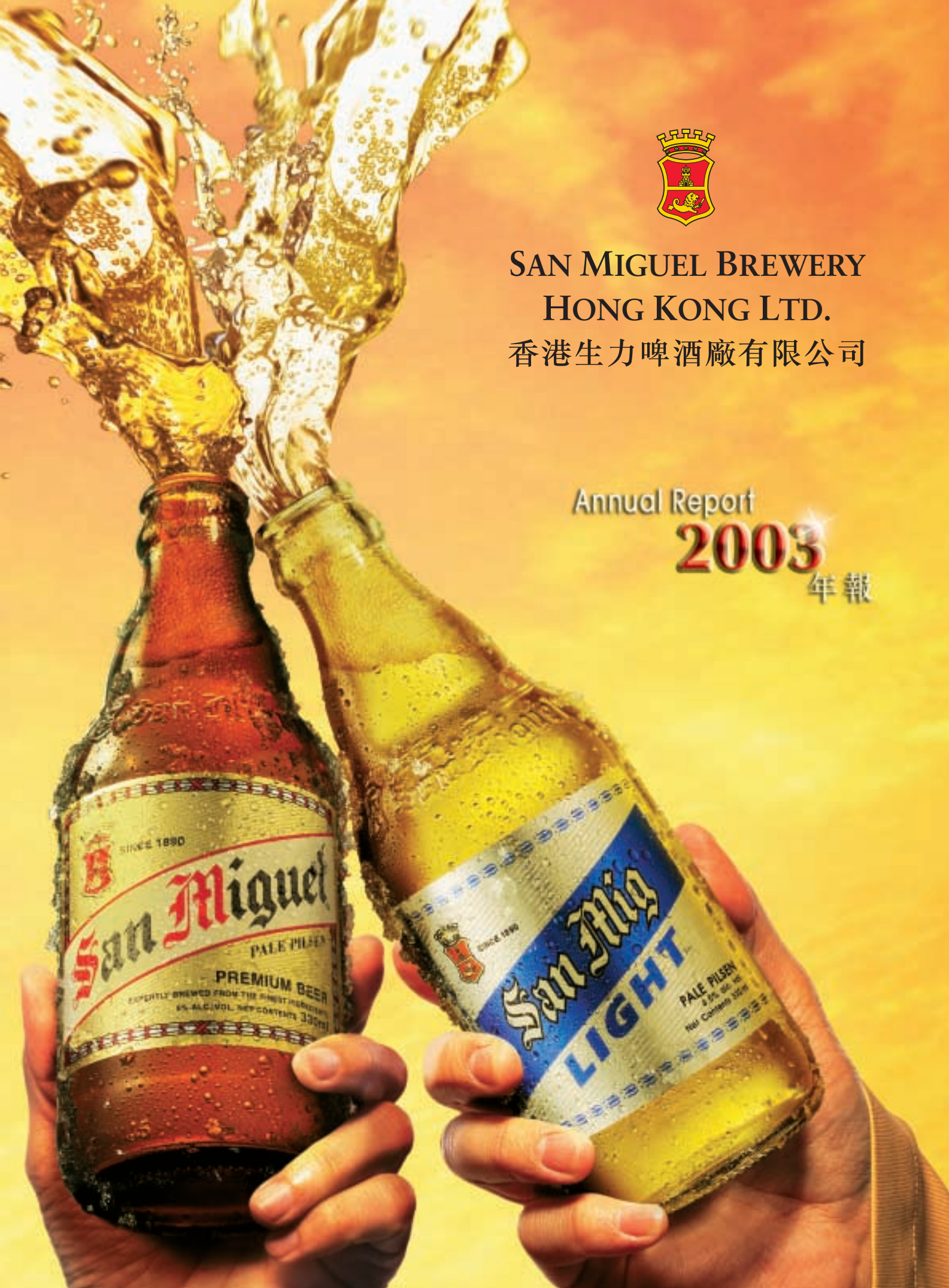
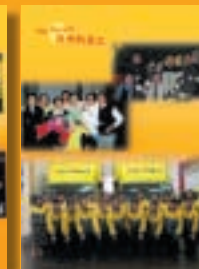




SAN MIGUEL BREWERY  
HONG KONG LTD.  
香港生力啤酒廠有限公司

Annual Report  
**2003**  
年報





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*In this report, all monetary values are expressed in Hong Kong Dollars unless stated otherwise.*

## CORPORATE INFORMATION

### DIRECTORS

Francisco C. Eizmendi, Jr. *Chairman*  
Ramon A. de la Llana *Managing Director*  
Ramon S. Ang  
Benjamin P. Defensor, Jr.  
Faustino F. Galang  
Adrian M.K. Li  
*Alternate to David K.P. Li*  
David K.P. Li, GBS, JP\*  
Thomas R. Mainwaring  
Estelito P. Mendoza  
Wai Sun Ng\*  
Carmelo L. Santiago  
Gabriel L. Villareal  
Ian F. Wade\*

\* *Independent Non-Executive Directors*

### AUDIT COMMITTEE

David K.P. Li, GBS, JP  
Wai Sun Ng  
Ian F. Wade

### COMPANY SECRETARY

Thomas R. Mainwaring

### AUDITORS

KPMG  
Certified Public Accountants  
8th Floor  
Prince's Building  
Hong Kong

### SOLICITORS

Johnson Stokes & Master  
18th Floor  
Prince's Building  
Hong Kong

### REGISTERED OFFICE

9th Floor  
Citimark Building  
28 Yuen Shun Circuit  
Siu Lek Yuen  
Shatin New Territories  
Hong Kong

### SHARE REGISTRARS

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

### PRINCIPAL BANKERS

ABN-AMRO Bank  
Bank of America  
Bank of China (Hong Kong) Limited  
BNP Paribas  
DBS Bank Limited, Hong Kong Branch  
Hang Seng Bank Limited  
Standard Chartered Bank  
The Bank of East Asia, Limited  
The Hongkong and Shanghai  
Banking Corporation Limited  
UBS AG

## THE YEAR'S HIGHLIGHTS

*in dollar thousands except per share data and number of shares issued, shareholders and personnel*

	2003	2002 Restated
Gross turnover	<b>1,158,649</b>	1,326,642
(Loss)/profit attributable to shareholders	<b>(32,771)</b>	31,721
(Loss)/earnings per share – Basic	<b>(0.09)</b>	0.08
Taxes paid, including beer tax	<b>134,986</b>	164,268
Taxes paid per share	<b>0.36</b>	0.44
Cash dividends attributable to the year	–	37,356
Cash dividends per share	–	0.10
Fixed assets	<b>2,016,646</b>	2,083,863
Net worth	<b>2,024,059</b>	2,065,103
Payroll	<b>124,480</b>	131,168
Number of shares issued	<b>373,570,560</b>	373,570,560
Number of shareholders	<b>2,655</b>	2,721
Number of personnel	<b>1,168</b>	1,214

Our Products  
我們的產品



## CHAIRMAN'S STATEMENT



**Francisco C. Eizmendi, Jr.**

*Chairman*

To Our Shareholders,

### FINANCIAL RESULTS

Year 2003 was a most difficult year for the Group. A number of factors combined, resulting in a financial loss. Principal among these were:

- the impact of the SARS epidemic in the first six months of the year;
- the continued strong growth of the low priced segment of the beer market in Hong Kong and a consequent decline in profit margins; and

- a concerted drive to limit exposure to outstanding trade receivables which reduced sales volume and profit.

In our interim report to shareholders for the first six months of 2003, we anticipated trading profitably in the second half of the year and set ourselves the target of breaking even for the full year.

We traded profitably for the period July to December 2003, however, the actual performance has been reduced by provisions and adjustments at year end, most particularly, by additional amortisation charges of \$3.677 million (including amortisation of the purchase price of the Dragon beer brand in South China) and a provision of \$9.456 million for deferred tax, the latter pursuant to a new accounting standard introduced in 2003.

Loss attributable to shareholders for the year ended 31st December 2003 was \$32.771 million compared with a profit of \$31.721 million for 2002.

Consolidated gross turnover declined by 12.7% compared with the previous year. In Hong Kong, where the drive to restrict trade receivables had the greater impact and the growth in sales of low priced beer brands reduced average revenue per unit, the decline was 16%. In South China, gross turnover declined by 7.8%.

Throughout the year, every effort was made to contain costs.

## CHAIRMAN'S STATEMENT

Discounts rose from 26% of gross turnover in 2002 to 28% in 2003 while direct variable costs increased from 46% to 47%. However, these increases were caused by lower average revenue per unit of sales and not by actual dollar increases.

Fixed costs were reduced by \$11.663 million below those of 2002.

Finance costs were lower in 2003 because of the continued decline in interest rates.

Other net income declined as a result of lower interest income and profit on asset disposals together with retrenchment costs incurred in 2003.

No profits tax was paid in 2003, however \$9.456 million was provided for deferred tax pursuant to a new accounting standard. Deferred tax is a method for balancing tax taken up as cost from year to year and, in the Group's case, has the effect of evening out variances between accounting depreciation and tax deductible depreciation.

Despite the loss for 2003, cash and investments increased by \$68.705 million from December 2002 to \$383.518 million at the end of 2003. This increase was attributable to the drive to reduce trade receivables and the suspension of dividends. Trade receivables were reduced by \$75.360 million.

Cash and investments at the end of 2003 were equal to 55.8% of the Company's market capitalisation as reflected in the closing share price of \$1.84.

Total debt at year end was \$260.998 million, 12.9% of shareholders funds.

### DIVIDENDS

Directors have recommended that no final dividend be declared for the year 2003.

### BUSINESS REVIEW

Growth in the world economy picked up in 2003 and equity markets rebounded strongly. The SARS epidemic affected growth in the Asian region and together with the war in Iraq reduced tourism spending in Asia and around the world.

The Chinese economy shows no signs of stopping, with growth estimated to have been 9.1% in 2003 and anticipated to be 7.6% in 2004.

Hong Kong commenced the climb out of recession, despite SARS, with estimated economic growth of 3% in 2003 and forecast growth of 4.5% in 2004. Price deflation is expected to end in Hong Kong in 2004 with a return to inflation in 2005.

### HONG KONG OPERATIONS

The Company reported an operating loss in Hong Kong which was principally the result of reducing beer inventories in the market supply chain pursuant to the drive to limit risk exposure to trade receivables.

## CHAIRMAN'S STATEMENT

The effect of the SARS epidemic on beer sales was most felt in the second quarter of the year and severely reduced the business of restaurants, bars and night outlets. There were numerous business closures, some temporary and some permanent, with Chinese restaurants the hardest hit.

The market share of low priced beer brands continued to expand and these now represent more than 33% of the market compared with 28% a year ago. The Company's own sales, by volume, of low priced brands rose from 12.1% of local Hong Kong volume in 2002 to 24.5% in 2003.

Early in 2003, in anticipation of continued growth in the low priced beer segment of the market, the Company embarked on a programme of securing a major share of this segment, with good results. The Company accounted for 18.3% by volume of this segment in 2003 compared with 12.4% for 2002.

However, the changing structure of the Hong Kong market has a cost because profit margins are very lean for low priced brands and the Company's increased volume in the low priced segment has reduced average profit margins.

All popular brands, those of the Company and competitors, have suffered as the popular beer segment shrinks and the low priced segment expands.

The winners in the low priced segment have been principally beer brands from mainland China and, more recently, our Company's low priced brands.

Total beer industry volume in Hong Kong for the year was 149.3 million litres, a fall of 7% compared with 2002 and the lowest volume recorded in 15 years.

The Company's market share increased 0.7%, however this was a combination of a decline in brand San Miguel and increases in low priced brands.

Export volume rose by 21.4% over the 2002 levels.

## SOUTH CHINA OPERATIONS

South China reported an operating profit for the year, a major improvement over results for 2002.

For Guangzhou San Miguel Brewery Company Limited ("GSMB"), total sales volume was the same as for 2002 although there was a change in sales mix. Higher discounts were offset by savings in variable costs and substantial reductions in fixed costs, with the final result being a major improvement in operating profit.

As for Hong Kong operations, GSMB suffered from the effect of SARS in the first half of the year.

The implementation of improvements in sales and distribution systems and associated personnel was successful in reversing the decline in sales volume

## CHAIRMAN'S STATEMENT

which occurred in 2002, particularly in Guangzhou city where the loss of sales volume was halted. Sales volume growth was achieved in Dongguan and East Guangdong while lower sales were reported in Shenzhen and West Guangdong.

San Miguel Shunde Brewery Company Limited traded profitably for the year. Sales volume of Dragon beer brand declined by 2.8%. However, this decline was the result of a decision to reduce inventory levels in the marketplace to an appropriate level.

Sales volume of Valor increased 7.8%.

### COMMUNITY RELATIONS AND SOCIAL RESPONSIBILITY

The Group takes pride in its status as a responsible corporate citizen and is proud of its contribution to the economy and people of Hong Kong for more than 50 years and to the people of South China for more than 10 years.

The Group has shared its success with the communities in which it operates through a wide range of philanthropic events and activities.

The Group is also committed to protecting the environment wherever it operates and ensures that environmental standards set by governments are met or exceeded.

Training and development activities are conducted throughout the year to help employees increase their awareness of effective safety and health practices in their workplace and at the same time ensure compliance with regulations.

### HUMAN RESOURCES

Our people are our most important asset and are critical to the long term performance of the Group in achieving its objectives in a highly competitive marketplace.

Our aim, as stated in previous reports, is to ensure that all employees continue to receive appropriate training and competent support from their colleagues, with emphasis on a strong team spirit to achieve targetted results.

The Group offers competitive remuneration packages commensurate with market levels in the beverage industry and provides appropriate fringe benefits, including medical and insurance coverage and retirement benefits to all employees.

### YEAR 2004 DIRECTIONS AND CHALLENGES

The beer industry in Hong Kong and South China is changing rapidly. The major brewing companies in the region are consolidating their operations and in many cases seeking alliances with international beer companies.

## CHAIRMAN'S STATEMENT

The growth in beer consumption in the region has occurred principally in the low priced segment of the market and not in the popular and premium segments.

The Group is faced with a major challenge for the future – to protect and strengthen our flagship brand San Miguel and to return profitability to targetted levels in the face of declining profit margins from the growth of low priced brands.

In addressing this challenge, we shall take the long term view, build our portfolio of brands and position ourselves to take advantage of current and future opportunities in the beer market.

The objectives for 2004 are:

- To complete a comprehensive brand review:
  - To resolve pricing and brand positioning issues for brand San Miguel;
  - To develop the Dragon beer brand, acquired in 2003, on a regional basis; and
  - To ensure that there is a comprehensive array of brands to participate successfully in each market segment in each region.
- In Hong Kong, to maintain the market share of brand San Miguel and continue to gain market share in the low priced segment.

- To consolidate sales and distribution in South China.

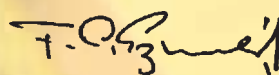
All activities will be geared to support the long term objective of building a leadership position in the Pearl River Delta region with a significant presence in all market segments and ensuring that San Miguel is the preeminent beer brand in the region.

## DIRECTORS

Mr. Freddy W.M. Kwan retired as Managing Director on 16th September 2003 and we thank him for his contribution to the Group over the past seven years.

On behalf of the Board, I take this opportunity to welcome his successor, Mr. Ramon A. de la Llana who was appointed Managing Director of the Company on 16th September 2003.

In closing, we wish to thank our employees for their efforts and dedication throughout a difficult year, our directors for their wise counsel and support, and our customers and shareholders for their continuing trust and confidence in the Company.



**Francisco C. Eizmendi, Jr.**

*Chairman*

26th February 2004

# Our Consumers 我們的顧客



## REPORT OF THE DIRECTORS

*To be presented at the Forty-First Annual General Meeting of shareholders to be held at the Langham Hotel, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 30th March 2004 at 2:00 p.m.*

The directors submit herewith their annual report together with the audited financial statements for the year ended 31st December 2003.

### PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries ("the Group") continue to be the manufacture and distribution of bottled, canned and draught beers.

The analysis of geographical locations of the operations of the Group during the financial year are set out in Note 13 on the financial statements.

As the Group's turnover, profit and loss are almost entirely attributable to these activities, no analysis by activity is provided.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st December 2003, the percentages of the Group's gross turnover and purchases attributable to major customers and suppliers were as follows:

Gross turnover attributable to:

Largest customer	8.2%
Five largest customers	33.8%

Purchases attributable to:

Largest supplier	3.6%
Five largest suppliers	14.9%

As at 31st December 2003, none of the directors, their associates, or any shareholder (which to the knowledge of the directors owned more than 5% of the Company's share capital) had any interest in the above major customers or suppliers.

### FINANCIAL STATEMENTS

The loss of the Group for the year ended 31st December 2003 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 28 to 51 of this Annual Report.

## **REPORT OF THE DIRECTORS**

### **DIVIDENDS**

The directors have resolved that no dividends be declared for the year 2003.

### **RESERVES**

Movements in the reserves of the Company and the Group during the year are set out in Note 28 on the financial statements.

### **CHARITABLE AND OTHER DONATIONS**

The Group made donations for charitable and other purposes totalling \$28,000 (2002: \$123,000) during the financial year.

### **FIXED ASSETS**

The Group spent \$16.7 million (2002: \$9.5 million) on fixed assets during the year. Particulars of the movements of fixed assets during the year are set out in Note 14 on the financial statements.

### **SUBSIDIARIES**

Particulars of the Company's subsidiaries are set out in Note 17 on the financial statements.

### **LIQUIDITY AND FINANCIAL RESOURCES**

Working capital at the end of the year was \$380 million compared with \$382 million in 2002.

Cash and bank deposits at year end were \$353 million (2002: \$265 million) and are sufficient to fund working capital requirements and capital expenditure in 2004.

### **BANK LOANS**

The Group has short term credit facilities of \$183 million (2002: \$237 million) of which \$66 million (2002: \$78 million) had been utilised as at 31st December 2003.

Long term loans at year end amounted to \$195 million (2002: \$195 million).

Total borrowings at the year end for the Company were \$195 million (2002: \$195 million) and for the Group \$261 million (2002: \$273 million).

Particulars of bank loans of the Company and the Group are set out in Note 22 on the financial statements.

## REPORT OF THE DIRECTORS

### DIRECTORS

With the exception of Messrs. Ramon A. de la Llana, Benjamin P. Defensor, Jr., Carmelo L. Santiago and Gabriel L. Villareal, the directors of the Company, whose names appear on page 2 of the Annual Report, were directors for the whole of the year.

Mr. Freddy W. M. Kwan resigned from the office of Director during the year.

Messrs. Thomas R. Mainwaring, Estelito P. Mendoza, Wai Sun Ng and Ian F. Wade retire by rotation in accordance with Article 105 of the Company's Articles of Association at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Mr. Ramon A. de la Llana, appointed to the board since the last Annual General Meeting, retires from the office of Director in accordance with Article 96 of the Company's Articles of Association, and offers himself for re-election at the forthcoming Annual General Meeting.

None of the directors proposed for re-election has a service agreement with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation, other than normal statutory compensation.

### DIRECTORS' INTERESTS

As at 31st December 2003, the directors and their associates had the following beneficial interests in the issued share capital of the Company and its associated corporations as recorded in the register required under Section 352 of the Securities and Futures Ordinance ("SFO"):-

Name	Number of ordinary shares of \$0.50 each in the Company				Percentage of interest in shares to total issued share capital
	Personal interests	Family interests	Equity derivatives	Total	
Francisco C. Eizmendi, Jr.	2,816	–	–	2,816	–
David K.P. Li	300,000	–	–	300,000	0.08%

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS (Continued)

Name	Number of shares in San Miguel Corporation				Total	Percentage of interest in shares to total issued share capital
	Personal interests	Family interests	(Note) Equity derivatives			
<b>Class A (par value of 5 pesos each):</b>						
Francisco C. Eizmendi, Jr.	298,768	–	–	–	298,768	0.02%
Ramon S. Ang	6,050	–	–	–	6,050	–
Ramon A. de la Llana	11,539	–	–	–	11,539	–
Faustino F. Galang	165,042	–	101,563	–	266,605	0.01%
Thomas R. Mainwaring	–	–	15,524	–	15,524	–
Estelito P. Mendoza	31,972	–	–	–	31,972	–
Gabriel L. Villareal	24,572	10,500	–	–	35,072	–
<b>Class B (par value of 5 pesos each):</b>						
Ramon A. de la Llana	4,700	–	2,456	–	7,156	–
Faustino F. Galang	5,270	–	43,528	–	48,798	–
Thomas R. Mainwaring	–	–	6,653	–	6,653	–
Gabriel L. Villareal	–	29,000	–	–	29,000	–

Note: These represent interests of options granted to directors under the share option scheme to subscribe for shares of San Miguel Corporation, further details of which are set out below.

Particulars of share options in San Miguel Corporation held by directors during the year and as at 31st December 2003 are as follows:

Name	Date granted	Share options in San Miguel Corporation			Balance as at 31st December 2003
		Exercise period up to	Exercise price (pesos)	Exercised during the year	
<b>Class A (par value of 5 pesos each):</b>					
Francisco C. Eizmendi, Jr.	27/03/95	27/03/03	44.13	284,430	–
	10/04/96	10/04/04	35.18	32,805	–
	01/04/97	01/04/05	40.57	213,805	–
	26/03/98	26/03/06	34.71	294,531	–
Faustino F. Galang	01/04/97	01/04/05	40.57	–	51,860
	26/03/98	26/03/06	34.71	–	49,703
Thomas R. Mainwaring	26/03/98	26/03/06	34.71	–	15,524

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS (Continued)

Name	Date granted	Share options in San Miguel Corporation		Exercise price (pesos)	Exercised during the year	Balance as at 31st December 2003
		Exercise period up to	Exercise price			
<b>Class B (par value of 5 pesos each):</b>						
Francisco C. Eizmendi, Jr.	01/04/97	01/04/05	70.25	–	–	
	26/03/98	26/03/06	49.83	126,277	–	
Ramon A. de la Llana	01/04/97	01/04/05	70.25	–	2,456	
Faustino F. Galang	01/04/97	01/04/05	70.25	–	22,226	
	26/03/98	26/03/06	49.83	–	21,302	
Thomas R. Mainwaring	26/03/98	26/03/06	49.83	–	6,653	

No consideration has been received by San Miguel Corporation for the options granted.

The only share options exercised by directors during the year were those disclosed above.

None of the directors or their associates had any interests in the issued share capital or in share options of the Company or any of its associated corporations other than those disclosed above.

### SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31st December 2003 according to the register required under Section 336 of the SFO, the Company was notified that the following shareholders had an interest of 5% or more of its issued share capital:–

Name	Number of shares of \$0.50 each	
	Ordinary shares held	Percentage of total issued shares
Neptunia Corporation Limited (note 1)	245,720,800	65.78%
HKSCC Nominees Limited	64,043,066	17.14%
Conroy Assets Limited (note 2)	13,624,600	3.65%
Hamstar Profits Limited (note 2)	10,078,400	2.70%

Notes:

- San Miguel Corporation ("SMC"), San Miguel International Limited ("SMIL"), San Miguel Holdings Limited ("SMHL") and San Miguel Brewing International Limited ("SMBIL") are all deemed to hold the above disclosed interest of Neptunia Corporation Limited in the Company because SMC has a controlling interest in SMIL, SMIL has a controlling interest in SMHL, SMHL has a controlling interest in SMBIL and SMBIL has a controlling interest in Neptunia Corporation Limited.
- Mr. Li Ka-Shing, Cheung Kong (Holdings) Limited, Li Ka-Shing Unity Trustee Company Limited, Li Ka-Shing Unity Trustee Corporation Limited and Li Ka-Shing Unity Trustcorp Limited are all deemed to hold the above disclosed interest of Conroy Assets Limited ("Conroy") and Hamstar Profits Limited ("Hamstar") in the Company. The aggregate interest of Conroy and Hamstar exceeding 5% of the issued share capital of the Company constitutes a duty of disclosure under the SFO.

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS IN CONTRACTS

Pursuant to an Agreement dated 12th June 1963, Neptunia Corporation Limited provides technical and advisory services to the Company and may be paid a General Managers' Commission. Messrs. Francisco C. Eizmendi, Jr., Ramon S. Ang, Ramon A. de la Llana, Faustino F. Galang, Thomas R. Mainwaring, Estelito P. Mendoza and Gabriel L. Villareal are interested parties to this contract to the extent that they either have equity interests in or are directors of San Miguel Corporation, the ultimate holding company of Neptunia Corporation Limited. General Managers' Commission has not been paid by the Company or charged by Neptunia Corporation Limited since the 1995 financial year.

Save as disclosed above, during the financial year and at the end of the year, no director of the Company has had a material interest in any significant contract to which the Company or any related company (the holding company, subsidiaries or fellow subsidiaries) was also a party.

