other loans – unsecured	其他借款—無抵押		–	2008	20,000
Current portion of long term bank loans – secured	長期銀行貸款本期部分—有抵押	2009	44,375	2008	42,750
			444,375		362,750
Non-current	非本期部分				
Bank loans – secured	銀行貸款—有抵押	2010-2011	56,000	2009-2011	100,375
			500,375		463,125

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Analysed into:	分析為：				
Bank loans repayable:	應償還銀行貸款：				
Within one year or on demand	一年內或須按 要求償還	708,513	557,462	444,375	342,750
In the second year	第二年	50,000	44,375	50,000	44,375
In the third to fifth year, inclusive	第三至五年 (包括首尾兩年)	6,000	56,000	6,000	56,000
		764,513	657,837	500,375	443,125
Other borrowings repayable:	應償還其他貸款：				
Within one year	一年內	300,000	20,000	–	20,000
		1,064,513	677,837	500,375	463,125

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

(Continued)

(a) Bank loans

All of the Group's and the Company's bank loans, which are denominated in RMB, bear fixed interest rates ranging from 4.9% to 7.5% (2007: 5.5% to 7.5%) per annum.

(i) Secured bank loans

As at 31 December 2008, the secured bank loans of the Group and the Company amounting to RMB500.4 million were secured by certain of the Group's and the Company's buildings, investment properties and lease prepayments for land use rights with aggregate net book values of approximately RMB503 million (note 14), RMB6.7 million (note 15), and RMB69 million (note 16), respectively. In addition, the secured bank loans of the Group amounting to RMB59.1 million were secured by certain of the Group's pledged time deposits amounting to RMB17.7 million (note 26).

As at 31 December 2007, the secured bank loan of the Group and the Company amounting to RMB443.1 million were secured by certain of the Group's and the Company's buildings and construction in progress, investment properties and lease prepayments for land use rights with aggregate net book values of approximately RMB381 million (note 14), RMB5.3 million (note 15) and RMB66 million (note 16), respectively. In addition, the secured bank loans of the Group amounting to RMB34.7 million were secured by certain of the Group's pledged time deposits amounting to RMB10.4 million (note 26).

30. 附息銀行貸款及其他借款(續)

(a) 銀行貸款

所有本集團及本公司銀行貸款，均以人民幣結算，分別按介乎於4.9%至7.5%（二零零七年：5.5%至7.5%）的固定年利率計算利息。

(i) 有抵押銀行貸款

於二零零八年十二月三十一日，本集團和本公司的有抵押銀行貸款總計人民幣500,400,000元，由本公司的樓宇、投資物業和土地使用權租賃預付款作為抵押擔保，總帳面淨值分別約為人民幣503,000,000元（附註14）、人民幣6,700,000元（附註15）和人民幣69,000,000元（附註16）。另外，本集團有抵押銀行貸款總計人民幣59,100,000元由本集團人民幣17,700,000元有抵押定期存款擔保（附註26）。

於二零零七年十二月三十一日，本集團和本公司的有抵押銀行貸款總計人民幣443,100,000元，由本公司的樓宇、在建工程、投資物業和土地使用權租賃預付款作為抵押擔保，總帳面淨值分別約為人民幣381,000,000元（附註14）、人民幣5,300,000元（附註15）和人民幣66,000,000元（附註16）。另外，本集團有抵押銀行貸款總計人民幣34,700,000元由本集團有抵押定期存款人民幣10,400,000元擔保（附註26）。

30. INTEREST-BEARING BANK AND OTHER BORROWINGS*(Continued)***(a) Bank loans** *(Continued)**(ii) Unsecured bank loans*

As at 31 December 2008, the unsecured bank loans of the Group amounting to RMB185 million (2007: RMB160 million) were guaranteed by the Company. There were entrusted loans from a third party amounting to RMB20 million (2007: RMB20 million) at 31 December 2008.

Entrusted loans are tripartite arrangements, under which banks, as entrusted by certain non-financial institutions, lend the Group the funds sourced from such non-financial institutions for a management fee. Such non-financial institutions are considered the providers of the entrusted loans. Entrusted loans generally bear interest rates higher than those of normal bank borrowings.

(b) Other borrowings

As at 31 December 2008, the unsecured other borrowing of the Group was a borrowing from New Time Trust & Investment Company Limited, an independent third party, amounting to RMB300 million which was guaranteed by the Company.

As at 31 December 2007, the unsecured other borrowing of the Group and the Company was a borrowing from the Chaoyang State-owned Assets Supervision and Administration Commission amounting to RMB20 million which was fully settled during the year.

All of the Group's and the Company's other borrowings as at 31 December 2008 are denominated in RMB and bear a fixed interest rate of 7.3% per annum (2007: 6.6%). The carrying amounts of the Group's and the Company's borrowings approximate to their fair values.

