

1. 一 般 資 料

Giordano International Limited (「本公司」) 及其附屬公司 (統稱「本集團」) 透過一個擁有超過一千七百間店舖並遍布二十多個國家之零售網絡分銷及銷售 *Giordano*、*Giordano Concepts*、*Giordano Ladies*、*Giordano Junior* 及 *Bluestar Exchange* 等品牌之便服。本集團亦於中國大陸有限度經營製衣業務。

本公司為一間於百慕達註冊成立的有限責任公司，其註冊辦事處位於 Canon's Court, 22 Victoria Street, Hamilton, HM12, Bermuda。本公司的證券於香港聯合交易所有限公司以第一市場上市 (股份代號：709)。

除特別註明外，本綜合財務報表以港幣百萬元為單位。此綜合財務報表已於二零零七年三月二十二日獲董事會通過。

2. 主 要 會 計 政 策

本財務報表中所採用之主要會計政策現列載如下：

(a) 編 製 基 準

本財務報表乃按照香港會計師公會頒布之香港財務報告準則 (「HKFRS」)、香港會計準則 (「HKAS」) 及詮釋編製。本財務報表按照歷史成本法編製，再就衍生金融工具重估其公平值而修改。

1. GENERAL INFORMATION

Giordano International Limited (the "Company") and its subsidiaries (together the "Group") distribute and sell casual apparel under the brand names of *Giordano*, *Giordano Concepts*, *Giordano Ladies*, *Giordano Junior* and *Bluestar Exchange* through an extensive retailing network with over 1,700 shops spanning over 20 countries. It also operates a limited manufacturing capacity in Mainland China.

The Company is a limited liability company incorporated in Bermuda. Its registered office is situated at Canon's Court, 22 Victoria Street, Hamilton, HM12, Bermuda. The Company has its primary listing on The Stock Exchange of Hong Kong Limited (stock code: 709).

The consolidated financial statements are presented in million of units of Hong Kong dollars (HK\$ million) unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on March 22, 2007.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants. The financial statements are prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments at fair value.

2. 主要會計政策 (續)

(a) 編製基準 (續)

在遵照 HKFRS 及 HKAS 編製財務報表時需要運用一些重要會計估計。管理層亦需要在應用本集團之會計政策時作出判斷。一些需要高度判斷或涉及複雜範疇；或對綜合財務報表有重大影響之假設和估計於附註4披露。

除了採納於下列附註2(b)列出於二零零六年一月一日或之後開始之會計年度生效之新增及經修訂之 HKAS 及 HKFRS 外，編製此財務報表所採用之會計政策及計算方法與編製二零零五年度之財務報表所採用相同。

(b) 新增及經修訂之 HKFRS 及 HKAS 的影響

香港會計師公會已頒布多項新增及經修訂之 HKFRS、HKAS 及詮釋，並於二零零六年一月一日或之後開始之會計年度生效。本集團已採納適用於其業務之 HKFRS 及 HKAS。採納以下之新增及經修訂會計準則並無對本集團之財務報表造成重大影響：

HKAS 39 修訂	公平值選擇
HKAS 39 及 HKFRS 4 修訂	財務擔保合約
HKFRS 詮釋 4	釐定安排是否 包含租賃

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

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

The accounting policies and methods of computation used in the preparation of these financial statements are consistent with those used in 2005 except for the adoption of new and revised HKASs and HKFRSs which are effective for accounting periods beginning on or after January 1, 2006 as set out in note 2(b) below.

(b) Impact of new and revised HKFRSs and HKASs

Hong Kong Institute of Certified Public Accountants has issued a number of new and revised HKFRSs, HKASs and Interpretations which are effective for accounting periods beginning on or after January 1, 2006. The Group has adopted the HKFRSs and HKASs that are applicable to its operations. The adoption of the following new and revised HKFRSs and HKASs has no material impact on the Group's financial statements:

HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKFRS Interpretation 4	Determining whether an Arrangement Contains a Lease

2. 主要會計政策 (續)

(b) 新增及經修訂之 HKFRS 及 HKAS 的影響 (續)

與本集團業務相關而必須於本集團二零零七年一月一日或之後開始之會計年度採用之若干新增準則和現有準則之修訂及詮釋經已頒布；惟本集團並未於截至二零零六年十二月三十一日止年度的財務報表內提早採納該等新增準則及詮釋：

HKFRS7	金融工具：披露
HK(IFRIC)- 詮釋10	中期財務報告及 減值
HK(IFRIC)- 詮釋11	HKFRS 2 - 集團及庫存 股份交易

採納以上之新增準則及詮釋，除編列上的若干變動外，並無對本集團之財務報表造成重大影響。

(c) 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零六年十二月三十一日止之財務報表。

集團內所有公司間之重大交易及結餘均於綜合報表內抵銷。

於本年度內收購或出售之附屬公司，其業績由收購或直至出售之生效日起計入綜合損益表內。

出售附屬公司之收益或虧損，指出售所得之收入與集團應佔該公司之資產淨值(連同以前並未於綜合損益表內支銷或入賬之任何商譽)之差額。

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中所佔之權益。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Impact of new and revised HKFRSs and HKASs (continued)

Certain new standards, amendments and interpretations to existing standards have been published that are relevant to the Group's business and are mandatory for the Group's accounting periods beginning on or after January 1, 2007 or later periods. The Group has not early adopted the following new standards and interpretations for the year ended December 31, 2006:

HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)- Interpretation 10	Interim Financial Reporting and Impairment
HK(IFRIC)- Interpretation 11	HKFRS 2 - Group and Treasury Share Transactions

Apart from certain presentational changes, the adoption of the above new standards and interpretations will have no significant impact on the Group's financial statements.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to December 31, 2006.

All material inter-company transactions and balances within the Group are eliminated on consolidation.

The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated profit and loss account from or up to the effective dates of acquisition or disposal.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill which was not previously charged or recognized in the consolidated profit and loss account.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

2. 主 要 會 計 政 策 (續)**(d) 附 屬 公 司**

附屬公司是指本公司直接或間接持有該公司多於百分之五十投票權或已發行股本或擁有組成其董事會之控制權或有權監控其財務及經營政策。

附屬公司之賬目由控制權轉移予本集團當日起完全綜合於本集團賬目內，而於控制權終止當日剔除。

本集團收購附屬公司時以購買會計法入賬。收購成本乃按轉讓日所給予資產、所發行股本工具及所引致或承擔的負債的公平值，加收購事項直接引致之成本計算。業務合併時所收購之可識別資產及所承擔之負債及或然負債初步以於收購日之公平值計算，而不計入任何少數股東權益。收購成本超出本集團應佔所收購可識別資產淨值之公平值部分則記錄為商譽。倘收購成本低於所購附屬公司資產淨值之公平值，該差異則直接於損益表中確認。

集團公司之間的交易、結餘及交易之未變現收益乃予抵銷。除非該交易提供證據證明所轉移資產出現減值，否則未變現虧損亦予以抵銷。附屬公司之會計政策在需要情況下已作修訂，以確保與本集團所採納之政策一致。

附屬公司之投資，以成本值扣除減值虧損之撥備納入本公司之資產負債表內。本公司將附屬公司之業績按已收及應收股息入賬。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(d) Subsidiaries**

A subsidiary is a company in which the Company, directly or indirectly, controls more than 50 percent of its voting power or issued share capital or controls the composition of its board of directors or has power to govern its financial and operating policies.

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

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

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

Investments in subsidiaries are carried in the Company's balance sheet at cost, less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2. 主要會計政策 (續)

(e) 共同控制公司

共同控制公司乃每位投資者擁有其權益而該公司之財務及營運決策乃根據合約安排由投資者共同控制。

本集團採納權益法處理於共同控制公司之權益。綜合損益表包括本集團於年內應佔共同控制公司之業績，而集團資產負債表包括本集團所佔共同控制公司之淨資產。當本集團與共同控制公司有交易時，未變現溢利及虧損會根據本集團所佔權益予以抵銷。

於本公司之資產負債表，共同控制公司之權益以成本值扣除減值虧損之撥備入賬。本公司將共同控制公司之業績按已收及應收股息入賬。

(f) 聯營公司

聯營公司是指本集團對其有重大影響但不擁有控制權的公司，一般擁有其百分之二十至百分之五十股本權益。

本集團對收購後應佔聯營公司的利潤或虧損於損益表中確認，而應佔收購後的聯營公司的儲備變動在儲備中確認。收購後的累積變動乃於投資之賬面值作調整。當本集團應佔聯營公司的虧損相等於或大於其佔聯營公司的權益(包括任何其他無擔保之應收賬款)，除非本集團有該責任或已代聯營公司支付款項，本集團不再確認額外的損失。

因本集團與聯營公司之間交易而產生的未變現收益按本集團所佔權益予以抵銷。除非該交易提供證據證明所轉移資產出現減值，否則未變現虧損亦予抵銷。

於本公司之資產負債表內，聯營公司之投資以成本值扣除減值虧損之撥備入賬。本公司將聯營公司之業績按已收及應收股息入賬。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Jointly controlled companies

A jointly controlled company is an entity in which each venturer has an interest and of which its financial and operating policies are under contractual arrangements jointly controlled by the venturers.

The Group adopts the equity method to account for the interests in jointly controlled companies. The consolidated profit and loss account includes the Group's share of the results of jointly controlled companies for the year, and the Group's balance sheet includes the Group's share of net assets of the jointly controlled companies. When the Group transacts with its jointly controlled companies, unrealized profits and losses are eliminated to the extent of the Group's interests in jointly controlled companies.

In the Company's balance sheet, the interests in jointly controlled companies are stated at cost less provision for impairment losses. The results of jointly controlled companies are accounted for by the Company on the basis of dividend received and receivable.

(f) Associates

An associate is a company over which the Group has significant influence but does not control, generally accompanying an equity interest of between 20 percent and 50 percent.

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

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the Company's balance sheet, the investments in associates are stated at cost less provision for impairment losses. The results of associates are accounted for by the Company on the basis of dividend received and receivable.