### CONNECTED TRANSACTIONS

- (a) During the year, the Company and its subsidiaries entered into the following transactions with San Miguel Corporation ("SMC"), the ultimate holding company of the Company, and SMC's subsidiaries which constituted connected transactions as defined in the Listing Rules: –

*(in dollar thousands)*

	2003	2002
Purchase of cans by the Company from San Miguel Yamamura Ball Corporation	19,916	31,611
Purchase of bottles by the Company and its subsidiaries, Guangzhou San Miguel Brewery Company Limited ("GSMB") and San Miguel Shunde Brewery Company Limited ("SMSB") from Zhaoqing San Miguel Glass Co., Ltd.	10,704	28,407
Purchase of crates by GSMB from San Miguel Shunde Packaging Co., Ltd.	Nil	699
Purchase of packaged beer by the Company from SMC	2,638	3,551
Sales of packaged beer by the Company and its subsidiaries, GSMB and SMSB, to San Miguel Brewing International Limited and San Miguel Bada (Boading) Brewery Co., Ltd.	39,738	35,547

The Company has been granted conditional waivers by The Stock Exchange of Hong Kong Limited from strict compliance with the Listing Rules in respect of the connected transactions abovementioned.

## REPORT OF THE DIRECTORS

### CONNECTED TRANSACTIONS *(Continued)*

The directors, including the independent non-executive directors, of the Company have reviewed the abovementioned connected transactions and confirmed that:

- the connected transactions were:
    - (i) entered into in the ordinary and usual course of business;
    - (ii) conducted on normal commercial terms; which were no less favourable than those available to or from independent third parties; and
    - (iii) fair and reasonable so far as the shareholders are concerned;
  - the connected transactions have been conducted such that the aggregate amount for each type of the abovementioned transactions has not exceeded 3% of the net tangible asset value of the Group as at 31st December 2002.
- (b) On 18th March 2003, the Company issued a corporate guarantee of US\$10,000,000 to a bank in respect of a loan facility granted to San Miguel Shunde Brewery Company Limited ("SMSB"), a non-wholly owned subsidiary of the Company.
- (c) On 1st March 1998, Best Investments International Inc. ("BILL"), a wholly owned subsidiary of the Company, advanced to SMSB HK\$74,933,947 for five years. The loan is unsecured and renewable subject to agreement between the parties. Interest rate is calculated at the annual London Interbank Offer Rate plus 1%. The loan was renewed for a further year on 1st March 2003.
- (d) On 17th April 2001, BILL advanced to SMSB US\$25,000,000 for one year. The loan is unsecured and renewable subject to agreement between the parties. Interest is calculated at the three month London Interbank Offer Rate for each three month period. The loan was renewed for a further year on 17th April 2002 and 17th April 2003 respectively.
- (e) On 27th February 2002, BILL advanced a loan of US\$25,000,000 to SMSB for one year. The loan is unsecured and renewable subject to agreement between the parties. Interest is calculated at the three month Hong Kong Interbank Offer Rate for each three month period. On 27th February 2003, the loan was renewed for a further year.
- (f) On 27th January 2003, San Miguel Shunde Holdings Limited ("SMSH"), a 92% owned subsidiary of the Company, entered into an equity transfer agreement for the acquisition of 15% equity of SMSB from Guangdong Province Shunde County Brewery ("Shunde Brewery") for a consideration of US\$700,000 (HK\$5,460,000). The acquisition was completed on 23rd May 2003. SMSB, which owns and operates a brewery at Shunde in the People's Republic of China, became a wholly owned subsidiary of SMSH.

## REPORT OF THE DIRECTORS

### CONNECTED TRANSACTIONS *(Continued)*

- (g) On 27th January 2003, the Company entered into agreements to acquire trademarks of the Dragon beer from Shunde Brewery and companies associated with Shunde Brewery for an aggregate consideration of US\$5,000,000 (HK\$38,957,000). The acquisition was completed on 29th July 2003.

### RETIREMENT AND PENSION PLANS, PERSONNEL AND PAYROLL

The Company and its subsidiaries in Hong Kong have sponsored a non-contributory defined benefit scheme, The San Miguel Brewery Hong Kong Limited Retirement Fund ("the Fund"), covering local permanent employees, which was registered in September 1995 under the Occupational Retirement Schemes Ordinance. The Fund is formally established under trust and the assets are separately held in an independently administered fund. The members' benefits are determined based on the employees' final remuneration and length of service. Contributions to the Fund are made in accordance with the recommendations of independent actuaries who value the retirement scheme at regular intervals, usually triennially.

The Fund was granted exemption from Mandatory Provident Fund regulations by the Mandatory Provident Fund Scheme Authority on 24th July 2000, following modifications to the Fund benefits which comply with Mandatory Provident Fund regulations.

Pursuant to Government legislation, Dresdner RCM was selected by the Company as an alternative Mandatory Provident Fund ("MPF") service provider for employees of the Company who do not wish to remain in or join the Company Fund. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$20,000. Contributions to the MPF scheme vest in employee members immediately.

Employees in the subsidiaries in the People's Republic of China are members of the Central Pension Scheme operated by the Chinese government. The subsidiaries are required to contribute a certain percentage of their covered payroll to the Central Pension Scheme to fund the benefits. Contributions to the Central Pension Scheme vest in employee members immediately. The only obligation for the subsidiaries with respect to the Central Pension Scheme is the associated required contribution under the Central Pension Scheme.

A formal actuarial assessment of the San Miguel Brewery Hong Kong Limited Retirement Fund was carried out as at 31st December 2003 and the results were as follows:

- (a) The actuary of the Fund is Mr. A. Wong, Fellow of the Canadian Institute of Actuaries and Fellow of the Society of Actuaries. In the actuarial valuation, the attained age method was used. Other major assumptions used in the valuation were: Investment return 7% per annum; Salary escalation 3% per annum; Mortality Rates 2001 Hong Kong Life Tables; Normal retirement age 60; Early retirement rates allowed between ages 55 to 60.

## REPORT OF THE DIRECTORS

### RETIREMENT AND PENSION PLANS, PERSONNEL AND PAYROLL *(Continued)*

- (b) The unaudited market value of the Fund assets was \$92,426,000 as at 31st December 2003.
- (c) The minimum level of funding as recommended by the Fund actuary was 12.0% of salary.
- (d) The solvency deficit was \$21,646,000, i.e. the obligation under this Fund was 81% covered by the Fund's assets, at 31st December 2003.

Particulars of the number of personnel and payroll expenses of the Group are set out on page 3 of this Annual Report.

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

During the year ended 31st December 2003, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed shares.

### FIVE YEAR SUMMARY

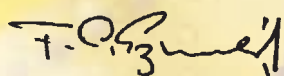
A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 53 of this Annual Report.

### CODE OF BEST PRACTICE

Throughout 2003 the Company has complied with paragraphs 1 to 14 of the Code of Best Practice as set out by The Stock Exchange of Hong Kong Limited in Appendix 14 to the Listing Rules.

### AUDITORS

A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.



**Francisco C. Eizmendi, Jr.**  
*Chairman*

Hong Kong, 26th February 2004

## DIRECTORS AND MANAGEMENT EXECUTIVES

### DIRECTORS

Francisco C. Eizmendi, Jr.

*Chairman*

Ramon A. de la Llana

*Managing Director*

Ramon S. Ang

Benjamin P. Defensor, Jr.

Faustino F. Galang

Adrian M.K. Li

*Alternate to David K.P. Li*

David K.P. Li, *GBS, JP*

*Independent Non-Executive Director*

Thomas R. Mainwaring

Estelito P. Mendoza

Wai Sun Ng

*Independent Non-Executive Director*

Carmelo L. Santiago

Gabriel L. Villareal

Ian F. Wade

*Independent Non-Executive Director*

The details of the Directors are as follows:

**Mr. Francisco C. EIZMENDI, Jr.**, *BScHE, PhD (Hon)*, aged 67, appointed Director on 20th September 1984, is Chairman of the Company. He also holds directorships in other companies in the Philippines.

**Mr. Ramon A. DE LA LLANA**, *BEcon (Hon), MBA*, aged 50, was appointed Managing Director on 16th September 2003. He is also a director of various subsidiaries of the Company. Prior to his appointment, Mr. de la Llana was Vice President, International Sales and Business Development, San Miguel Beer Division, San Miguel Corporation. He has more than 28 years of working experience, including 22 years with the San Miguel Group. Mr. de la Llana has 5 years of senior managerial experience in China.

**Mr. Ramon S. ANG**, *BSME*, aged 49, was appointed on 27th November 1998. Mr. Ang is Vice Chairman, President and Chief Operating Officer of San Miguel Corporation.

**Mr. Benjamin P. DEFENSOR, Jr.**, *MPBM, MMC (UP)*, aged 57, was appointed on 27th February 2003, is the former Chief of the Armed Forces of the Philippines ("AFP"). Mr. Defensor was also Chairman of the Board of various associations associated with the AFP, which include the AFP Retirement, Separation and Benefit System, AFP Savings and Loan Association, Inc., AFP Mutual Benefit Association, Inc. and Centennial Bank.

**Mr. Faustino F. GALANG**, *BSc (Com), BA (SoSc)*, MBE, aged 57, appointed on 22nd March 1991, is President of San Miguel Beer Division. He is also a Director of Neptunia Corporation Limited, a controlling shareholder of the Company.

**Mr. Adrian M.K. LI**, *MA (Cantab), MBA, LPC*, aged 30, appointed Alternate Director to Dr. David K.P. Li on 1st August 2002, is the General Manager and Head of Corporate Banking Division of The Bank of East Asia, Limited. He is a member of the Ninth Guangzhou Committee of the Chinese People's Political Consultative Conference, P.R.C. and a member of the All China Youth Federation. Mr. Li is also Director of various companies in Hong Kong. He holds memberships with various banking and advisory committees in Hong Kong, such as the Export Credit Insurance Corporation, Vocational Training Council, and the Small & Medium Enterprises Committee. He is the eldest son of Dr. David K.P. Li.

**Dr. The Hon. David K.P. LI**, *GBS, OBE, MA, Hon LLD (Cantab), Hon DSocSc, FCA, FCPA, FHKSA, FCIB, FHKIB, FBCS, FCI Arb, JP*, aged 64, appointed on 22nd March

## DIRECTORS AND MANAGEMENT EXECUTIVES

1991, is an Independent Non-Executive Director and a member of the Audit Committee of the Company. Dr. Li is also the Chairman and Chief Executive of The Bank of East Asia, Limited and an elected member of the Legislative Council. Other directorships include China Overseas Land & Investment Limited, Dow Jones & Company, Inc., The Hong Kong & China Gas Co. Limited and a number of other publicly listed and private companies in Hong Kong and overseas. Dr. Li holds memberships with various banking and advisory committees in Hong Kong. He served as a Hong Kong Affairs Advisor to The People's Republic of China and was a Member of the Preparatory Committee for The Hong Kong Special Administrative Region.

**Mr. Thomas R. MAINWARING**, *BCom, MBA (Columbia)*, aged 59, Director, Company Secretary and Chief Financial Officer, joined the Company on 1st January 1995 and was appointed Director on 8th November 2000. He is also a Director of various subsidiaries of the Company. Mr. Mainwaring has more than 35 years experience, including 9 years with the Company and 28 years in senior managerial and financial positions with a number of Australian companies including BHP, Carlton and United Breweries and Cascade Group.

**Attorney Estelito P. MENDOZA**, *AA, LLB (UP), LLM (Harvard)*, aged 73, appointed on 27th November 1998, is also a member of the Board of Directors of San Miguel Corporation. He has held various positions in the Government of the Philippines including Solicitor General and Minister of Justice. Atty. Mendoza has also been a Professorial Lecturer of the College of Law, University of the Philippines and taught public and private law. He is presently engaged in the private practice of law.

**Mr. Wai Sun NG**, aged 60, appointed on 1st April 2001, is an Independent Non-Executive Director and a member of the Audit Committee of the Company. Mr. Ng is Chairman of Jibsen Capital (Holdings) Limited.

**Mr. Carmelo L. SANTIAGO**, aged 60, appointed on 27th February 2003, is also a Director of Ginebra San Miguel, Inc. and San Miguel Properties, Inc., subsidiaries of San Miguel Corporation. Mr. Santiago is Chairman & President of Melo's Chain of Restaurants and Pacific Basin Trading USA.

**Attorney Gabriel L. VILLAREAL**, *LLB (UP), BA (UP)*, aged 50, appointed on 27th February 2003, is the Managing Partner of Villareal Law Offices.

**Mr. Ian F. WADE**, aged 63, appointed on 25th March 1994, is an Independent Non-Executive Director and a member of the Audit Committee of the Company. Mr. Wade is the Group Managing Director of A.S. Watson & Co., Ltd., a wholly owned subsidiary of Hutchison Whampoa Ltd. Prior to joining the Hutchison Group, Mr. Wade was a member of the ASDA Board of Directors in the United Kingdom. Mr. Wade is a board member of the Connecticut-based U.S. internet travel company Priceline. Mr. Wade has over 40 years of experience in the retail industry, and is a founding member and Honorary Advisor of the Hong Kong Retail Management Association. He is a member of the Committee on Logistics Service Development, and the Sponsorship and Fund Raising Sub-Committee of the Hong Kong Tourism Board. He also sits on the Board of the Hong Kong Red Cross, and is the Honorary President of the Hong Kong Amateur Athletics Association.

*Note: Mr. Freddy W.M. Kwan retired as Managing Director of the Company on 16th September 2003.*

## DIRECTORS AND MANAGEMENT EXECUTIVES

### MANAGEMENT EXECUTIVES

Ramon A. de la Llana

*Managing Director*

Thomas R. Mainwaring

*Director, Company Secretary & Chief Financial Officer*

Herbert W.M. Chu

*General Manager – Operations & Exports*

Benjamin C. Go Que

*Managing Director,*

*San Miguel Shunde Brewery Company Limited*

Bayani B. Gonzales

*Managing Director,*

*Guangzhou San Miguel Brewery Company Limited*

Kelvin H.Y. Lee

*General Manager – Marketing*

Peter K.Y. Tam

*General Manager – Sales*

Terence T.A. Tan

*General Manager – Logistics*

Ben M.B. Wong

*General Manager – Corporate Development*

Felix W.K. Yip

*General Manager –*

*Human Resources & Administration*

The details of the management executives are as follows:

**Mr. Ramon A. DE LA LLANA**, Managing Director. Please refer to the Directors section on page 20 for details.

**Mr. Thomas R. MAINWARING**, Director, Company Secretary and Chief Financial Officer. Please refer to the Directors section on page 21 for details.

**Mr. Herbert W.M. CHU**, BBA, MBA, aged 50, General Manager – Operations & Exports, joined the Company in 1977. During his 26 years of service with the Company, Mr. Chu has gained extensive experience in logistics, sales and marketing as well as public relations.

**Mr. Benjamin C. GO QUE**, BScE, MBA, aged 38, Managing Director of San Miguel Shunde Brewery

Company Limited, joined the San Miguel Group in 1988. During his 15 years of service, Mr. Go Que has gained extensive experience in brewing and operations and held various senior positions within the Group.

**Mr. Bayani B. GONZALES**, BScE, MDP (AIM), aged 51, appointed Managing Director of Guangzhou San Miguel Brewery Company Limited on 1st March 2003, joined the San Miguel Group in 1974. During his 29 years of service, Mr. Gonzales has gained extensive experience in brewing and operations and held various senior positions within the Group.

**Mr. Kelvin H.Y. LEE**, BSSc, MBA, aged 38, General Manager – Marketing, joined San Miguel Brewing International Limited in 1993. Mr. Lee has more than 10 years of experience in the marketing of consumer products in Hong Kong and Mainland China.

**Mr. Peter K.Y. TAM**, BBA, MBA, aged 45, General Manager – Sales, joined the Company in 1993. Mr. Tam has more than 15 years of experience in the selling and marketing of consumer products in Hong Kong and Mainland China.

**Mr. Terence T.A. TAN**, BBBA, aged 45, General Manager – Logistics, joined the Company in 1998. Mr. Tan has more than 20 years of experience in the logistics industry in Singapore, Hong Kong and Mainland China.

**Mr. Ben M.B. WONG**, MBA, FHKIoD, FCCA, AHKSA, ASA, aged 41, General Manager – Corporate Development, joined the Company in 1997. Mr. Wong has more than 15 years of business experience in various industries in senior managerial and financial positions in Hong Kong and Mainland China.

**Dr. Felix W.K. YIP**, DBA, LL.M, MSc (Per Mgt), MBA, MSc (Eng), Chartered FCIPD (UK), aged 45, General Manager – Human Resources & Administration, joined the Company in 1994. Dr. Yip has more than 20 years of experience in human resources management in Hong Kong and Mainland China.

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the FORTY-FIRST ANNUAL GENERAL MEETING of SAN MIGUEL BREWERY HONG KONG LIMITED will be held at the Langham Hotel, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 30th March 2004 at 2:00 p.m. for the purpose of transacting the following ordinary business:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31st December 2003.
2. To re-elect directors.
3. To appoint auditors and authorise the directors to fix their remuneration.

By Order of the Board

**Thomas R. Mainwaring**

*Secretary*

Hong Kong, 26th February 2004

*Notes:*

1. Shareholders are entitled to appoint one or more proxies to attend and vote in their stead at the meeting. A proxy needs not be a shareholder of the Company.
2. To be valid, forms of proxy must be deposited at the registered office of the Company at 9/F., Citimark Building, 28 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong not less than 48 hours before the meeting.

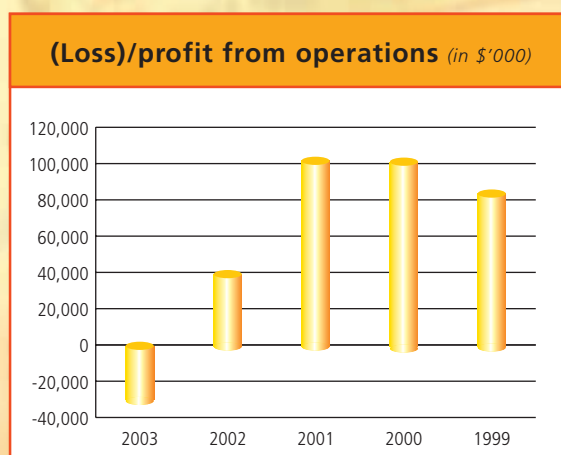
## STATISTICAL ANALYSIS OF OPERATIONS

Years ended 31st December, in dollar thousands except per share data and number of personnel

### TEN YEAR REVIEW

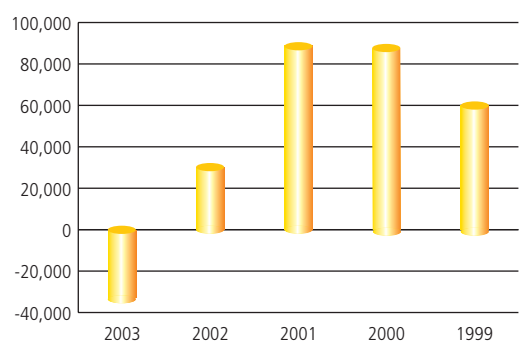
	2003	2002	2001
Gross turnover (1)	<b>1,158,649</b>	1,326,642	1,376,423
(Loss)/profit from operations	<b>(30,641)</b>	38,942	101,787
(Loss)/profit attributable to shareholders before extraordinary items	<b>(32,771)</b>	31,721	88,734
Extraordinary items (2)	-	-	-
(Loss)/profit attributable to shareholders	<b>(32,771)</b>	31,721	88,734
Taxes paid, including beer tax	<b>134,986</b>	164,268	170,830
Cash dividends attributable to the year	-	37,356	160,636
Cash dividends per share	-	0.10	0.43
Fixed assets and projects under development	<b>2,016,646</b>	2,083,863	2,156,190
Net worth (3)	<b>2,024,059</b>	2,065,103	2,161,839
Payroll (4)	<b>124,480</b>	131,168	126,053
Number of personnel (5)	<b>1,168</b>	1,214	1,268

- (1) Gross turnover for the years 1995 to 2003 includes discounts which had previously been deducted, that is, gross turnover is the gross invoiced value of products sold before any discounts or allowances.
- (2) The extraordinary items in 1994 and 1996 were equal to the total profit made on the sale of the Sham Tseung Brewery.
- (3) Net worth for the years 1994 to 2000 have been adjusted for change in accounting policy of dividend recognition.
- (4) Payroll has been corrected for inconsistent reporting in prior years for the period 1996 to 1998.
- (5) Number of personnel represents actual headcount as of the last working day of the year.

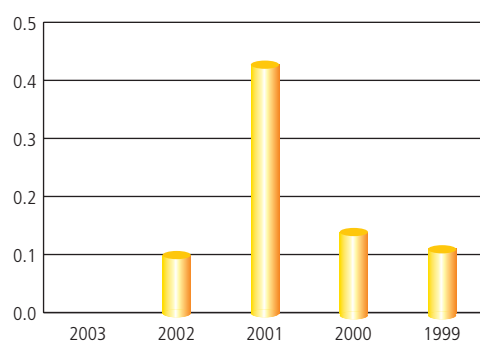


2000	1999	1998	1997	1996	1995	1994
1,433,150	1,342,902	1,378,562	1,317,302	1,410,867	1,302,677	1,223,965
100,723	83,737	39,409	10,132	72,784	115,307	108,227
87,657	60,100	17,051	5,492	68,321	165,908	132,886
-	-	-	-	115,803	-	2,900,522
87,657	60,100	17,051	5,492	184,124	165,908	3,033,408
160,745	156,038	170,576	144,620	152,073	132,899	172,287
52,300	41,093	11,207	29,886	59,771	59,771	1,648,803
0.14	0.11	0.03	0.08	0.16	0.16	4.51
2,214,254	2,276,150	2,347,937	2,396,195	2,462,394	2,062,862	1,092,466
2,233,837	2,193,847	2,170,495	2,157,247	2,227,953	2,102,156	2,537,363
127,094	144,121	155,400	147,443	133,838	142,404	145,450
1,276	1,345	1,601	1,655	1,527	1,327	1,573

**(Loss)/profit attributable to shareholders before extraordinary items (in \$'000)**



**Cash dividends per share (in \$ per share)**



# Our Marketing Initiatives - San Miguel Pale Pilsen 我們的市務推廣活動 - 生力啤酒



## FINANCIAL STATEMENTS SECTION

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CONSOLIDATED BALANCE SHEET	29
COMPANY BALANCE SHEET	30
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	31
CONSOLIDATED CASH FLOW STATEMENT	32
NOTES TO THE FINANCIAL STATEMENTS	33

*In this section, all monetary values are expressed in Hong Kong Dollars unless stated otherwise.*

## CONSOLIDATED INCOME STATEMENT

for the years ended 31st December, in dollar thousands except per share data

	Note	2003	2002 Restated
<b>Gross turnover</b>	3	<b>1,158,649</b>	1,326,642
Discounts		<b>(324,761)</b>	(345,882)
Cost of sales		<b>(351,624)</b>	(386,767)
Beer duty and taxes		<b>(149,022)</b>	(176,011)
<b>Gross profit</b>		<b>333,242</b>	417,982
Distribution costs		<b>(42,529)</b>	(46,023)
Administrative and selling expenses		<b>(304,973)</b>	(313,440)
Other operating expenses		<b>(16,381)</b>	(19,577)
(Loss)/profit from operations	4	<b>(30,641)</b>	38,942
Finance costs	5	<b>(4,558)</b>	(7,059)
Other net income	6	<b>8,116</b>	11,697
<b>(Loss)/profit from ordinary activities before taxation</b>		<b>(27,083)</b>	43,580
Income tax	7	<b>(9,456)</b>	(16,225)
<b>(Loss)/profit from ordinary activities after taxation</b>		<b>(36,539)</b>	27,355
Minority interests		<b>3,768</b>	4,366
<b>(Loss)/profit attributable to shareholders</b>	10, 28	<b>(32,771)</b>	31,721
<b>Dividends attributable to the year</b>	11		
First interim dividend declared during the year		–	(11,207)
Second interim dividend declared during the year		–	(11,207)
Third interim dividend declared during the year		–	(7,471)
Final dividend proposed after the balance sheet date		–	(7,471)
		–	(37,356)
<b>(Loss)/earnings per share – Basic</b>	12	<b>(\$0.09)</b>	\$0.08

The Notes on pages 33 to 51 form part of these financial statements.