30. 附息銀行貸款及其他借款(續)**(a) 銀行貸款(續)***(ii) 無抵押銀行貸款*

於二零零八年十二月三十一日，本集團的無抵押銀行貸款總計人民幣185,000,000元(二零零七年：人民幣160,000,000元)，由本公司擔保。於二零零八年十二月三十一日，由第三方進行人民幣20,000,000元(二零零七年：人民幣20,000,000元)的委托貸款。

委托貸款乃三方安排，據此，銀行受若干非金融機構的委托，將自該非金融機構籌集的資金借予本集團以賺取管理費。該非金融機構的被視作委托貸款的提供方。委托貸款附帶的利息通常高於正常銀行借款的利息。

(b) 其他借款

於二零零八年十二月三十一日，本集團無抵押其他借款為來自獨立第三方新時代信托和投資有限公司的人民幣300,000,000元的借款，由本公司擔保。

於二零零七年十二月三十一日，本集團及本公司無抵押其他借款為來自國有資產監督管理委員會的人民幣20,000,000元的借款，於本年度內全部償還。

於二零零八年十二月三十一日，本集團及本公司的所有其它借款均以人民幣結算，並以7.3% (二零零七年：6.6%)的固定年利率計息。本集團及本公司借款的帳面價值與其公允價值相若。

31. DEFERRED INCOME

31. 遞延收入

		The Group and Company 本集團及本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Carrying amount as at 1 January	於一月一日帳面值	3,466	3,733
Released to the income statement	轉撥至損益表	(267)	(267)
Carrying amount as at 31 December	於十二月三十一日帳面值	3,199	3,466
Current portion	本期部分	(267)	(267)
Non-current portion	非本期部分	2,932	3,199

In 2005, Beijing Municipal Commission of Development and Reform and Beijing Municipal Chaoyang District Finance Bureau granted RMB3 million and RMB1 million, respectively, to the Company for the construction of a fresh produce logistics centre and a logistics system. The construction has been completed as at 31 December 2005. Therefore, the amounts were recorded in government grants and are amortised over the useful lives of the corresponding assets beginning from 1 January 2006.

於二零零五年，北京市發展和改革委員會與北京市朝陽區財政局向本公司分別撥款人民幣3,000,000元及人民幣1,000,000元的補助金用於建設生鮮食品配送中心及配送中心。該等工程已於二零零五年十二月三十一日完成。因此，該款項已計入政府補助金及自二零零六年一月一日起按相關資產可使用期限攤銷。

32. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities are as follows:

32. 遞延稅項負債

遞延稅項負債變動如下：

		The Group and Company 本集團及本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At beginning of year	於年初	12,333	18,679
Credited to the income statement:	於損益表記入貸方：		
Temporary difference arising from capitalised interest expenses into construction in progress	在建工程利息支出資本化所產生的暫時差額	(464)	(307)
Reversal of temporary difference arising from gains on exchange of buildings	置換物業收益所產生的暫時差額轉回	(268)	(352)
Effect on change in income tax rates	所得稅稅率變動的影響	-	(5,687)
		(732)	(6,346)
At end of year	於年終	11,601	12,333
Provision in respect of:	就下列各項作出撥備		
Temporary difference arising from capitalised interest expenses into construction in progress	在建工程利息支出資本化所產生的暫時差額	5,798	6,262
Temporary differences arising from gain on exchange of buildings	置換物業所得收益所產生的暫時差額	5,803	6,071
		11,601	12,333

33. ISSUED CAPITAL

33. 已發行股本

		The Group and Company 本集團及本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足		
230,060,000 Domestic Shares of RMB1.00 each	230,060,000股每股面值人民幣1元的內資股	230,060	230,060
182,160,000 H shares of RMB1.00 each	每股面值人民幣1元的H股 182,160,000股	182,160	182,160
		412,220	412,220

33. ISSUED CAPITAL (Continued)

A summary of the movements in the Company's share capital is as follows:

33. 已發行股本(續)

本公司股本變動概要如下：

		Domestic Shares of RMB1.00 each 每股面值 人民幣1元 的內資股 RMB'000 人民幣千元	H shares of RMB1.00 each 每股面值 人民幣1元 的H股 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
	Note 附註			
At 1 January 2007		232,820	151,800	384,620
Sales of Domestic Shares by Chaoyang Auxiliary and conversion into H shares upon placement				
Issuance of new H shares upon placement	a	(2,760)	2,760	-
	a	-	27,600	27,600
At 31 December 2007 and 31 December 2008		230,060	182,160	412,220

Note:

- a. On 12 October 2007, the Company completed the placement of 30,360,000 H Shares of the Company, which comprised a total of 27,600,000 new H Shares and 2,760,000 H Shares converted from Domestic shares. The gross proceeds received from the issue of the 27,600,000 new H Shares amounted to RMB195,301,000. Part of the proceeds amounting to RMB27,600,000 was recorded as share capital, and the remaining balance of the proceeds of RMB167,701,000 was recorded to share premium account.

附註：

- a. 於二零零七年十月十二日，本公司完成配售30,360,000股H股，包括27,600,000股新H股及2,760,000股由內資股轉為的H股，發行27,600,000股新H股所得款項總額為195,301,000元，其中人民幣27,600,000元的所得款項計入股本，其餘人民幣167,701,000元的所得款項餘額列為股本溢價。

34. RESERVES**(a) Group**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statements of changes in equity on page 69 and page 70.