2. 主 要 會 計 政 策 (續)

(g) 分 部 報 表

一個業務分部是指從事提供產品或服務之一組資產及業務，而該組資產及業務之風險及回報有別於其他業務分部。一個地區分部乃在某一特定經濟環境下從事提供產品或服務，而該分部之風險及回報有別於在其他經濟環境經營的分部。

(h) 外 幣 換 算

(i) 功 能 性 及 呈 列 貨 幣

本集團內各企業的財務報表內的項目均以該企業經營之主要經濟環境之通行貨幣(「功能性貨幣」)計量。綜合財務報表以港元呈列，而該貨幣為本公司的功能性及呈列貨幣。

(ii) 交 易 及 結 餘

外幣交易均按交易當日之匯率折算為功能性貨幣入賬。上述交易結算過程中以及按年終兌換匯率換算以外幣為單位之貨幣性資產和負債時出現的匯兌收益及虧損均於損益表中確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(g) Segment reporting

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

(h) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

2. 主要會計政策 (續)

(h) 外幣換算 (續)

(iii) 集團公司

所有本集團之公司若其功能性貨幣與呈列貨幣不同(各公司均無極高通脹經濟之貨幣)，其業績及財務狀況均按以下方法換算為呈列貨幣：

- 每份呈列於資產負債表之資產及負債均以該資產負債表結算日之收市匯率換算；
- 每份損益表之收入及支出項目乃按平均匯率換算(除非該平均匯率對交易日通行匯率之累計影響並非是一個合理的接近匯率；在此情況下，收入及支出乃按交易當日的匯率換算)；及
- 所有兌換差異乃於匯兌儲備中確認。

於綜合賬目時，換算境外公司投資淨值，以及借款和作為上述投資之對沖之其他貨幣投資時產生之匯兌差額乃列入匯兌儲備內。當出售境外業務時，該匯兌差額於損益表中確認為出售收益或虧損。

(i) 物業、機器及設備

永久業權土地以成本值入賬及不作攤銷。

樓宇、租賃物業裝修及其他固定資產以成本值扣除累積折舊及累積減值虧損列賬。成本值指資產之購買價及將資產達至現行用途之其他有關費用。

僅在與該項目相關之未來經濟效益有可能歸於本集團及能可靠地計算出該項目成本之情況下，其後之成本才會包括於資產賬面值或確認為獨立之資產(如適用)。所有其他維修及保養支出於其產生之財務期內計入損益表。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Foreign currency translation (continued)

(iii) Group companies

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

- assets and liabilities for each balance sheet presented are translated at the closing rate at balance sheet date;
- income and expenses for each profit and loss account are translated at average exchange rates (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, incomes and expenses are translated at the exchange rate on transaction dates); and
- all resulting exchange differences are recognized in the exchange reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign companies, and of borrowings and other currency instruments designated as hedges of such investments, are taken to exchange reserve. When a foreign operation is sold, such exchange differences are recognized in the profit and loss account as part of the gain or loss on sale.

(i) Property, plant and equipment

Freehold land is stated at cost and is not amortized.

Buildings, leasehold improvements and other fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost represents the purchase price of the asset and other costs incurred to bring the asset into its existing use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the profit and loss account during the financial period in which they are incurred.

2. 主 要 會 計 政 策 (續)**(i) 物 業、機 器 及 設 備 (續)**

物業、機器及設備之折舊乃以資產成本值按其估計於本集團可使用年期以直線方式撇銷如下：

- 永久業權之土地不作折舊。
- 位於永久業權土地上之樓宇是按估計可使用年期，以其完成日不多於五十年計算。
- 位於租賃土地上之樓宇是按估計剩餘租賃年期或其估計可使用年期，以完成日不多於五十年計算，兩者之較短者折舊。
- 機器 五年
- 其他固定資產 三至五年

於每個結算日，資產之剩餘價值及可使用年期，會於適當情況下重新審閱及作出調整。

倘某資產之賬面值大於其估計可收回金額，該資產之賬面值將即時減值至其可收回之金額。

出售固定資產之收益或虧損是指出售淨收益與有關資產賬面金額之差額，並於損益表內列賬。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(i) Property, plant and equipment (continued)**

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

- Freehold land is not depreciated.
- Buildings situated on freehold land are depreciated over their estimated useful lives, being no more than 50 years after the date of completion.
- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease or their estimated useful lives, being no more than 50 years after the date of completion.
- Plant 5 years
- Other fixed assets 3 – 5 years

Assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain or loss on disposal of fixed assets is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognized in the profit and loss account.

2. 主要會計政策 (續)

(j) 投資物業

投資物業是指持有作為長期收租或資本增值，或兩者皆是。

投資物業包括融資租賃之樓宇，以成本值扣除累積折舊及累積減值虧損列賬。成本值是指投資物業之購買價及將物業達至現行用途之其他有關費用。投資物業之折舊是按剩餘租賃年期將其成本值撇銷計算。

僅在與該項目相關之未來經濟效益有可能歸於本集團及能可靠地計算出項目成本之情況下，其後的支出才會包括於資產賬面值。所有其他維修及保養支出於其產生之財務期內計入損益表。

(k) 資產減值

無指定使用年期之資產毋需攤銷，但至少每年或每當有事項或情況轉變顯示不可收回賬面值時就檢討是否需要減值。需要攤銷之資產於每年或每當有事項或情況轉變顯示賬面值不可收回時，就檢討是否需要減值。減值虧損即時按資產賬面值超出其可收回金額之差額確認。可收回金額為資產之公平值減銷售成本與使用價值之較高者。於評估減值時，資產應按可分開確認現金流量之最低水平(現金產生單位)分類評估。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(j) Investment property

An investment property is a property which is held for long term rental yield or for capital appreciation, or both.

Investment property comprises buildings held under finance leases. It is stated at cost less accumulated depreciation and any accumulated impairment losses. Cost represents the purchase price of the investment property and other costs incurred to bring the property into its existing use. Depreciation of investment property is calculated to write off its cost over the unexpired period of the lease.

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

(k) Impairment of assets

Assets that have an indefinite useful life are not subject to amortization, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

2. 主 要 會 計 政 策 (續)

(l) 存 貨

存貨按成本值與可變現淨值兩者中之較低者入賬。成本值乃按加權平均之基準並按下列方法計算：

- (i) 原料及購入貨品 - 按發票價加採購成本；
- (ii) 在製貨品及製成品 - 直接物料成本、直接勞工成本及應佔之生產費用，但不包括借貸成本。

可變現淨值乃存貨在正常業務情況下之預計售價扣除變賣費用，及(如適用)扣除將其轉換成製成產品之成本。

(m) 應 收 賬 款 及 其 他 應 收 款

應收賬款及其他應收款乃按其公平值入賬，其後以實際利率攤銷成本計量；若在折現的影響並不重要的情況下應收賬款及其他應收款則以成本扣除減值撥備列出。應收賬款及其他應收款之減值撥備在有客觀證據證明將不能按應收款項之原有條款收回全數金額時確立。撥備金額為資產賬面值與估計未來現金流量之現值(按實際利率折現)之差額。撥備金額於損益表內確認。

(n) 現 金 及 現 金 等 值

現金及現金等值包括現金、銀行通知存款、其他短期高度流通和於三個月內到期之投資及銀行透支。銀行透支於資產負債表流動負債之銀行貸款下顯示。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(l) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average basis and is arrived at as follows:

- (i) Raw materials and purchased goods - invoiced prices plus procurement costs;
- (ii) Work in progress and finished goods - cost of direct materials, direct labor and an appropriate proportion of production overheads, but excluding borrowing costs.

Net realizable value is the estimated price at which inventories can be sold in the normal course of business after allowing for the costs of realization and, where appropriate, the cost of conversion from their existing state to a finished condition.

(m) Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the profit and loss account.

(n) Cash and cash equivalents

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

2. 主要會計政策 (續)

(o) 借貸成本

所有借貸成本於發生期間內於損益表支銷，除非此等成本直接歸屬於收購、建造或生產資產，而該資產需要長時間達至其預設用途或用作出售，才可作資本化。

(p) 遞延稅項

遞延稅項採用負債法就資產及負債之稅基與其在財務報表之賬面值兩者之短暫性差異作全數撥備。於結算日已頒布或實質上頒布的稅率，將用作為決定遞延稅項。

因稅務虧損所產生之遞延稅項資產不會確認入賬，除非預期日後應課稅溢利可抵銷此短暫性差異。

遞延稅項就投資於附屬公司、共同控制公司及聯營公司所產生之短暫性差異而撥備，惟母公司若可以控制此時差之撥回，並有可能在可預見未來不會撥回則除外。

(q) 僱員福利

(i) 退休金責任

除台灣之退休計劃安排外，本集團為所有合資格的僱員實行界定供款計劃及(如適用)參與中央界定供款公積金計劃。界定供款計劃之資產與本集團之資產分開持有，並由獨立基金管理。僱主與僱員雙方均須就該等計劃作供款，而供款額乃取決於僱員薪金之百分比，由百分之二至百分之二十不等。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(o) Borrowing costs

Borrowing costs are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

(p) Deferred taxation

Deferred taxation is provided in full, using liability method, on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Taxation rates enacted or substantially enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets generated from taxable losses are not recognized unless it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred taxation is provided on the temporary differences arising on investment in subsidiaries, jointly controlled companies and associates, except where the timing of the reversal of the temporary differences can be controlled by the parent company and it is probable that the temporary difference will not reverse in the foreseeable future.

(q) Employee benefits

(i) Pension obligations

Except for the pension scheme arrangements in Taiwan, the Group operates defined contributions schemes and, if applicable, participates in central defined contribution provident fund schemes for all qualified employees. The assets of the said schemes are held by independently administered funds separated from those of the Group. Contributions to these schemes are made by both the employers and employees at rates ranging from two percent to twenty percent on the employees' salaries.

2. 主 要 會 計 政 策 (續)**(q) 僱 員 福 利 (續)****(i) 退 休 金 責 任 (續)**

本集團就該界定供款計劃及強制性公積金計劃所作出之供款在發生時作為費用支銷，而員工在取得全數既得之利益前退出計劃而被沒收之僱主供款將會用作扣減此供款。本集團於作出供款後，便再無其他付款的責任。

集團全資附屬公司之台灣分公司依據台灣勞動基準法條例參與「確定給付制」之退休金計劃（「舊制」）；同時，自二零零五年七月一日起，依據台灣勞工退休金條例參與「確定提撥制」之退休金計劃（「新制」）。

在舊制下，集團有責任確保有足夠的資金支付員工之退休金包含在新制實施前舊年資應保留之退休金及選擇繼續參與舊制的員工之隨後年資，台灣分公司現行按參與員工薪金總額之百分之二提撥退休金，此提撥比率是經相關政府單位批准的，舊制的退休金資產乃是由中央信託局投資。

在新制下，台灣分公司依據選擇參與新制的員工之每月薪金，按月提撥百分之六的退休金，並存入員工於勞工保險局之個人賬戶內。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(q) Employee benefits (continued)****(i) Pension obligations (continued)**

The Group's contributions to the defined contribution plans and mandatory provident fund scheme are expensed as incurred and, if applicable, are reduced by contributions forfeited by those employees who leave the scheme or the plan prior to vesting fully in the contributions. The Group has no further payment obligations once the contributions have been made.

The branches of wholly-owned subsidiaries of the Group in Taiwan have a defined benefit scheme ("Old Scheme") governed by the Labor Standard Law and a defined contribution scheme ("New Scheme") governed by the Labor Pension Act which became effective on July 1, 2005.

Under the Old Scheme, the Group has an obligation to ensure that there are sufficient funds in the scheme to pay the benefits earned for the service years of all employees before the New Scheme was effective and the subsequent service years of employees who chose to continue to participate in the Old Scheme. The branches currently contribute at two percent of the total salaries of participating employees as determined and approved by the relevant government authorities. The assets of the Old Scheme are invested by the Central Trust of China.

Under the New Scheme, the branches contribute each month at six percent of the salary of employees who choose to participate in the New Scheme, deposited into individual pension accounts at the Bureau of Labor Insurance.