## CONSOLIDATED BALANCE SHEET

as at 31st December, in dollar thousands

	Note	2003	2002 Restated
<b>Non-current assets</b>			
Fixed assets	14	2,016,646	2,083,863
Held to maturity securities – unlisted		13,391	29,844
Trademarks	15	37,413	–
Goodwill	16	5,318	–
Other assets	18	8,436	7,539
		<u>2,081,204</u>	<u>2,121,246</u>
<b>Current assets</b>			
Inventories	19	75,503	87,263
Trade and other receivables	20	114,731	190,091
Amounts due from holding companies and fellow subsidiaries		25,582	26,011
Held to maturity securities – unlisted		17,163	20,120
Cash and cash equivalents	21	352,964	264,849
		<u>585,943</u>	<u>588,334</u>
<b>Current liabilities</b>			
Banks loans (unsecured)	22	(65,998)	(77,998)
Trade and other payables	20	(121,943)	(110,295)
Amounts due to holding companies and fellow subsidiaries		(17,909)	(17,922)
		<u>(205,850)</u>	<u>(206,215)</u>
<b>Net current assets</b>		<u>380,093</u>	<u>382,119</u>
<b>Total assets less current liabilities</b>		<u>2,461,297</u>	<u>2,503,365</u>
<b>Non-current liabilities</b>			
Bank loans (unsecured)	22	(195,000)	(195,000)
Leased factory maintenance provision	23	(43,829)	(39,948)
Retirement benefit liability	24	(2,211)	(12,157)
Deferred taxation	26	(99,044)	(89,782)
		<u>(340,084)</u>	<u>(336,887)</u>
Minority interests		(97,154)	(101,375)
<b>NET ASSETS</b>		<u>2,024,059</u>	<u>2,065,103</u>
<b>CAPITAL AND RESERVES</b>			
<b>Share capital</b>	27	186,785	186,785
<b>Reserves</b>	28	1,837,274	1,878,318
		<u>2,024,059</u>	<u>2,065,103</u>

Approved and authorised for issue by the Board of Directors on 26th February 2004.

Directors:

FRANCISCO C. EIZMENDI, JR.

RAMON A. DE LA LLANA

The Notes on pages 33 to 51 form part of these financial statements.


## COMPANY BALANCE SHEET

as at 31st December, in dollar thousands

	Note	2003	2002 Restated
<b>Non-current assets</b>			
Fixed assets	14	<b>1,170,444</b>	1,214,961
Trademarks	15	<b>37,413</b>	–
Interests in subsidiaries	17	<b>855,912</b>	844,557
		<b>2,063,769</b>	2,059,518
<b>Current assets</b>			
Inventories	19	<b>30,952</b>	33,203
Trade and other receivables	20	<b>84,997</b>	132,834
Amounts due from holding companies and fellow subsidiaries		<b>9,392</b>	10,347
Cash and cash equivalents	21	<b>14,996</b>	19,314
		<b>140,337</b>	195,698
<b>Current liabilities</b>			
Trade and other payables	20	<b>(52,302)</b>	(48,254)
Amounts due to holding companies and fellow subsidiaries		<b>(10,665)</b>	(7,656)
		<b>(62,967)</b>	(55,910)
<b>Net current assets</b>		<b>77,370</b>	139,788
<b>Total assets less current liabilities</b>		<b>2,141,139</b>	2,199,306
<b>Non-current liabilities</b>			
Bank loans (unsecured)	22	<b>(195,000)</b>	(195,000)
Retirement benefit liability	24	<b>(2,211)</b>	(12,157)
Deferred taxation	26	<b>(47,821)</b>	(49,881)
		<b>(245,032)</b>	(257,038)
<b>NET ASSETS</b>		<b>1,896,107</b>	1,942,268
<b>CAPITAL AND RESERVES</b>			
Share capital	27	<b>186,785</b>	186,785
Reserves	28	<b>1,709,322</b>	1,755,483
		<b>1,896,107</b>	1,942,268

Approved and authorised for issue by the Board of Directors on 26th February 2004.

Directors:



FRANCISCO C. EIZMENDI, JR.



RAMON A. DE LA LLANA

The Notes on pages 33 to 51 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the years ended 31st December, in dollar thousands

	Note	2003	2002 Restated
<b>Shareholders' equity at 1st January</b>			
– As previously reported		<b>2,145,103</b>	2,150,224
– Prior period adjustment arising from change in accounting policy for deferred tax	2	<b>(80,000)</b>	(71,999)
<b>As restated</b>		<b>2,065,103</b>	<u>2,078,225</u>
Exchange difference arising on translation of the financial statements of foreign entities			
– As previously reported			(19)
– Prior period adjustment arising from change in accounting policy for deferred tax	2		<u>4</u>
Exchange difference arising on translation of the financial statements of foreign entities (2002: as restated)			
	28	<b>(802)</b>	<u>(15)</u>
Net (loss)/profit for the year			
– As previously reported			39,726
– Prior period adjustment arising from change in accounting policy for deferred tax	2		<u>(8,005)</u>
Net (loss)/profit for the year (2002: as restated)		<b>(32,771)</b>	<u>31,721</u>
Dividends declared or approved during the year	11	<b>(7,471)</b>	<u>(44,828)</u>
<b>Shareholders' equity at 31st December</b>		<b>2,024,059</b>	<u>2,065,103</u>

The Notes on pages 33 to 51 form part of these financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

for the years ended 31st December, in dollar thousands

	Note	2003	2002
<b>Operating activities</b>			
(Loss)/profit from ordinary activities before taxation		<b>(27,083)</b>	43,580
Adjustments for:			
Depreciation of fixed assets		<b>80,255</b>	80,913
Interest expenses		<b>4,416</b>	6,924
Interest income		<b>(4,461)</b>	(5,250)
Loss on disposal of fixed assets		<b>369</b>	425
Amortisation of trademarks		<b>1,627</b>	–
Amortisation of goodwill		<b>160</b>	–
Foreign exchange loss		<b>1,831</b>	24
<b>Operating profit before changes in working capital</b>		<b>57,114</b>	126,616
Decrease in inventories		<b>11,760</b>	8,240
Decrease/(increase) in trade and other receivables		<b>74,727</b>	(15,277)
Decrease/(increase) in net amounts due from holding companies and fellow subsidiaries		<b>416</b>	(9,226)
Increase/(decrease) in trade and other payables		<b>11,622</b>	(28,273)
(Decrease)/increase in retirement benefit liability		<b>(9,946)</b>	542
Increase in leased factory maintenance provision		<b>4,059</b>	4,078
<b>Cash generated from operations</b>		<b>149,752</b>	86,700
Income tax			
Overseas tax paid		–	(5,342)
<b>Net cash from operating activities</b>		<b>149,752</b>	81,358
<b>Investing activities</b>			
Payment for purchase of fixed assets		<b>(16,650)</b>	(9,529)
Payment for purchase of trademarks		<b>(39,040)</b>	–
Proceeds from disposal of fixed assets		<b>104</b>	449
Payment for purchase of held to maturity securities		–	(2)
Proceeds from redemption of held to maturity securities		<b>18,764</b>	7
Payment for purchase of additional interest in a subsidiary	16	<b>(5,478)</b>	–
Interest received		<b>4,579</b>	3,814
<b>Net cash used in investing activities</b>		<b>(37,721)</b>	(5,261)
<b>Financing activities</b>			
Proceeds from new bank loans		<b>66,004</b>	272,998
Repayment of bank loans		<b>(77,651)</b>	(272,982)
Interest paid		<b>(4,390)</b>	(7,872)
Dividends paid		<b>(7,471)</b>	(44,828)
<b>Net cash used in financing activities</b>		<b>(23,508)</b>	(52,684)
<b>Net increase in cash and cash equivalents</b>		<b>88,523</b>	23,413
<b>Cash and cash equivalents at beginning of year</b>		<b>264,849</b>	241,444
<b>Effect of foreign exchange rates changes</b>		<b>(408)</b>	(8)
<b>Cash and cash equivalents at end of year</b>	21	<b>352,964</b>	264,849

The Notes on pages 33 to 51 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. Significant accounting policies

### A. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Society of Accountants ("HKSA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

### B. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The measurement basis used in the preparation of the financial statements is historical cost.

### C. SUBSIDIARIES

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half the voting power, or controls the composition of the board of directors.

An investment in a subsidiary is consolidated into the consolidated financial statements. Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised profits, but only to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the Consolidated Balance Sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the Consolidated Income Statement.

Where losses attributable to the minority exceed the minority interest in the net assets of a subsidiary, the excess, and any further losses attributable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. All subsequent profits of the subsidiary are allocated to the Group until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's Balance Sheet, an investment in a subsidiary is stated at cost less any impairment losses (see Note 1(l)).

### D. GOODWILL

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. In respect of subsidiaries:

- (i) for acquisitions before 1st January 2001, positive goodwill, less any impairment losses (see Note 1(l)), is eliminated against reserves.
- (ii) for acquisitions on or after 1st January 2001, positive goodwill is amortised to the Consolidated Income Statement on a straight-line basis over its estimated useful life of 20 years. Positive goodwill is stated in the Consolidated Balance Sheet at cost less accumulated amortisation and any impairment losses (see Note 1(l)).

On disposal of a subsidiary, any attributable amount of goodwill not previously amortised through the Consolidated Income Statement or which has previously been dealt with as a movement on reserves is included in the calculation of the profit or loss on disposal.

### E. HELD TO MATURITY SECURITIES

Dated debt securities that the Group has the ability and intention to hold to maturity are classified as held to maturity securities. Held to maturity securities are stated in the Consolidated Balance Sheet at amortised cost less any provisions for diminution in value. Provisions are made when carrying amounts are not expected to be fully recovered and are recognised as an expense in the Consolidated Income Statement, such provisions being determined for each investment individually.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 1. Significant accounting policies (Continued)

#### F. FIXED ASSETS

- (i) Fixed assets are stated in the balance sheets at cost less accumulated depreciation (see Note 1(H)) and any impairment losses (see Note 1(I)), with the exception of construction in progress which is stated at cost less any impairment losses (see Note 1(I)).
- (ii) Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Income Statement on the date of retirement or disposal.

#### G. TRADEMARKS

Trademarks are stated in the balance sheets at cost less accumulated amortisation (see Note 1(H)) and any impairment losses (see Note 1(I)).

#### H. DEPRECIATION AND AMORTISATION

- (i) Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over their estimated useful lives as follows:

<b>Asset category</b>	<b>Useful life</b>
Buildings	25 to 50 years
Machinery, equipment, furniture and fixtures	4 to 50 years
Motor vehicles	4 to 7 years

Leasehold land is depreciated over the remaining lease periods to the extent that such depreciation is material.

- (ii) Amortisation of trademarks is calculated to write off the cost on a straight-line basis over an estimated useful life of 10 years.

#### I. IMPAIRMENT OF ASSETS

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- Fixed assets;
- Interests in subsidiaries;
- Positive goodwill; and
- Trademarks.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

##### (i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

##### (ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the Consolidated Income Statement in the year in which the reversals are recognised.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 1. Significant accounting policies (Continued)

#### J. REVENUE RECOGNITION

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the Consolidated Income Statement as follows:

- (i) Revenue arising from sales of goods is recognised when the customer has accepted the goods and the related risks and rewards of ownership.
- (ii) Interest income from bank deposits and held to maturity securities is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable.
- (iii) Rental income receivable under operating leases is recognised in equal instalments over the accounting periods covered by the lease term.

#### K. PRODUCTS, MATERIALS AND SUPPLIES

Both materials and supplies and products in hand and in progress are valued at the lower of cost and net realisable value. Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### L. INCOME TAX

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the Consolidated Income Statement.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

#### M. TRANSLATION OF FOREIGN CURRENCIES

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transactions dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the Consolidated Income Statement.

The results of foreign enterprises are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

On disposal of a foreign enterprise, the cumulative amount of the exchange differences which relate to that foreign enterprise is included in the calculation of the profit or loss on disposal.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 1. Significant accounting policies (Continued)

#### N. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

#### O. LEASED ASSETS

Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

##### (i) Assets held for use in operating leases

Where the Group leases out assets under operating leases, the assets are included in the Consolidated Balance Sheet according to their nature and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in Note 1(H). Impairment losses are accounted for in accordance with the accounting policy as set out in Note 1(I). Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in Note 1(J).

##### (ii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the Consolidated Income Statement in equal instalments over the accounting periods covered by the lease term.

#### P. BORROWING COSTS

Borrowing costs are expensed in the Consolidated Income Statement in the period in which they are incurred.

#### Q. EMPLOYEE BENEFITS

(i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group.

(ii) Contributions to Mandatory Provident Fund as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the Consolidated Income Statement as incurred, except to the extent that they are included in the inventories not yet recognised as an expense.

Staff employed by the Group outside Hong Kong are covered by local retirement arrangements. The overseas arrangements are defined contribution retirement schemes. Contributions to the schemes are recognised as an expense in the Consolidated Income Statement at rates specified in the rules of the schemes as incurred, except to the extent that they are included in the inventories not yet recognised as an expense.

(iii) The Group's net obligation in respect of the defined benefit retirement plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is the yield at balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

In calculating the Group's obligation in respect of a plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognised in the Consolidated Income Statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

(iv) In relation to stock options granted by the Company's ultimate holding company, no employee benefit cost or obligation is recognised at the date of grant and the date of exercise.

#### R. RELATED PARTIES

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 1. Significant accounting policies (Continued)

#### S. SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen geographical segment information as the primary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and fixed assets. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses.

### 2. Change in accounting policy

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1st January 2003, in order to comply with Statement of Standard Accounting Practice 12 (revised) "Income taxes" issued by the HKSA, the Group adopted a new policy for deferred tax as set out in Note 1(L). As a result of the adoption of this accounting policy, the Group's loss for the year has been increased by \$8,341,000 (2002: profit decreased by \$8,005,000) and the Company's loss for the year has been decreased by \$2,060,000 (2002: profit decreased by \$7,605,000), and the Group's and the Company's net assets at the year end have been decreased by \$88,162,000 (2002: \$80,000,000) and \$47,821,000 (2002: \$49,881,000) respectively.

The new accounting policy has been adopted retrospectively, with the opening balances of retained profits and exchange reserve and the comparative information adjusted for the amounts relating to prior periods as disclosed in the Consolidated Statement of Changes in Equity.

### 3. Gross turnover

The principal activities of the Group are the manufacture and distribution of bottled, canned and draught beers.

As the Group's turnover is almost entirely attributable to these activities, no analysis by activity is provided.

Gross turnover represents the gross invoiced value of products sold.

### 4. (Loss)/profit from operations

*in dollar thousands*

	Group	
	2003	2002
The (loss)/profit from operations is arrived at after charging:		
(a) Staff costs		
Retirement costs		
– Defined contribution retirement plans	8,339	8,344
– Defined benefit retirement plan (Notes 24(b) and (c))	9,462	6,489
	<b>17,801</b>	14,833
Salaries, wages and other benefits	<b>124,480</b>	131,168
	<b>142,281</b>	146,001
(b) Other items		
Depreciation		
– Assets held for use under operating leases	1,199	1,211
– Other assets	79,056	79,702
Amortisation		
– Trademarks	1,627	–
– Goodwill	160	–
Inventory costs	350,896	379,422
Operating lease charges		
– Plant and machinery	14,778	14,860
– Land and buildings	10,407	10,098
Auditors' remuneration	2,545	2,521

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 5. Finance costs

*in dollar thousands*

	Group	
	2003	2002
Interest on bank loans	(4,416)	(6,924)
Bank charges	(142)	(135)
	<u>(4,558)</u>	<u>(7,059)</u>

### 6. Other net income

*in dollar thousands*

	Group	
	2003	2002
Interest income	4,461	5,250
Rental income	4,956	5,077
Loss on disposal of fixed assets	(369)	(425)
Other (expenses)/income	(932)	1,795
	<u>8,116</u>	<u>11,697</u>

### 7. Income tax in the Consolidated Income Statement

*in dollar thousands*

#### (a) Taxation in the Consolidated Income Statement represents:

	Group	
	2003	2002 Restated
Current tax – Overseas		
Under-provision in respect of prior year	–	5,064
Deferred tax		
Origination and reversal of temporary differences	4,434	11,161
Effect of increase in tax rate on deferred tax balance at 1st January	5,022	–
	<u>9,456</u>	<u>11,161</u>
	<u>9,456</u>	<u>16,225</u>

No provision for Hong Kong Profits Tax has been made in the financial statements as the Company sustained losses for taxation purposes.

No provision for overseas taxation has been made in the financial statements as the overseas subsidiaries sustained losses for taxation purposes.

In March 2003, the Hong Kong Government announced an increase in the Profits Tax rate in Hong Kong from 16% to 17.5%. This increase is taken into account in the deferred tax calculation.

#### (b) Reconciliation between tax expense and accounting (loss)/profit:

	Group	
	2003	2002 Restated
(Loss)/profit from ordinary activities before taxation	<u>(27,083)</u>	<u>43,580</u>
Notional tax on (loss)/profit from ordinary activities before taxation calculated at the rates applicable to the tax jurisdictions concerned	(4,121)	8,984
Tax effect of non-deductible expenses	816	1,377
Tax effect of non-taxable revenue	(5,000)	(379)
Tax effect of unused tax losses not recognised	12,739	4,086
Tax effect of utilisation of tax losses not previously recognised	–	(2,907)
Increase in opening deferred tax liabilities resulting from an increase in Hong Hong Profits Tax rate	5,022	–
Under-provision of overseas tax in respect of prior year	–	5,064
Actual tax expense	<u>9,456</u>	<u>16,225</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 8. Directors' remuneration

*in dollar thousands*

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

	Group	
	2003	2002
Fees	–	502
Salaries and allowances	5,247	5,397
Discretionary bonus	204	673
Retirement fund contributions	278	331
	5,729	6,903

Included in the directors' remuneration were fees of \$Nil (2002: \$402,000) paid to independent non-executive directors during the year.

The directors' remuneration is within the following bands:

	Number of directors	
	2003	2002
\$Nil to \$1,000,000	11	8
\$2,000,001 to \$2,500,000	1	1
\$3,000,001 to \$3,500,000	1	–
\$4,000,001 to \$4,500,000	–	1

### 9. Individuals with highest emoluments

*in dollar thousands*

Of the five individuals with the highest emoluments, two are directors (2002: two) whose emoluments are disclosed in Note 8. The aggregate of the emoluments in respect of the other three (2002: three) individuals are as follows:

	Group	
	2003	2002
Salaries and allowances	3,928	3,928
Discretionary bonus	317	670
Retirement fund contributions	344	344
	4,589	4,942

The above emoluments are within the following bands:

	Number of individuals	
	2003	2002
\$1,000,001 to \$1,500,000	1	–
\$1,500,001 to \$2,000,000	2	3

### 10. (Loss)/profit attributable to shareholders

The consolidated (loss)/profit attributable to shareholders includes a loss of \$38,690,000 (2002 profit (restated): \$39,687,000) which has been dealt with in the financial statements of the Company (Note 28).

### 11. Dividends

*in dollar thousands*

#### (a) Dividends attributable to the year

	Group	
	2003	2002
First interim dividend declared and paid of \$nil per share (2002: \$0.03 per share)	–	11,207
Second interim dividend declared and paid of \$nil per share (2002: \$0.03 per share)	–	11,207
Third interim dividend declared and paid of \$nil per share (2002: \$0.02 per share)	–	7,471
Total dividends declared and paid during the year (Note 28)	–	29,885
Final dividend proposed after the balance sheet date of \$nil per share (2002: \$0.02 per share)	–	7,471
	–	37,356

No final dividend is proposed for the year ended 31st December 2003.

The 2002 final dividend proposed after the balance sheet date had not been recognised as a liability at 31st December 2002.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 11. Dividends (Continued) in dollar thousands

#### (b) Dividends attributable to the previous year, approved and paid during the year

	Group	
	2003	2002
Final dividend in respect of the previous year, approved and paid during the year, of \$0.02 per share (2002: \$0.04 per share) (Note 28)	<b>7,471</b>	14,943

### 12. (Loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the (loss)/profit attributable to shareholders of \$32,771,000 (2002 profit (restated): \$31,721,000) and on 373,570,560 ordinary shares (2002: 373,570,560 ordinary shares), being the number of ordinary shares in issue throughout the year.

The amount of diluted (loss)/earnings per share is not presented as there were no dilutive potential ordinary shares in existence for both years.

### 13. Segment Reporting

in dollar thousands

Segment information is presented in respect of the Group's geographical segments. Information relating to geographical segments based on the location of assets is chosen because this is more relevant to the Group in making operating and financial decisions.

No business segments analysis of the Group is presented as all the Group's turnover and trading result are generated from the manufacture and distribution of bottled, canned, and draught beers.

	Hong Kong		PRC		Inter-segment elimination		Consolidated	
	2003	2002	2003	2002	2003	2002	2003	2002 Restated
Revenue from external customers	<b>618,783</b>	787,002	<b>539,866</b>	539,640	-	-	<b>1,158,649</b>	1,326,642
Inter-segment revenue	-	-	<b>11,532</b>	-	<b>(11,532)</b>	-	-	-
Other revenue	<b>4,956</b>	4,956	-	121	-	-	<b>4,956</b>	5,077
Total revenue	<b>623,739</b>	791,958	<b>551,398</b>	539,761	<b>(11,532)</b>	-	<b>1,163,605</b>	1,331,719
Segment result	<b>(37,736)</b>	53,668	<b>10,750</b>	(8,279)	-	-	<b>(26,986)</b>	45,389
Unallocated operating income and expenses	-	-	-	-	-	-	<b>4,461</b>	5,250
Finance costs	-	-	-	-	-	-	<b>(4,558)</b>	(7,059)
Taxation	-	-	-	-	-	-	<b>(9,456)</b>	(16,225)
Minority interests	-	-	-	-	-	-	<b>3,768</b>	4,366
(Loss)/profit attributable to shareholders	-	-	-	-	-	-	<b>(32,771)</b>	31,721
Depreciation and amortisation for the year	<b>52,994</b>	49,016	<b>29,048</b>	31,897	-	-	<b>82,042</b>	80,913
Segment assets	<b>1,712,812</b>	1,759,124	<b>929,517</b>	902,303	<b>(7,304)</b>	(3,080)	<b>2,635,025</b>	2,658,347
Unallocated assets	-	-	-	-	-	-	<b>32,122</b>	51,233
Total assets	-	-	-	-	-	-	<b>2,667,147</b>	2,709,580
Segment liabilities	<b>70,787</b>	71,042	<b>121,994</b>	111,972	<b>(7,304)</b>	(3,080)	<b>185,477</b>	179,934
Unallocated liabilities	-	-	-	-	-	-	<b>360,457</b>	363,168
Total liabilities	-	-	-	-	-	-	<b>545,934</b>	543,102
Capital expenditure incurred during the year	<b>43,781</b>	4,684	<b>11,909</b>	4,845	-	-	<b>55,690</b>	9,529

Revenue from external customers by location of customers is as follows:

Hong Kong	<b>611,138</b>	743,966
PRC	<b>497,595</b>	539,640
Others	<b>49,916</b>	43,036
	<b>1,158,649</b>	1,326,642

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 14. Fixed assets

in dollar thousands

	Total	Land	Buildings	Machinery, equipment, furniture & fixtures	Motor vehicles	Construction in progress
<b>(a) Group</b>						
Cost						
At 1st January 2003	2,661,734	246,304	865,377	1,515,132	32,930	1,991
Exchange adjustments	(4,232)	(179)	(1,418)	(2,526)	(105)	(4)
Additions	16,650	–	547	12,222	491	3,390
Disposals	(5,131)	–	–	(3,452)	(1,679)	–
Transfer from construction in progress	–	–	1,153	2,881	–	(4,034)
At 31st December 2003	<u>2,669,021</u>	<u>246,125</u>	<u>865,659</u>	<u>1,524,257</u>	<u>31,637</u>	<u>1,343</u>
Accumulated depreciation						
At 1st January 2003	577,871	5,220	121,090	425,961	25,600	–
Exchange adjustments	(1,093)	(25)	(221)	(756)	(91)	–
Charge for the year	80,255	742	18,212	59,526	1,775	–
Written back on disposals	(4,658)	–	–	(3,024)	(1,634)	–
At 31st December 2003	<u>652,375</u>	<u>5,937</u>	<u>139,081</u>	<u>481,707</u>	<u>25,650</u>	<u>–</u>
<b>Net book value at 31st December 2003</b>	<b><u>2,016,646</u></b>	<b><u>240,188</u></b>	<b><u>726,578</u></b>	<b><u>1,042,550</u></b>	<b><u>5,987</u></b>	<b><u>1,343</u></b>
Net book value at 31st December 2002	<u>2,083,863</u>	<u>241,084</u>	<u>744,287</u>	<u>1,089,171</u>	<u>7,330</u>	<u>1,991</u>
<b>(b) Company</b>						
Cost						
At 1st January 2003	1,535,883	107,292	458,928	958,830	9,645	1,188
Additions	4,445	–	–	2,563	–	1,882
Disposals	(2,473)	–	–	(1,241)	(1,232)	–
Transfer from construction in progress	–	–	–	2,201	–	(2,201)
At 31st December 2003	<u>1,537,855</u>	<u>107,292</u>	<u>458,928</u>	<u>962,353</u>	<u>8,413</u>	<u>869</u>
Accumulated depreciation						
At 1st January 2003	320,922	–	57,547	257,844	5,531	–
Charge for the year	48,936	–	9,192	38,478	1,266	–
Written back on disposals	(2,447)	–	–	(1,215)	(1,232)	–
At 31st December 2003	<u>367,411</u>	<u>–</u>	<u>66,739</u>	<u>295,107</u>	<u>5,565</u>	<u>–</u>
<b>Net book value at 31st December 2003</b>	<b><u>1,170,444</u></b>	<b><u>107,292</u></b>	<b><u>392,189</u></b>	<b><u>667,246</u></b>	<b><u>2,848</u></b>	<b><u>869</u></b>
Net book value at 31st December 2002	<u>1,214,961</u>	<u>107,292</u>	<u>401,381</u>	<u>700,986</u>	<u>4,114</u>	<u>1,188</u>

(c) The analysis of net book value of land is as follows:

	Group		Company	
	2003	2002	2003	2002
Medium term leasehold land				
– in Hong Kong	<b>209,014</b>	209,014	<b>107,292</b>	107,292
– outside Hong Kong	<b>31,174</b>	32,070	–	–
	<b><u>240,188</u></b>	<u>241,084</u>	<b><u>107,292</u></b>	<u>107,292</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 14. Fixed assets (Continued)

*in dollar thousands*

- (d) The Group leases as lessor certain fixed assets to third parties. The gross amounts of fixed assets of the Group held for use under these short term operating leases were \$115,850,000 (2002: \$117,534,000) and the related accumulated depreciation charges were \$10,469,000 (2002: \$9,418,000).