(b) Company**34. 儲備****(a) 本集團**

本集團之儲備及在本年度及過往年度之權益變動詳情載於本財務報表第69至70頁之合併權益變動表。

(b) 本公司

		Share premium account 股本 溢價賬 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Statutory surplus reserve 法定盈餘 公積金 RMB'000 人民幣千元 (note (i)) (附註(i))	Retained profits 保留 溢利 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
As at 1 January 2007	於二零零七年一月一日	442,230	5,121	26,244	27,172	500,767
Issue of H shares upon placement (note 33 (a))	配售時發行H股 (附註33(a))	167,701	-	-	-	167,701
Share issue expense	發行費用	(4,760)	-	-	-	(4,760)
Profit for the year	本年度溢利	-	-	-	97,503	97,503
Appropriation to reserves	撥付儲備	-	-	8,183	(8,183)	-
Proposed final 2007 dividend	宣派二零零七年 末期股息	-	-	-	(72,139)	(72,139)
As at 31 December 2007 and 1 January 2008	於二零零七年 十二月三十一日及 二零零八年一月一日	605,171	5,121	34,427	44,353	689,072
Profit for the year	本年度溢利	-	-	-	199,156	199,156
Appropriation to reserves	撥付儲備	-	-	21,483	(21,483)	-
Proposed final 2008 dividend	宣派二零零八年 末期股息	-	-	-	(86,566)	(86,566)
As at 31 December 2008	於二零零八年 十二月三十一日	605,171	5,121	55,910	135,460	801,662

34. RESERVES (Continued)

(b) Company (Continued)

- (i) In accordance with PRC Company Law and the respective companies' articles of association, the Company and its subsidiaries are required to appropriate 10% of the annual statutory profits after tax (after offsetting any prior years' losses), determined in accordance with PRC GAAP, to the statutory surplus reserve. When the balance of each entity's reserve fund reaches 50% of its registered capital, any further appropriation is optional. The statutory surplus reserve can be utilised to offset prior years' losses or to increase capital. However, the balance of the statutory surplus reserve must be maintained at a minimum of 25% of the registered capital after such uses.
- (ii) As at 31 December 2008, the Company had retained profits of approximately RMB135.5 million (2007: RMB1.4 million) after the appropriation of the proposed final dividend, as determined in accordance with the lower of the amount determined under PRC GAAP and the amount determined under HKFRSs, available for distribution by way of cash or in kind.

34. 儲備(續)

(b) 本公司(續)

- (i) 依據中國公司法及相應公司章程規定，本公司及其附屬公司應當根據中國公認會計準則的要求每年提取稅後利潤(彌補往年虧損後)的10%列入公司法定盈餘公積金。當法定盈餘公積金累計金額達公司註冊資本的50%時，可以選擇是否再次提取。法定盈餘公積金可用於彌補公司往年虧損或增加公司資本。但法定盈餘公積金用於上述用途後所留存的餘額不得少於公司註冊資本25%。
- (ii) 於二零零八年十二月三十一日，本公司經撥付擬派末期股息後保留溢利約人民幣135,500,000元(二零零七年：人民幣1,400,000元)。股息款額為根據中國公認會計準則釐定或根據香港財務報告準則釐定可供以現金或實物方式分派的金額兩者之較低者。

35. CONTINGENT LIABILITIES

As at the balance sheet date, contingent liabilities not provided in the financial statements were as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Guarantees given to banks in connection with facilities granted to subsidiaries	就授予附屬公司的融資額度向銀行提供擔保	-	-	210,000	160,000
Guarantees given to other financial institutions in connection with facilities granted to subsidiaries	就授予附屬公司的融資額度向其他金融機構提供擔保	-	-	300,000	-
		-	-	510,000	160,000

As at 31 December 2008, the facilities granted to subsidiaries subject to guarantees given to banks and other financial institutions by the Company were utilised to the extent of approximately RMB185,000,000 (2007: RMB160,000,000) and RMB300,000,000 (2007: nil) respectively.

36. PLEDGE OF ASSETS

Details of the Group's and the Company's assets for securing bank loans, and bills payable are included in notes 14, 15, 16, 26, 27 and 30 to the financial statements.

37. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group and the Company lease their properties under operating lease arrangements, with leases negotiated for terms ranging from 1 to 20 years. The terms of the leases generally also require the tenants to pay security deposits.