2. 主要會計政策 (續)

(q) 僱員福利 (續)

(ii) 以股份支付的補償

本集團設有一項以股權結算、以股份支付之補償計劃。本集團就授出購股權而取得僱員服務之公平價值被確認並列作開支。購股權歸屬期間之支銷總額乃參考已授出購股權之公平價值而釐定，惟不計及任何非市場歸屬情況之影響(例如盈利能力及銷售增長目標)。非市場歸屬情況包括於預期可予行使之購股權數目之假設內。於各結算日，本集團均會修訂其估計預期可予行使之購股權之數目。修訂原來估計數字如有影響，則於損益表內確認，以及在餘下歸屬期間對股東權益作相應調整。

當購股權獲行使時，已收取所得款項於扣除任何直接交易成本後均列入股本(面值)及股份溢價中。

(r) 撥備

當本集團對已發生的事件須承擔法律性或推定性的責任，則會確認撥備，而解除該責任時可能有資源之流出，並可確實地估計該數額。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(q) Employee benefits (continued)

(ii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the Group revises its estimates of the number for options that are expected to become exercisable. It recognizes the impact of the revision of original estimates, if any, in the profit and loss account, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(r) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2. 主 要 會 計 政 策 (續)**(s) 收 入 確 認**

收入包括產品及服務銷售的公平值扣減增值稅、回扣和折扣及減除集團內銷售。收入確認如下：

(i) 產 品 銷 售 – 批 發

貨品之銷售收益在貨品付運予客戶，而客戶已接納該貨品及有關應收款項已合理地確定收到時確認。

(ii) 產 品 銷 售 – 零 售

貨品之銷售於出售產品予客戶時確認。零售銷售通常以現金或信用卡結算；而紀錄之收益為銷售總額，其中未扣減交易中應付的信用卡費用；此等費用包括在分銷成本中。

(iii) 服 務 銷 售

服務銷售乃根據已提供之服務佔整體服務之比例為參考，於提供服務時之會計期間內確認。

(iv) 利 息 收 入

利息收入根據尚未償還之本金及適用之利率，按時間比例使用實際利率法確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(s) Revenue recognition**

Revenue comprises the fair value for the sales of goods and services, net of value-added tax, rebates return and discounts and after eliminating sales within the Group. Revenue is recognized as follows:

(i) Sales of goods – wholesale

Sales of goods are recognized when a Group company has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(ii) Sales of goods – retail

Sales of goods are recognized when a Group company sells a product to the customer. Retail sales are usually in cash or by credit card. The recorded revenue is the gross amount of sales, before netting off credit card fees payable for the transactions. Such fees are included in distribution costs.

(iii) Sales of services

Sales of services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(iv) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method, taking into account the principal amount outstanding and the interest rates applicable.

2. 主要會計政策 (續)

(s) 收入確認 (續)

(v) 專利權收入

專利權收入按照相關協議之實質以應計基準確認。

(vi) 股息收入

股息收入於擁有權利收取股息時確認。

(t) 衍生金融工具

若干衍生工具(包括不符合對沖會計的遠期外匯兌換合約)先按其於衍生合約訂立日期當日的公平值列賬,再按其後的公平值重新計算。該等衍生工具公平值的變化,會即時於損益表內確認。

(u) 租賃 (作為承租人)

(i) 融資租賃

凡本集團於資產租賃時將擁有資產之大部分回報及風險均列為融資租賃。於融資租賃開始時,其租賃資產之公平價值或最低租賃支出之現值,以較低者撥作資本化。為了達至基於財務餘額之固定利率,每一租賃支出被分配為負債及財務支出。相應之租務責任在扣除財務支出後會被納入流動及非流動借貸。財務成本的利息項目會於租賃年期內於損益表中確認,以致產生一個基於每期負債餘額的固定利率。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(s) Revenue recognition (continued)

(v) Royalty income

Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

(vi) Dividend income

Dividend income is recognized when the right to receive payment is established.

(t) Derivative financial instruments

Certain derivatives, including forward foreign exchange contracts, which do not qualify for hedge accounting, are initially recognized at fair value on the date on which a derivative contract is entered into and subsequently re-measured at their fair value. Changes in fair value of the derivatives are recognized immediately in the profit and loss account.

(u) Leases (as the lessee)

(i) Finance leases

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, is included in current and non-current borrowings. The interest element of the finance cost is recognized in the profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2. 主 要 會 計 政 策 (續)

(u) 租 賃 (作 為 承 租 人) (續)

(ii) 經 營 租 賃

凡出租公司將保留擁有資產之大部分回報及風險之資產租賃，皆列為經營租賃。經營租賃之租金在租賃期內以直線法於損益表內支銷。

(v) 派 息

向本公司股東派發之股息，於批准派息的財務期間被確認為本集團財務報表中的一項負債。

(w) 或 然 負 債

或然負債是指因為過往事件而可能引起之承擔，而其存在只能就集團不能完全控制之一宗或多宗不確定未來事件之出現與否而確認。或然負債亦可能因過往事件引致之現有承擔，但由於可能不需要有經濟資源流出，或所須承擔之金額未能可靠衡量而未有記賬。

除了當或然負債於商業合併中被一同收購時，根據附註2(d)，其值最初會以公平值被確認(假設該公平值能合理地計量)，或然負債不會被確認，但會在財務報表附註中披露。倘若資源流出之可能性改變而導致可能出現資源流出，則確認為撥備。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(u) Leases (as the lessee) (continued)

(ii) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rental payments applicable to such operating leases are charged to the profit and loss account on the straight-line basis over the lease periods.

(v) Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved.

(w) Contingent liabilities

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

With the exception of a contingent liability acquired as part of a business combination which is initially recognized at fair value (provided that the fair value can be reasonably measured) in accordance with note 2(d), a contingent liability is not recognized but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognized as a provision.

3. 財務風險管理

財務風險因素

本集團之業務使其主要受到貨幣及信貸風險之影響。本集團整體風險管理計劃尋求將對本集團財務表現有不良影響之潛在風險減至最低。如需要時，本集團使用金融衍生工具管理若干所面對的風險。

(i) 匯兌風險

本集團之國際營運業務面對若干匯兌風險，主要來自不同貨幣換算港元而產生。匯兌風險來自未來商業交易、已確認之資產及負債和海外經營之投資淨值。

為管理來自未來商業交易和已確認之資產及負債的外匯風險影響，當預期有關貨幣會有重大浮動時，本集團之公司將訂立遠期外匯兌換合約。

本集團擁有若干海外業務投資，其淨資產易受外匯換算風險。本集團於海外業務之淨資產，如日本業務，所帶來的匯兌風險主要是透過以其相關外匯為單位的借貸來管理。

(ii) 信貸風險

本集團並無主要集中性信貸風險。本集團有既定政策確保產品批發給予有良好信貸紀錄之客戶。零售客戶則須支付現金或使用主流信用卡。現金存款存放於具有良好信譽之財務機構。

3. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities exposed it mainly to currency risk and credit risk. The Group's overall risk management programme seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to manage certain risk exposure when necessary.

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk primarily arising from translation of various currency exposures to Hong Kong dollar. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

To manage their foreign exchange risk arising from future commercial transactions, recognized assets and liabilities, companies in the Group use forward foreign exchange contracts when major fluctuation in the relevant foreign currency is anticipated.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operation such as Japan is managed primarily through borrowings denominated in their relevant foreign currencies.

(ii) Credit risk

The Group has no significant concentration of credit risk. It has policies in place to ensure that wholesale of products are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via major credit cards. Cash deposits are placed with reputable financial institutions.

3. 財 務 風 險 管 理 (續)

財 務 風 險 因 素 (續)

(iii) 流 動 現 金 風 險

審慎之流動現金風險管理透過維持足夠現金、銀行信貸所提供的金額和償還所有流動負債的能力而顯示。

(iv) 利 率 風 險

因本集團並無重大附帶利息的借貸，本集團之營運現金流量不受市場利率轉變之影響。

4. 重 要 會 計 估 計 及 判 斷

估計及判斷之評估會持續地進行，並以過往經驗及其他因素作為基礎，包括在目前情況下對未來事件的合理預期。

重 要 會 計 估 計 及 假 設

本集團對未來作出推算及假設。所得之會計估計理論上難以與相關的實際結果相同。以下所論述之估計及假設有相當風險會引致須於下個財政年度對資產和負債之賬面值作重大調整。

本集團須於多個司法權區繳納利得稅。在為利得稅釐定全球準備時需要運用相當程度的判斷。於日常業務過程中有頗多未能確定最終稅項之交易及計算。本集團依據會否有到期應繳額外稅項之估計而確認預期稅務審計項目之負債。倘該等事項之最終稅務結果與初步記錄之金額不同，有關差異將影響作出釐定之期間內的利得稅及遞延稅項準備。

3. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, availability of funding through an adequate amount of credit facilities from banks and the ability to settle all current liabilities.

(iv) Interest rate risk

As the Group has no significant interest-bearing borrowings, the Group's operating cash flows are substantially independent of changes in market interest rates.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Critical accounting estimates and assumptions

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

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. 營業額、收益及分部資料

本集團主要業務為零售及分銷其 *Giordano*、*Giordano Concepts*、*Giordano Ladies*、*Giordano Junior* 及 *Bluestar Exchange* 等品牌之便服及配襯用品。本集團亦同時經營成衣貿易及製造業務，以供應集團零售業務需求，並向本集團以外之人士供應產品。

本年度已確認之營業額及收益如下：

5. TURNOVER, REVENUE AND SEGMENT INFORMATION

The principal business of the Group is retail and distribution of casual apparel and accessories under *Giordano*, *Giordano Concepts*, *Giordano Ladies*, *Giordano Junior* and *Bluestar Exchange* brands. The Group also carries on garment trading and manufacturing operation, supporting the Group's retail business and supplying products to third parties.

