

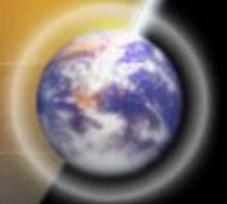


Vitasoy International Holdings Limited

Annual Results

FY2004 - 2005

5th July 2005





Disclaimer

In addition to historical information, this presentation contains forward-looking statements with respect to the results of the operations and business of Vitasoy. These forward-looking statements represent Vitasoy's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Vitasoy International Holdings Limited

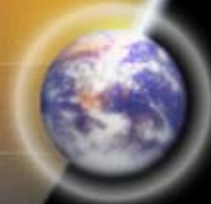




Financial Highlights

(Year ended 31st March)

	2005 HK\$'M	2004 HK\$'M	Change %
● Turnover	2,380	2,269	+5%
● Gross Profit	1,368	1,288	+6%
● EBITDA	283	261	+8%
● EBIT	170	149	+14%
● Net Profit	124	116	+7%





Financial Highlights

(One-off items for year ended 31st March 2005)

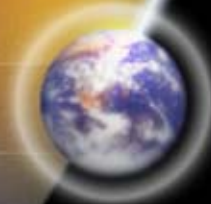
- Consolidated production facilities at Ayer plant
- Exited US refrigerated soymilk
- Restructuring and other exit costs: HK\$25 million
- Projected ongoing annual saving: HK\$10 million
- Established a platform to capture sustainable sales and achieve profitability in the foreseeable future



Financial Highlights

(Excluding the non-recurring items for year ended 31st March)

	2005 HK\$'M	2004 HK\$'M	Change %
● Turnover	2,380	2,269	+ 5%
● Gross Profit	1,368	1,288	+ 6%
● EBITDA	308	261	+ 18%
● EBIT	195	149	+ 31%
● Net Profit	149	116	+ 28%



Financial Highlights

(Year ended 31st March)

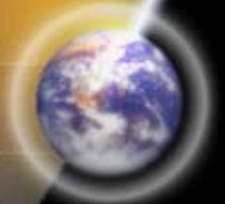
	2005	2004
	HK Cents	HK Cents
● Basic Earnings per share	12.5	11.8
● Final Dividend per share	5.7	5.7
● Full Year Dividend per share	8.5	8.5
● Special Dividend per share	10.0	5.0



Financial Highlights

(Year ended 31st March)

	2005 HK\$'M	2004 HK\$'M
● Capital Expenditure	53	66
● Depreciation	113	112



Financial Highlights

	Balance as at	
	31 Mar 2005	31 Mar 2004
	HK\$'M	HK\$'M
● Net Cash (Cash less borrowings)	364	270
● Shareholders' Funds	1,248	1,247
● Debt/Equity Ratio	13.5%	14.5%