35. 或然負債

於資產負債表日，在財務報告內未作撥備之或然負債如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Guarantees given to banks in connection with facilities granted to subsidiaries	就授予附屬公司的融資額度向銀行提供擔保	-	-	210,000	160,000
Guarantees given to other financial institutions in connection with facilities granted to subsidiaries	就授予附屬公司的融資額度向其他金融機構提供擔保	-	-	300,000	-
		-	-	510,000	160,000

於二零零八年十二月三十一日，由本公司向銀行及其它金融機構提供擔保而授予附屬公司的融資額度之中分別已使用約人民幣185,000,000元(二零零七年：人民幣160,000,000元)及人民幣300,000,000元(二零零七年：零)。

36. 資產抵押

本集團及本公司之為有抵押銀行貸款及應付票據提供擔保的資產詳情載於財務報表附註14, 15, 16, 26, 27及30中。

37. 經營租約的安排

(a) 作為出租人

本集團及本公司根據經營租賃安排租出若干投資物業，租期按一年到二十年的年期磋商。租賃條款一般要求承租人支付保證金。

37. OPERATING LEASE ARRANGEMENTS (Continued)

(a) As lessor (Continued)

As at 31 December 2008, the Group and the Company had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within one year	一年以內	36,614	28,668	33,865	26,384
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	104,820	83,079	94,208	73,839
After five years	五年以後	99,112	76,200	70,635	46,700
		240,546	187,947	198,708	146,923

(b) As lessee

The Group and the Company lease certain of their properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from 2 to 20 years.

As at 31 December 2008, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within one year	一年以內	95,280	61,246	53,826	51,444
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	414,291	267,961	253,508	216,676
After five years	五年後	826,815	581,038	547,758	506,154
		1,336,386	910,245	855,092	774,274

A lease that is cancellable only upon the occurrence of some remote contingency is a non-cancellable operating lease as defined under the HKFRS. Pursuant to the relevant lease agreements, the Group is entitled to terminate the underlying lease agreement if the attributable outlets has incurred losses in excess of a prescribed amount or such outlets will not be in a position to continue its business because of losses.

37. 經營租約的安排(續)

(a) 作為出租人(續)

於二零零八年十二月三十一日，本集團及本公司與租戶根據有關不可撤銷經營租約未來最低租賃應收款總額如下：

(b) 作為承租人

本集團及本公司根據經營租賃安排租入若干物業，物業租期按介乎二年至二十年的年期磋商。

於二零零八年十二月三十一日，本集團及本公司根據不可撤銷經營租約未來最低租賃付款總額如下：

一項租約僅在發生可能性很小的不可抗力事件發生時可以撤銷，則該項租約為香港財務報告準則所定義之不可撤銷的經營租約。根據相關租賃協議，當店舖發生虧損超過一定數額或該等店舖將因虧損無法持續經營，本集團有權終止其相應租賃協議。

38. COMMITMENTS

Capital commitments

The Group and the Company had the following capital commitments, principally for the construction and acquisition of property, plant and equipment at the balance sheet date:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Authorised, but not contracted for	已授權，但未訂約	54,466	51,056	54,466	51,056
Contracted, but not provided for	已訂約，但未撥備	4,685	56,226	4,099	55,641
		59,151	107,282	58,565	106,697

38. 承擔

資本承擔

於資產負債表日，本集團及本公司主要用作物業、廠房及設備的建設及購置的資本承擔如下：

39. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		NOTES 附註	The Group 本集團	2007 二零零七年 RMB'000 人民幣千元
			2008 二零零八年 RMB'000 人民幣千元	
Controlling shareholder:	控股公司：			
Expenses on property leasing	物業租賃費用	(i)	9,238	8,451
Compensation for early termination of rental agreements	提前終止租賃協議獲得補償	(ii)	-	3,000
A subsidiary of controlling shareholder:	控股公司附屬公司：			
Expenses on property leasing	物業租賃費用	(iii)	2,100	1,575

39. 關聯人士交易

(a) 除了財務報表其他部分提到關聯交易外，本集團於本年度內還與關聯人士進行了如下重大關聯交易：

39. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (i) Pursuant to three property lease agreements and supplementary agreements signed between the Company and Chaoyang Auxiliary, between Chaopi Trading and Chaoyang Auxiliary dated 30 April 2004 and between Xinyang Tongli and Chaoyang Auxiliary dated 1 July 2004, and the supplementary agreements, with the commencement and expiry dates on 1 January 2004 and 31 December 2023, respectively, the Company, Chaopi Trading and Xinyang Tongli rent properties from Chaoyang Auxiliary for operation purposes at a basic annual rental expense, including related business taxes and property taxes of approximately RMB7,340,000, RMB1,099,000 and RMB16,000, respectively, with a term of increase of rental expense including related business taxes of 5% or 20% for each aforesaid fixed rental period. Pursuant to a supplementary agreement dated 24 March 2006 signed between the Company and Chaoyang Auxiliary, the Company ceased the lease of one of the leased properties from Chaoyang Auxiliary with effect from 1 January 2006. The aggregate annual rental to be paid to Chaoyang Auxiliary by the Company since 1 January 2006 was reduced from RMB7,340,000 to RMB6,952,000.

On 4 April 2006, the Company and Chaoyang Auxiliary entered into a lease agreement, pursuant to which the Company leased one more property from Chaoyang Auxiliary for ten years commencing from 1 July 2006. The annual rental is RMB183,000 and RMB219,000 for the first four years and the remaining six years, respectively.

Pursuant to a supplementary agreement dated 19 March 2007 signed between the Company and Chaoyang Auxiliary, the Company ceased the lease of two leased properties from Chaoyang Auxiliary with effect from 1 January 2007, the aggregate annual rental to be paid to Chaoyang Auxiliary by the Company since 1 January 2007 was reduced from RMB6,952,000 to RMB6,530,000.