The operating leases typically run for an initial period of one to three years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

The Group's total future lease payments receivable under non-cancellable operating leases are as follows:

	Group	
	2003	2002
Within 1 year	3,525	3,944
After 1 year but within 5 years	1,635	2,111
	<u>5,160</u>	<u>6,055</u>

### 15. Trademarks

*in dollar thousands*

	Group and Company 2003
Cost	
Addition during the year and balance at 31st December 2003	39,040
Accumulated amortisation	
Charge for the year and balance at 31st December 2003	1,627
Net book value at 31st December 2003	<u>37,413</u>

The amortisation charge for the year is included in "Other operating expenses" in the Consolidated Income Statement.

### 16. Goodwill

*in dollar thousands*

	Group 2003
Cost	
Addition arising from acquisition of additional interest in a subsidiary and balance at 31st December 2003	5,478
Accumulated amortisation	
Charge for the year and balance at 31st December 2003	160
Carrying amount at 31st December 2003	<u>5,318</u>

During the year, the Company's subsidiary, San Miguel Shunde Holdings Limited, purchased an additional interest in San Miguel Shunde Brewery Company Limited at a consideration of \$5,478,000, giving rise to a positive goodwill.

The amortisation charge for the year is included in "Other operating expenses" in the Consolidated Income Statement.

### 17. Interests in subsidiaries

*in dollar thousands except share capital of subsidiaries*

	Company	
	2003	2002
Unlisted shares, at cost	603,249	603,249
Amounts due from subsidiaries	421,088	408,323
Amounts due to subsidiaries	(1,447)	(37)
	<u>1,022,890</u>	1,011,535
Less: provision	(166,978)	(166,978)
	<u>855,912</u>	<u>844,557</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 17. Interests in subsidiaries (Continued)

in dollar thousands except share capital of subsidiaries

The following list is the subsidiaries of the Company:

Company	Place of incorporation/operation	Issued and fully paid up share capital (All being ordinary shares except otherwise stated)	Proportion of ownership interest held by		Principal activities
			Company	Subsidiaries	
Best Investments International Inc.	British Virgin Islands	US\$50,000 Preference: US\$60,000,000	100%	–	Investment
Guangzhou San Miguel Brewery Company Limited	PRC	Registered capital: US\$36,507,000	–	70%	Manufacture and sale of beer
Hongkong Brewery Limited	Hong Kong	\$100	100%	–	Dormant
Ravelin Limited	Hong Kong	\$10,000,000	100%	–	Property holding
San Miguel (Guangdong) Limited	Hong Kong	A: US\$ 9,000,000 B: \$1,000	92.989% 100%	– –	Investment holding
San Miguel Shunde Brewery Company Limited	PRC	Registered capital: US\$27,933,000	–	100%	Manufacture and sale of beer
San Miguel Shunde Holdings Limited	Hong Kong	\$2,000,000	92%	–	Investment holding

Guangzhou San Miguel Brewery Company Limited is an equity joint venture formed between the Company's subsidiary, San Miguel (Guangdong) Limited, and Guangzhou Brewery. According to the shareholders' agreement, the company has an operating period of 30 years expiring on 28th November 2020.

During the year, San Miguel Shunde Holdings Limited increased its equity interest in San Miguel Shunde Brewery Company Limited ("SMSB") from 85% to 100%. SMSB became a wholly foreign owned enterprise and is to be operated up to 4th August 2042.

### 18. Other assets

Other assets represent deposits and the related interest receivables for the land and factory used by a PRC subsidiary.

### 19. Inventories

in dollar thousands

	Group		Company	
	2003	2002	2003	2002
Products in hand and in process	22,707	23,128	11,540	11,219
Materials and supplies	52,796	64,135	19,412	21,984
	<b>75,503</b>	<b>87,263</b>	<b>30,952</b>	<b>33,203</b>

The amount of inventories held by the Group carried at net realisable value is \$11,061,000 (2002: \$11,871,000).

### 20. Trade receivables and payables – ageing analysis

in dollar thousands

Credit is offered to customers following financial assessment and an established payment record. Security in the form of mortgages or bank guarantees is obtained from major customers. Credit limits are set for all customers and these are exceeded only with the approval of senior company officers. Customers considered to be a credit risk trade on a cash basis. Professional staff monitor trade receivables and follow up collections. General credit terms are payment by the end of the month following the month in which sales took place.

The ageing of trade receivables (net of provision for bad and doubtful debts) is as follows:

	Group		Company	
	2003	2002	2003	2002
Less than 30 days	34,531	66,988	24,943	39,990
31 to 60 days	20,026	39,709	19,184	31,142
61 to 90 days	7,558	15,206	7,101	14,998
over 90 days	9,123	34,355	4,240	27,652
	<b>71,238</b>	<b>156,258</b>	<b>55,468</b>	<b>113,782</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 20. Trade receivables and payables – ageing analysis (Continued)

*in dollar thousands*

The ageing of trade payables is as follows:

	Group		Company	
	2003	2002	2003	2002
Less than 30 days	38,557	18,985	22,409	11,871
31 to 60 days	1,161	4,291	49	2,715
61 to 90 days	1,382	1,528	4	703
over 90 days	519	453	67	55
	<b>41,619</b>	<b>25,257</b>	<b>22,529</b>	<b>15,344</b>

### 21. Cash and cash equivalents

*in dollar thousands*

Cash and cash equivalents comprise:

	Group		Company	
	2003	2002	2003	2002
Deposits with banks	294,801	220,622	–	–
Cash at bank and in hand	58,163	44,227	14,996	19,314
	<b>352,964</b>	<b>264,849</b>	<b>14,996</b>	<b>19,314</b>

### 22. Bank loans (unsecured)

*in dollar thousands*

Bank loans are repayable as follows:

	Group		Company	
	2003	2002	2003	2002
Within 1 year or on demand	65,998	77,998	–	–
More than 1 year but less than 2 years	195,000	–	195,000	–
More than 2 years but less than 5 years	–	195,000	–	195,000
	<b>195,000</b>	<b>195,000</b>	<b>195,000</b>	<b>195,000</b>
	<b>260,998</b>	<b>272,998</b>	<b>195,000</b>	<b>195,000</b>

### 23. Leased factory maintenance provision

*in dollar thousands*

Pursuant to a subsidiary's factory lease agreement which expires on 28th February 2021, the subsidiary is required to pay to the lessor an annual fee of RMB4.3 million (approximately \$4.06 million) for maintaining the leased factory, for which provision is made each year. The fee is payable upon expiration or early termination of the lease agreement and may be settled by any qualifying capital expenditure incurred by the subsidiary on the purchase or construction of any separate and identifiable equipment or building during the term of the lease.

As this factory lease is not expected to be terminated within the next twelve months, the accumulated provision is included in non-current liabilities.

	Group	
	2003	2002
Balance at 1st January	39,948	35,874
Provision made during the year	4,059	4,078
Exchange adjustments	(178)	(4)
Balance at 31st December	<b>43,829</b>	<b>39,948</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 24. Retirement benefit liability

*in dollar thousands*

The Group operates a defined benefit retirement plan which covers 27% of the Group's employees. The plan is administered by an independent trustee, with the assets held separately from those of the Group. The members' benefits are determined based on the employees' final remuneration and length of service. Contributions to the plan are made in accordance with the recommendations of an independent actuary who values the retirement plan at regular intervals, usually triennially. The latest actuarial valuation in this respect was carried out at 31st December 2003.

For the purposes of adopting SSAP 34, an independent actuarial valuation was carried out for 31st December 2003, following the methodology set out in SSAP 34.

(a) The amounts recognised in the balance sheets are as follows:

	<b>Group and Company</b>	
	<b>2003</b>	2002
Present value of funded obligations	<b>95,630</b>	107,183
Fair value of plan assets	<b>(92,772)</b>	(71,798)
Net unrecognised actuarial losses	<b>(647)</b>	(23,228)
	<b>2,211</b>	12,157

A portion of the above liability is expected to be settled after more than one year. However, it is not practicable to segregate this amount from the amounts payable in the next twelve months, as future contributions will also relate to future services rendered and future changes in actuarial assumptions and market conditions.

(b) Movements in the net liability recognised in the balance sheets are as follows:

	<b>Group and Company</b>	
	<b>2003</b>	2002
At 1st January	<b>12,157</b>	11,615
Normal contributions paid to the plan	<b>(7,251)</b>	(5,947)
Special contributions paid to the plan	<b>(12,157)</b>	–
Expense recognised in the income statement (Note 4(a))	<b>9,462</b>	6,489
At 31st December	<b>2,211</b>	12,157

(c) Expense recognised in the Consolidated Income Statement is as follows:

	<b>Group and Company</b>	
	<b>2003</b>	2002
Current service cost	<b>8,071</b>	6,614
Interest cost	<b>5,606</b>	5,820
Actuarial expected return on plan assets	<b>(5,200)</b>	(5,945)
Net actuarial losses recognised	<b>985</b>	–
	<b>9,462</b>	6,489

The expense is recognised in the following line items in the Consolidated Income Statement:

Cost of sales	<b>3,243</b>	2,208
Administrative and selling expenses	<b>6,219</b>	4,281
	<b>9,462</b>	6,489
Actual return on plan assets	<b>9,000</b>	(4,611)

(d) The principal actuarial assumptions used as at 31st December 2003 are as follows:

	<b>Group and Company</b>	
	<b>2003</b>	2002
Discount rate	<b>5.25%</b>	5.50%
Expected rate of return on plan assets	<b>6.50%</b>	8.00%
Future salary increases	<b>3.00%</b>	5.00%

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 25. Equity compensation benefits

Pursuant to a stock option plan adopted by the Company's ultimate holding company, San Miguel Corporation, stock options were granted to certain directors of the Company at nil consideration. The options are exercisable at the fair market value determined at the date of grant, with adjustments depending on the average stock prices (expressed in Philippines pesos) of the prior three months. The vesting periods are determined at the time the options are granted.

*Particulars of stock options granted to the Company's directors at balance sheet date*

Date of grant	Exercise period up to	Exercise price (pesos)	2003 Number	2002 Number
<i>Class A (par value of 5 pesos each):</i>				
27/03/95	27/03/03	44.13	–	284,430
10/04/96	10/04/04	35.18	–	32,805
01/04/97	01/04/05	40.57	<b>51,860</b>	286,596
26/03/98	26/03/06	34.71	<b>65,227</b>	418,853
			<b>117,087</b>	<b>1,022,684</b>
<i>Class B (par value of 5 pesos each):</i>				
01/04/97	01/04/05	70.25	<b>24,682</b>	125,284
26/03/98	26/03/06	49.83	<b>27,955</b>	179,559
			<b>52,637</b>	<b>304,843</b>

*Details of stock options exercised by the Company's directors during the year*

Exercise date	Exercise price (pesos)	2003 Number
<i>Class A (par value of 5 pesos each)</i>		
03/03/03 – 04/03/03	44.13	<b>284,430</b>
04/03/03	35.18	<b>32,805</b>
04/03/03 – 12/06/03	40.57	<b>232,833</b>
04/03/03 – 12/06/03	34.71	<b>348,253</b>
		<b>898,321</b>
<i>Class B (par value of 5 pesos each)</i>		
03/03/03 – 03/06/03	49.83	<b>149,251</b>

*Details of stock options held by the Company's directors lapsed during the year*

Date of grant	Exercise period up to	Exercise price (pesos)	2003 Number
<i>Class B (par value of 5 pesos each)</i>			
01/04/97	01/04/05	70.25	<b>91,631</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 26. Deferred taxation

in dollar thousands

#### (a) The Group

The components of deferred tax liabilities recognised in the Consolidated Balance Sheet and the movements during the year are as follows:

Deferred tax arising from:	Depreciation allowances in excess of related depreciation	Provision for bad debts and inventories	Retirement benefit liability	Tax losses	Others	Total
At 1st January 2002						
– as previously reported	6,026	–	–	–	–	6,026
– prior period adjustment	172,626	(2,492)	(1,858)	(94,641)	(1,036)	72,599
– as restated	178,652	(2,492)	(1,858)	(94,641)	(1,036)	78,625
Exchange adjustments	(4)	–	–	–	–	(4)
Charged/(credited) to consolidated income statement	6,139	(2,038)	(90)	12,133	(4,983)	11,161
<b>At 31st December 2002 (restated)</b>	<b>184,787</b>	<b>(4,530)</b>	<b>(1,948)</b>	<b>(82,508)</b>	<b>(6,019)</b>	<b>89,782</b>
At 1st January 2003						
– as previously reported	8,514	–	–	–	(5,121)	3,393
– prior period adjustment	176,273	(4,530)	(1,948)	(82,508)	(898)	86,389
– as restated	184,787	(4,530)	(1,948)	(82,508)	(6,019)	89,782
Exchange adjustments	(236)	16	–	–	26	(194)
Charged/(credited) to consolidated income statement	18,398	(436)	(141)	(9,706)	1,341	9,456
<b>At 31st December 2003</b>	<b>202,949</b>	<b>(4,950)</b>	<b>(2,089)</b>	<b>(92,214)</b>	<b>(4,652)</b>	<b>99,044</b>

The Group has not recognised deferred tax assets of \$43,423,000 (2002: \$43,101,000) in respect of tax losses which will expire in five years.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 26. Deferred taxation (Continued)

in dollar thousands

#### (b) The Company

The components of deferred tax liabilities recognised in the Balance Sheet and the movements during the year are as follows:

Deferred tax arising from:	Depreciation allowances in excess of related depreciation	Provision for bad debts	Retirement benefit liability	Tax losses	Others	Total
At 1st January 2002						
– as previously reported	–	–	–	–	–	–
– prior period adjustment	137,015	(1,060)	(1,858)	(92,661)	840	42,276
– as restated	137,015	(1,060)	(1,858)	(92,661)	840	42,276
Charged/(credited) to income statement	(3,539)	91	(90)	11,983	(840)	7,605
<b>At 31st December 2002 (restated)</b>	<b>133,476</b>	<b>(969)</b>	<b>(1,948)</b>	<b>(80,678)</b>	<b>–</b>	<b>49,881</b>
At 1st January 2003						
– as previously reported	–	–	–	–	–	–
– prior period adjustment	133,476	(969)	(1,948)	(80,678)	–	49,881
– as restated	133,476	(969)	(1,948)	(80,678)	–	49,881
Charged/(credited) to income statement	8,694	(12)	(141)	(10,601)	–	(2,060)
<b>At 31st December 2003</b>	<b>142,170</b>	<b>(981)</b>	<b>(2,089)</b>	<b>(91,279)</b>	<b>–</b>	<b>47,821</b>

### 27. Share capital

in dollar thousands

	Company	
	2003	2002
Authorised:		
400,000,000 ordinary shares of \$0.50 each	<b>200,000</b>	200,000
Issued and fully paid:		
373,570,560 ordinary shares of \$0.50 each	<b>186,785</b>	186,785

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 28. Reserves

*in dollar thousands*

	Total	Share premium	Capital reserve	Exchange fluctuation reserve	Retained profits
<b>Group</b>					
Balance at 1st January 2002					
– as previously reported	1,963,439	65,739	57,312	(4,920)	1,845,308
– prior period adjustment in respect of deferred tax (Note 2)	(71,999)	–	–	–	(71,999)
– as restated	1,891,440	65,739	57,312	(4,920)	1,773,309
Dividends approved in respect of the previous year (Note 11(b))	(14,943)	–	–	–	(14,943)
Dividends declared in respect of the current year (Note 11(a))	(29,885)	–	–	–	(29,885)
Exchange differences on translation of financial statements of overseas subsidiaries (as restated)	(15)	–	–	(15)	–
Profit for the year (as restated)	31,721	–	–	–	31,721
<b>Balance at 31st December 2002</b>	<b>1,878,318</b>	<b>65,739</b>	<b>57,312</b>	<b>(4,935)</b>	<b>1,760,202</b>
Balance at 1st January 2003					
– as previously reported	1,958,318	65,739	57,312	(4,939)	1,840,206
– prior period adjustment in respect of deferred tax (Note 2)	(80,000)	–	–	4	(80,004)
– as restated	1,878,318	65,739	57,312	(4,935)	1,760,202
Dividends approved in respect of the previous year (Note 11(b))	(7,471)	–	–	–	(7,471)
Transfer to capital reserve	–	–	55,658	–	(55,658)
Exchange differences on translation of financial statements of overseas subsidiaries	(802)	–	–	(802)	–
Loss for the year	(32,771)	–	–	–	(32,771)
<b>Balance at 31st December 2003</b>	<b>1,837,274</b>	<b>65,739</b>	<b>112,970</b>	<b>(5,737)</b>	<b>1,664,302</b>

The application of the share premium account is governed by Section 48B of the Hong Kong Companies Ordinance.

The exchange fluctuation reserve has been set up and will be dealt with in accordance with the accounting policy adopted for translation of foreign currencies (Note 1(M)).

The capital reserve of the Group represents the reserve arising from the capitalisation of retained profits of a PRC subsidiary.

There is positive goodwill of \$31,879,000 (2002: \$31,879,000) directly eliminated against retained profits in a prior year.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 28. Reserves (Continued) in dollar thousands

	Total	Share premium	Retained profits
<b>Company</b>			
Balance at 1st January 2002			
– as previously reported	1,802,900	65,739	1,737,161
– prior period adjustment in respect of deferred tax (Note 2)	(42,276)	–	(42,276)
– as restated	1,760,624	65,739	1,694,885
Dividends approved in respect of the previous year (Note 11(b))	(14,943)	–	(14,943)
Dividends declared in respect of the current year (Note 11(a))	(29,885)	–	(29,885)
Profit for the year (as restated) (Note 10)	39,687	–	39,687
<b>Balance at 31st December 2002</b>	<b>1,755,483</b>	<b>65,739</b>	<b>1,689,744</b>
Balance at 1st January 2003			
– as previously reported	1,805,364	65,739	1,739,625
– prior period adjustment in respect of deferred tax (Note 2)	(49,881)	–	(49,881)
– as restated	1,755,483	65,739	1,689,744
Dividends approved in respect of the previous year (Note 11(b))	(7,471)	–	(7,471)
Loss for the year (Note 10)	(38,690)	–	(38,690)
<b>Balance at 31st December 2003</b>	<b>1,709,322</b>	<b>65,739</b>	<b>1,643,583</b>

The application of the share premium account is governed by Section 48B of the Hong Kong Companies Ordinance.

The distributable reserves of the Company as at 31st December 2003 were \$1,643,583,000 (2002 (restated): \$1,689,744,000).

### 29. Commitments in dollar thousands

- (a) Capital commitments outstanding at 31st December 2003 not provided for in the financial statements were as follows:

	Group		Company	
	2003	2002	2003	2002
Contracted for	2,383	826	1,993	593
Authorised but not contracted for	7,684	5,373	1,602	1,621
	<b>10,067</b>	<b>6,199</b>	<b>3,595</b>	<b>2,214</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 29. Commitments (Continued)

*in dollar thousands*

- (b) At 31st December 2003, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	Group		Company	
	2003	2002	2003	2002
<b>Land and buildings</b>				
Within 1 year	8,613	9,355	936	480
After 1 year but within 5 years	22,529	22,208	504	360
After 5 years	62,726	67,452	–	–
	<b>93,868</b>	<b>99,015</b>	<b>1,440</b>	<b>840</b>
<b>Plant and machinery</b>				
Within 1 year	14,465	14,445	212	128
After 1 year but within 5 years	57,014	57,270	–	–
After 5 years	283,882	299,480	–	–
	<b>355,361</b>	<b>371,195</b>	<b>212</b>	<b>128</b>
	<b>449,229</b>	<b>470,210</b>	<b>1,652</b>	<b>968</b>

The Group, as lessee, leases a number of properties and items of plant and machinery under operating leases. The leases typically run for an initial period of two years with an option to renew the lease when all terms are renegotiated, with the exception of assets leased in one of the Group's PRC factories which run for thirty years. None of the leases includes contingent rentals.

Included in the amounts of future lease payments in respect of plant and machinery presented above is an amount of \$43,829,000 (2002: \$39,948,000) which has been accrued and disclosed as "leased factory maintenance provision" in the Consolidated Balance Sheet and Note 23.

### 30. Material related party transactions

The Group purchased and sold materials and products from and to companies that either had a controlling interest in the Group or were also subsidiaries of the ultimate holding company. These transactions were carried out under the same terms as the related parties trade with other customers. During 2003, purchases from and sales to these related parties totalled \$33,258,000 (2002: \$64,268,000) and \$39,738,000 (2002: \$35,547,000) respectively. The net amount due from these related parties amounted to \$7,673,000 on 31st December 2003 (2002: \$8,089,000).

### 31. Contingent liabilities

*in dollar thousands*

- (a) In accordance with a subsidiary company's factory lease agreement, except for certain specified reasons, the subsidiary company is required to pay the lessor a penalty of \$10.58 million (adjusted for exchange differences) if the agreement is terminated before 28th February 2021, the expiry date of the lease.
- (b) As at 31st December 2003, there were contingent liabilities in respect of guarantees given to banks by the Company to secure banking facilities made available to a subsidiary.

	Company	
	2003	2002
Guarantees to banks	65,998	77,998

### 32. Comparative figures

- (a) Comparative figures have been adjusted as a result of the change in accounting policy for deferred tax, details of which are set out in Note 2.
- (b) Free of charge beer (a form of discount) which was included in the "Administrative and selling expenses" in 2002 annual report has been reclassified under "Discounts" to conform with the current year's presentation.

### 33. Ultimate holding company

San Miguel Corporation, incorporated in the Republic of the Philippines, is regarded by the directors as being the Company's ultimate holding company at 31st December 2003.

## REPORT OF THE AUDITORS

### To the shareholders of San Miguel Brewery Hong Kong Limited

*(Incorporated in Hong Kong with limited liability)*

We have audited the financial statements on pages 28 to 51 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Hong Kong Companies Ordinance requires the directors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our 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 2003 and of the Group's loss and cash flows for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



**KPMG**

*Certified Public Accountants*

Hong Kong, 26th February 2004

## FIVE YEAR SUMMARY

in dollar thousands except per share data

	2003	2002 Restated	2001	2000	1999
<b>Results</b>					
Gross turnover	<b>1,158,649</b>	1,326,642	1,376,423	1,433,150	1,342,902
(Loss)/profit from ordinary activities before taxation	<b>(27,083)</b>	43,580	95,534	93,608	63,470
Taxation	<b>(9,456)</b>	(16,225)	(5,131)	(6,631)	(6,744)
Minority interests	<b>3,768</b>	4,366	(1,669)	680	3,374
(Loss)/profit attributable to shareholders	<b>(32,771)</b>	31,721	88,734	87,657	60,100
Cash dividends attributable to the year	<b>–</b>	37,356	160,636	52,300	41,093
(Loss)/earnings per share	<b>(0.09)</b>	0.08	0.24	0.23	0.16
Cash dividends per share	<b>–</b>	0.10	0.43	0.14	0.11
<b>Employment of assets</b>					
Fixed assets	<b>2,016,646</b>	2,083,863	2,156,190	2,214,254	2,276,150
Held to maturity securities	<b>13,391</b>	29,844	48,584	19,001	10,473
Trademarks	<b>37,413</b>	–	–	–	–
Goodwill	<b>5,318</b>	–	–	–	–
Other assets	<b>8,436</b>	7,539	7,540	7,543	13,729
Inventories	<b>75,503</b>	87,263	95,503	93,244	111,834
Other current assets	<b>157,476</b>	236,222	188,496	249,235	269,818
Cash and cash equivalents	<b>352,964</b>	264,849	241,444	418,836	323,345
	<b>2,667,147</b>	2,709,580	2,737,757	3,002,113	3,005,349
<b>Capital employed and liabilities</b>					
Share capital	<b>186,785</b>	186,785	186,785	186,785	186,785
Reserves	<b>1,837,274</b>	1,878,318	1,975,054	2,047,052	2,007,062
Minority interests	<b>97,154</b>	101,375	106,351	105,504	105,748
Non-current liabilities	<b>340,084</b>	336,887	236,905	425,171	419,040
Short term bank loans	<b>65,998</b>	77,998	78,002	78,051	93,490
Other current liabilities	<b>139,852</b>	128,217	154,660	159,550	193,224
	<b>2,667,147</b>	2,709,580	2,737,757	3,002,113	3,005,349

### Notes:

- In order to comply with SSAP 34 "Employee benefits", the Group adopted a new accounting policy for defined benefit retirement plans in 2002. Figures for the years from 1999 to 2001 have not been adjusted for comparison purposes as it is not practicable to restate earlier years.
- Pursuant to the revised (December 2001) SSAP 11 "Foreign currency translation", the Group changed its accounting policy for translation of the results of foreign subsidiaries in 2002. Figures for the years from 1999 to 2001 have not been adjusted for comparison purposes as the effect of this change in accounting policy is not material.
- SSAP 12 (revised) "Income taxes" was first effective for accounting periods beginning on or after 1st January 2003. In order to comply with this revised standard, the Group adopted a new accounting policy for deferred tax in 2003. Figures for the year 2002 have been adjusted. However, it is not practicable to restate earlier years for comparison purposes.