Turnover and revenue recognized during the year are as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
營業額	Turnover		
零售及分銷業務之 銷售收入	Sales revenue from retail and distribution operation	4,019	4,002
成衣貿易及製造業務之 銷售收入	Sales revenue from garment trading and manufacturing operation	353	411
		4,372	4,413
其他收益	Other revenue		
利息收入	Interest income	19	15
佣金收入	Commission income	7	11
租金收入	Rental income	31	25
特許權收入	Royalty income	19	17
其他收入	Other income	38	32
		114	100

5. 營業額、收益及分部資料
(續)

5. TURNOVER, REVENUE AND SEGMENT INFORMATION
(continued)

(a) 主要報告形式 - 業務分部

(a) Primary reporting format - business segments

(以港幣百萬元為單位) (In HK\$ millions)		零售及 分銷業務 Retail and distribution 2006	成衣貿易及 製造業務 Garment trading and manufacturing 2006	抵銷項 Eliminations 2006	集團 Group 2006
營業額	Turnover				
對外銷售	External sales	4,019	353	-	
分部間銷售	Inter-segment sales	-	603	(603)	
		4,019	956	(603)	4,372
分部業績	Segment results				
經營溢利	Operating profit	334	42	-	376
融資費用	Finance expense				(1)
應佔共同控制 公司溢利	Share of profit of jointly controlled companies				8
應佔一聯營公司 溢利	Share of profit of an associate				8
除稅前溢利	Profit before taxation				391
稅項	Taxation				(173)
除稅後溢利	Profit after taxation				218
少數股東權益	Minority interests				(13)
股東應佔 溢利	Profit attributable to shareholders				205
資產	Assets				
分部資產	Segment assets	1,877	408		2,285
共同控制公司 權益	Interest in jointly controlled companies	332	26		358
一聯營公司權益	Interest in an associate	32	-		32
未分配之資產	Unallocated corporate assets				309
資產總額	Total assets				2,984
負債	Liabilities				
分部負債	Segment liabilities	394	205		599
未分配之負債	Unallocated corporate liabilities				295
負債總額	Total liabilities				894
其他資料	Other information				
資本開支(附註 14)	Capital expenditure (note 14)	96	15		111
折舊(附註 6)	Depreciation (note 6)	98	12		110
租賃土地預付款項 攤銷(附註 6)	Amortization of leasehold land prepayments (note 6)	9	-		9

分部間銷售是在正常業務範圍內進行，交易價格及條款可與集團其他第三者客戶相比。

Inter-segment sales were conducted in the normal course of business at prices and terms comparable to the other third party customers of the Group.

5. 營業額、收益及分部資料
(續)

(a) 主要報告形式 - 業務分部
(續)

5. TURNOVER, REVENUE AND SEGMENT INFORMATION
(continued)

(a) Primary reporting format - business segments
(continued)

(以港幣百萬元為單位) (In HK\$ millions)		零售及 分銷業務 Retail and distribution 2005	成衣貿易及 製造業務 Garment trading and manufacturing 2005	抵銷項 Eliminations 2005	集團 Group 2005
營業額	Turnover				
對外銷售	External sales	4,002	411	-	
分部間銷售	Inter-segment sales	-	632	(632)	
		4,002	1,043	(632)	4,413
分部業績	Segment results				
經營溢利	Operating profit	460	58	-	518
融資費用	Finance expense				(1)
應佔共同控制 公司溢利	Share of profit of jointly controlled companies				20
應佔一聯營公司 溢利	Share of profit of an associate				11
除稅前溢利	Profit before taxation				548
稅項	Taxation				(117)
除稅後溢利	Profit after taxation				431
少數股東權益	Minority interests				(25)
股東應佔 溢利	Profit attributable to shareholders				406
資產	Assets				
分部資產	Segment assets	1,918	344		2,262
共同控制公司 權益	Interest in jointly controlled companies	307	9		316
一聯營公司權益	Interest in an associate	30	-		30
未分配之資產	Unallocated corporate assets				362
資產總額	Total assets				2,970
負債	Liabilities				
分部負債	Segment liabilities	382	133		515
未分配之負債	Unallocated corporate liabilities				240
負債總額	Total liabilities				755
其他資料	Other information				
資本開支(附註14)	Capital expenditure (note 14)	102	18		120
折舊(附註6)	Depreciation (note 6)	102	13		115
租賃土地預付款項 攤銷(附註6)	Amortization of leasehold land prepayments (note 6)	8	-		8

5. 營業額、收益及分部資料
(續)

5. TURNOVER, REVENUE AND SEGMENT INFORMATION
(continued)

(b) 次要報告形式 - 地區分部

(b) Secondary reporting format - geographical segments

(以港幣百萬元為單位)	(In HK\$ millions)	營業額 Turnover 2006	資本開支 Capital expenditure 2006	資產總額 Total assets 2006
中國大陸	Mainland China	1,170	31	893
香港	Hong Kong	925	19	858
台灣	Taiwan	696	18	264
新加坡	Singapore	409	12	122
澳洲	Australia	238	16	84
日本	Japan	129	1	43
韓國	Korea	166	-	-
其他	Others	639	14	296
		4,372	111	2,560
共同控制公司 權益	Interest in jointly controlled companies			358
一聯營公司權益	Interest in an associate			32
未分配之資產	Unallocated corporate assets			34
資產總額	Total assets			2,984

5. 營業額、收益及分部資料
(續)

5. TURNOVER, REVENUE AND SEGMENT INFORMATION
(continued)

(b) 次要報告形式 - 地區分部
(續)

(b) Secondary reporting format - geographical segments
(continued)

		營業額 Turnover	資本開支 Capital expenditure	資產總額 Total assets
(以港幣百萬元為單位)	(In HK\$ millions)	2005	2005	2005
中國大陸	Mainland China	1,014	36	982
香港	Hong Kong	949	23	905
台灣	Taiwan	782	25	286
新加坡	Singapore	410	5	107
澳洲	Australia	248	18	65
日本	Japan	184	2	68
韓國	Korea	166	-	-
其他	Others	660	11	187
		<u>4,413</u>	<u>120</u>	<u>2,600</u>
共同控制公司 權益	Interest in jointly controlled companies			316
一聯營公司權益	Interest in an associate			30
未分配之資產	Unallocated corporate assets			<u>24</u>
資產總額	Total assets			<u>2,970</u>

6. 經 營 溢 利

6. OPERATING PROFIT

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
經營溢利已扣除	The operating profit is stated		
下列各項：	after charging:		
租賃土地預付	Amortization of leasehold land		
款項攤銷	prepayments	9	8
核數師酬金	Auditors' remuneration	3	3
物業、機器及	Depreciation of property, plant and		
設備折舊	equipment	108	113
投資物業折舊	Depreciation of investment property	2	2
遠期外匯合約公平值	Fair value gain on forward		
之收益	foreign exchange contracts	1	-
出售物業、機器及設備	Net loss on disposal of property,		
之淨虧損	plant and equipment	3	2
土地及樓宇之	Operating lease rentals in respect		
經營租賃費用	of land and buildings		
- 最低租金支出	- minimum lease payments	588	530
- 或然租金費用	- contingent rent	180	178
陳舊存貨準備及	Provision for obsolete stock and		
存貨撇銷	stock written off	23	10
員工成本(附註8)	Staff costs (note 8)	656	618

7. 融資費用

7. FINANCE EXPENSE

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2006	2005
銀行貸款利息	Interest on bank loans	1	1

8. 員工成本

8. STAFF COSTS

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2006	2005
薪金及工資 (包括董事酬金)	Salaries and wages (including directors' emoluments)	609	578
購股權費用	Share option expense	1	4
退休金 - 界定供款計劃	Pension cost - defined contribution plans	46	35
退休金 - 界定福利計劃	Pension cost - defined benefit plans	-	1
		656	618

本年度內，本集團運用未能領取之供款為港幣五萬元(二零零五年：港幣二萬元)以減低供款水平。於二零零六年十二月三十一日，沒有可供來年使用之未能領取供款(二零零五年：港幣五萬元)。

During the year, the unvested benefits utilized by the Group to reduce the level of contributions was HK\$0.05 million (2005: HK\$0.02 million). As at December 31, 2006, no unvested benefits were available to be utilized in the future years (2005: HK\$0.05 million).

9. 董事及高級管理人員酬金

9. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) 董事酬金

(a) Directors' emoluments

截至二零零六年十二月三十一日止年度內各董事的酬金詳列如下：

The emolument of every director for the year ended December 31, 2006 is set out below:

董事姓名	Name of Directors	袍金 Fees	薪金 Salaries	花紅 Bonuses	其他津貼# Other benefits#	僱主退休金 供款 Employer's contribution	合計 Total
						to pension schemes	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2006							
劉國權	LAU Kwok Kuen, Peter	-	2,562	9,515	1,076	12	13,165
馮永昌	FUNG Wing Cheong, Charles	-	1,902	-	93	45	2,040
馬灼安	MAH Chuck On, Bernard	-	2,132	500	290	12	2,934
歐文柱*	AU Man Chu, Milton *	275	-	-	-	-	275
畢滌凡*	Barry John BUTTIFANT *	275	-	-	-	-	275
鄺其志*	KWONG Ki Chi *	138	-	-	-	-	138
李鵬飛*	LEE Peng Fei, Allen *	275	-	-	-	-	275
		963	6,596	10,015	1,459	69	19,102
2005							
劉國權	LAU Kwok Kuen, Peter	-	2,537	10,188	1,197	19	13,941
馮永昌	FUNG Wing Cheong, Charles	-	1,808	-	78	45	1,931
馬灼安	MAH Chuck On, Bernard	-	2,132	1,050	239	12	3,433
歐文柱*	AU Man Chu, Milton *	275	-	-	-	-	275
畢滌凡*	Barry John BUTTIFANT *	275	-	-	-	-	275
鄺其志*	KWONG Ki Chi *	138	-	-	-	-	138
李鵬飛*	LEE Peng Fei, Allen *	275	-	-	-	-	275
		963	6,477	11,238	1,514	76	20,268

* 獨立非執行董事

* Independent non-executive directors

其他收益包括保險供款、房屋及稅項津貼

Other benefits include insurance premium, housing and tax allowances

9. 董事及高級管理人員酬金
(續)

9. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS
(continued)

(a) 董事酬金 (續)

(a) Directors' emoluments (continued)

於本年度內，向本公司董事支付之酬金總額如下：

The aggregate amount of emoluments payable to directors of the Company during the year is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	2006	2005
袍金	Fees	1	1
其他酬金：	Other emoluments:		
基本薪金、房屋津貼、	Basic salaries, housing allowances,		
其他津貼及實物收益	other allowances and benefits in kind	8	8
花紅	Bonuses	10	11
退休金供款	Pension contributions	-	-
		19	20

(b) 五位最高薪職員

(b) Five highest paid individuals

於本年度內，本集團五位最高薪職員中包括三位(二零零五年：三位)董事，其酬金之詳情已於上文披露。付予餘下兩位(二零零五年：兩位)最高薪職員酬金總額如下：

The five individuals whose emoluments were the highest in the Group for the year include three (2005: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2005: two) individuals during the year are as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	2006	2005
基本薪金、房屋津貼、	Basic salaries, housing allowances,		
其他津貼及實物收益	other allowances and benefits in kind	3	3
花紅	Bonuses	-	-
退休金供款	Pension contributions	-	-
		3	3

9. 董事及高級管理人員酬金
(續)

(b) 五位最高薪職員(續)

餘下最高薪職員按酬金組別歸類如下：

酬金組別 Emolument band	人數 Number of individuals	
	2006	2005
港幣 HK\$ 1,500,001 - 2,000,000	<u>2</u>	<u>2</u>

9. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS
(continued)

(b) Five highest paid individuals (continued)

The emoluments of the remaining highest paid individuals fell within the following band:

10. 稅項

綜合損益表內之稅項支出為：

(以港幣百萬元為單位)

所得稅項

本年度所得稅項

- 香港利得稅
- 海外稅項

過往年度準備不足/(剩餘)

- 海外稅項

扣繳稅項

遞延稅項

關於短暫性差異之
衍生及撥回

稅項支出

10. TAXATION

The charge for taxation in the consolidated profit and loss account represents:

(In HK\$ millions)

Income tax

Current income tax

- Hong Kong profits tax
- Overseas taxation

Under/(over) provision in previous year

- Overseas taxation

Withholding tax

Deferred tax

Relating to the origination and
reversal of temporary differences

Taxation charge

		集團 Group	
		2006	2005
		<u>26</u>	33
		<u>74</u>	83
		<u>73</u>	(2)
		<u>173</u>	114
		<u>5</u>	3
		<u>(5)</u>	-
		<u>173</u>	117

10. 稅項 (續)

本集團之稅項支出與本公司以本港稅率而計算之除稅前溢利稅項之調節表如下：

10. TAXATION (continued)

Reconciliation of Group's profit before taxation at the tax rate of Hong Kong to the taxation charge is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2006	2005
除稅前溢利(不包括應佔 共同控制公司及 一聯營公司溢利)	Profit before taxation (before share of profit of jointly controlled companies and an associate)	375	517
按稅率百分之十七點五(二零零五年： 百分之十七點五)計算	Calculated at a taxation rate of 17.5% (2005: 17.5%)	66	91
其他國家不同稅率 之影響	Effect of different tax rates in other countries	13	24
不可扣稅之支出	Expenses not deductible for tax purpose	25	8
未確認之遞延稅項資產	Deferred tax assets not recognized	3	3
無須課稅之收入	Income not subject to tax	(17)	(17)
扣繳稅項	Withholding tax	10	10
過往年度準備不足/(剩餘)	Under/(over) provision in previous year	73	(2)
稅項支出	Taxation charge	173	117

本公司及其香港附屬公司之稅項準備是根據本年度從香港賺取或源自香港之估計應課稅溢利按現稅率百分之十七點五(二零零五年：百分之十七點五)計算。

The provision for taxation of the Company and its Hong Kong subsidiaries is calculated by applying the current rate of taxation of 17.5 percent (2005: 17.5 percent) to the estimated assessable profits earned in or derived from Hong Kong during the year.

其他於海外經營之附屬公司之利得稅項是根據適用於各司法權區之稅率而計算。

Taxation on the profits of other subsidiaries operating overseas is calculated at the rates applicable in the respective jurisdictions.

於本年度，中華人民共和國廣州市國家稅務局(「廣州市國稅局」)就本集團在中國大陸境內自一九九六年起之轉讓定價安排展開審核調查，重點放於特許權收入。根據審核調查之結果，廣州市國稅局要求本集團須補繳外商投資企業和外國企業所得稅約人民幣六千六百萬元，而本集團亦相應作出適當之稅務撥備於賬目內。

During the year, the Guangzhou Municipal Office of the State Administration of Taxation (the "SAT Guangzhou Office") of the People's Republic of China conducted a review of the Group's transfer pricing policy in Mainland China for the past years since 1996, focusing primarily on royalties. As a consequence of this review, the SAT Guangzhou Office made a demand for payment of approximately RMB66 million additional Foreign Enterprise Income Tax. Accordingly, the Group has made an appropriate tax provision in the accounts.

11. 股東應佔溢利

股東應佔集團之綜合溢利為港幣二億零五百萬元(二零零五年：港幣四億零六百萬元)，包括在本公司財務報表內已計入之股東應佔溢利為港幣二億四千七百萬元(二零零五年：港幣三億零四百萬元)。

12. 股息

(a) 本年度股息如下：

(以港幣百萬元為單位)

已宣布及已派發之中期股息
每股港幣四點五仙
(二零零五年：每股港幣四點五仙)

已宣布及已派發之特別中期股息
每股港幣二仙
(二零零五年：每股港幣二仙)

於結算日後建議之末期股息
每股港幣五仙
(二零零五年：每股港幣五仙)

於結算日後建議之特別末期股息
每股港幣一角五仙
(二零零五年：每股港幣一角五仙)

於二零零七年三月二十二日舉行之董事會會議上，董事建議派發末期及特別末期股息分別為每股港幣五仙及港幣一角五仙。此項擬派股息在結算當日並無確認為負債。

11. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The Group's consolidated profit attributable to shareholders of the Company of HK\$205 million (2005: HK\$406 million) includes a profit of HK\$247 million (2005: HK\$304 million) which has been dealt with in the financial statements of the Company.

12. DIVIDENDS

(a) Dividends attributable to the year:

(In HK\$ millions)

Interim dividend declared and
paid of 4.5 HK cents
(2005: 4.5 HK cents) per share

Special interim dividend declared and
paid of 2.0 HK cents
(2005: 2.0 HK cents) per share

Final dividend proposed after
balance sheet date of 5.0 HK cents
(2005: 5.0 HK cents) per share

Special final dividend proposed after
balance sheet date of 15.0 HK cents
(2005: 15.0 HK cents) per share

At the board meeting held on March 22, 2007, the directors proposed final and special final dividends of 5.0 HK cents and 15.0 HK cents per share respectively. These proposed dividends have not been recognized as a liability at the balance sheet date.

2006

2005

67

67

30

30

97

97

75

75

223

223

298

298

395

395

12. 股息 (續)

(b) 屬於上一年度，並於本年度內通過及支付的股息：

(以港幣百萬元為單位)

已批准及派發二零零五年末期股息
每股港幣五仙
(二零零四年：每股港幣四點五仙)

已批准及派發二零零五年特別末期股息
每股港幣一角五仙
(二零零四年：每股港幣一角三仙)

12. DIVIDENDS (continued)

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

(In HK\$ millions)

2005 final dividend approved
and paid of 5.0 HK cents
(2004: 4.5 HK cents) per share

2005 special final dividend approved
and paid of 15.0 HK cents
(2004: 13.0 HK cents) per share

2006

2005

75

67

223

193

298

260

13. 每股盈利

每股基本及攤薄盈利乃按本年度股東應佔綜合溢利港幣二億零五百萬元(二零零五年：港幣四億零六百萬元)計算。

每股基本盈利乃按本年度內已發行股份之加權平均股數十四億九千零二十二萬八千五百四十股(二零零五年：十四億七千七百四十七萬零六十六股)計算。

每股攤薄盈利乃按十四億九千零二十二萬八千五百四十股(二零零五年：十四億七千七百四十七萬零六十六股)，即本年內已發行股份之加權平均股數，加上假設根據本公司購股權計劃授出之所有未行使購股權皆已行使而發行之股份之加權平均股數一百六十萬零二千三百二十一股(二零零五年：五百三十四萬九千九百四十六股)計算。

13. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share are based on the consolidated profit attributable to shareholders for the year of HK\$205 million (2005: HK\$406 million).

The basic earnings per share is based on the weighted average of 1,490,228,540 shares (2005: 1,477,470,066 shares) in issue during the year.

The diluted earnings per share is based on 1,490,228,540 shares (2005: 1,477,470,066 shares) which is the weighted average number of shares in issue during the year plus the weighted average of 1,602,321 shares (2005: 5,349,946 shares) deemed to be issued if all outstanding share options granted under the share option scheme of the Company had been exercised.

14. 物業、機器及設備

14. PROPERTY, PLANT AND EQUIPMENT

集團

Group

		永久業權 之土地 及樓宇 Freehold land & building	樓宇 Buildings	機器 Plant	租賃物業 裝修、 傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	汽車 Motor vehicles	合計 Total
(以港幣百萬元為單位)	(In HK\$ millions)						
成本值	Cost						
於二零零六年一月一日	At January 1, 2006	37	24	83	680	19	843
換算差額	Translation difference	-	-	-	19	1	20
添置	Additions	-	-	5	105	1	111
出售	Disposals	-	-	-	(82)	(2)	(84)
於二零零六年十二月三十一日	At December 31, 2006	37	24	88	722	19	890
累積折舊	Accumulated depreciation						
於二零零六年一月一日	At January 1, 2006	6	-	65	502	14	587
換算差額	Translation difference	-	-	-	14	-	14
本年度折舊	Charge for the year	1	1	4	100	2	108
出售	Disposals	-	-	-	(78)	(2)	(80)
於二零零六年十二月三十一日	At December 31, 2006	7	1	69	538	14	629
於二零零六年十二月三十一日 之賬面淨值	Net book value at December 31, 2006	30	23	19	184	5	261

14. 物業、機器及設備 (續)

14. PROPERTY, PLANT AND EQUIPMENT (continued)

集團

Group

		永久業權 之土地 及樓宇 Freehold land & building	樓宇 Buildings	機器 Plant	租賃物業 裝修、 傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	汽車 Motor vehicles	合計 Total
(以港幣百萬元為單位)	(In HK\$ millions)						
成本值	Cost						
於二零零五年一月一日	At January 1, 2005	38	125	75	619	19	876
換算差額	Translation difference	(1)	-	-	(10)	-	(11)
重新分類至 投資物業	Reclassified to investment property	-	(101)	-	-	-	(101)
添置	Additions	-	-	11	108	1	120
出售	Disposals	-	-	(3)	(37)	(1)	(41)
於二零零五年十二月三十一日	At December 31, 2005	37	24	83	680	19	843
累積折舊	Accumulated depreciation						
於二零零五年一月一日	At January 1, 2005	6	10	62	439	13	530
換算差額	Translation difference	-	-	-	(7)	-	(7)
重新分類至 投資物業	Reclassified to investment property	-	(11)	-	-	-	(11)
本年度折舊	Charge for the year	-	1	5	105	2	113
出售	Disposals	-	-	(2)	(35)	(1)	(38)
於二零零五年十二月三十一日	At December 31, 2005	6	-	65	502	14	587
於二零零五年十二月三十一日 之賬面淨值	Net book value at December 31, 2005	31	24	18	178	5	256

14. 物業、機器及設備 (續)

14. PROPERTY, PLANT AND EQUIPMENT (continued)

集團

Group

(a) 於二零零六年及二零零五年十二月三十一日，並無融資物業、機器及設備。

(a) As at December 31 of 2006 and 2005, no property, plant and equipment was held under finance lease.

(b) 永久業權之土地及樓宇位於台灣。

(b) The freehold land and building is situated in Taiwan.