Pursuant to a supplementary agreement dated 28 August 2007 between Chaopi Trading and Chaoyang Auxiliary, Chaopi Trading ceased the leases of one property from Chaoyang Auxiliary with effect from 1 July 2007, the aggregate annual rental to be paid to Chaoyang Auxiliary by Chaopi Trading since 1 July 2007 was reduced from RMB1,099,000 to RMB945,300.

39. 關聯人士交易(續)

附註：

- (i) 根據本公司與朝陽副食品及朝批商貿與朝陽副食品於二零零四年四月三十日所簽訂，以及欣陽通力與朝陽副食品於二零零四年七月一日所簽訂的三份物業租賃協議及補充協議（協議的開始日期及屆滿日期分別為二零零四年一月一日及二零二三年十二月三十一日），本公司、朝批商貿及欣陽通力向朝陽副食品租用物業作經營用途，基本年租開支（包括相關營業稅及物業稅）分別約為人民幣7,340,000元、人民幣1,099,000元及人民幣16,000元，且根據條款於各上述固定租金期間內租金會調高（包括相關營業稅）5%或20%。根據本公司與朝陽副食品於二零零六年三月二十四日訂立的一份補充協議，本公司不再向朝陽副食品租用其中一項已租賃物業，自二零零六年一月一日起生效。本公司自二零零六年一月一日起將支付予朝陽副食品的總年度租金已由人民幣7,340,000元減少至人民幣6,952,000元。

於二零零六年四月四日，本公司與朝陽副食品訂立一份租賃協議，據此，本公司向朝陽副食品租賃一處物業，租期由二零零六年七月一日起計十年。首四年及餘下六年的年租金分別為人民幣183,000元及人民幣219,000元。

根據本公司與朝陽副食品於二零零七年三月十九日訂立的補充協議，本公司自二零零七年一月一日不再租賃其中兩項已租賃物業。本公司自二零零七年一月一日起將支付予朝陽副食品的總年度租金已由人民幣6,952,000元減少至6,530,000元人民幣。

根據朝批商貿與朝陽副食品於二零零七年八月二十八日簽署的補充協議，朝批商貿自二零零七年七月一日起不再向朝陽副食品租賃其中一項已租賃物業，自二零零七年七月一日起，朝批商貿向朝陽副食品支付的年租金總額已從人民幣1,099,000元減少至人民幣945,300元。

39. RELATED PARTY TRANSACTIONS (Continued)

Notes:

In addition to the above, the Company and Chaoyang Auxiliary entered into a lease agreement dated 11 November 2007 with the commencement and expiry dates on 1 April 2007 and 31 December 2023, respectively. The annual rental is RMB900,000 for the first thirteen months and the remaining rental is at a basic annual rental expense of approximately RMB1,896,000, with a term of increase of rental expense for each aforesaid fixed rental period.

- (ii) For the year ended 31 December 2007, the gross compensation income was received from Chaoyang Auxiliary for early termination of an operating lease agreement.
- (iii) Pursuant to a property lease agreement signed between the Company and Beijing Tengyuan Xingye Automobile Service Company Limited ("Tengyuan Xingye"), a subsidiary of Chaoyang Auxiliary dated 2 July 2007, the Company leased properties from Tengyuan Xingye with the commencement and expiry dates on 1 April 2007 and 31 March 2022, respectively. The annual rental is approximately RMB2,100,000, with a term of increase of rental expense for each aforesaid fixed rental period.
- (iv) Pursuant to a deed of indemnity dated 1 March 2006 and a supplementary agreement dated 10 August 2006, Chaoyang Auxiliary has undertaken to indemnify the Company against the following:
- any costs, expenses, losses and claims that the Company and Chaopi Trading may suffer as a result of relocation or eviction from certain premises rented from outside parties in the event that any of the corresponding tenancy agreements is determined to be void due to a lack of building ownership certificates or proper property title deeds by the lessors;
 - any costs and penalties that the Group may suffer due to the non-compliance with the relevant PRC Laws in respect to borrowings from the employees, the fact that the relevant loan agreements were not enforceable, and the fact that the Group may be subject to a maximum penalty of 5% of the amount of the total borrowings; and
 - any costs and penalties that the Group may suffer due to any breach of the applicable PRC laws and regulations on the use of the Jingkelong cards and the membership reward cards which were issued by the Company as part of the Group's marketing strategy for its retail operations.