Our Marketing Initiatives - San Mig Light

我們的市務推廣活動 - 生力清啤



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本年報內所有幣值，除另有註明外，均以港幣計算。

## 公司資料

### 董事

魏文迪 主席  
鄧利民 執行董事  
蔡啟文  
戴豐盛  
郭嘉寧  
李民橋，李國寶之替任董事  
李國寶，GBS, JP\*  
文華寧  
文達紳  
吳維新\*  
施雅高  
韋樂和  
韋以安\*

\* 獨立非執行董事

### 審核委員會

李國寶，GBS, JP  
吳維新  
韋以安

### 公司秘書

文華寧

### 核數師

畢馬威會計師事務所  
執業會計師  
香港太子大廈八樓

### 律師

孖士打律師行  
香港太子大廈十八樓

### 註冊辦事處

香港新界沙田小瀝源  
源順圍二十八號  
都會廣場九樓

### 股份過戶處

香港中央證券登記有限公司  
香港皇后大道東一八三號  
合和中心十七樓

### 主要往來銀行

荷蘭銀行  
美國銀行  
中國銀行(香港)有限公司  
法國國家巴黎銀行  
星展銀行香港分行  
恒生銀行有限公司  
渣打銀行  
東亞銀行有限公司  
香港上海滙豐銀行有限公司  
瑞士銀行

## 本年度摘要

以千元計算，每股股份數據及發行股數、股東與員工人數除外。

	2003	2002 重列
總營業額	<b>1,158,649</b>	1,326,642
股東應佔(虧損)/盈利	<b>(32,771)</b>	31,721
每股(虧損)/盈利－基本	<b>(0.09)</b>	0.08
稅項，連同啤酒稅	<b>134,986</b>	164,268
每股稅項	<b>0.36</b>	0.44
年度應佔現金股息	—	37,356
每股現金股息	—	0.10
固定資產	<b>2,016,646</b>	2,083,863
淨值	<b>2,024,059</b>	2,065,103
員工薪酬	<b>124,480</b>	131,168
發行股數	<b>373,570,560</b>	373,570,560
股東數目	<b>2,655</b>	2,721
員工人數	<b>1,168</b>	1,214

# Our Website 我們的網址

<http://.sanmiguel.com.hk>



## 主席報告



主席  
魏文迪

致各股東：

### 財務業績

對本集團來說，二零零三年實在是困難重重的一年。多項因素導致本集團錄得財務虧損，其中主要包括：

- 於本年度首六個月受到非典型肺炎疫症之衝擊；
- 香港低價啤酒市場增長持續強勁，引致邊際利潤下滑；及

- 降低應收帳款結餘帶來之風險，因而令銷售量及盈利減少。

於二零零三年首六個月致股東之中期報告中，本集團預期於二零零三年下半年可錄得經營盈利，及訂下全年可達至收支平衡之目標。

自二零零三年七月至十二月期間，本集團錄得盈利，然而，由於年終須作出撥備及調整，尤其須支付額外攤銷費用3,677,000元（包括為華南地區龍啤品牌之購買價所作出攤銷），及為根據二零零三年頒佈之新會計準則作出遞延稅項撥備9,456,000元，因而令本集團之實際業績表現下降。

截至二零零三年十二月三十一日止年度之股東應佔虧損為32,771,000元，而二零零二年同期盈利為31,721,000元。

綜合總營業額較去年下降12.7%。在香港，由於降低應收帳款結餘行動對業務造成較大衝擊，加上低價啤酒品牌銷售增長，導致每銷售單位平均收益下降16%。華南地區總營業額下跌7.8%。

在二零零三年全年，本集團已採取一切措施控制成本。

## 主席報告

二零零三年之折扣佔總營業額之28%，較二零零二年同期之26%上升，而直接變動成本由46%增加至47%，然而，此增幅乃由於每銷售單位較低之平均收益，而並非由於實際開支費用有所增長所致。

固定成本較二零零二年下降11,663,000元。

由於利率持續下降，二零零三年之財務費用得以減少。

由於錄得較低利息收入及出售資產盈利，加上二零零三年之員工離職支出，導致其他淨收入下降。

本公司於二零零三年並無繳納利得稅，然而，本集團須根據新會計準則為遞延稅項作出撥備9,456,000元。遞延稅項乃按年平均撥作成本之稅項，而在本集團之情況下，則有抵銷會計折舊及可扣稅項目折舊兩者差異之影響。

雖然於二零零三年錄得虧損，但現金及投資仍自二零零二年十二月增加68,705,000元至二零零三年年底之383,518,000元。此增長乃由於減少應收帳款結餘行動及停止派發股息所致。應收帳款結餘減少75,360,000元。

二零零三年年底之現金及投資相當於本公司市值之55.8%，公司市值以股份同期收市價之每股1.84元計算。

年終之債項總額為260,998,000元，相等於股東資金之12.9%。

### 股息

董事會建議不派發二零零三年度末期股息。

### 業務回顧

全球經濟於二零零三年重拾升軌，而股票市場亦強力反彈。惟亞洲地區之經濟增長因非典型肺炎疫症而大受影響，加上伊拉克戰爭爆發，均打擊亞洲以至全世界之旅遊消費。

中國經濟發展蓬勃，估計其二零零三年之增長達9.1%，而二零零四年之增長則預期為7.6%。

儘管受到非典型肺炎疫症影響，但香港已開始走出經濟谷底，估計其於二零零三年之經濟增長為3%，而預測其二零零四年之增長為4.5%。預期香港之通縮情況將於二零零四年結束，而通脹則於二零零五年重臨。

### 香港業務

本公司之香港業務錄得經營虧損，主要由於降低應收帳款結餘帶來風險之行動，因而減少市場之啤酒存貨。

## 主席報告

非典型肺炎疫症對本年度第二季之啤酒銷售打擊最為沉重，並嚴重影響餐廳、酒吧及夜場生意。不少商舖因而暫停營業或結業，其中以中式酒樓所受打擊最為嚴重。

低價啤酒品牌之市場佔有率持續擴大，現時已超過33%，而一年前則為28%。低價品牌銷售量自二零零二年佔本公司香港銷量之12.1%上升至二零零三年之24.5%。

由於預期低價啤酒市場會持續增長，為爭取此市場之重大佔有率，本公司於二零零三年年初部署計劃，並取得良好成績。本公司於二零零三年之低價啤酒市場佔有率為18.3%，而於二零零二年則為12.4%。

然而，香港啤酒市場結構之改變亦帶來一定代價，由於低價品牌之邊際利潤極低，因增加低價啤酒之銷量，導致本公司之平均邊際利潤減少。

鑑於大眾化啤酒市場萎縮，而低價啤酒市場擴大，本公司及其競爭對手之大眾化品牌均因而受到打擊。

低價啤酒市場之最大贏家，主要為來自中國之啤酒品牌，而近期則包括本公司之低價品牌。

本年度之整體香港啤酒市場總銷售量為149,300,000公升，較二零零二年下跌7%，為15年來最低之銷量紀錄。

本公司之市場佔有率增加0.7%，此升幅來自低價品牌之增長，惟生力品牌銷量則有所下降。

出口銷量較二零零二年水平增加21.4%。

### 華南業務

華南地區業務於本年度錄得經營盈利，較二零零二年之業績有顯著改善。

廣州生力啤酒有限公司（「廣州生力」）之總銷售量與二零零二年相若，但銷售組合則有所改變。由於節省變動成本及大幅減少固定成本，從而抵銷較高之銷售折扣，令經營盈利最終得以出現重大改善。

廣州生力於本年度上半年亦如香港業務般受到非典型肺炎疫症之影響。

隨著落實銷售、分銷系統及營業人員之改善措施後，本集團成功扭轉二零零二年之銷售量下滑情況，尤其在廣州市，銷售量縮減之情況已經停止。

## 主席報告

東莞及粵東之銷售量錄得增長，惟深圳及粵西之銷售量則減低。

生力順德啤酒有限公司於本年度錄得盈利。龍啤品牌之銷售量下降2.8%。然而，跌幅主要是由於本集團決定將市場存貨減低至適當水平所致。

威樂啤酒之銷售量增加7.8%。

## 社區關係及社會責任

本集團一向以作為良好企業公民為己任。本集團在香港對經濟作出貢獻及回饋社會超逾50年，而在華南地區亦運作超逾10年。

本集團藉著參與不同之慈善項目及活動，與社會分享其成果。

本集團亦鼎力支持社區之環保活動，致力達到甚至超逾政府所設定之環保標準。

本集團於年內舉辦多個培訓及發展活動，藉以加強員工於工作間之有效安全及健康意識，並確保其遵守有關條例。

## 人力資源

僱員乃本集團最重要之資產。於競爭激烈的市場中，僱員對本集團之長遠表現及達至其目標至為重要。

一如以往年報所述，本集團之目標乃確保所有僱員持續得到合適之培訓及同事之間互相給予有用之支持，且特別強調團隊精神以達至其既定目標。

本集團因應飲品業之市場水平為所有僱員制訂合適之薪酬福利，其中包括醫療及保險保障及退休福利。

## 二零零四年之方針及挑戰

香港及華南地區之啤酒市場瞬息萬變。這個地區之主要啤酒製造商現正整合其業務，並且不時與國際啤酒公司結盟。

## 主席報告

香港及華南地區內之啤酒消耗量增長主要見於低價啤酒市場，而並非在於大眾化及優質啤酒市場。

本集團現正面對嚴峻之挑戰，鑑於低價啤酒增長，導致邊際利潤下跌，本集團必須作出部署以維護及加強旗艦品牌生力啤酒之競爭力，以及回復盈利至目標水平。

為應付以上挑戰，本集團着眼長遠目標、建立本身品牌組合，作出適當定位，以便抓緊啤酒市場現時及今後之無限機遇。

本集團於二零零四年之目標包括：

- 完成全面品牌檢討：
  - 為生力品牌解決價格及品牌定位問題；
  - 在各區域發展於二零零三年收購之龍啤品牌；及
  - 確保具有不同品牌組合以成功參與每個地區之各個市場層面。
- 在香港，保持生力品牌之市場佔有率，並持續爭取低價啤酒之市場佔有率。

- 在華南地區，整合銷售及分銷業務。

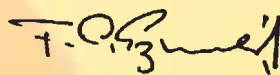
本集團進行之一切活動均為支持其長遠目標，於珠江三角洲地區之所有市場層面建立領導地位及取得龐大市場，並確保生力成為區內最優質之啤酒品牌。

## 董事

管韋銘先生已於二零零三年九月十六日退任執行董事，本公司謹此感謝其過往七年來對本集團作出之貢獻。

本人謹藉此機會代表董事會歡迎其繼任人鄧利民先生於二零零三年九月十六日獲委任為本公司之執行董事。

最後，本公司謹此對各員工在此艱巨一年作出之努力及貢獻，及各董事睿智之決策表示衷心謝意，並感激顧客及股東一直對本公司之信任及支持。



主席

魏文迪

二零零四年二月二十六日

Our People  
我們的員工



## 董事會報告

此報告將於二零零四年三月三十日星期二下午二時正假座香港九龍尖沙咀北京道8號朗廷酒店舉行之第四十一屆股東週年大會上提交。

董事會全人謹此向各位股東提呈截至二零零三年十二月三十一日止年度之董事會報告及經審核財務報表。

### 主要業務

本公司及各附屬公司(「本集團」)之主要業務仍為製造及分銷樽裝、罐裝及桶裝啤酒。

有關本財政年度本集團按地區劃分之營業狀況分析，載於財務報表附註13。

由於本集團營業額、盈利及虧損幾乎完全來自此等業務，故並無按業務類別另作分析。

### 主要客戶及供應商

截至二零零三年十二月三十一日止財政年度，本集團主要客戶及供應商佔本集團營業額及採購額之百分比如下：

所佔總營業額：

最大客戶	8.2%
五大客戶	33.8%

所佔採購額：

最大供應商	3.6%
五大供應商	14.9%

於二零零三年十二月三十一日，各董事、彼等之聯繫人士或就董事會所知擁有本公司股本5%或以上任何股東，概無擁有上述各主要客戶或供應商之實際權益。

### 財務報表

本集團截至二零零三年十二月三十一日止年度之虧損及本公司與本集團於該日之財政狀況，載列於本年報第28至51頁之財務報表。

## 董事會報告

### 股息

董事會通過不派發二零零三年度股息。

### 儲備

本集團及本公司於本財政年度之儲備變動載於財務報表附註28。

### 慈善及其他捐款

於本財政年度，本集團撥出慈善及其他性質捐款合共28,000元（二零零二年：123,000元）。

### 固定資產

本集團於年內共用16,700,000元（二零零二年：9,500,000元）購置固定資產。有關本財政年度內固定資產之變動詳情載於財務報表附註14。

### 附屬公司

有關本公司附屬公司之詳情載於財務報表附註17。

### 流動資金及財務資源

本集團年終之營運資金為380,000,000元，而二零零二年則為382,000,000元。

本集團年終之現金及銀行存款合共353,000,000元（二零零二年：265,000,000元），足以為二零零四年提供營運資金及資本開支。

### 銀行貸款

本集團有短期銀行信貸183,000,000元（二零零二年：237,000,000元），其中66,000,000元（二零零二年：78,000,000元）已於二零零三年十二月三十一日動用。

本集團年終之長期貸款為195,000,000元（二零零二年：195,000,000元）。

本公司及本集團年終之借款總額分別為195,000,000元（二零零二年：195,000,000元）及261,000,000元（二零零二年：273,000,000元）。

有關本公司及本集團之銀行貸款詳情載於財務報表附註22。

## 董事會報告

### 董事

除鄧利民先生、戴豐盛先生、施雅高先生及韋樂和先生外，本年報第2頁所載之本公司董事均全年擔任董事職務。

管韋銘先生於年內辭去董事職務。

文華寧先生、文達紳先生、吳維新先生及韋以安先生均依據本公司組織章程第105條規定，於即將舉行之股東週年大會上輪流告退及重選連任。

鄧利民先生為上屆股東週年大會後獲委任之董事，彼將依照本公司組織章程第96條規定退任，並在即將舉行之股東週年大會重選連任。

擬重選連任之董事概無與本公司或各附屬公司訂立如無作出賠償(法定賠償除外)則不能於一年內終止之服務協議。

### 董事權益

於二零零三年十二月三十一日，按證券及期貨條例第352條而設置之登記冊所示，各董事及彼等之聯繫人士擁有本公司及聯繫公司已發行股本之實際權益如下：—

#### 本公司每股面值0.50元之普通股數目

姓名	個人權益	家族權益	股本衍生工具	總數	股份權益佔 已發行股本 總數之百分比
魏文迪	2,816	—	—	2,816	—
李國寶	300,000	—	—	300,000	0.08%

## 董事會報告

### 董事權益 (續)

姓名	生力公司之股份數目				股份權益佔 已發行股本 總數之百分比
	個人權益	家族權益	(附註) 股本衍生工具	總數	
<b>甲類 (每股面值5披索) :</b>					
魏文迪	298,768	—	—	298,768	0.02%
蔡啟文	6,050	—	—	6,050	—
鄧利民	11,539	—	—	11,539	—
郭嘉寧	165,042	—	101,563	266,605	0.01%
文華寧	—	—	15,524	15,524	—
文達紳	31,972	—	—	31,972	—
韋樂和	24,572	10,500	—	35,072	—
<b>乙類 (每股面值5披索) :</b>					
鄧利民	4,700	—	2,456	7,156	—
郭嘉寧	5,270	—	43,528	48,798	—
文華寧	—	—	6,653	6,653	—
韋樂和	—	29,000	—	29,000	—

附註：此等股本衍生工具為購股權乃根據生力公司購股權益計劃授予各董事以認購生力公司股份，有關詳情呈列於下。

於二零零三年十二月三十一日，各董事擁有生力公司之購股權詳情如下：

姓名	授出日期	行使限期	行使價 (披索)	於二零零三年	
				於年內 已行使	十二月三十一日 結餘
<b>甲類 (每股面值5披索) :</b>					
魏文迪	27/03/95	27/03/03	44.13	284,430	—
	10/04/96	10/04/04	35.18	32,805	—
	01/04/97	01/04/05	40.57	213,805	—
	26/03/98	26/03/06	34.71	294,531	—
郭嘉寧	01/04/97	01/04/05	40.57	—	51,860
	26/03/98	26/03/06	34.71	—	49,703
文華寧	26/03/98	26/03/06	34.71	—	15,524

## 董事會報告

### 董事權益 (續)

姓名	授出日期	行使限期	行使價 (披索)	生力公司之購股權	
				於年內 已行使	於二零零三年 十二月三十一日 結餘
<b>乙類 (每股面值5披索) :</b>					
魏文迪	01/04/97	01/04/05	70.25	—	—
	26/03/98	26/03/06	49.83	126,277	—
鄧利民	01/04/97	01/04/05	70.25	—	2,456
郭嘉寧	01/04/97	01/04/05	70.25	—	22,226
	26/03/98	26/03/06	49.83	—	21,302
文華寧	26/03/98	26/03/06	49.83	—	6,653

生力公司於授出購股權時並無收取任何代價。

各董事於年內行使之購股權已於上文披露。

除上文所披露者外，各董事或彼等之聯繫人士概無擁有本公司或聯繫公司已發行股本或購股權之權益。

### 本公司股本之主要權益

於二零零三年十二月三十一日，按證券及期貨條例第336條規定之登記冊，本公司獲悉下列股東擁有本公司已發行股本5%以上之權益：—

名稱	每股面值0.50元 之股份數目	
	所持 普通股	佔已發行 股份總數 之百分比
立端利有限公司 (附註一)	245,720,800	65.78%
香港中央結算 (代理人) 有限公司	64,043,066	17.14%
Conroy Assets Limited (附註二)	13,624,600	3.65%
Hamstar Profits Limited (附註二)	10,078,400	2.70%

附註一：由於生力公司持有生力國際有限公司 (「國際生力」) 之控股權益、國際生力持有生力集團有限公司 (「生力集團」) 之控股權益、生力集團持有生力啤酒國際有限公司 (「生力國際」) 之控股權益，而生力國際則持有立端利有限公司之控股權益，故此生力公司、國際生力、生力集團與生力國際均被視為持有上述所披露之立端利有限公司持有本公司之權益。

附註二：李嘉誠先生、長江實業 (集團) 有限公司、Li Ka-Shing Unity Trustee Company Limited、Li Ka-Shing Unity Trustee Corporation Limited 及 Li Ka-Shing Unity Trustcorp Limited 均被視為持有上述所披露之 Conroy Assets Limited (「Conroy」) 及 Hamstar Profits Limited (「Hamstar」) 持有本公司之權益。Conroy 及 Hamstar 持有之總權益超過本公司已發行股本5%，須根據證券及期貨條例作出披露。

## 董事會報告

### 董事之合約權益

根據於一九六三年六月十二日訂立之協議，立端利有限公司向本公司提供技術及顧問服務，並可收取總經理機構酬金。其中，魏文迪先生、蔡啟文先生、鄧利民先生、郭嘉寧先生、文華寧先生、文達紳先生及韋樂和先生因擁有立端利有限公司之最終控股公司生力公司之股權，或為生力公司之董事，均可從此合約中獲取利益。自一九九五年財政年度起，本公司並無支付總經理機構酬金，而立端利有限公司亦無向本公司收取總經理機構酬金。

除上文所披露者外，於本財政年度年間及年終，本公司董事於本公司或任何關連公司(控股公司、附屬公司或同系附屬公司)所訂立之任何重大合約中，概無擁有重大權益。

### 關連交易

(甲) 本公司及其各附屬公司於年內與生力公司，本公司之最終控股公司及其附屬公司訂立下列交易，根據上市規則，該等交易構成關連交易。

(以千元計算)

	2003	2002
本公司向San Miguel Yamamura Ball Corporation採購啤酒罐	19,916	31,611
本公司及其附屬公司廣州生力啤酒有限公司(「廣州生力」) 及生力順德啤酒有限公司(「生力順德」) 向肇慶生力玻璃有限公司採購啤酒樽	10,704	28,407
廣州生力向生力順德包裝有限公司採購膠箱	無	699
本公司向生力公司採購已包裝啤酒	2,638	3,551
本公司及其附屬公司廣州生力及生力順德向 生力啤酒國際有限公司及生力八達(保定) 啤酒有限公司銷售已包裝啤酒	39,738	35,547

本公司已獲香港聯合交易所有限公司授予附帶條件之豁免，無須完全符合上市規則中對上述關連交易之要求。

## 董事會報告

### 關連交易 (續)

本公司各董事包括獨立非執行董事已審閱上述關連交易並確認：

- 該等關連交易均
  - (i) 在日常業務中進行；
  - (ii) 按照一般商業條款所達成，條款並不較授予獨立第三者或從獨立第三者中獲得優厚；及
  - (iii) 對股東而言屬公平及合理。
- 上述所進行之各類關連交易，其各總額均無超越截至二零零二年十二月三十一日止本集團之有形資產淨值3%。

(乙) 於二零零三年三月十八日，本公司為其非全資附屬公司生力順德啤酒有限公司(「生力順德」)所獲得10,000,000美元之信貸簽發擔保書予銀行。

(丙) 於一九九八年三月一日，本公司之全資附屬公司Best Investments International Inc.(「BIII」)借出74,933,947元為期五年予生力順德。該筆貸款並無底押及可根據雙方協議續期。利息按倫敦銀行同業拆放年利率加一厘計算。於二零零三年三月一日，該筆貸款已續期一年。

(丁) 於二零零一年四月十七日，BIII借出25,000,000美元為期一年予生力順德。該筆貸款並無底押及可根據雙方協議續期。利息每三個月按三個月倫敦銀行同業拆放利率計算。於二零零二年四月十七日及二零零三年四月十七日，該筆貸款已分別續期一年。

(戊) 於二零零二年二月二十七日，BIII借出25,000,000美元為期一年予生力順德。該筆貸款並無底押及可根據雙方協議續期。利息每三個月按三個月香港同業拆放利率計算。於二零零三年二月二十七日，該筆貸款已續期一年。

(己) 於二零零三年一月二十七日，本公司持有92%之附屬公司San Miguel Shunde Holdings Limited(「SMSH」)訂立股權轉讓協議，收購由廣東省順德市啤酒廠(「順德酒廠」)所持有生力順德15%之股份權益，代價為700,000美元(5,460,000港元)。此項收購於二零零三年五月二十三日完成。生力順德現為SMSH之全資附屬公司，於中國廣東省順德市擁有及經營一間啤酒廠。

## 董事會報告

### 關連交易 (續)

(庚) 於二零零三年一月二十七日，本公司訂立多項協議，收購由順德酒廠及其聯繫公司所持有之龍啤品牌，總代價為5,000,000美元(38,957,000港元)。此項收購於二零零三年七月二十九日完成。

### 退休金計劃、員工及薪酬

本公司及各香港附屬公司均有為其全職僱員提供非供款定額退休金計劃，香港生力啤酒廠有限公司退休基金(「基金」)，並於一九九五年九月根據職業退休計劃條例註冊。基金乃以信託形式正式成立，資產乃由一獨立管理之基金持有。退休福利乃根據僱員之最後薪金及其服務年期計算，定額退休福利之供款乃根據獨立精算師之專業意見而釐定。精算師定期為此計劃作出評估(一般為每三年評估一次)。

基金福利經修訂後符合強積金條例，並已於二零零零年七月二十四日獲得強制公積金計劃管理局豁免。

本公司已按法例選出德盛環球為強積金另一服務供應商，為不欲參加或保留於本公司現有基金之僱員提供強積金服務。強積金計劃乃一項經由獨立信託人管理之界定供款計劃。在強積金計劃中，僱主及其僱員須各自根據僱員之有關收益，上限為每月20,000元，向計劃供款5%。強積金供款即時歸屬僱員。