(c) 樓宇之賬面淨值分析如下：

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

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2005	Company	2005
		2006	2005	2006	2005
在香港持有	In Hong Kong, held on				
- 十年至五十年租約	- leases of between 10 and 50 years	19	19	10	10
在香港以外持有	Outside Hong Kong, held on				
- 十年至五十年租約	- leases of between 10 and 50 years	1	2	-	-
- 多於五十年租約	- leases of over 50 years	3	3	-	-
		4	5	-	-
於十二月三十一日	At December 31	23	24	10	10

14. 物業、機器及設備 (續)

14. PROPERTY, PLANT AND EQUIPMENT (continued)

公司	Company	樓宇 Buildings	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	合計 Total
(以港幣百萬元為單位)	(In HK\$ millions)			
成本值	Cost			
於二零零六年一月一日及 二零零六年十二月三十一日	At January 1, 2006 and December 31, 2006	11	3	14
累積折舊	Accumulated depreciation			
於二零零六年一月一日及 二零零六年十二月三十一日	At January 1, 2006 and December 31, 2006	1	3	4
於二零零六年十二月三十一日 之賬面淨值	Net book value at December 31, 2006	10	–	10

公司	Company	樓宇 Buildings	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	合計 Total
(以港幣百萬元為單位)	(In HK\$ millions)			
成本值	Cost			
於二零零五年一月一日及 二零零五年十二月三十一日	At January 1, 2005 and December 31, 2005	11	3	14
累積折舊	Accumulated depreciation			
於二零零五年一月一日及 二零零五年十二月三十一日	At January 1, 2005 and December 31, 2005	1	3	4
於二零零五年十二月三十一日 之賬面淨值	Net book value at December 31, 2005	10	–	10

15. 投資物業

本集團持有一物業作長期收租。於二零零五年，該物業由樓宇重新分類至投資物業。

(以港幣百萬元為單位)

成本值

於一月一日

從自用物業

並重新分類

於十二月三十一日

累積折舊

於一月一日

從自用物業

並重新分類

本年度折舊

於十二月三十一日

於十二月三十一日之賬面淨值

該投資物業於二零零六年十二月三十一日之公平值由獨立及持有專業資格之漢華評值有限公司估值。估值乃根據土地現有市價及樓宇樓齡、現有狀況及功能老化等因素調整後之重置價而作出估計。於二零零六年十二月三十一日，該物業(包括租賃土地及樓宇部分)之總公平值為港幣一億四千八百萬元(二零零五年：港幣一億四千萬元)。在損益表中已包括該投資物業之租金收入為港幣一千萬元(二零零五年：港幣八百萬元)。

15. INVESTMENT PROPERTY

The Group has a property which is held for long-term rental yields. In 2005, such property is reclassified from buildings to investment property.

(In HK\$ millions)

Cost

At January 1

Reclassified from

owner-occupied property

At December 31

Accumulated depreciation

At January 1

Reclassified from

owner-occupied property

Charge for the year

At December 31

Net book value at December 31

集團
Group

2006 2005

101 -

- 101

101 101

13 -

- 11

2 2

15 13

86 88

The fair value of the investment property at December 31, 2006 was assessed by independent professional qualified valuer, Greater China Appraisal Limited. Valuation was based on current market value of the land and on estimate of the replacement cost of building adjusted for age, condition and functional obsolescence. The total fair value of the property, including leasehold land and the building portion, was HK\$148 million at December 31, 2006 (2005: HK\$140 million). In the profit and loss account, rental income relating to investment property of HK\$10 million (2005: HK\$8 million) was included.

15. 投資物業 (續)

投資物業之賬面淨值分析如下：

(以港幣百萬元為單位)

在香港以外持有
十年至五十年租約

15. INVESTMENT PROPERTY (continued)

The net book value of the investment property is analyzed as follows:

(In HK\$ millions)

Outside Hong Kong, held on lease
of between 10 and 50 years

集團
Group

2006 2005

86 88

16. 附屬公司權益

(以港幣百萬元為單位)

非上市投資(成本值)

應收附屬公司款項

於二零零六年及二零零五年結算日，應收附屬公司款項均為免息、無抵押及按要求還款。

主要附屬公司之詳情載於第一百一十二頁至一百一十五頁之財務報表附註34。

16. INTEREST IN SUBSIDIARIES

(In HK\$ millions)

Unlisted investment (at cost)

Amounts due from subsidiaries

公司
Company

2006 2005

898 898

832 980

As at the balance sheet date of 2006 and 2005, amounts due from subsidiaries are non-interest bearing, unsecured and repayable on demand.

Details of principal subsidiaries are set out in note 34 to the financial statements on pages 112 to 115.

17. 共 同 控 制 公 司 權 益

於二零零六年十二月三十一日，本集團持有以下共同控制公司股份：

17. INTEREST IN JOINTLY CONTROLLED COMPANIES

As at December 31, 2006, the Group held shares in the following jointly controlled companies:

共同控制公司名稱 Name of jointly controlled company	成立及經營地點 Place of incorporation and operation	持有股份百分比率 Percentage of equity holding		已發行及全數繳足股本 Issued and fully paid share capital	主要業務 Principal activities
		2006	2005		
Giordano Corporation Limited	大韓民國 Republic of Korea	49.4	49.5	一百零一萬一千七股 每股面值五千韓國圓之普通股 1,011,700 common stock of WON5,000 each	經營零售服裝及 配襯用品 Retail of apparel and accessories
Higrowth Ventures Limited	英屬處女群島 British Virgin Islands	49.0	49.0	四十九股A類別及 五十一股B類別 每股面值各一美元之普通股 49 Class A and 51 Class B ordinary shares of US\$1 each	製造 Manufacturing
昌耀企業有限公司 Cheong Yiu Enterprises Limited	香港 Hong Kong	49.0	49.0	二十萬股 每股面值港幣一元之 普通股 200,000 ordinary shares of HK\$1 each	經營包裝物料貿易 Trading of packaging products

17. 共同控制公司權益 (續)

以下為本集團所佔該等共同控制公司之資產、負債及業績，並已包括在集團資產負債表及綜合損益表內：

17. INTEREST IN JOINTLY CONTROLLED COMPANIES (continued)

The following amounts, representing the Group's share of the assets, liabilities and results of jointly controlled companies, were included in the Group's balance sheet and consolidated profit and loss account:

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
流動資產	Current assets	266	251
流動負債	Current liabilities	(75)	(67)
非流動資產	Non-current assets	170	137
非流動負債	Non-current liabilities	(3)	(5)
所佔資產淨值	Share of net assets	358	316
收益	Revenue	660	564
費用	Expense	(650)	(537)
除稅前溢利	Profit before taxation	10	27
稅項	Taxation	(2)	(7)
應佔除稅後溢利	Share of profit after taxation	8	20
按比例應佔 共同控制公司 營業租賃之承擔	Proportionate interest in jointly controlled companies' operating lease commitments	58	22

本集團所持有之共同控制公司之權益並沒有涉及任何或然負債及資本承擔，而該等共同控制公司本身亦無任何或然負債及資本承擔。

There are no contingent liabilities and capital commitments relating to the Group's interest in the jointly controlled companies, and no contingent liabilities and capital commitments of the companies themselves.

18. 聯營公司權益

於二零零六年十二月三十一日，本集團持有以下聯營公司股份：

18. INTEREST IN AN ASSOCIATE

As at December 31, 2006, the Group held shares in the following associate:

聯營公司名稱 Name of associate	成立及經營地點 Place of incorporation and operation	持有股份百分比率 Percentage of equity holding	已發行及全數繳足股本 Issued and fully paid share capital	主要業務 Principal activities	
		2006	2005		
Giordano Fashions L.L.C.	阿拉伯聯合酋長國 United Arab Emirates	20.0	20.0	三千股每股面值一千沙地阿拉伯聯合酋長國迪拉姆之股份 3,000 shares of AED1,000 each	經營零售服裝及配襯用品 Retail of apparel and accessories

本集團持有之非上市聯營公司權益如下：

The Group's interest in its unlisted associate was as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
資產	Assets	43	39
負債	Liabilities	(11)	(9)
所佔資產淨值	Share of net assets	32	30
收益	Revenue	72	66
除稅前溢利	Profit before taxation	8	11
稅項	Taxation	-	-
應佔除稅後溢利	Share of profit after taxation	8	11

19. 租賃土地及租金預付款項 19. LEASEHOLD LAND AND RENTAL PREPAYMENTS

集團

Group

(以港幣百萬元為單位)	(In HK\$ millions)	租賃土地	租金	合計	
		預付款項	預付款項	Total	
		Leasehold land	Rental	2006	2005
		prepayments	prepayments	2006	2006
於一月一日之賬面淨值	Net book value at January 1	250	76	326	342
換算差額	Translation difference	2	3	5	2
添置	Additions	-	4	4	-
出售	Disposal	-	-	-	(5)
本年度攤銷	Amortization for the year	(9)	(5)	(14)	(13)
於十二月三十一日之賬面淨值	Net book value at December 31	243	78	321	326
短期部分	Current portion	(8)	(6)	(14)	(13)
長期部分	Long-term portion	235	72	307	313

公司

Company

租賃土地預付款項分析如下：

Leasehold land prepayments are analyzed as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	2006	2005
於一月一日之賬面淨值	Net book value at January 1	171	176
本年度攤銷	Amortization for the year	(6)	(5)
於十二月三十一日之賬面淨值	Net book value at December 31	165	171
短期部分	Current portion	(5)	(5)
長期部分	Long-term portion	160	166

19. 租賃土地及租金預付款項
(續)

租賃土地預付款項乃指已預付的經營租賃支出。該等成本值是按剩餘租賃年期攤銷，其賬面淨值分析如下：

(以港幣百萬元為單位)

在香港持有
- 十年至五十年租約

在香港以外持有
- 十年至五十年租約

- 多於五十年租約

19. LEASEHOLD LAND AND RENTAL PREPAYMENTS
(continued)

Leasehold land prepayments represent prepaid operating lease payments. The costs are amortized over the leasehold period and their net book values are analyzed as follows:

(In HK\$ millions)

In Hong Kong, held on
- leases of between
10 and 50 years

Outside Hong Kong, held on
- leases of between
10 and 50 years

- leases of over 50 years

集團 Group		公司 Company	
2006	2005	2006	2005
175	180	165	171
43	44	-	-
25	26	-	-
243	250	165	171

20. 存貨

(以港幣百萬元為單位)

原料
在製貨品
製成品

20. INVENTORIES

(In HK\$ millions)

Raw materials
Work in progress
Finished goods

集團 Group	
2006	2005
66	50
51	39
305	280
422	369

存貨值已確認為費用並記賬在銷售成本中為港幣二十一億九千四百萬元(二零零五年：港幣二十一億七千萬元)。

The cost of inventories recognized as expense and included in cost of goods sold amounted to HK\$2,194 million (2005: HK\$2,170 million).

21. 應收賬款及其他應收款

21. TRADE AND OTHER RECEIVABLES

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		2006	2005	2006	2005
應收賬款	Trade receivables	327	273	-	-
減：減值撥備	Less: Provision for impairment	(10)	(10)	-	-
應收賬款淨值	Trade receivables - net	317	263	-	-
其他應收款、訂金 及預付款項	Other receivables, deposits and prepayments	177	144	1	3
		494	407	1	3

除現金及信用卡銷售外，本集團在正常情況下給予其貿易客戶平均六十日信貸期。

Other than cash and credit card sales, the Group normally allows an average credit period of 60 days to its trade customers.

以下為應收賬款之賬齡分析：

The ageing analysis of trade receivables is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2006	2005
零至三十日	0 - 30 days	236	202
三十一至六十日	31 - 60 days	54	36
六十一至九十日	61 - 90 days	13	14
逾九十日	Over 90 days	14	11
		317	263

應收賬款之賬面值約以公平值列賬。因集團之顧客分散於世界各地，故有關之應收賬款並無集中性之信貸風險。

The carrying amount of trade receivables are stated approximately at fair value. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of internationally dispersed customers.