39. 關聯人士交易(續)

附註：

除上述之外，本公司與朝陽副食品於二零零七年十一月十一日簽署一份租賃協議，起租日及到期日分別為二零零七年四月一日及二零零三年十二月三十一日，前十三個月的租金為人民幣900,000元及餘下租期下的基本年租開支約為人民幣1,896,000元，且根據條款於各上述固定租賃期間內租金相應調高。

- (ii) 截至二零零七年十二月三十一日止年度，本公司就提前終止經營租賃協議而獲朝陽副食品的總賠償收入。
- (iii) 依據本公司於二零零七年七月二日與北京騰遠興業汽車服務有限公司(「騰遠興業」)(朝陽副食品的一家附屬公司)簽署的物業租賃協議，起租日及到期日分別為二零零七年四月一日及二零二二年三月三十一日。基本年租開支約為人民幣2,100,000元，且根據條款於上述固定租賃期間內租金相應調高。
- (iv) 根據日期為二零零六年三月一日的補償保證及日期為二零零六年八月十日的補充協議，朝陽副食品已承諾就以下事項向本公司作出賠償：
- 倘任何向外方租賃的若干物業由於相關租賃協議因出租人欠缺房屋所有權證或適當物業業權文據被判定無效，本公司及朝批商貿可能因搬遷或遷離該物業而承受的任何成本、開支、損失、索償；
 - 本集團在結欠有關僱員的借款、貸款協議不可依法執行導致本集團可能因此須支付最多達借款總額5%的罰款方面，及未能遵守中國法律而可能承受的任何成本及罰款；及
 - 本集團於使用京客隆卡及會員積分卡(作為本集團就其零售業務的部分宣傳策略而由本公司發行)時因違反任何適用中國法律及法規而可能承受的任何成本及罰款。

39. RELATED PARTY TRANSACTIONS (Continued)

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

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	5,957	5,631
Post-employment benefits	退休後福利	747	621
Total compensation paid to key management personnel	向主要管理人員支付之薪酬總額	6,704	6,252

Further details of the directors' emoluments are included in note 9 to the financial statements.

The related party transactions in respect of items (a)(i) and (a)(iii) above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loans, other interest-bearing borrowings, debentures, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade and bills payables, which arise directly from its operations.

It is, and has been, throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and foreign currency risk. The board of directors reviews and approves policies for managing each of these risks and they are summarised below:

39. 關聯人士交易(續)

(b) 本集團提供予主要管理人員之報酬：

董事的酬金詳情在於財務報告附註9。

上述第(a)(i)及(a)(iii)向的關連交易根據上市規則第14A章的規定也構成持續關連交易。

40. 金融風險管理目標及政策

本集團之主要金融工具包括銀行貸款、其它付息借款、債券、現金及短期存款。該等金融工具之主要目標乃為本集團業務籌集資金。本集團有來自其業務的應收賬款及應付賬款及票據等多種其它金融資產及負債。

本集團於回顧年度之政策一直為不進行任何金融工具交易。

本集團金融工具所引致之主要風險為利率風險、流動風險、信用風險及外匯風險。董事會審閱及批准管理該等風險之政策，概述如下：

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group's income statement is affected by changes in interest rates due to the impact of such changes on interest income and expenses from bank balances, interest-bearing bank loans, other interest-bearing borrowings and debentures. The Group's policy is to obtain the most favourable interest rates available. As at 31 December 2008, the Group did not have long term debt obligations with floating interest rates. Accordingly, the Group has no significant interest rate risk.

Liquidity risk

The Group monitors its risk to shortage of funds using a recurring liquidity tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of the issuance of debentures, bank loans and other interest-bearing borrowings. The Group's financing activities are managed centrally by maintaining an adequate level of cash and cash equivalents to finance the Group's operations. The Group also ensures the availability of bank credit facilities to address any short term funding requirements.

40. 金融風險管理目標及政策(續)

利率風險

由於利率變動對銀行結存及付息銀行貸款、其它付息借款及債券之利息收入及支出會有影響，因此，本集團的損益表受利率變動影響。本集團的政策是獲得最優惠的利率條件。於二零零八年十二月三十一日，本公司無附浮動利率的長期債務，故本集團無重大利率風險。

流動風險

本集團運用循環流動性工具管理資金短缺的風險，該工具考慮金融工具及金融資產(如應收賬款)的到期日以及產生自業務活動的預計現金流。

本集團之目標為藉使用發行債券、銀行貸款及其它付息借款維持資金的持續性及靈活性。本集團的融資由公司總部統管，其會維持充足水平的現金及現金等價物，為公司營運提供資金。本集團亦確保銀行貸款融資額度以滿足任何短期資金要求。

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contractual undiscounted payments, was as follows:

The Group

		2008 二零零八年					
		On demand	Less than 3 months	less than 12 months	1 to 2 years	Over 2 years	Total
		須按 要求	少於 三個月	不超 過 十二 月	一 年 至 兩 年	超 過 兩 年	總 計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元
Interest-bearing bank and other borrowings	附息銀行貸款及其他借款	15,000	448,971	544,542	50,000	6,000	1,064,513
Debentures	債券	-	-	370,000	-	-	370,000
Trade and bills payables	應付賬款及票據	96,140	702,836	-	-	-	798,976
Other payables	其他應付款	96,457	9,510	54,523	-	-	160,490
		207,597	1,161,317	969,065	50,000	6,000	2,393,979
		2007 二零零七年					
		On demand	Less than 3 months	less than 12 months	1 to 2 years	Over 2 years	Total
		須按 要求	少於 三個月	不超 過 十二 月	一 年 至 兩 年	超 過 兩 年	總 計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元
Interest-bearing bank and other borrowings	附息銀行貸款及其他借款	40,500	104,587	432,375	44,375	56,000	677,837
Debentures	債券	-	-	370,000	-	-	370,000
Trade and bills payables	應付賬款及票據	34,251	782,116	428	-	-	816,795
Other payables	其他應付款	36,998	33,890	35,550	16,137	-	122,575
		111,749	920,593	838,353	60,512	56,000	1,987,207