中國附屬公司之僱員乃中國政府所推行之中央退休計劃成員。附屬公司須為此計劃供款，款額為僱員薪金若干百分比。中央退休計劃供款即時歸屬僱員。附屬公司於有關該中央退休金計劃之唯一財務承擔乃按月定期供款。

最近一次精算評估香港生力啤酒廠有限公司退休基金於二零零三年十二月三十一日進行，評估如下：

(甲) 基金之精算師為黃偉雄先生，加拿大及美國精算師公會會員。精算評估乃採用已達到年齡法。估值時所採用之其他主要假設為：投資回報率每年7%；薪金增長每年3%；二零零一年香港死亡率表；正常退休年齡為60；提前退休比率由55至60歲。

## 董事會報告

### 退休金計劃、員工及薪酬 (續)

(乙) 基金之資產於二零零三年十二月三十一日之未審核市值為92,426,000元。

(丙) 基金精算師建議之最低供款比率為薪金之12.0%。

(丁) 於二零零三年十二月三十一日之即時遣散基金虧蝕為21,646,000元(即此基金之責任獲基金資產保障達81%)。

本集團之員工人數及員工薪酬之詳情載於本年報第3頁。

### 買賣或贖回本公司之上市股份

截至二零零三年十二月三十一日止財政年度，本公司或各附屬公司概無買賣或贖回任何上市股份。

### 五年賬目摘要

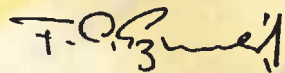
本集團過去五年之業績、資產及負債摘要，載於本年報第53頁。

### 最佳應用守則

於二零零三年全年，本公司均遵守香港聯合交易所有限公司證券上市規則附錄14所載之最佳應用守則第1至14段。

### 核數師

本公司在即將舉行之股東週年大會上將提呈決議案續聘畢馬威會計師事務所為本公司核數師。



主席  
魏文迪

香港，二零零四年二月二十六日

## 董事及行政管理人員

### 董事

魏文迪 主席

鄧利民 執行董事

蔡啟文

戴豐盛

郭嘉寧

李民橋，李國寶之替任董事

李國寶，GBS, JP 獨立非執行董事

文華寧

文達紳

吳維新 獨立非執行董事

施雅高

韋樂和

韋以安 獨立非執行董事

董事資料如下：

**魏文迪先生**，*BScHE, PhD (Hon)*，六十七歲，於一九八四年九月二十日獲委任為董事，現任本公司主席。魏文迪先生同為多間菲律賓公司之董事。

**鄧利民先生**，*BEcon (Hon), MBA*，五十歲，二零零三年九月十六日獲委任為執行董事。鄧利民先生亦為本公司多間附屬公司之董事。鄧利民先生獲委任前為菲律賓生力公司屬下生力集團啤酒企業國際銷售及業務發展副總裁。鄧利民先生具有逾二十八年之業務經驗，其中二十二年於生力集團。鄧利民先生擁有五年在中國之高級管理經驗。

**蔡啟文先生**，*BSME*，四十九歲，於一九九八年十一月二十七日獲委任。蔡啟文先生為菲律賓生力公司副主席、總裁及營運總裁。

**戴豐盛先生**，*MPBM, MMC (UP)*，五十七歲，於二零零三年二月二十七日獲委任為董事，為前菲律賓三軍（「AFP」）統帥。戴豐盛先生亦為與AFP相關之多個協會主席，例如AFP Retirement, Separation and Benefit System、AFP Savings and Loan Association, Inc.、AFP Mutual Benefit Association, Inc.及Centennial Bank。

**郭嘉寧先生**，*BSc (Com), BA (SoSc), MBE*，五十七歲，於一九九一年三月二十二日獲委任，現任生力集團啤酒企業總裁。郭嘉寧先生同時為本公司控股股東立端利有限公司之董事。

**李民橋先生**，*MA (Cantab), MBA, LPC*，三十歲，於二零零二年八月一日獲委任為李國寶博士之替任董事。李先生為東亞銀行總經理兼企業銀行處主管、中國人民政治協商會議第九屆廣州委員會成員及中華全國青年聯合會會員。李先生亦擔任香港多間公司之董事及多個金融及顧問委員會委員，例如香港出口信用保險局、職業訓練局及中小型企業委員會。李先生為李國寶博士之長子。

**李國寶博士**，*GBS, OBE, MA, Hon LLD (Cantab), Hon DSocSc, FCA, FCPA, FHKSA, FCIB, FHKIB, FBCS, FCI Arb, JP*，六十四歲，於一九九一年三月二十二日獲委任，為

## 董事及行政管理人員

本公司之獨立非執行董事兼審核委員會成員。李博士亦為東亞銀行有限公司之主席兼行政總裁及立法會議員。李博士亦於其他公司，包括中國海外發展有限公司、Dow Jones & Company, Inc.、香港中華煤氣有限公司、多間香港及海外上市及私人公司任職董事，同時為多個香港銀行及顧問委員會會員，亦曾為中華人民共和國委任之港事顧問及香港特別行政區籌委會成員。

**文華寧先生**，*BCom, MBA (Columbia)*，五十九歲，董事、公司秘書及財務總裁，於一九九五年一月一日加入本公司，並於二零零零年十一月八日獲委任為董事，同時出任本公司多間附屬公司之董事。文華寧先生具有逾三十五年之業務經驗，其中九年服務於本公司，另外二十八年於多間澳洲公司擔任高級管理及財務職位，包括BHP、Carlton and United Breweries及Cascade Group。

**文達紳律師**，*AA, LLB (UP), LLM (Harvard)*，七十三歲，於一九九八年十一月二十七日獲委任。文達紳律師同時為菲律賓生力公司董事會成員，曾出任多個菲律賓政府職位，包括檢察長及司法部長，亦曾為菲律賓大學法律學院之教授講師，任教公眾及私人法例，現職為執業律師。

**吳維新先生**，六十歲，於二零零一年四月一日獲委任，為本公司獨立非執行董事兼審核委員會成員。吳先生為集成匯財(集團)有限公司主席。

**施雅高先生**，六十歲，於二零零三年二月二十七日獲委任為董事，亦為菲律賓生力公司之附屬公司Ginebra San Miguel, Inc.及San Miguel Properties, Inc.之董事。施雅高先生為Melo's Chain of Restaurants及Pacific Basin Trading USA主席及總裁。

**韋樂和律師**，*LLB (UP), BA (UP)*，五十歲，於二零零三年二月二十七日獲委任為董事，為韋樂和律師事務所執行合夥人。

**韋以安先生**，六十三歲，於一九九四年三月二十五日獲委任，為本公司獨立非執行董事兼審核委員會成員。韋以安先生亦為和記黃埔有限公司全資附屬公司屈臣氏集團之集團董事總經理。在加入和記集團前，曾為英國ASDA董事會之成員。韋以安先生為美國康乃狄克州互聯網旅遊公司Priceline之董事。韋以安先生於零售界具有四十多年經驗，並為香港零售管理協會之創會會員及名譽顧問、香港物流服務發展委員會成員及香港旅遊發展局籌款委員會委員、香港紅十字會董事局成員、以及香港業餘田徑總會名譽會長。

附註：管韋銘先生已於二零零三年九月十六日退任本公司執行董事職務。

## 董事及行政管理人員

### 行政管理人員

鄧利民

執行董事

文華寧

董事、公司秘書及財務總裁

朱活明

生產及出口總經理

郭振勇

生力順德啤酒有限公司執行董事

江百義

廣州生力啤酒有限公司執行董事

李浩源

市務總經理

譚嘉源

營業總經理

陳兆益

物流總經理

王文彬

企業發展總經理

葉偉光

人力資源及行政總經理

各行政管理人員之資料如下：

鄧利民先生，執行董事。詳情請參閱第20頁之董事部份。

文華寧先生，董事、公司秘書及財務總裁。詳情請參閱第21頁之董事部份。

朱活明先生，*BBA, MBA*，五十歲，生產及出口總經理，一九七七年加入本公司。於本公司任職二十六年間，朱先生於物流、銷售、市務及公關方面均取得豐富經驗。

郭振勇先生，*BScE, MBA*，三十八歲，生力順德啤酒有限公司執行董事，於一九八八年加入生力集團。在任十五年間，郭振勇先生已累積豐富之釀酒及業務經驗，並於本集團內出任多個高級職位。

江百義先生，*BScE, MDP (AIM)*，五十一歲，於二零零三年三月一日獲委任為廣州生力啤酒有限公司執行董事，於一九七四年加入生力集團。在任二十九年間，江百義先生已累積豐富之釀酒及業務經驗，並於本集團內出任多個高級職位。

李浩源先生，*BSSc, MBA*，三十八歲，市務總經理，於一九九三年加入生力啤酒國際有限公司。李先生在香港及中國擁有十多年推廣消費品經驗。

譚嘉源先生，*BBA, MBA*，四十五歲，營業總經理，於一九九三年加入本公司。譚先生在香港及中國擁有超過十五年銷售及推廣消費品之經驗。

陳兆益先生，*BBBA*，四十五歲，物流總經理，於一九九八年加入本公司。陳先生於新加坡、香港及中國之物流業務方面具有逾二十年經驗。

王文彬先生，*MBA, FHKIoD, FCCA, AHKSA, ASA*，四十一歲，企業發展總經理，於一九九七年加入本公司。王先生於香港及中國擁有逾十五年業務經驗，在不同行業出任高級管理及財務職位。

葉偉光博士，*DBA, LL.M, MSc (Per Mgt), MBA, MSc (Eng), Chartered FCIPD (UK)*，四十五歲，人力資源及行政總經理，於一九九四年加入本公司。葉博士於香港及中國人力資源管理方面具二十年以上經驗。

## 股東週年大會通告

茲定於二零零四年三月三十日(星期二)下午二時正假座香港九龍尖沙咀北京道8號朗廷酒店召開香港生力啤酒廠有限公司第四十一屆股東週年大會，處理下列普通事項：

1. 省覽及接納截至二零零三年十二月三十一日止年度之經審核財務報表與董事會及核數師報告書。
2. 重選董事。
3. 委任來年核數師及授權董事會釐定其酬金。

承董事會命

秘書

文華寧

香港，二零零四年二月二十六日

附註：

1. 凡有權出席上述大會投票之股東，均有權委任一位或以上之代表出席及代其投票，受委代表無須為本公司股東。
2. 代表委任書須於會議召開前四十八小時送抵本公司於香港新界沙田小瀝源源順圍二十八號都會廣場九樓之註冊辦事處，方為有效。

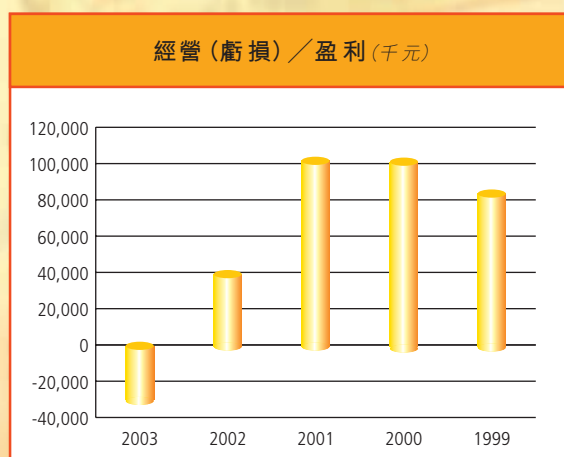
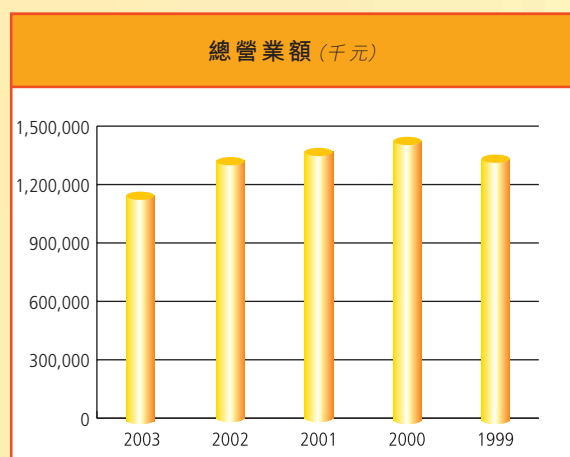
## 經營統計分析

截至十二月三十一日止年度，除每股股份數據及員工人數外均以千元計算

### 十年回顧

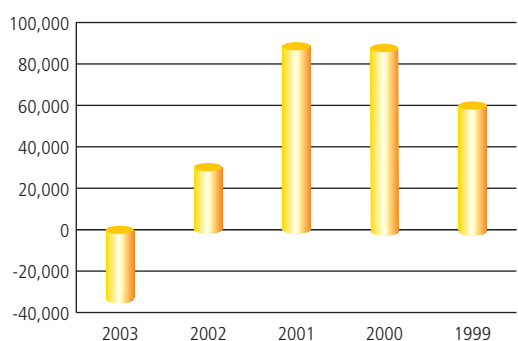
	2003	2002	2001
總營業額(1)	<b>1,158,649</b>	1,326,642	1,376,423
經營(虧損)／盈利	<b>(30,641)</b>	38,942	101,787
未計特殊項目之股東應佔(虧損)／盈利	<b>(32,771)</b>	31,721	88,734
特殊項目(2)	—	—	—
股東應佔(虧損)／盈利	<b>(32,771)</b>	31,721	88,734
稅項連啤酒稅	<b>134,986</b>	164,268	170,830
年度應佔現金股息	—	37,356	160,636
每股現金股息	—	0.10	0.43
固定資產及發展中項目	<b>2,016,646</b>	2,083,863	2,156,190
淨值(3)	<b>2,024,059</b>	2,065,103	2,161,839
員工薪酬(4)	<b>124,480</b>	131,168	126,053
員工人數(5)	<b>1,168</b>	1,214	1,268

- (1) 一九九五年至二零零三年年度之總營業額已計原先扣除之折扣，總營業額即未計任何折扣或抵免之售貨發票總額。
- (2) 一九九四年及一九九六年之特殊項目相等於出售深井酒廠之總盈利。
- (3) 一九九四年至二零零零年之淨值已就股息確認之會計政策改變作出調整。
- (4) 員工薪酬已就一九九六年至一九九八年出現之呈報不貫徹而作出更正。
- (5) 員工人數指於年度最後一個工作日之實際員工數目。

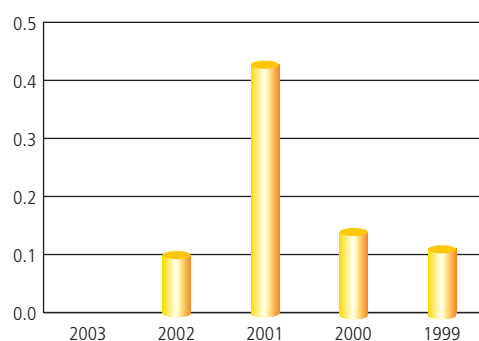


2000	1999	1998	1997	1996	1995	1994
1,433,150	1,342,902	1,378,562	1,317,302	1,410,867	1,302,677	1,223,965
100,723	83,737	39,409	10,132	72,784	115,307	108,227
87,657	60,100	17,051	5,492	68,321	165,908	132,886
—	—	—	—	115,803	—	2,900,522
87,657	60,100	17,051	5,492	184,124	165,908	3,033,408
160,745	156,038	170,576	144,620	152,073	132,899	172,287
52,300	41,093	11,207	29,886	59,771	59,771	1,648,803
0.14	0.11	0.03	0.08	0.16	0.16	4.51
2,214,254	2,276,150	2,347,937	2,396,195	2,462,394	2,062,862	1,092,466
2,233,837	2,193,847	2,170,495	2,157,247	2,227,953	2,102,156	2,537,363
127,094	144,121	155,400	147,443	133,838	142,404	145,450
1,276	1,345	1,601	1,655	1,527	1,327	1,573

未計特殊項目之股東應佔(虧損)/盈利(千元)



每股現金股息(元)



# Our South China Operations 我們的華南業務



## 財務報表部分

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綜合權益變動表	31
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於本報表內所有幣值，除另有註明外，均以港幣計算。

## 綜合收益表

截至十二月三十一日止年度，以千元計算，每股股份數據除外

	附註	2003	2002 重列
總營業額	3	<b>1,158,649</b>	1,326,642
折扣		<b>(324,761)</b>	(345,882)
銷售成本		<b>(351,624)</b>	(386,767)
啤酒稅及稅項		<b>(149,022)</b>	(176,011)
<b>毛利</b>		<b>333,242</b>	417,982
分銷成本		<b>(42,529)</b>	(46,023)
行政及銷售開支		<b>(304,973)</b>	(313,440)
其他經營開支		<b>(16,381)</b>	(19,577)
經營(虧損)/盈利	4	<b>(30,641)</b>	38,942
財務費用	5	<b>(4,558)</b>	(7,059)
其他收入淨額	6	<b>8,116</b>	11,697
來自日常業務之除稅前(虧損)/盈利		<b>(27,083)</b>	43,580
所得稅	7	<b>(9,456)</b>	(16,225)
來自日常業務之除稅後(虧損)/盈利		<b>(36,539)</b>	27,355
少數股東權益		<b>3,768</b>	4,366
股東應佔(虧損)/盈利	10, 28	<b>(32,771)</b>	31,721
年度應佔股息	11		
年內宣派首次中期股息		—	(11,207)
年內宣派第二次中期股息		—	(11,207)
年內宣派第三次中期股息		—	(7,471)
於結算日後擬派之末期股息		—	(7,471)
		—	(37,356)
每股(虧損)/盈利—基本	12	<b>(\$0.09)</b>	\$0.08

列於第33至51頁之各項附註為本財務報表之一部份。

## 綜合資產負債表

於十二月三十一日結算，以千元計算

	附註	2003	2002 重列
<b>非流動資產</b>			
固定資產	14	2,016,646	2,083,863
持至到期證券－非上市		13,391	29,844
商標	15	37,413	—
商譽	16	5,318	—
其他資產	18	8,436	7,539
		<b>2,081,204</b>	2,121,246
<b>流動資產</b>			
存貨	19	75,503	87,263
應收貿易及其他賬項	20	114,731	190,091
應收控股公司及同系附屬公司賬項		25,582	26,011
持至到期證券－非上市		17,163	20,120
現金及等同現金項目	21	352,964	264,849
		<b>585,943</b>	588,334
<b>流動負債</b>			
銀行貸款(無抵押)	22	(65,998)	(77,998)
應付貿易及其他賬項	20	(121,943)	(110,295)
應付控股公司及同系附屬公司賬項		(17,909)	(17,922)
		<b>(205,850)</b>	(206,215)
<b>流動資產淨值</b>		<b>380,093</b>	382,119
<b>總資產減流動負債</b>		<b>2,461,297</b>	2,503,365
<b>非流動負債</b>			
銀行貸款(無抵押)	22	(195,000)	(195,000)
租賃廠房維修撥備	23	(43,829)	(39,948)
退休福利負債	24	(2,211)	(12,157)
遞延稅項	26	(99,044)	(89,782)
		<b>(340,084)</b>	(336,887)
少數股東權益		<b>(97,154)</b>	(101,375)
<b>資產淨值</b>		<b>2,024,059</b>	2,065,103
<b>資本及儲備</b>			
股本	27	186,785	186,785
儲備	28	1,837,274	1,878,318
		<b>2,024,059</b>	2,065,103

經由董事會於二零零四年二月二十六日批准及授權刊發。

董事：



魏文迪



鄧利民

列於第33至51頁之各項附註為本財務報表之一部份。

## 公司資產負債表

於十二月三十一日結算，以千元計算

	附註	2003	2002 重列
<b>非流動資產</b>			
固定資產	14	1,170,444	1,214,961
商標	15	37,413	—
附屬公司權益	17	855,912	844,557
		<b>2,063,769</b>	2,059,518
<b>流動資產</b>			
存貨	19	30,952	33,203
應收貿易及其他賬項	20	84,997	132,834
應收控股公司及同系附屬公司賬項		9,392	10,347
現金及等同現金項目	21	14,996	19,314
		<b>140,337</b>	195,698
<b>流動負債</b>			
應付貿易及其他賬項	20	(52,302)	(48,254)
應付控股公司及同系附屬公司賬項		(10,665)	(7,656)
		<b>(62,967)</b>	(55,910)
<b>流動資產淨值</b>		<b>77,370</b>	139,788
<b>總資產減流動負債</b>		<b>2,141,139</b>	2,199,306
<b>非流動負債</b>			
銀行貸款(無抵押)	22	(195,000)	(195,000)
退休福利負債	24	(2,211)	(12,157)
遞延稅項	26	(47,821)	(49,881)
		<b>(245,032)</b>	(257,038)
<b>資產淨值</b>		<b>1,896,107</b>	1,942,268
<b>資本及儲備</b>			
股本	27	186,785	186,785
儲備	28	1,709,322	1,755,483
		<b>1,896,107</b>	1,942,268

經由董事會於二零零四年二月二十六日批准及授權刊發。

董事：



魏文迪



鄧利民

列於第33至51頁之各項附註為本財務報表之一部份。

## 綜合權益變動表

截至十二月三十一日止年度，以千元計算

	附註	2003	2002 重列
<b>一月一日之股東權益</b>			
— 先前公佈		<b>2,145,103</b>	2,150,224
— 因遞延稅項會計政策變動所產生之前期調整	2	<b>(80,000)</b>	(71,999)
<b>重列</b>		<b>2,065,103</b>	<u>2,078,225</u>
換算外國機構財務報表所產生之滙兌差額			
— 先前公佈			(19)
— 因遞延稅項會計政策變動所產生之前期調整	2		<u>4</u>
換算外國機構財務報表所產生之滙兌差額 (二零零二年：重列)			
	28	<b>(802)</b>	<u>(15)</u>
本年度(虧損)/盈利淨額			
— 先前公佈			39,726
— 因遞延稅項會計政策變動所產生之前期調整	2		<u>(8,005)</u>
本年度(虧損)/盈利淨額(二零零二年：重列)			
		<b>(32,771)</b>	<u>31,721</u>
年內已宣派或批准股息			
	11	<b>(7,471)</b>	<u>(44,828)</u>
<b>十二月三十一日之股東權益</b>			
		<b>2,024,059</b>	<u>2,065,103</u>

列於第33至51頁之各項附註為本財務報表之一部份。

## 綜合現金流量表

截至十二月三十一日止年度，以千元計算

	附註	2003	2002
<b>業務經營</b>			
來自日常業務之除稅前(虧損)/盈利		(27,083)	43,580
就下列事項作出調整：			
固定資產之折舊		80,255	80,913
利息支出		4,416	6,924
利息收入		(4,461)	(5,250)
出售固定資產之虧損		369	425
商標之攤銷		1,627	—
商譽之攤銷		160	—
外幣兌換之虧損		1,831	24
<b>營運資本變動前之經營盈利</b>		<b>57,114</b>	126,616
存貨之減少		11,760	8,240
應收貿易及其他賬項之減少/(增加)		74,727	(15,277)
應收控股公司及同系附屬公司賬項淨額之減少/(增加)		416	(9,226)
應付貿易及其他賬項之增加/(減少)		11,622	(28,273)
退休福利負債之(減少)/增加		(9,946)	542
租賃廠房維修撥備之增加		4,059	4,078
<b>經營業務之現金流入</b>		<b>149,752</b>	86,700
所得稅			
已付海外稅項		—	(5,342)
<b>經營業務之現金流入淨額</b>		<b>149,752</b>	81,358
<b>投資業務</b>			
添置固定資產		(16,650)	(9,529)
購入商標		(39,040)	—
出售固定資產所得款項		104	449
購入持至到期證券		—	(2)
贖回持至到期證券所得款項		18,764	7
購入附屬公司權益	16	(5,478)	—
已收利息		4,579	3,814
<b>投資業務之現金流出淨額</b>		<b>(37,721)</b>	(5,261)
<b>融資活動</b>			
新增銀行貸款		66,004	272,998
償還銀行貸款		(77,651)	(272,982)
已付利息		(4,390)	(7,872)
已付股息		(7,471)	(44,828)
<b>融資活動之現金流出淨額</b>		<b>(23,508)</b>	(52,684)
<b>現金及等同現金項目之淨額增加</b>		<b>88,523</b>	23,413
年初現金及等同現金項目結存		264,849	241,444
滙率變動之影響		(408)	(8)
<b>年終現金及等同現金項目結存</b>	21	<b>352,964</b>	264,849

列於第33至51頁之各項附註為本財務報表之一部份。

## 財務報表附註

### 1. 主要會計政策

#### A. 遵守聲明

財務報表乃根據香港會計師公會頒佈之所有適用之香港財務報告準則(包括所有適用之會計準則及釋義)、香港公認之會計原則及香港公司條例之規定而編撰。該等財務報表亦遵守香港聯合交易所有限公司證券上市規則之披露規定。本集團採用之主要會計政策概要如下。