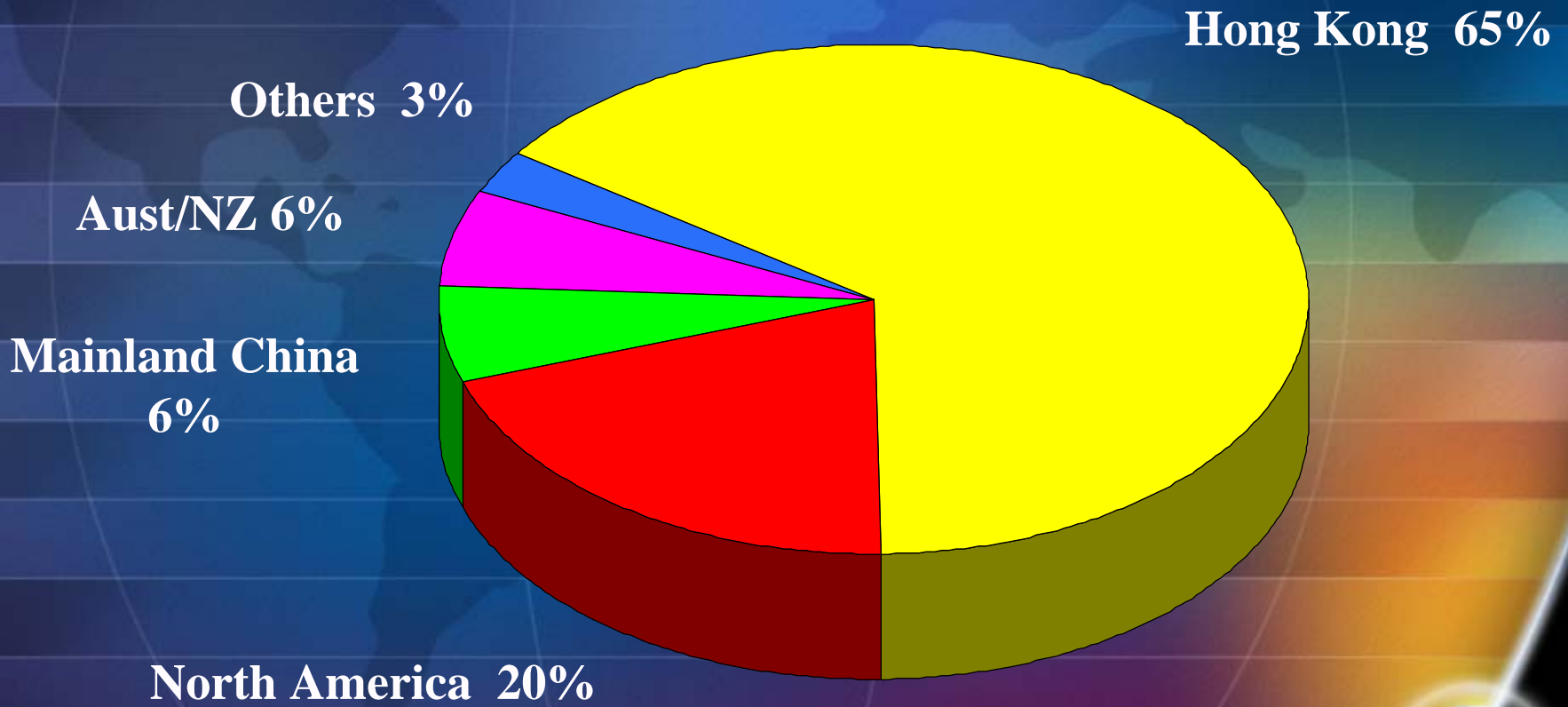




Group Turnover by Market

(Year ended 31st March 2005)