40. 金融風險管理目標及政策(續)

流動風險(續)

於資產負債表日，依據已簽署合同無折扣付款，本集團之金融負債的到期情況如下：

本集團

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The Company

本公司

		2008 二零零八年					
		3 to					
On demand	Less than	less than	1 to 2	Over	Total		
RMB'000	3 months	12 months	years	2 years	RMB'000	RMB'000	
須按 要求	三個月 至	不超過 十二 月	一年 至 兩年	超過 兩年		總計	
人民幣 千元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	
Interest-bearing bank and other borrowings	附息銀行貸款及其他借款	-	110,938	333,437	50,000	6,000	500,375
Debentures	債券	-	-	370,000	-	-	370,000
Trade and bills payables	應付賬款及票據	72,624	333,749	-	-	-	406,373
Other payables	其他應付款	43,067	7,284	48,713	-	-	99,064
		115,691	451,971	752,150	50,000	6,000	1,375,812

		2007 二零零七年					
		3 to					
On demand	Less than	less than	1 to 2	Over	Total		
RMB'000	3 months	12 months	years	2 years	RMB'000	RMB'000	
須按 要求	三個月 至	不超過 十二 月	一年 至 兩年	超過 兩年		總計	
人民幣 千元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	人民 幣千 元	
Interest-bearing bank and other borrowings	附息銀行貸款及其他借款	20,500	9,875	332,375	44,375	56,000	463,125
Debentures	債券	-	-	370,000	-	-	370,000
Trade and bills payable	應付賬款及票據	73,851	332,366	-	-	-	406,217
Other payables	其他應付款	30,846	23,334	37,612	-	-	91,792
		125,197	365,575	739,987	44,375	56,000	1,331,134

Credit risk

Credit risk arises mainly from the risk of counterparties defaulting on the terms of their agreements. The carrying amounts of cash and cash equivalents, pledged deposits, trade receivables, a loan receivable, other receivables and available-for-sale investments represent the Group's maximum exposure to credit risk in relation to financial assets.

信用風險

信用風險主要來自交易對方違反合同條款的風險。現金及現金等價物、已抵押存款、應收賬款、應收貸款、其他應收款及可供銷售股本投資代表了本集團就金融資產的最大範圍信用風險。

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

The Group monitors the exposure to credit risk on an ongoing basis and credit evaluations are performed on customers requiring credit over a certain amount. In addition, receivable balances are monitored on an ongoing basis, therefore, the Group's exposure to bad debts is not significant. The credit risk on balances of cash and cash equivalents and pledged deposits is low as these balances are placed with reputable financial institutions.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and other receivables are disclosed in notes 23 and 24 to the financial statements.

Foreign currency risk

The Group's businesses are principally located in the PRC and the Group's sales and purchases were mainly conducted in RMB. As at the balance sheet date, all the Group's assets and liabilities were denominated in RMB, except for cash and bank balances of RMB118,000 (2007: RMB78,000) denominated in foreign currencies. Accordingly, there would be no material impact on the Group's profit or loss and there would be no material impact on the Group's equity from changes in exchange rates.

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2008 and 31 December 2007.

40. 金融風險管理目標及政策(續)

信用風險(續)

本集團將持續監察信用風險，並對要求獲得超過若干金額信貸的客戶進行信用評估。此外，本集團會按持續基準監控應收款項餘額，令本集團面對較小的壞帳風險。由於現金及現金等價物及抵押存款結餘均存放於信譽良好的金融機構，故該等結餘的信用風險較低。

本集團關於源自應收賬款及其他應收款的信貸風險的更多數據資料披露於本財務報表附註23及24。

外匯風險

本集團的業務主要位於中國境內及本集團的銷售與採購均使用人民幣。於資產負債表日，除人民幣118,000元(二零零七年:人民幣78,000元)的現金及銀行結餘以外匯列值之外，本集團所有的資產及負債均以人民幣列值。因此，對本集團利潤無重大影響，對本集團權益也無重大影響。

資本管理

本集團資本管理的主要目標是保證本集團持續經營能力及保持健康的資本率以支持業務發展及股東價值最大化。

本集團管理其股本結構並根據經濟狀況及標的資產風險特徵的變化進行調整，為保持或調整資本結構，本集團可能調整向股東派發的股息、向股東返還資本或發行新股。截至二零零八年及二零零七年十二月三十一日止年度內，有關目標、政策及程序無任何變化。

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. Net debt includes interest-bearing bank and other borrowings, trade and bills payables, debentures, other payables and accruals and long term payables, less cash and cash equivalents. Capital includes equity attributable to equity holders of the parent. The gearing ratios as at the balance sheet dates were as follows:

The Group

Interest-bearing bank and other borrowings	附息銀行貸款及其他借款
Trade and bills payables	應付賬款及票據
Debentures	債券
Other payables and accruals	其它應付款及應計費用
Long-term payables	長期應付款
Less: Cash and cash equivalents	減：現金及現金等價物
Net debt	淨負債
Equity attributable to equity holders	股本持有人應佔股權
Capital and net debt	資本及淨負債
Gearing ratio	負債比率

40. 金融風險管理目標及政策(續)

資本管理(續)

本集團運用負債比率監控資本情況，該比率為淨負債除以總資本加上淨負債，淨負債包括附息銀行貸款及其他借款、應付賬款及票據、債券、其他應付款、預提費用以及長期應付款減去現金及現金等價物。資本包括母公司股本持有人應佔股本權益。於資產負債表日負債比率如下：

本集團

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Interest-bearing bank and other borrowings	1,064,513	677,837
Trade and bills payables	798,976	816,795
Debentures	370,000	370,000
Other payables and accruals	497,779	328,472
Long-term payables	7,000	-
Less: Cash and cash equivalents	(543,028)	(501,940)
Net debt	2,195,240	1,691,164
Equity attributable to equity holders	1,325,019	1,242,995
Capital and net debt	3,520,259	2,934,159
Gearing ratio	62%	58%

41. POST BALANCE SHEET EVENTS

Save as disclosed in note 19 to the financial statements, the Group did not have any significant post balance sheet event subsequent to 31 December 2008.

42. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 27 March 2009.

41. 資產負債表日後事項

除本財務報表附註19所披露外，本集團於二零零八年十二月三十一日後無重大資產負債表日後事項發生。

42. 審批財務報表

董事會已於二零零九年三月二十七日批准及授權刊發財務報表。

Summary Financial Information

財務資料概要

A summary of the published results, assets, liabilities and equity of the Group for the last five financial years, as extracted from the prospectus issued by the Company on 12 September 2006 and the Group's audited financial statements for the three years ended 31 December 2008, is set out below. This summary does not form part of the audited financial statements.

以下為本集團於過往五個財政年度之已公布業績、資產、負債及股本權益摘要，此乃摘錄自本公司於二零零六年九月十二日刊發的招股章程及截至二零零八年十二月三十一日止三個年度經審核財務報表。此概要並非經審核財務報告的組成部分。

		2008 二零零八年			2007 二零零七年			2006 二零零六年			2005 二零零五年			2004 二零零四年		
		Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
		持續經營	終止經營	總額	持續經營	終止經營	總額	持續經營	終止經營	總額	持續經營	終止經營	總額	持續經營	終止經營	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Results	業績															
Revenue	收入	6,694,357	-	6,694,357	5,640,599	-	5,640,599	4,530,975	-	4,530,975	4,121,748	-	4,121,748	3,668,865	97,893	3,666,758
Profit before tax	除稅前溢利	280,264	-	280,264	255,306	-	255,306	205,491	-	205,491	145,504	-	145,504	127,918	484	128,402
Tax	稅項	(76,581)	-	(76,581)	(86,434)	-	(86,434)	(74,072)	-	(74,072)	(47,158)	-	(47,158)	(44,127)	(106)	(44,233)
Profit for the year	年度溢利	203,683	-	203,683	168,872	-	168,872	131,419	-	131,419	98,346	-	98,346	83,791	378	84,169
Attributable to:	歸於：															
Equity holders of the parent	母公司股本持有人	156,758	-	156,758	124,593	-	124,593	99,577	-	99,577	75,098	-	75,098	73,167	361	73,528
Minority interests	少數股東權益	46,925	-	46,925	44,279	-	44,279	31,842	-	31,842	23,248	-	23,248	10,624	17	10,641
		203,683	-	203,683	168,872	-	168,872	131,419	-	131,419	98,346	-	98,346	83,791	378	84,169

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2005 二零零五年 RMB'000 人民幣千元	2004 二零零四年 RMB'000 人民幣千元
Assets, Liabilities and Equity	資產、負債及股本權益					
Non-current assets	非流動資產	1,687,913	1,463,681	1,123,480	889,749	700,353
Current assets	流動資產	2,626,281	2,211,520	1,994,434	1,252,434	1,082,930
Current liabilities	流動負債	(2,748,045)	(2,153,002)	(1,741,124)	(1,531,249)	(1,241,717)
Net current assets/(liabilities)	流動資產/(負債)淨額	(121,764)	58,518	253,310	(278,815)	(158,787)
Total assets less current liabilities	總資產減流動負債	1,566,149	1,522,199	1,376,790	610,934	541,566
Non-current liabilities	非流動負債	(77,533)	(115,907)	(302,145)	(178,230)	(161,976)
Net assets	資產淨值	1,488,616	1,406,292	1,074,645	432,704	379,590
Represented by:	應佔：					
Equity attributable to equity holders of the parent	母公司股本持有人應佔權益	1,325,019	1,242,995	984,973	358,784	322,493
Minority interests	少數股東權益	163,597	163,297	89,672	73,920	57,097
Total equity	股本權益總額	1,488,616	1,406,292	1,074,645	432,704	379,590