#### B. 編撰財務報表之準則

財務報表乃以過往成本為編撰基準。

#### C. 附屬公司

根據香港公司條例，附屬公司為一間本集團直接或間接持有一半以上已發行股本，或控制一半以上投票權，或控制董事會組成之公司。

於附屬公司之投資已於綜合財務報表中綜合入賬，集團內公司之間之結餘及交易，以及交易所產生之任何未變現盈利，乃於編製綜合財務報表時悉數撇銷。集團內公司之間之交易而產生之未變現虧損，乃以未變現盈利相同之形式撇銷，惟僅限於並無顯示出現減值者。

於結算日之少數股東權益，即並非由公司(不論直接或間接)透過附屬公司擁有之股份權益應佔之附屬公司資產淨值部份，均於綜合資產負債表內與負債及股東權益分開呈列。本年度集團業績內之少數股東權益亦於綜合收益表內分開呈列。

倘少數股東應佔虧損超過附屬公司資產淨值之少數股東權益，則超出之款額及少數股東應佔之任何其他進一步虧損乃於本集團之權益中扣除，惟倘少數股東須承擔具約束力之責任及能夠彌補虧損則作別論。該附屬公司日後之所有盈利均分配予本集團，直至先前由本集團承擔原應由少數股東攤佔之虧損得到彌補為止。

於本公司之資產負債表內，於附屬公司之投資乃按成本減除任何減值虧損(見附註1(I))列賬。

#### D. 商譽

綜合賬項所產生之正額商譽，乃指收購成本超逾所購入可資區別資產及負債之公平值之差額。就附屬公司而言：

- (i) 於二零零一年一月一日前進行之收購，扣除任何減值虧損(見附註1(I))後之正額商譽乃於儲備中撇銷。
- (ii) 於二零零一年一月一日或之後進行之收購，正額商譽乃以直線法按二十年之估計可使用年期於綜合收益表中攤銷。正額商譽乃於綜合資產負債表中以成本減除任何累計攤銷及任何減值虧損(見附註1(I))列賬。

出售附屬公司時，過去並無於綜合收益表中攤銷或過去於本集團儲備列作變動之任何應佔商譽數額將撥入出售盈虧中計算。

#### E. 持至到期證券

本集團有能力及有意持至到期之有期債務證券列作持至到期證券。綜合資產負債表所列之持至到期證券按攤銷成本減任何減值撥備列賬。在預期未能全數取回有關證券之賬面值時會作出撥備，並會於綜合收益表列作開支，而該等撥備按每項投資個別計算。

## 財務報表附註 (續)

### 1. 主要會計政策 (續)

#### F. 固定資產

- (i) 除在建中工程以成本減去減值虧損(見附註1(I))入賬外，固定資產均按成本減折舊總額(見附註1(H))及減值虧損(見附註1(I))在資產負債表中列賬。
- (ii) 報廢或出售固定資產之盈虧，乃估計出售所得款項淨額以及資產賬面值之差額，並於報廢或出售日期在綜合收益表中確認。

#### G. 商標

商標以成本減去攤銷總額(見附註1(H))及任何減值虧損(見附註1(I))於資產負債表列賬。

#### H. 折舊及攤銷

- (i) 折舊乃以直線法按下列估計可使用年期撇銷固定資產之成本計算：

資產類別	可使用年期
房產	二十五至五十年
機器、設備、傢俬及裝置	四至五十年
車輛	四至七年

租賃土地乃根據其折舊之重要性，按餘下之租期計算折舊。

- (ii) 商標攤銷乃以直線法按十年之估計可使用年期撇銷成本計算。

#### I. 資產減值

於每個結算日會審核內部及外間資料，以識別下列資產是否已出現減值或之前已確認之減值是否已不存在或減少：

- 固定資產；
- 於附屬公司之投資；
- 正額商譽；及
- 商標。

倘出現任何減值迹象，則估計資產之可收回價值。倘資產之賬面值超逾其可收回價值，則確認減值虧損。

##### (i) 計算可收回價值

資產之可收回價值為其售價淨額及使用價值之較高者。於評估使用價值時，估計的未來現金流量乃利用能反映現時市場評估資金時值及資產之特定風險之稅前貼現率，貼現至其現值。倘資產並未能在大致獨立於其他資產下賺取現金流量，則釐訂可獨立賺取現金流量之最小組別資產(即賺取現金單位)之可收回價值。

##### (ii) 撥回減值虧損

就商譽以外之資產而言，倘用以釐訂可收回數額之估計出現轉變，則撥回減值虧損。有關商譽之減值虧損乃因預期不會再發生屬非經常性質之特定外界事項所導致，而可收回數額之上升明顯因該特定事件之影響逆轉所致，始可撥回商譽減值虧損。

撥回之減值虧損僅限於倘過往年度並未確認減值虧損而釐訂之資產之賬面值。撥回之減值虧損乃於確認撥回之年度計入綜合收益表。

## 財務報表附註 (續)

### 1. 主要會計政策 (續)

#### J. 收入確認

倘本集團取得經濟效益，而收益及成本能可靠計算(如適用)，則收益將以下列方式在綜合收益表入賬：

- (i) 銷貨收入乃於顧客接受貨品及有關風險後予以入賬。
- (ii) 銀行存款及持至到期證券之利息收入乃參考本金及適合之利率按時間比例計算。
- (iii) 根據經營租約而應收之租金收入，乃以等額於租約所涵蓋之會計期間確認。

#### K. 產品、物料及供應

物料、供應、現有產品與在製品乃按成本或可變現淨值兩者之較低者估值。成本以加權平均成本法計算，並包括所有購買成本、兌換成本及將存貨達致現時地點與狀況所產生之其他成本。

可變現淨值為日常業務之估計售價減估計完成成本及估計銷售成本。

於出售存貨時，該等存貨之賬面值於確認有關收益期間列作開支。存貨撇減至可變現淨值之數額及所有存貨虧損均於撇減或虧損期間列作開支。因可變現淨值增加所導致之存貨撇減撥回，均於撥回期間列作開支存貨數額之減少。

#### L. 所得稅

- (i) 本年度之所得稅包括本期稅項及遞延稅項資產負債之變動。本期稅項及遞延稅項資產負債之變動均於綜合收益表內確認。
- (ii) 本期稅項乃根據本年度應課稅收入，採用於結算日所訂定或大致訂定之稅率計算之預期應付稅項，並就過往年度之應付稅項作出任何調整。
- (iii) 遞延稅項資產及負債乃分別來自資產及負債項目於財務報表內之賬面值及其稅基所產生之可扣減或應課稅之暫時差異。遞延稅項資產亦可由尚未動用之稅務虧損及尚未動用之稅收抵免所產生。

除若干有限之例外情況外，所有遞延稅項負債及遞延稅項資產(以資產有可能用於抵銷未來應課稅盈利者為限)均會予以確認。

遞延稅項之確認數額乃按資產及負債之賬面值之預期變現或支付形式，採用於結算日所訂定或大致上訂定之稅率計算。遞延稅項資產及負債並無折減。

遞延稅項資產之賬面值乃於各結算日進行審閱，而倘若不再可能有足夠之應課稅盈利以供扣減有關稅項得益，則遞延稅項資產會予以減少。倘若有可能獲得足夠之應課稅盈利，則任何該等減幅均會撥回。

#### M. 外幣兌換

年內以外幣進行之交易，均以交易日之匯率換算為港幣。以外幣結算之貨幣資產及負債，則以結算日之匯率換算為港幣。匯兌損益乃計入綜合收益表中。

外國企業之業績乃按年內平均匯率換算為港幣；資產負債表項目則按結算日之匯率換算為港幣。匯兌差額之變動乃計入儲備內。

出售外國企業而言，有關該外國企業之匯兌差額之累計數額，乃計入出售之損益中。

## 財務報表附註 (續)

### 1. 主要會計政策 (續)

#### N. 現金及等同現金項目

現金及等同現金項目指銀行結存及現金、銀行及其他財務機構之活期存款及短期流通性高之投資，而該等投資隨時可兌換成可知數額之現金且無重大變值風險，並為購入後三個月內到期之投資項目。

#### O. 經營租約

出租人並未將擁有權之所有風險及利益轉讓之租賃資產，乃列為經營租約。

##### (i) 持作經營租約使用之資產

倘本集團根據經營租約將資產出租，資產乃按其性質計入綜合資產負債表內，及(倘適用)按附註1(H)所載本集團之折舊政策予以折舊，減值虧損乃根據附註1(I)所載之會計政策計算。經營租約所產生之收入，乃根據附註1(J)所載之本集團收入確認政策而確認。

##### (ii) 經營租約開支

倘本集團根據經營租約使用資產，根據租約所付之款項乃於綜合收益表中以等額在租約所涵蓋之會計期間支銷。

#### P. 借貸成本

借貸成本均在產生的期間內在綜合收益表支銷。

#### Q. 僱員福利

(i) 為本集團服務之僱員均可享有薪金、年終花紅、有薪年假、旅遊費用及本集團所提供之非幣值福利。

(ii) 根據香港強制性公積金計劃條例所規定之強制性公積金供款，乃於產生時在綜合收益表中確認為開支，惟該等已計入存貨之款項則未確認為開支。

本集團在香港以外地區聘用之員工，乃受當地退休安排所保障。海外安排為定額供款計劃。有關計劃之供款乃按有關計劃之規則所釐訂之比率計算，並於綜合收益表中支銷，惟該等已計入存貨之款項則未確認為開支。

(iii) 本集團於定額福利退休計劃之供款乃根據僱員於年內及過往期間就提供之服務所賺取之回報之估計未來福利金額計算，該福利已貼現至現值，並扣除任何計劃資產之公平值。貼現率相等於優質企業債券於結算日之收益率，而該等債券之到期日與本集團就該福利須履行供款責任之年期相若。有關計算方法乃經合資格精算師按預計單位信貸方法計算。

在計算本集團於計劃之供款時，任何超過定額福利供款現值或計劃資產公平值(以較高者為準)10%之任何未確認精算損益，乃按參與計劃之僱員預計餘下之平均工作年期於綜合收益表中列賬。否則，該精算損益將不被確認。

(iv) 就本公司之最終控股公司授出之購股權而言，僱員福利費用或承擔均不會於授出日期或行使日期確認。

#### R. 關連人士

就綜合財務報表而言，凡本集團可直接或間接控制，或於作出財務及營運決策時可行使重大影響力(反之亦然)，或本集團與該人士均受制於共同之監控或共同之重要影響下，均屬本集團之關連人士。關連人士可為個人或其他機構。

## 財務報表附註 (續)

### 1. 主要會計政策 (續)

#### S. 分類資料呈報

分類項目為按本集團所從事提供產品或服務(業務分類)或在某一特定經濟環境內提供產品或服務(地區分類)之可區別項目，而每個分類項目所承擔之風險及回報均有所不同。

根據本集團之內部財務報告，本集團已選擇地區分類作為主要呈報方式。

分類收入、開支、業績、資產及負債包括直接撥歸該類別之項目以及可按合理比例分配至該類別之項目。舉例而言，分類資產可包括存貨、應收貿易賬項以及固定資產。分類收入、開支、資產及負債乃於綜合賬目過程中，撇除集團間之結餘及交易前釐訂，屬單一類別內集團間之結餘及交易則除外。

分類資本開支為於期內購買預期可使用超過一個期間之分類資產(包括有形及無形)而產生之總成本。

未分配項目主要包括財務及公司資產、計息貸款、借貸、企業及融資開支。

### 2. 會計政策變動

於以往年度，遞延稅項負債乃就收支項目間之會計與稅項處理之所有重大時差而產生之稅務影響(合理地預期可能於可見將來實現)以負債法作出撥備。遞延稅項資產只在並無合理懷疑情況下確定變現方予確認。自二零零三年一月一日起，為符合香港會計師公會所頒佈之會計實務準則第12號(經修訂)「所得稅」，本集團已採納遞延稅項之新政策(載列於附註1(L))。由於採納此項新會計政策，本集團本年度虧損增加8,341,000元(二零零二年：盈利減少8,005,000元)及本公司本年度虧損減少2,060,000元(二零零二年：盈利減少7,605,000元)，而本集團及本公司於年終之資產淨值已分別減少88,162,000元(二零零二年：80,000,000元)及47,821,000元(二零零二年：49,881,000元)。

新會計政策已按追溯基準予以採納，而保留盈利及滙兌儲備之期初結餘以及比較資料已就以往期間之數額作出調整，詳見綜合權益變動表所披露。

### 3. 總營業額

本集團之主要業務為製造及分銷樽裝、罐裝及桶裝啤酒。

由於本集團近乎全部營業額均來自該等業務，故並無提供有關業務之分析。

總營業額指所出售產品之發票總值。

### 4. 經營(虧損)/盈利

以千元計算

	集團	
	2003	2002
經營(虧損)/盈利已扣除下列項目：		
(a) 員工薪酬		
退休金成本		
一定額供款退休計劃	8,339	8,344
一定額福利退休計劃(附註24(b)及(c))	9,462	6,489
	<b>17,801</b>	14,833
薪金、工資及其他福利	<b>124,480</b>	131,168
	<b>142,281</b>	146,001
(b) 其他項目		
折舊		
一持作經營租約使用之資產	1,199	1,211
一其他資產	79,056	79,702
攤銷		
一商標	1,627	—
一商譽	160	—
存貨成本	350,896	379,422
經營租約費用		
一廠房及機器	14,778	14,860
一土地及房產	10,407	10,098
核數師酬金	2,545	2,521

## 財務報表附註 (續)

### 5. 財務費用

以千元計算

	集團	
	2003	2002
銀行貸款利息開支	(4,416)	(6,924)
銀行費用	(142)	(135)
	<b>(4,558)</b>	<b>(7,059)</b>

### 6. 其他收入淨額

以千元計算

	集團	
	2003	2002
利息收入	4,461	5,250
租金收入	4,956	5,077
出售固定資產之虧損	(369)	(425)
其他(開支)／收入	(932)	1,795
	<b>8,116</b>	<b>11,697</b>

### 7. 綜合收益表之所得稅

以千元計算

(a) 綜合收益表之所得稅如下：

	集團	
	2003	2002 重列
本期稅項 — 海外 過往年度撥備不足	—	5,064
遞延稅項 暫時差額之出現及回撥 因調高稅率對遞延稅項於一月一日結餘之影響	4,434 5,022	11,161 —
	<b>9,456</b>	<b>11,161</b>
	<b>9,456</b>	<b>16,225</b>

就課稅而言，由於本公司錄得虧損，故並無為香港利得稅作出撥備。

就課稅而言，由於海外附屬公司錄得虧損，故並無於財務報表內就海外稅項作出撥備。

於二零零三年三月，香港政府宣佈將利得稅稅率由16%調高至17.5%。此項調升幅度已於計算遞延稅項時列作考慮因素。

(b) 稅項開支與會計(虧損)／盈利之調節：

	集團	
	2003	2002 重列
來自日常業務之除稅前(虧損)／盈利	(27,083)	43,580
按有關稅項司法權區之適用稅率就來自日常業務之 除稅前(虧損)／盈利計算之估計稅項	(4,121)	8,984
不可扣除開支之稅項影響	816	1,377
非課稅收入之稅項影響	(5,000)	(379)
未確認之未動用稅項虧損之稅項影響	12,739	4,086
動用先前未確認入賬之稅項虧損之稅項影響	—	(2,907)
因調高香港利得稅稅率導致期初遞延稅項負債增加	5,022	—
過往年度海外稅項撥備不足	—	5,064
實際稅項開支	<b>9,456</b>	<b>16,225</b>

## 財務報表附註 (續)

### 8. 董事酬金

以千元計算

根據香港公司條例第161條披露之董事酬金如下：

	集團	
	2003	2002
袍金	—	502
薪金及津貼	5,247	5,397
酌情花紅	204	673
退休金供款	278	331
	<u>5,729</u>	<u>6,903</u>

董事酬金包括於年內付予獨立非執行董事之袍金：無(二零零二年：402,000元)。

董事酬金之分析如下：

	董事數目	
	2003	2002
無 至 1,000,000元	11	8
2,000,001元至 2,500,000元	1	1
3,000,001元至 3,500,000元	1	—
4,000,001元至 4,500,000元	—	1

### 9. 薪津最高之人員

以千元計算

最高薪五名人員中，兩名(二零零二年：兩名)為董事，其酬金已於附註8披露。其餘三名(二零零二年：三名)最高薪人員之酬金總額如下：

	集團	
	2003	2002
薪金及津貼	3,928	3,928
酌情花紅	317	670
退休金供款	344	344
	<u>4,589</u>	<u>4,942</u>

上述酬金界乎下列組別：

	人員數目	
	2003	2002
1,000,001元至 1,500,000元	1	—
1,500,001元至 2,000,000元	2	3

### 10. 股東應佔(虧損)/盈利

股東應佔綜合(虧損)/盈利包括38,690,000元虧損(二零零二年盈利(重列)：39,687,000元)，已計入本公司財務報表(附註28)。

### 11. 股息

以千元計算

#### (a) 年度應佔股息

	集團	
	2003	2002
宣派及已付第一次中期股息每股零元 (二零零二年：每股0.03元)	—	11,207
宣派及已付第二次中期股息每股零元 (二零零二年：每股0.03元)	—	11,207
宣派及已付第三次中期股息每股零元 (二零零二年：每股0.02元)	—	7,471
年內宣派及已付股息總額(附註28)	—	29,885
結算日後擬派末期股息每股零元 (二零零二年：每股0.02元)	—	7,471
	<u>—</u>	<u>37,356</u>

不建議派發截至二零零三年十二月三十一日止年度末期股息。

二零零二年之末期股息(於二零零二年結算日後宣派)於二零零二年十二月三十一日尚未確認為負債。

## 財務報表附註 (續)

### 11. 股息 (續)

以千元計算

(b) 於年內批准及支付之過往年度應佔股息

	集團	
	2003	2002
於年內批准及支付之有關過往年度末期股息每股0.02元 (二零零二年：每股0.04元) (附註28)	<b>7,471</b>	<b>14,943</b>

### 12. 每股(虧損)/盈利

每股基本(虧損)/盈利乃根據股東應佔(虧損)/盈利共32,771,000元(二零零二年盈利(重列)：31,721,000元)及是年度內已發行之普通股份373,570,560股(二零零二年：373,570,560股普通股)計算。

攤薄之每股(虧損)/盈利並未列出，因並沒有具攤薄性的潛在普通股存在。

### 13. 分類資料呈報

以千元計算

本集團按地區分類呈列分類資料。選擇根據資產所在位置而提供有關地區分類之資料，乃因有關資料對本集團作出經營及財務決策時更適用。

由於本集團之營業額及經營業績均來自製造及分銷樽裝、罐裝及桶裝啤酒，故並無提供有關本集團之業務類別分析。

	香港		中國		類別之間撇銷		綜合	
	2003	2002	2003	2002	2003	2002	2003	2002 重列
外界客戶收入	<b>618,783</b>	787,002	<b>539,866</b>	539,640	—	—	<b>1,158,649</b>	1,326,642
類別之間收入	—	—	<b>11,532</b>	—	<b>(11,532)</b>	—	—	—
其他收入	<b>4,956</b>	4,956	—	121	—	—	<b>4,956</b>	5,077
總收入	<b>623,739</b>	791,958	<b>551,398</b>	539,761	<b>(11,532)</b>	—	<b>1,163,605</b>	1,331,719
分類業績	<b>(37,736)</b>	53,668	<b>10,750</b>	(8,279)			<b>(26,986)</b>	45,389
未分配經營收入及開支							<b>4,461</b>	5,250
財務成本							<b>(4,558)</b>	(7,059)
稅項							<b>(9,456)</b>	(16,225)
少數股東權益							<b>3,768</b>	4,366
股東應佔(虧損)/盈利							<b>(32,771)</b>	31,721
年內折舊及攤銷	<b>52,994</b>	49,016	<b>29,048</b>	31,897			<b>82,042</b>	80,913
分類資產	<b>1,712,812</b>	1,759,124	<b>929,517</b>	902,303	<b>(7,304)</b>	(3,080)	<b>2,635,025</b>	2,658,347
未分配資產							<b>32,122</b>	51,233
總資產							<b>2,667,147</b>	2,709,580
分類負債	<b>70,787</b>	71,042	<b>121,994</b>	111,972	<b>(7,304)</b>	(3,080)	<b>185,477</b>	179,934
未分配負債							<b>360,457</b>	363,168
總負債							<b>545,934</b>	543,102
年內資本開支	<b>43,781</b>	4,684	<b>11,909</b>	4,845			<b>55,690</b>	9,529
按客戶所在地點分類之外界客戶收入如下：								
香港							<b>611,138</b>	743,966
中國							<b>497,595</b>	539,640
其他地區							<b>49,916</b>	43,036
							<b>1,158,649</b>	1,326,642

## 財務報表附註 (續)

### 14. 固定資產

以千元計算

	總額	土地	房產	機器、 設備、 傢俬及裝置	車輛	在建工程
<b>(a) 集團</b>						
成本						
二零零三年一月一日	2,661,734	246,304	865,377	1,515,132	32,930	1,991
滙兌調整	(4,232)	(179)	(1,418)	(2,526)	(105)	(4)
添置	16,650	—	547	12,222	491	3,390
出售	(5,131)	—	—	(3,452)	(1,679)	—
轉撥自在建工程	—	—	1,153	2,881	—	(4,034)
二零零三年十二月三十一日	<u>2,669,021</u>	<u>246,125</u>	<u>865,659</u>	<u>1,524,257</u>	<u>31,637</u>	<u>1,343</u>
折舊總額						
二零零三年一月一日	577,871	5,220	121,090	425,961	25,600	—
滙兌調整	(1,093)	(25)	(221)	(756)	(91)	—
年內開支	80,255	742	18,212	59,526	1,775	—
出售撥回	(4,658)	—	—	(3,024)	(1,634)	—
二零零三年十二月三十一日	<u>652,375</u>	<u>5,937</u>	<u>139,081</u>	<u>481,707</u>	<u>25,650</u>	<u>—</u>
二零零三年十二月三十一日 賬面淨值	<u><b>2,016,646</b></u>	<u><b>240,188</b></u>	<u><b>726,578</b></u>	<u><b>1,042,550</b></u>	<u><b>5,987</b></u>	<u><b>1,343</b></u>
二零零二年十二月三十一日 賬面淨值	<u>2,083,863</u>	<u>241,084</u>	<u>744,287</u>	<u>1,089,171</u>	<u>7,330</u>	<u>1,991</u>
<b>(b) 公司</b>						
成本						
二零零三年一月一日	1,535,883	107,292	458,928	958,830	9,645	1,188
添置	4,445	—	—	2,563	—	1,882
出售	(2,473)	—	—	(1,241)	(1,232)	—
轉撥自在建工程	—	—	—	2,201	—	(2,201)
二零零三年十二月三十一日	<u>1,537,855</u>	<u>107,292</u>	<u>458,928</u>	<u>962,353</u>	<u>8,413</u>	<u>869</u>
折舊總額						
二零零三年一月一日	320,922	—	57,547	257,844	5,531	—
年內開支	48,936	—	9,192	38,478	1,266	—
出售撥回	(2,447)	—	—	(1,215)	(1,232)	—
二零零三年十二月三十一日	<u>367,411</u>	<u>—</u>	<u>66,739</u>	<u>295,107</u>	<u>5,565</u>	<u>—</u>
二零零三年十二月三十一日 賬面淨值	<u><b>1,170,444</b></u>	<u><b>107,292</b></u>	<u><b>392,189</b></u>	<u><b>667,246</b></u>	<u><b>2,848</b></u>	<u><b>869</b></u>
二零零二年十二月三十一日 賬面淨值	<u>1,214,961</u>	<u>107,292</u>	<u>401,381</u>	<u>700,986</u>	<u>4,114</u>	<u>1,188</u>

(c) 土地賬面淨值之分析如下：

	集團		公司	
	2003	2002	2003	2002
中期租賃土地				
— 香港	<u>209,014</u>	209,014	<u>107,292</u>	107,292
— 香港以外	<u>31,174</u>	32,070	<u>—</u>	—
	<u><b>240,188</b></u>	<u>241,084</u>	<u><b>107,292</b></u>	<u>107,292</u>

## 財務報表附註 (續)

### 14. 固定資產 (續)

以千元計算

(d) 本集團作為出租人向第三方出租若干固定資產。此等持作短期經營租約之固定資產總額為115,850,000元(二零零二年：117,534,000元)，而有關之累計折舊支出為10,469,000元(二零零二年：9,418,000元)。

經營租約一般初步為期一至三年，可選擇於該日後續訂租約，屆時將重新商討所有條款。有關租約概不包括或然租金。

本集團根據不可撤銷經營租約而應收之未來租賃款項如下：

	集團	
	2003	2002
一年內	3,525	3,944
一年後及五年內	1,635	2,111
	<b>5,160</b>	<b>6,055</b>

### 15. 商標

以千元計算

	本集團及本公司
	2003
成本	
年內增添及二零零三年十二月三十一日之結餘	39,040
攤銷總額	
年內支出及二零零三年十二月三十一日之結餘	1,627
二零零三年十二月三十一日賬面淨值	37,413