22. 股本

22. SHARE CAPITAL

(以港幣百萬元為單位)	(In HK\$ millions)	2006	2005
法定： 二十億股每股 面值港幣五仙之普通股	Authorized: 2,000,000,000 ordinary shares of HK\$0.05 each	100	100
已發行及全數繳足： 十四億九千零八十五萬二千五百一十八股 (二零零五年：十四億八千九百六十三萬 零五百一十八股)每股面值港幣五仙之普 通股	Issued and fully paid: 1,490,852,518 ordinary shares (2005: 1,489,630,518 ordinary shares) of HK\$0.05 each	75	74

於本年度內，已發行股本之變動情況如下：

Details of the movement in the issued share capital during the year are set out below:

		股份數目 Number of shares	
		2006	2005
每股面值港幣五仙之普通股	Ordinary shares of HK\$0.05 each		
於一月一日	At January 1	1,489,630,518	1,450,591,518
發行股份	Issue of shares	1,222,000	39,039,000
於十二月三十一日	At December 31	1,490,852,518	1,489,630,518

(a) 發行股份

按本公司之購股權計劃，本公司於本年度內因購股權持有人行使購股權附予之權利而發行了每股面值港幣五仙之新普通股股份共一百二十二萬二千股。

本公司於本年度內發行之所有新普通股與本公司當時之現有股份在各方面均享有同等權益。

(a) Issue of shares

Pursuant to the share option scheme of the Company, the Company issued 1,222,000 new ordinary shares of HK\$0.05 each in the capital of the Company to option-holders who exercised their rights attached to share options during the year.

All the new ordinary shares issued by the Company in the year ranked pari passu with the then existing shares of the Company in all respects.

(b) 購股權資料

購股權計劃之摘要及本公司購股權於本年度內之變動詳情載於第一百一十六頁至一百二十頁。

(b) Share option information

A summary of the share option scheme and details of the movement in share options of the Company during the year are set out on pages 116 to 120.

(c) 回購股份

本公司於本年度內並無購回其任何股份。

(c) Repurchase of shares

During the year, the Company did not repurchase any of its shares.

22. 股本 (續)

(d) 一共同控制公司所持有的股份

於二零零六年十二月三十一日，一共同控制公司持有本公司一百八十萬股普通股股份(二零零五年：一百八十萬股)。

22. SHARE CAPITAL (continued)

(d) Shares held by a jointly controlled company

As at December 31, 2006, 1,800,000 ordinary shares (2005: 1,800,000 shares) were held by a jointly controlled company.

23. 儲備

於二零零六年十二月三十一日，本集團及本公司之儲備分析如下：

23. RESERVES

The reserves of the Group and the Company as at December 31, 2006 are analyzed as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		2006	2005	2006	2005
繳入盈餘	Contributed surplus	383	383	540	540
資本贖回儲備	Capital redemption reserve	3	3	3	3
股份溢價	Share premium	606	602	606	602
購股權儲備	Share options reserve	10	10	10	10
匯兌儲備	Exchange reserve	20	(30)	—	—
其他儲備	Other reserves	113	119	—	—
滾存溢利	Retained profits	479	663	330	478
		1,614	1,750	1,489	1,633
擬派末期及特別股息 (附註12(a))	Proposed final and special dividends (note 12(a))	298	298	298	298
儲備總額	Total reserves	1,912	2,048	1,787	1,931

其他儲備之詳情如下：

Details of other reserves are as follows:

- (a) 根據中國大陸有關法律及財務法規，中國大陸之附屬公司之法定儲備基金可用於彌補往年虧損(如有)及用以增加該等附屬公司之資本額。
- (b) 根據韓國稅務獎勵限制法例及韓國商業準則，大韓民國之共同控制公司之法定儲備基金及其他儲備只可以用作抵銷未來虧損或轉作資本，而不可用作現金股息派發。
- (c) 根據阿拉伯聯合酋長國商業公司法例，阿拉伯聯合酋長國之聯營公司之法定儲備基金，除聯邦法規定外，不可作分配之用。

- (a) According to the relevant laws and financial regulations, the statutory reserve funds of the subsidiaries in Mainland China may be used to make up prior years' losses, if any, and to increase the capital of the subsidiaries.
- (b) In accordance with the Korean Tax Incentive Limitation Law and Korean Commercial Code, the statutory reserve fund and other reserves of the jointly controlled company in the Republic of Korea may only be used to offset a future deficit or be transferred to capital stock, but not for cash dividends.
- (c) According to the United Arab Emirates Commercial Companies Law, the statutory reserve fund of the associate in United Arab Emirates is not available for distribution except as provided in the Federal Law.

24. 遞延稅項

遞延稅項採用負債法就短暫性差異按適用於各司法權區之稅率而作全數撥備。

本集團於年內的遞延稅項資產及負債之變動(在同一徵稅地區之結餘抵銷前)如下：

遞延稅項(資產)/負債

(以港幣百萬元為單位)

	(In HK\$ millions)	加速 稅項折舊 Accelerated tax depreciation	未分派之 滾存溢利 Unremitted profits	其他 Others	合計 Total
於二零零六年一月一日	At January 1, 2006	-	78	(10)	68
換算差額	Translation difference	-	8	(1)	7
於損益表中 (計入)/列支	(Credited)/charged to profit and loss account	(3)	5	(7)	(5)
於權益中列支	Charged to equity	-	-	1	1
撥回扣繳稅項之 短暫性差異	Reversal of temporary difference on withholding tax	-	(2)	-	(2)
於二零零六年十二月三十一日	At December 31, 2006	(3)	89	(17)	69
於二零零五年一月一日	At January 1, 2005	4	73	(6)	71
於損益表中 (計入)/列支	(Credited)/charged to profit and loss account	(4)	7	(3)	-
於權益中計入	Credited to equity	-	-	(1)	(1)
撥回扣繳稅項之 短暫性差異	Reversal of temporary difference on withholding tax	-	(2)	-	(2)
於二零零五年十二月三十一日	At December 31, 2005	-	78	(10)	68

24. DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method at the rates applicable in the respective jurisdictions.

The movement in the Group's deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

Deferred tax (assets)/liabilities

	(In HK\$ millions)	Accelerated tax depreciation	Unremitted profits	Others	Total
At January 1, 2006		-	78	(10)	68
Translation difference		-	8	(1)	7
(Credited)/charged to profit and loss account		(3)	5	(7)	(5)
Charged to equity		-	-	1	1
Reversal of temporary difference on withholding tax		-	(2)	-	(2)
At December 31, 2006		(3)	89	(17)	69
At January 1, 2005		4	73	(6)	71
(Credited)/charged to profit and loss account		(4)	7	(3)	-
Credited to equity		-	-	(1)	(1)
Reversal of temporary difference on withholding tax		-	(2)	-	(2)
At December 31, 2005		-	78	(10)	68

24. 遞延稅項 (續)

年內於權益中列支的遞延稅項內包含長期貸款予一附屬公司之未變現外匯兌換收益而引至之稅項。

本集團有未確認遞延稅項資產港幣四千四百萬元(二零零五年：港幣四千萬元)主要源於稅損。此等未確認遞延稅項資產當中港幣二千七百萬元(二零零五年：港幣二千七百萬元)將於二零零六年十二月三十一日起一至五年內屆滿。餘下之部分主要由德國附屬公司之無限期稅損引致。

在法定權利許可下，若遞延所得稅涉及同一財政機關，遞延稅項資產可與遞延稅項負債互相抵銷。下列金額是在計入適當抵銷後，於資產負債表內列賬。

24. DEFERRED TAXATION (continued)

The deferred taxation charged to equity during the year comprised the tax on the unrealized exchange gain of a long-term loan to a subsidiary.

The Group has unrecognized deferred tax assets of HK\$44 million (2005: HK\$40 million) arising mainly from tax losses. These unrecognized deferred tax assets to the extent of HK\$27 million (2005: HK\$27 million) will expire within 1 to 5 years from December 31, 2006. The remaining portion is mainly related to the losses of subsidiaries in Germany, such tax losses has no expiry date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet.

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
遞延稅項資產	Deferred tax assets	(34)	(24)
遞延稅項負債	Deferred tax liabilities	103	92
		69	68

25. 應付賬款及其他應付款 25. TRADE AND OTHER PAYABLES

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2006	2005	Company
應付賬款	Trade payables	292	246	–	–
其他應付款 及應付費用	Other payables and accrued expenses	307	269	2	2
		599	515	2	2

以下為應付賬款之賬齡分析：

The ageing analysis of trade payables is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		Group	2006
零至三十日	0 - 30 days	218	192
三十一至六十日	31 - 60 days	39	40
六十一至九十日	61 - 90 days	20	8
逾九十日	Over 90 days	15	6
		292	246

應付賬款之賬面值約以公平值列賬。

The carrying amount of trade payables are stated approximately at fair value.

26. 淨流動資產

26. NET CURRENT ASSETS

本集團之淨流動資產指流動資產扣除流動負債。本集團於二零零六年及二零零五年之淨流動資產分別為港幣八億六千二百萬元及港幣十億二千九百萬元。本公司於二零零六年及二零零五年之淨流動資產分別為港幣七億九千四百萬元及九億三千一百萬元。

The Group's net current assets, defined as current assets less current liabilities, amounted to HK\$862 million and HK\$1,029 million in 2006 and 2005 respectively. The Company's net current assets was HK\$794 million and HK\$931 million in 2006 and 2005 respectively.

27. 資產總額扣除流動負債

本集團於二零零六年及二零零五年之資產總額扣除流動負債分別為港幣二十一億九千三百萬元及港幣二十三億零七百萬元。本公司於二零零六年之資產總額扣除流動負債為港幣十八億六千二百萬元，而二零零五年則為港幣二十億零五百萬元。

27. TOTAL ASSETS LESS CURRENT LIABILITIES

The Group's total assets less current liabilities amounted to HK\$2,193 million and HK\$2,307 million in 2006 and 2005 respectively. The Company's total assets less current liabilities was HK\$1,862 million in 2006 compared with HK\$2,005 million in 2005.

28. 現金及現金等值結存之分析

28. ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2006	2005
現金及銀行結存	Cash and bank balances	723	903
減：存款日起三個月以上到期之銀行定期存款	Deduct: Bank deposits with maturity over three months from date of deposits	(3)	(3)
		720	900
銀行貸款	Bank loans	(58)	(76)
淨現金及現金等值結存	Net cash and cash equivalents	662	824

本集團以上之現金及銀行結存包括等值港幣二億零八百萬元(二零零五年：港幣二億九千萬元)之人民幣現金及銀行結存。

Included in the cash and bank balances of the Group are cash and bank balances totalling HK\$208 million (2005: HK\$290 million) denominated in Renminbi.

本集團定期存款的實際利率為百分之三點五五(二零零五年：百分之二點九六)，該等存款之平均到期期限為少於三個月。

The effective interest rate on bank deposits of the Group was 3.55% (2005: 2.96%); these deposits have an average maturity of less than 3 months.