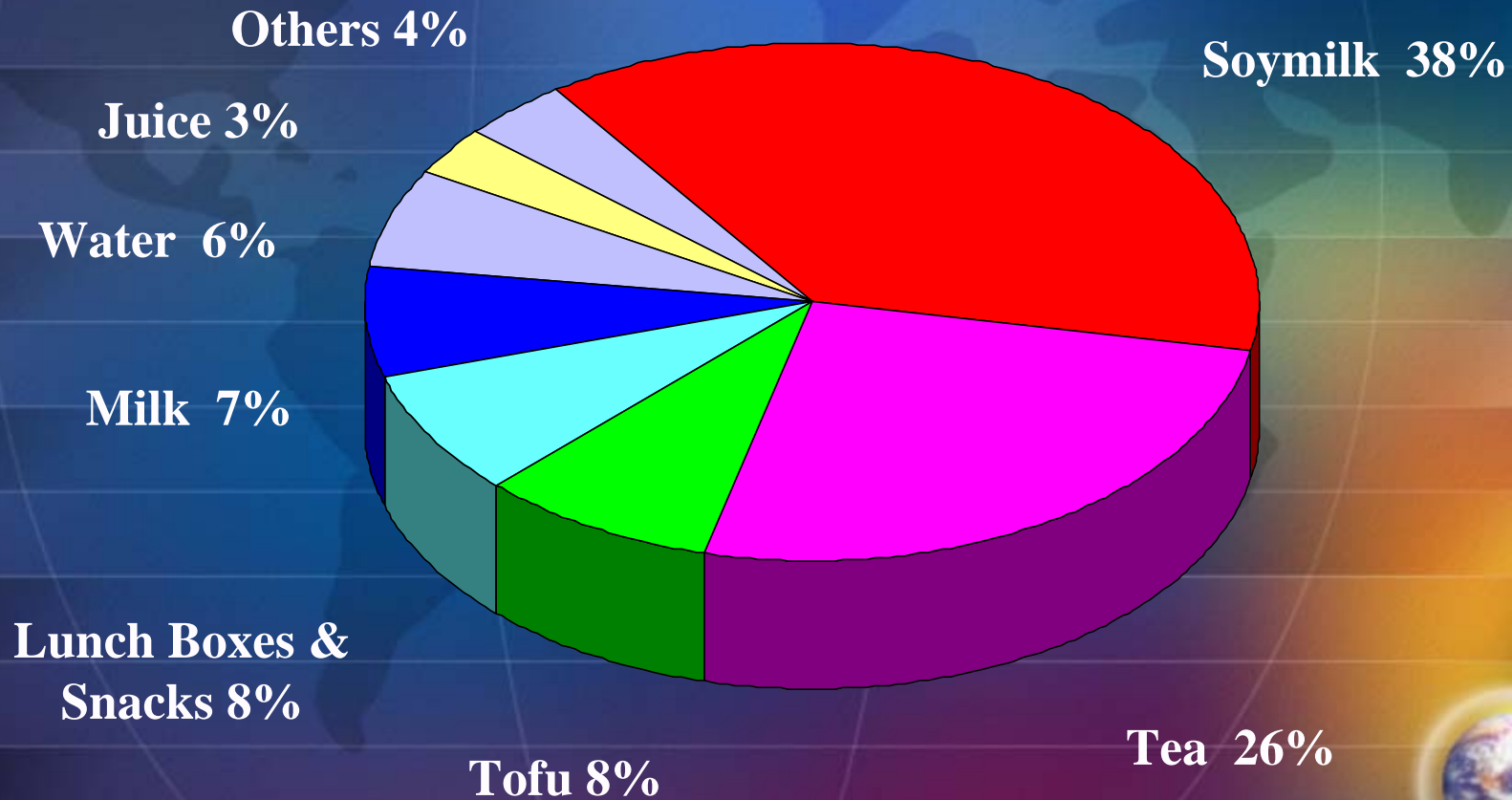
Sales by location of customer





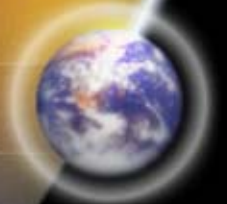
Group Turnover by Category

(Year ended 31st March 2005)





MARKET REVIEW & OUTLOOK



Result Highlights

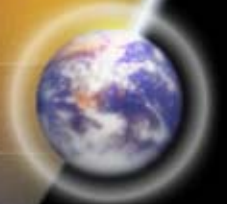
- **Group turnover grew 5% (YOY)**
- **Improved gross and operating profit**
 - **Gross Profit Margin (+70 basis pts)**
 - **Operating profit (+31% before restructuring cost)**
- **Strong investment in advertising and promotion to strengthen our brands and expand our markets**
- **Successful product development and extension to a wider spectrum of consumers**





Market Review – Hong Kong

- Sales growth of 7% (YOY), outperforming the non-alcoholic beverage market
 - New value-added products to a broader consumer base
 - Increased efforts in brand building
 - Tuck shop expansion - an increase of 39 outlets (YOY)
- Segment profit of HK\$211 million
- Vitasoy Strategies:
 - Develop new products by adding new elements and values to existing products to meet customers' needs
 - Make further investments in the healthy soymilk category
 - Take positive steps to contain costs through higher efficiency
 - Establish an effective model for continuing growth in our tuck shop and lunch box business





Market Review – North America

- **Sales down 5.6% (YOY)**
 - Exit of ESL Business
 - Weaker demand for Aseptic Soymilk
 - Growth in Tofu Category
- **Segment loss of HK\$37 million**
- **Vitasoy Strategies:**
 - Develop new products that have a proprietary technology and unique value
 - Position our products as being beneficial to health-conscious consumers
 - Focus on ways to improve production efficiency and profitability





Market Review – Mainland China

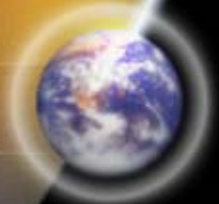
- Sales decline of 10.1%(YOY)
- Healthy sales growth of 10.7% (YOY) in the 2nd Half
 - A focused strategy of “core business, core brand and core competency”
 - Price increase on products in Eastern China
- Segment Profit: HK\$ 56 million
- Vitasoy Strategies:
 - Invest in our core soymilk business to strengthen our market position
 - Improve distribution efficiency and outlet management
 - Enhance utilization of production plants
 - Explore market opportunities under CEPA arrangement





Market Review – Australia and NZ

- **Strong sales growth of 35.7% (YOY)**
 - New product innovation
 - Effective marketing and promotion strategy
 - Successful brand communication
- **Segment Result: HK\$10 million**
- **Vitasoy Strategies:**
 - Continue to build our brand and gain market share in Australia and New Zealand
 - Launch new products in “value soy beverage” area
 - Open to new opportunities for higher growth and operational efficiency



Conclusion

- Pursue growth opportunities with our strong financial position
- Enhance market leadership via brand strengthening with innovative marketing
- Drive volume growth with focus on product development and innovation
- Emphasize process improvement and cost management
- Continue to maximize shareholders' value