年內之攤銷支出已計入綜合收益表之「其他經營開支」內。

### 16. 商譽

以千元計算

	集團
	2003
成本	
來自收購一間附屬公司之權益之增添及二零零三年十二月三十一日之結餘	5,478
攤銷總額	
年內支出及二零零三年十二月三十一日之結餘	160
二零零三年十二月三十一日賬面款額	5,318

年內，本公司之附屬公司San Miguel Shunde Holdings Limited收購生力順德啤酒有限公司之額外權益，代價為5,478,000元，是項收購產生正額商譽。

年內之攤銷支出已計入綜合收益表之「其他經營開支」內。

### 17. 附屬公司權益

以千元計算，附屬公司股本除外

	公司	
	2003	2002
非上市股份，按成本	603,249	603,249
應收附屬公司賬項	421,088	408,323
應付附屬公司賬項	(1,447)	(37)
	<b>1,022,890</b>	<b>1,011,535</b>
減：撥備	(166,978)	(166,978)
	<b>855,912</b>	<b>844,557</b>

## 財務報表附註 (續)

### 17. 附屬公司權益 (續)

以千元計算，附屬公司股本除外

下表載列本公司之附屬公司：

公司	註冊成立/ 經營地點	已發行及繳足 股本(除特別 註明外，所有 均為普通股本)	所持股權百分比		主要業務
			本公司	附屬公司	
Best Investments International Inc.	英屬處女群島	50,000美元 優先股本： 60,000,000美元	100%	—	投資
廣州生力啤酒有限公司	中國	註冊資本： 36,507,000美元	—	70%	釀製及銷售啤酒
Hongkong Brewery Limited	香港	100元	100%	—	暫無營業
Ravelin Limited	香港	10,000,000元	100%	—	持有物業
生力啤(廣東)有限公司	香港	A: 9,000,000美元 B: 1,000元	92.989% 100%	—	投資控股
生力順德啤酒有限公司	中國	註冊資本： 27,933,000美元	—	100%	釀製及銷售啤酒
San Miguel Shunde Holdings Limited	香港	2,000,000元	92%	—	投資控股

廣州生力啤酒有限公司乃本公司之附屬公司生力啤(廣東)有限公司與廣州啤酒廠成立之合資合營公司。根據股東協議，該公司之經營期為三十年，於二零二零年十一月二十八日屆滿。

年內，San Miguel Shunde Holdings Limited 持有之生力順德啤酒有限公司(「生力順德」)股本權益由85%增加至100%。生力順德成為全外資擁有企業，經營期至二零四二年八月四日。

### 18. 其他資產

其他資產為一間中國附屬公司之土地及廠房按金及有關之應收利息。

### 19. 存貨

以千元計算

	集團		公司	
	2003	2002	2003	2002
現有產品及在製品	<b>22,707</b>	23,128	<b>11,540</b>	11,219
物料及供應	<b>52,796</b>	64,135	<b>19,412</b>	21,984
	<b>75,503</b>	87,263	<b>30,952</b>	33,203

本集團持有可變現淨值之存貨額為11,061,000元(二零零二年：11,871,000元)。

### 20. 應收貿易賬項及應付貿易賬項－賬齡分析

以千元計算

在評估財政狀況及有良好付款紀錄之情況下，會給客戶信貸。本集團向主要客戶取得按揭或銀行擔保作為抵押。所有客戶均設有信貸限額，而有關信貸額僅會在本公司高級人員批准後方會提高。本集團會以現金方式與認為有信貸風險之客戶交易，而本集團有專人監察應收貿易賬項及跟進收款事宜。信貸期一般為進行銷售之月份後一個月內。

應收貿易賬項(扣除呆壞賬撥備)之賬齡如下：

	集團		公司	
	2003	2002	2003	2002
少於30日	<b>34,531</b>	66,988	<b>24,943</b>	39,990
31至60日	<b>20,026</b>	39,709	<b>19,184</b>	31,142
61至90日	<b>7,558</b>	15,206	<b>7,101</b>	14,998
超過90日	<b>9,123</b>	34,355	<b>4,240</b>	27,652
	<b>71,238</b>	156,258	<b>55,468</b>	113,782

## 財務報表附註 (續)

### 20. 應收貿易賬項及應付貿易賬項－賬齡分析 (續)

以千元計算

應付貿易賬項之賬齡如下：

	集團		公司	
	2003	2002	2003	2002
少於30日	38,557	18,985	22,409	11,871
31至60日	1,161	4,291	49	2,715
61至90日	1,382	1,528	4	703
超過90日	519	453	67	55
	<b>41,619</b>	25,257	<b>22,529</b>	15,344

### 21. 現金及等同現金項目

以千元計算

現金及等同現金項目包括：

	集團		公司	
	2003	2002	2003	2002
銀行存款	294,801	220,622	—	—
銀行結存及現金	58,163	44,227	14,996	19,314
	<b>352,964</b>	264,849	<b>14,996</b>	19,314

### 22. 銀行貸款(無抵押)

以千元計算

須於下列期間償還之銀行貸款：

	集團		公司	
	2003	2002	2003	2002
一年內或要求時	65,998	77,998	—	—
一年後及兩年內	195,000	—	195,000	—
兩年後及五年內	—	195,000	—	195,000
	<b>195,000</b>	195,000	<b>195,000</b>	195,000
	<b>260,998</b>	272,998	<b>195,000</b>	195,000

### 23. 租賃廠房維修撥備

以千元計算

根據於二零二一年二月二十八日到期之附屬公司廠房租約，該附屬公司須向出租人每年支付人民幣4,300,000元(約4,060,000元)作為租賃廠房之維修費用，並每年作出撥備。該費用須於租約到期或提早終止時支付，附屬公司並可於租約期間就收購或興建任何獨立設備或房產時所承擔之任何相關資本開支予以抵銷。

由於廠房租約預期不會於未來十二個月終止，故有關累計撥備計入非流動負債。

	集團	
	2003	2002
一月一日之結餘	39,948	35,874
年內撥備	4,059	4,078
滙兌調整	(178)	(4)
十二月三十一日之結餘	<b>43,829</b>	39,948

## 財務報表附註 (續)

### 24. 退休福利負債

以千元計算

本集團為其27%之僱員提供定額福利退休計劃。該計劃乃由一名獨立信託人管理，與本集團之資產獨立處理。成員福利乃按僱員之最後薪金及服務年期計算。計劃之供款乃根據一名獨立精算師之建議釐訂，該精算師定期為退休計劃作出評估，一般為每三年評估一次。而最近期就此作出之精算評估乃於二零零三年十二月三十一日進行。

就採納會計實務準則第34號而言，精算師乃根據載於會計實務準則第34號之方法於二零零三年十二月三十一日進行評估。

(a) 於資產負債表確認之款額如下：

	本集團及本公司	
	2003	2002
供款現值	95,630	107,183
計劃資產之公平值	(92,772)	(71,798)
未確認精算虧損淨額	(647)	(23,228)
	<u>2,211</u>	<u>12,157</u>

上述部份負債預期將於超過一年後償還。然而，由於未來供款須視乎未來所提供之服務及精算假設及市場狀況之未來變動，因此不適宜將該筆款額與未來十二個月之應付款項分開處理。

(b) 於資產負債表確認之負債淨額之變動如下：

	本集團及本公司	
	2003	2002
於一月一日	12,157	11,615
已繳付計劃一般供款	(7,251)	(5,947)
已繳付計劃特別供款	(12,157)	—
於收益表確認之開支(附註4(a))	9,462	6,489
	<u>2,211</u>	<u>12,157</u>

(c) 於綜合收益表確認之開支如下：

	本集團及本公司	
	2003	2002
現時服務成本	8,071	6,614
利息費用	5,606	5,820
計劃資產之精算預期回報	(5,200)	(5,945)
已確認精算虧損淨額	985	—
	<u>9,462</u>	<u>6,489</u>

有關開支乃於下列綜合收益表內之項目中確認：

銷售成本	3,243	2,208
行政及銷售開支	6,219	4,281
	<u>9,462</u>	<u>6,489</u>
計劃資產之實際回報	9,000	(4,611)

(d) 於二零零三年十二月三十一日所採用之主要精算假設如下：

	本集團及本公司	
	2003	2002
貼現率	5.25%	5.50%
計劃資產之預期回報率	6.50%	8.00%
未來薪金之增加	3.00%	5.00%

## 財務報表附註 (續)

### 25. 股本補償福利

根據本公司之最終控股公司生力公司採納之購股權計劃，購股權以零代價授予本公司之若干董事。購股權可按於授出日期設定之公平市值行使(公平市值的設定視乎前三個月之平均股價(以菲律賓披索列示)作調整)。歸屬期於授出購股權時設定。

於結算日授予本公司董事之購股權詳情

授出日期	行使期 直至	行使價 (披索)	2003 數目	2002 數目
<b>A類(每股面值5披索)</b>				
27/03/95	27/03/03	44.13	—	284,430
10/04/96	10/04/04	35.18	—	32,805
01/04/97	01/04/05	40.57	<b>51,860</b>	286,596
26/03/98	26/03/06	34.71	<b>65,227</b>	418,853
			<b>117,087</b>	<b>1,022,684</b>
<b>B類(每股面值5披索)</b>				
01/04/97	01/04/05	70.25	<b>24,682</b>	125,284
26/03/98	26/03/06	49.83	<b>27,955</b>	179,559
			<b>52,637</b>	<b>304,843</b>

本公司董事於年內行使購股權詳情

行使日期	行使價 (披索)	2003 數目
<b>A類(每股面值5披索)</b>		
03/03/03 – 04/03/03	44.13	<b>284,430</b>
04/03/03	35.18	<b>32,805</b>
04/03/03 – 12/06/03	40.57	<b>232,833</b>
04/03/03 – 12/06/03	34.71	<b>348,253</b>
		<b>898,321</b>
<b>B類(每股面值5披索)</b>		
03/03/03 – 03/06/03	49.83	<b>149,251</b>

本公司董事持有於年內失效之購股權詳情

授出日期	行使期 直至	行使價 (披索)	2003 數目
<b>B類(每股面值5披索)</b>			
01/04/97	01/04/05	70.25	<b>91,631</b>

## 財務報表附註 (續)

### 26. 遞延稅項

以千元計算

#### (a) 本集團

於綜合資產負債表確認之遞延稅項負債部分及年內之變動如下：

遞延稅項來自：	折舊免稅額 超逾有關折舊 之數額	壞賬及 存貨撥備	退休福利 負債	稅項虧損	其他	總計
二零零二年一月一日						
— 先前公佈	6,026	—	—	—	—	6,026
— 前期調整	172,626	(2,492)	(1,858)	(94,641)	(1,036)	72,599
— 重列	178,652	(2,492)	(1,858)	(94,641)	(1,036)	78,625
滙兌調整	(4)	—	—	—	—	(4)
撥自／(撥至) 綜合收益表	6,139	(2,038)	(90)	12,133	(4,983)	11,161
二零零二年十二月 三十一日 (重列)	<b>184,787</b>	<b>(4,530)</b>	<b>(1,948)</b>	<b>(82,508)</b>	<b>(6,019)</b>	<b>89,782</b>
二零零三年一月一日						
— 先前公佈	8,514	—	—	—	(5,121)	3,393
— 前期調整	176,273	(4,530)	(1,948)	(82,508)	(898)	86,389
— 重列	184,787	(4,530)	(1,948)	(82,508)	(6,019)	89,782
滙兌調整	(236)	16	—	—	26	(194)
撥自／(撥至) 綜合收益表	18,398	(436)	(141)	(9,706)	1,341	9,456
二零零三年 十二月三十一日	<b>202,949</b>	<b>(4,950)</b>	<b>(2,089)</b>	<b>(92,214)</b>	<b>(4,652)</b>	<b>99,044</b>

本集團並未就將於五年內到期之稅項虧損確認遞延稅項資產43,423,000元(二零零二年：43,101,000元)。

## 財務報表附註 (續)

### 26. 遞延稅項 (續)

以千元計算

#### (b) 本公司

於資產負債表確認之遞延稅項負債部分及年內之變動如下：

遞延稅項來自：	折舊免稅額 超逾有關折舊 之數額	壞賬撥備	退休福利 負債	稅項虧損	其他	總計
二零零二年一月一日						
— 先前公佈	—	—	—	—	—	—
— 前期調整	137,015	(1,060)	(1,858)	(92,661)	840	42,276
— 重列	137,015	(1,060)	(1,858)	(92,661)	840	42,276
撥自／(撥至)						
收益表	(3,539)	91	(90)	11,983	(840)	7,605
二零零二年十二月 三十一日 (重列)	<b>133,476</b>	<b>(969)</b>	<b>(1,948)</b>	<b>(80,678)</b>	—	<b>49,881</b>
二零零三年一月一日						
— 先前公佈	—	—	—	—	—	—
— 前期調整	133,476	(969)	(1,948)	(80,678)	—	49,881
— 重列	133,476	(969)	(1,948)	(80,678)	—	49,881
撥自／(撥至)						
收益表	8,694	(12)	(141)	(10,601)	—	(2,060)
二零零三年 十二月三十一日	<b>142,170</b>	<b>(981)</b>	<b>(2,089)</b>	<b>(91,279)</b>	—	<b>47,821</b>

### 27. 股本

以千元計算

	公司	
	2003	2002
法定股本：		
400,000,000股每股面值0.50元之普通股	<b>200,000</b>	200,000
已發行及繳足股本：		
373,570,560股每股面值0.50元之普通股	<b>186,785</b>	186,785

## 財務報表附註 (續)

### 28. 儲備

以千元計算

	總額	股份溢價	資本儲備	滙兌 波動儲備	保留盈利
<b>集團</b>					
二零零二年一月一日之結餘					
— 先前公佈	1,963,439	65,739	57,312	(4,920)	1,845,308
— 就遞延稅項作出之前期調整(附註2)	(71,999)	—	—	—	(71,999)
	<u>1,891,440</u>	<u>65,739</u>	<u>57,312</u>	<u>(4,920)</u>	<u>1,773,309</u>
— 重列	1,891,440	65,739	57,312	(4,920)	1,773,309
有關去年之已批准股息(附註11(b))	(14,943)	—	—	—	(14,943)
有關本年度宣派之股息(附註11(a))	(29,885)	—	—	—	(29,885)
換算海外附屬公司財務報表所產生 之滙兌差額(重列)	(15)	—	—	(15)	—
本年度盈利(重列)	31,721	—	—	—	31,721
	<u>1,878,318</u>	<u>65,739</u>	<u>57,312</u>	<u>(4,935)</u>	<u>1,760,202</u>
二零零二年十二月三十一日之結餘	<b>1,878,318</b>	<b>65,739</b>	<b>57,312</b>	<b>(4,935)</b>	<b>1,760,202</b>
二零零三年一月一日之結餘					
— 先前公佈	1,958,318	65,739	57,312	(4,939)	1,840,206
— 就遞延稅項作出之前期調整(附註2)	(80,000)	—	—	4	(80,004)
	<u>1,878,318</u>	<u>65,739</u>	<u>57,312</u>	<u>(4,935)</u>	<u>1,760,202</u>
— 重列	1,878,318	65,739	57,312	(4,935)	1,760,202
有關去年之已批准股息(附註11(b))	(7,471)	—	—	—	(7,471)
轉撥至資本儲備	—	—	55,658	—	(55,658)
換算海外附屬公司財務報表所產生之滙兌差額	(802)	—	—	(802)	—
本年度虧損	(32,771)	—	—	—	(32,771)
	<u>1,837,274</u>	<u>65,739</u>	<u>112,970</u>	<u>(5,737)</u>	<u>1,664,302</u>
二零零三年十二月三十一日之結餘	<b>1,837,274</b>	<b>65,739</b>	<b>112,970</b>	<b>(5,737)</b>	<b>1,664,302</b>

股份溢價賬之應用受香港公司條例第48B條監管。

滙兌波動儲備經已設立，並根據換算外幣之會計政策而處理(附註1(M))。

本集團之資本儲備乃指將一間中國附屬公司之保留盈利資本化而產生之儲備。

去年，正額商譽31,879,000元(二零零二年：31,879,000元)乃直接於保留盈利撇銷。

## 財務報表附註 (續)

### 28. 儲備 (續)

以千元計算

	總額	股份溢價	保留盈利
<b>公司</b>			
二零零二年一月一日之結餘			
— 先前公佈	1,802,900	65,739	1,737,161
— 就遞延稅項作出之前期調整(附註2)	(42,276)	—	(42,276)
— 重列	1,760,624	65,739	1,694,885
有關去年之已批准股息(附註11(b))	(14,943)	—	(14,943)
有關本年度宣派之股息(附註11(a))	(29,885)	—	(29,885)
本年度盈利(重列)(附註10)	39,687	—	39,687
<b>二零零二年十二月三十一日之結餘</b>	<b>1,755,483</b>	<b>65,739</b>	<b>1,689,744</b>
二零零三年一月一日之結餘			
— 先前公佈	1,805,364	65,739	1,739,625
— 就遞延稅項作出之前期調整(附註2)	(49,881)	—	(49,881)
— 重列	1,755,483	65,739	1,689,744
有關去年之已批准股息(附註11(b))	(7,471)	—	(7,471)
本年度虧損(附註10)	(38,690)	—	(38,690)
<b>二零零三年十二月三十一日之結餘</b>	<b>1,709,322</b>	<b>65,739</b>	<b>1,643,583</b>

股份溢價賬之應用受香港公司條例第48B條監管。

本公司於二零零三年十二月三十一日之可供分派儲備為1,643,583,000元(二零零二年(重列): 1,689,744,000元)。

### 29. 承擔

以千元計算

(a) 尚未於二零零三年十二月三十一日之財務報表作撥備之資本開支承擔總額如下:

	集團		公司	
	2003	2002	2003	2002
已訂約	2,383	826	1,993	593
董事已授權惟尚未訂約	7,684	5,373	1,602	1,621
	<b>10,067</b>	6,199	<b>3,595</b>	2,214

## 財務報表附註 (續)

### 29. 承擔 (續)

以千元計算

(b) 於二零零三年十二月三十一日，根據不可撤銷經營租約而應付之未來最低租賃款項如下：

	集團		公司	
	2003	2002	2003	2002
<b>土地及房產</b>				
一年內	8,613	9,355	936	480
一年後及五年內	22,529	22,208	504	360
五年後	62,726	67,452	—	—
	<b>93,868</b>	<b>99,015</b>	<b>1,440</b>	<b>840</b>
<b>廠房及機器</b>				
一年內	14,465	14,445	212	128
一年後及五年內	57,014	57,270	—	—
五年後	283,882	299,480	—	—
	<b>355,361</b>	<b>371,195</b>	<b>212</b>	<b>128</b>
	<b>449,229</b>	<b>470,210</b>	<b>1,652</b>	<b>968</b>

本集團作為承租人根據經營租約而租賃多項房產以及廠房及機器項目。租約期初步一般為期兩年，可選擇續訂租約。屆時，所有款項將重新釐訂，惟於本集團其中一間中國廠房所租賃之資產則為期三十年。有關租約概不包括或然租金。

有關廠房及機器項目之未來應計租金為43,829,000元(二零零二年：39,948,000元)，並已於綜合資產負債表之「租賃廠房維修撥備」及附註23作出披露。

### 30. 主要關連交易

本集團與擁有本集團控股權益或屬最終控股公司之附屬公司之公司買賣物料及產品。該等交易按有關各方與其他客戶進行交易之相同條款進行。二零零三年，向有關各方所作出之買賣分別為33,258,000元(二零零二年：64,268,000元)及39,738,000元(二零零二年：35,547,000元)。於二零零三年十二月三十一日，應收各有關連人士之淨額為7,673,000元(二零零二年：8,089,000元)。

### 31. 或然負債

以千元計算

- (a) 根據一間附屬公司簽訂之廠房租約，除若干指定理由外，倘該附屬公司於二零二一年二月二十八日合約期滿前終止租約，則須向出租人支付10,580,000元(已就滙兌差額而調整)作為賠償。
- (b) 於二零零三年十二月三十一日，本公司有就其附屬公司所取得之銀行信貸而向銀行提供擔保之或然負債。

	公司	
	2003	2002
銀行擔保	<b>65,998</b>	<b>77,998</b>

### 32. 比較數字

- (a) 由於遞延稅項之會計政策改變，故比較數字已作調整，有關詳情載於附註2。
- (b) 免費啤酒(為折扣之一種)於二零零二年年報計入「行政及銷售開支」，現已重新歸入「折扣」項目下，以配合本年度之呈報方式。

### 33. 最終控股公司

各董事認為，於二零零三年十二月三十一日，本公司之最終控股公司乃於菲律賓共和國註冊成立之生力公司。

## 核數師報告

致香港生力啤酒廠有限公司股東：

(於香港註冊成立之有限公司)

本核數師(以下簡稱「我們」)，已審核刊於第28至51頁按照香港公認會計原則編撰的財務報表。

### 董事及核數師的責任

《香港公司條例》規定董事須編撰真實與公平的財務報表。在編撰該等財務報表時，董事必須貫徹採用合適的會計政策，作出審慎及合理的判斷和估計，並說明任何未有遵守現行會計準則的原因。

我們的責任是根據我們審核工作的結果，對該等財務報表作出獨立意見，並按照香港公司條例第141條僅向整體股東報告，除此之外別無其他目的。我們不會對本報告的內容向任何其他人士負上或承擔任何責任。

### 意見的基礎

我們是按照香港會計師公會頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編撰該等財務報表時所作的主要估計和判斷，所釐定的會計政策是否適合貴公司及集團的具體情況及有否貫徹運用並足夠披露該等會計政策。

我們在策劃和進行審核工作時，均以取得一切我們認為必需的資料及解釋為目標，使我們能獲得充份的憑證，就該等財務報表是否存有重要錯誤陳述，作合理的確定。在作出意見時，我們亦已衡量該等財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

### 意見

我們認為，上述的財務報表均真實與公平地反映貴公司及集團於二零零三年十二月三十一日的財政狀況及貴集團截至該日止年度的虧損和現金流量，並已按照《香港公司條例》適當編撰。



畢馬威會計師事務所

執業會計師

香港，二零零四年二月二十六日

## 五年賬目摘要

以千元計算，每股股份數據除外

	2003	2002	2001	2000	1999
		重列			
<b>業績</b>					
總營業額	<b>1,158,649</b>	1,326,642	1,376,423	1,433,150	1,342,902
來自日常業務之除稅前 (虧損)／盈利	<b>(27,083)</b>	43,580	95,534	93,608	63,470
稅項	<b>(9,456)</b>	(16,225)	(5,131)	(6,631)	(6,744)
少數股東權益	<b>3,768</b>	4,366	(1,669)	680	3,374
股東應佔(虧損)／盈利	<b>(32,771)</b>	31,721	88,734	87,657	60,100
年內應佔現金股息	—	37,356	160,636	52,300	41,093
每股(虧損)／盈利	<b>(0.09)</b>	0.08	0.24	0.23	0.16
每股現金股息	—	0.10	0.43	0.14	0.11
<b>資產運用</b>					
固定資產	<b>2,016,646</b>	2,083,863	2,156,190	2,214,254	2,276,150
持至到期證券	<b>13,391</b>	29,844	48,584	19,001	10,473
商標	<b>37,413</b>	—	—	—	—
商譽	<b>5,318</b>	—	—	—	—
其他資產	<b>8,436</b>	7,539	7,540	7,543	13,729
存貨	<b>75,503</b>	87,263	95,503	93,244	111,834
其他流動資產	<b>157,476</b>	236,222	188,496	249,235	269,818
現金及等同現金項目	<b>352,964</b>	264,849	241,444	418,836	323,345
	<b>2,667,147</b>	2,709,580	2,737,757	3,002,113	3,005,349
<b>所用資本及負債</b>					
股本	<b>186,785</b>	186,785	186,785	186,785	186,785
儲備	<b>1,837,274</b>	1,878,318	1,975,054	2,047,052	2,007,062
少數股東權益	<b>97,154</b>	101,375	106,351	105,504	105,748
非流動負債	<b>340,084</b>	336,887	236,905	425,171	419,040
短期銀行貸款	<b>65,998</b>	77,998	78,002	78,051	93,490
其他流動負債	<b>139,852</b>	128,217	154,660	159,550	193,224
	<b>2,667,147</b>	2,709,580	2,737,757	3,002,113	3,005,349

附註：

1. 為符合會計實務準則第34號「員工福利」之規定，本集團於二零零二年就定額福利退休計劃採納一項新會計政策。由於重列過往年度之數據並不實際，故並未調整由一九九九年至二零零一年之數據以作比較。
2. 根據經修訂(二零零一年十二月)之會計實務準則第11號「外幣換算」之規定，本集團於二零零二年更改換算海外附屬公司業務所採用之會計政策。由於此項會計政策之影響並不重大，因此並未調整由一九九九年至二零零一年之數據以作比較。
3. 會計實務準則第12號(經修訂)「所得稅」於二零零三年一月一日或以後開始之會計期間首次生效。為符合經修訂之準則，本集團於二零零三年就遞延稅項採納一項新會計政策。二零零二年之數據已作出調整。然而，重列過往年度之數據以作比較並不實際。



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