本集團之銀行貸款的實際利率為百分之一點七四(二零零五年：百分之一點三)。該等銀行貸款之平均到期期限為少於三個月。

The effective interest rate of Group's bank loans was 1.74% (2005: 1.30%); these bank loans have an average maturity of less than 3 months.

29. 承擔

經營租賃之承擔

- (i) 於二零零六年十二月三十一日，本集團及本公司就零售店舖、辦公室、工廠及貨倉之不可於未來撤銷之經營租賃的最低應付租賃費用如下：

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司			
		Group	2006	2005	Company	2006	2005
一年內	Within one year	522	507	3	4		
一年後但五年內	After one year but within five years	638	613	2	5		
五年以上	Over five years	42	43	-	-		
		1,202	1,163	5	9		

經營租賃合約包含不同種類條款，租金遞升協定及續租權。若干門市之經營租賃租金乃根據最低保證租金或以銷售額計算之租金（以較高者為準）。上述承擔乃按最低保證租金計算。

- (ii) 於二零零六年十二月三十一日，本集團及本公司就零售店舖及工廠之不可於未來撤銷之經營租賃的最低應收租賃收入如下：

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司			
		Group	2006	2005	Company	2006	2005
一年內	Within one year	24	25	10	17		
一年後但五年內	After one year but within five years	7	26	-	10		
		31	51	10	27		

29. COMMITMENTS

Commitments under operating leases

- (i) As at December 31, 2006, the Group and the Company had future aggregate minimum lease charges payable under non-cancelable operating leases in respect of retail shops, office premises, factories and warehouses as set out below:

	(In HK\$ millions)	集團		公司			
		Group	2006	2005	Company	2006	2005
Within one year		522	507	3	4		
After one year but within five years		638	613	2	5		
Over five years		42	43	-	-		
		1,202	1,163	5	9		

The leases have varying terms, escalation clauses and renewal rights. The operating lease rentals of certain outlets are based on the higher of a minimum guaranteed rental or a sales level based rental. The minimum guaranteed rental has been used to arrive at the above commitments.

- (ii) As at December 31, 2006, the Group and the Company had future aggregate minimum lease income receivable under non-cancelable operating leases in respect of retail shops and factories as set out below:

	(In HK\$ millions)	集團		公司			
		Group	2006	2005	Company	2006	2005
Within one year		24	25	10	17		
After one year but within five years		7	26	-	10		
		31	51	10	27		

30. 資本承擔

於二零零六年十二月三十一日，本集團有以下之資本承擔：

(以港幣百萬元為單位)

已簽約但未
撥備
已授權但未
簽約

30. CAPITAL COMMITMENTS

As at December 31, 2006, the Group has the following capital commitments:

(In HK\$ millions)

Contracted but not
provided for
Authorized but not
contracted for

集團 Group		公司 Company	
2006	2005	2006	2005
-	2	-	-
1	-	-	-
1	2	-	-

31. 或然負債

於二零零六年十二月三十一日，本集團及本公司有以下並無包括在財務報表內之或然負債：

(以港幣百萬元為單位)

代替租賃及水電按金
之銀行擔保
關於一全資附屬公司租客
之租賃按金之銀行擔保

31. CONTINGENT LIABILITIES

As at December 31, 2006, the Group and the Company had contingent liabilities not included in the financial statements in respect of the following:

(In HK\$ millions)

Bank guarantees in lieu of
rental and utility deposits
Bank guarantee in respect of
rental deposit of a tenant of
a wholly-owned subsidiary

集團 Group		公司 Company	
2006	2005	2006	2005
11	9	-	-
-	-	4	4
11	9	4	4

32. 衍生金融工具

於二零零六年十二月三十一日，本集團已承擔但未行使之遠期外匯兌換合約之設定總額如下：

(以港幣百萬元為單位)

遠期外匯兌換合約

遠期外匯兌換合約公平值之收益於二零零六年十二月三十一日約為港幣一百萬元(二零零五年：無)。該收益乃根據同等工具於資產負債表日之市場價值釐定，並包括於應收賬款及其他應收款內。

於二零零六年十二月三十一日，遠期外匯兌換合約之權益收益及虧損將由資產負債表日起一至六個月內的不同到期日於損益表中反映。

32. DERIVATIVE FINANCIAL INSTRUMENTS

As at December 31, 2006, the total notional amount of outstanding forward foreign exchange contracts to which the Group has committed are as follows:

	集團		公司	
	Group		Company	
(In HK\$ millions)	2006	2005	2006	2005
Forward foreign exchange contracts	25	-	-	-

The fair value gain of the forward foreign exchange contracts at December 31, 2006 is estimated to be approximately HK\$1 million (2005: Nil). The gain is calculated based on market values of equivalent instruments at the balance sheet date and is included in trade and other receivables.

Gains and losses in equity on forward foreign exchange contracts at December 31, 2006 will be released to the profit and loss account when they expire at various dates between one month to six months from the balance sheet date.

33. 重要關聯人士交易

於本年度內，本集團若干附屬公司按一般及日常業務過程與若干共同控制公司及一聯營公司進行正常商業條款交易。有關該等交易詳述如下：

33. MATERIAL RELATED PARTIES TRANSACTIONS

During the year, certain subsidiaries traded with jointly controlled companies and an associate in the ordinary and usual course of business and on normal commercial terms. Details relating to these transactions are as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
銷售給：	Sales to:		
共同控制公司	jointly controlled companies	164	169
一聯營公司	an associate	142	148
		306	317
購貨自：	Purchases from:		
共同控制公司	jointly controlled companies	209	105
租金收入自：	Rental income from:		
一共同控制公司	a jointly controlled company	10	8

於十二月三十一日應收關聯公司款項：

Amounts due from these related parties at December 31 are:

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2006	2005
共同控制公司	Jointly controlled companies	20	17
一聯營公司	An associate	19	10

於二零零六年十二月三十一日，上述應收共同控制公司及一聯營公司等款項已反映在應收賬款及其他應收款。

As at December 31, 2006, the above amounts due from jointly controlled companies and an associate are reflected in trade and other receivables.

34. 主要附屬公司

本公司於二零零六年十二月三十一日之主要附屬公司如下：

34. PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries of the Company as at December 31, 2006:

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding		已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2006	2005		
寶斯特有限公司* Bluestar Exchange Limited *	香港 Hong Kong	100	100	三百萬股 每股面值港幣一元 之普通股 3,000,000 ordinary shares of HK\$1 each	經營零售服裝 及配襯用品/香港 Retail of apparel and accessories/ Hong Kong
捷達環球貿易有限公司* Bluestar Exchange Worldwide Limited *	香港 Hong Kong	100	100	六十五萬股每股面值 港幣一元之普通股 650,000 ordinary shares of HK\$1 each	從事服裝及配襯用品之 零售及批發/台灣 Retail and wholesale of apparel and accessories/Taiwan
East Jean Limited *	香港 Hong Kong	100	100	十萬股每股面值 港幣十元之普通股 100,000 ordinary shares of HK\$10 each	經營零售服裝 及配襯用品/台灣 Retail of apparel and accessories/Taiwan
智源澳門離岸商業服務有限公司* G & B Sourcing Macao Commercial Offshore Limited*	澳門 Macau	100	100	澳門幣十萬元 MOP100,000	貿易/澳門 Trading/Macau
Giordano (Australia) Pty. Limited *	澳洲 Australia	79	79	七十萬股每股面值 一澳元之普通股 700,000 ordinary shares of AUD1 each	經營零售服裝 及配襯用品/澳洲 Retail of apparel and accessories/ Australia

34. 主要附屬公司 (續)

34. PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding		已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2006	2005		
Giordano (Japan) Limited *	日本 Japan	100	100	一千零二十股每股面值五萬日元之普通股 1,020 ordinary shares of JPY50,000 each	經營零售服裝及配襯用品/日本 Retail of apparel and accessories/Japan
佐丹奴有限公司 * Giordano Limited *	香港 Hong Kong	100	100	五萬股每股面值港幣一百元之普通股 50,000 ordinary shares of HK\$100 each	經營零售及分銷服裝及配襯用品/香港 Retail and distribution of apparel and accessories/Hong Kong
Giordano (M) Sdn. Bhd.	馬來西亞 Malaysia	100	100	三十五萬股每股面值馬來西亞幣一元之普通股 350,000 ordinary shares of RM1 each	經營零售服裝及配襯用品/馬來西亞 Retail of apparel and accessories/Malaysia
佐丹奴澳門有限公司 * Giordano (Macau) Limited *	澳門 Macau	100	100	澳門幣五萬元以兩股出資份額代表 MOP50,000 represented by 2 quotas	經營零售服裝及配襯用品/澳門 Retail of apparel and accessories/Macau

34. 主要附屬公司 (續)

34. PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding		已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2006	2005		
Giordano Originals (Singapore) Private Limited	新加坡 Singapore	100	100	新加坡幣一百九十萬零二元 S\$1,900,002	從事服裝及配襯用品之零售及貿易/新加坡 Retailing and trading of apparel and accessories/ Singapore
亮志服裝(香港)有限公司* Gloss Mind Apparel (Hong Kong) Limited *	香港 Hong Kong	51	51	二股每股面值港幣一元之普通股 2 ordinary shares of HK\$1 each	從事服裝貿易及提供相關服務/香港 Trading of apparel products and providing apparel services/ Hong Kong
PT. Giordano Indonesia *	印尼 Indonesia	40	40	一千五百股每股面值一百萬印尼盾之普通股 1,500 ordinary shares of IDR1,000,000 each	從事服裝、配襯用品及其有關產品之零售/印尼 Retail of apparel, accessories and related products/ Indonesia
深圳虎威製衣有限公司*(附註) Shenzhen Tiger Garment Ltd. * (note)	中國大陸 Mainland China	100	100	人民幣一千五百一十萬元 RMB15,100,000	投資控股、製造及銷售服裝及配襯用品/中國大陸 Investment holding, manufacturing and retailing of apparel and accessories/ Mainland China

附註：深圳虎威製衣有限公司乃一間中外合作經營公司

Note: Shenzhen Tiger Garment Ltd. is a sino-foreign co-operative joint venture

34. 主要附屬公司 (續)

34. PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding		已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2006	2005		
虎威企業有限公司 Tiger Enterprises Limited	香港 Hong Kong	100	100	一千股 每股面值港幣一元 之普通股、六千萬股 每股面值港幣一元 之無投票權遞延股 1,000 ordinary shares of HK\$1 each, 60,000,000 non-voting deferred shares of HK\$1 each	投資控股/中國大陸 Investment holding/ Mainland China
Walton International Ltd. *	開曼群島 Cayman Islands	100	100	一百零二股 每股面值一美元 之普通股 102 ordinary shares of US\$1 each	批授商標專利權 Licensing of trademarks

* 間接附屬公司

* subsidiaries held indirectly

35. 財務報表通過

35. APPROVAL OF FINANCIAL STATEMENTS

本年度財務報表已於二零零七年三月二十二日獲董事會通過。

The financial statements were approved by the board of directors on March 22, 2007.